

Public Education HEALTH TRUST



March 30, 2016

Kenai Peninsula School District
c/o Collen Savoie
Parker, Smith and Feek
3800 Centerpoint Drive, Suite 601
Anchorage, AK 99503

RE: Plan Rates for FY17

Dear Colleen:

The Trustees met on March 28 and 29th, 2016 to respond to the request of health insurance coverage for the Kenai Peninsula Borough School District employees and board members. The Trust requested and received 2 years of claims experience, large claims including diagnosis, census, medical disclosure and current plan designs.

The Trust offers plans with low administrative COSTS. We strive to provide options to districts/associations/employees with CHOICE in mind regarding their benefit plan design options each year. The need for local CONTROL in the decisions is paramount. Your group understands and knows best what to offer in terms of benefits to attract and retain qualified employees while addressing budget constraints.

The Trustees have approved an offer of coverage to Kenai Peninsula Borough School District employees and school board members. The premiums include a 5% load to the rates. Per policy, new groups joining the Trust; may be subject to an adjustment to rates if the historical claims, large claim diagnosis and medical disclosure warrants the load. The load is reviewed annually for reconsideration and will be removed at the 3rd renewal year.

The Trust offers eight medical plans, three dental plans and an option to add orthodontia coverage. A group may offer up to two different plan design options for their members/ employees. Additionally, with the school district's administrative agreement, a group can be defined as the entire eligible employee base, or broken into classified, certificated, administrative, school board. Which provides additional options in plan selection.

PUBLIC EDUCATION HEALTH TRUST
4003 Iowa Drive
Anchorage, AK 99517
Ph: (907) 274-7526
Fax: (907) 222-2556
www.pehtak.com

TRUSTEES

Chairperson:
Ron Fuhrer

Secretary:
Jessica Cook

Kathy Bell, Stephen Byers, Keri Clark, Josh Andrews, Tim Walters

The Trust strives to offer access to quality care. We recently implemented Teladoc providing access to physician visits from the comfort of home. The visits are free to the members and their families.

Attachments to this letter include, summary of plan designs offered by the Trust, list of in-network providers in the Kenai Borough Community, implementation agreement for the district/associations and a separate agreement for each school board member.

Should Kenai Peninsula Borough School District elect to move forward with selection of the Trust for their health insurance needs, please notify the Trust no later than May 2, 2016, of the plan designs selected for medical and dental coverages.

Sincerely,

A handwritten signature in blue ink that reads "Rhonda Kitter". The signature is fluid and cursive, with the first name "Rhonda" being more prominent than the last name "Kitter".

Rhonda Kitter
Chief Financial Officer

Public Education HEALTH TRUST



Rates for Plan Year FY 2017

New Group Participation

Effective July 1, ~~2017~~ 2016

Group: Kenai Peninsula Borough School District

Circle plans selected and sign along the bottom

Medical Plan Options

Plan A Medical	\$1,932.00
Plan B Medical	\$1,862.00
Plan C Medical	\$1,840.00
Plan D Medical	\$1,842.00
Plan E Medical	\$1,686.00
Plan F Medical	\$1,652.00
Plan G Medical	\$1,519.00
HDHP	\$1,481.00

Dental Plan Options

Plan Dental A	\$151.00
Plan Dental B	\$144.00
Plan Dental Value	\$53.00
Orthodontia	\$26.00

Initial

Group has selected to offer Medical Plan
Group has selected to offer Dental Plan
Group has selected to offer Orthodontia

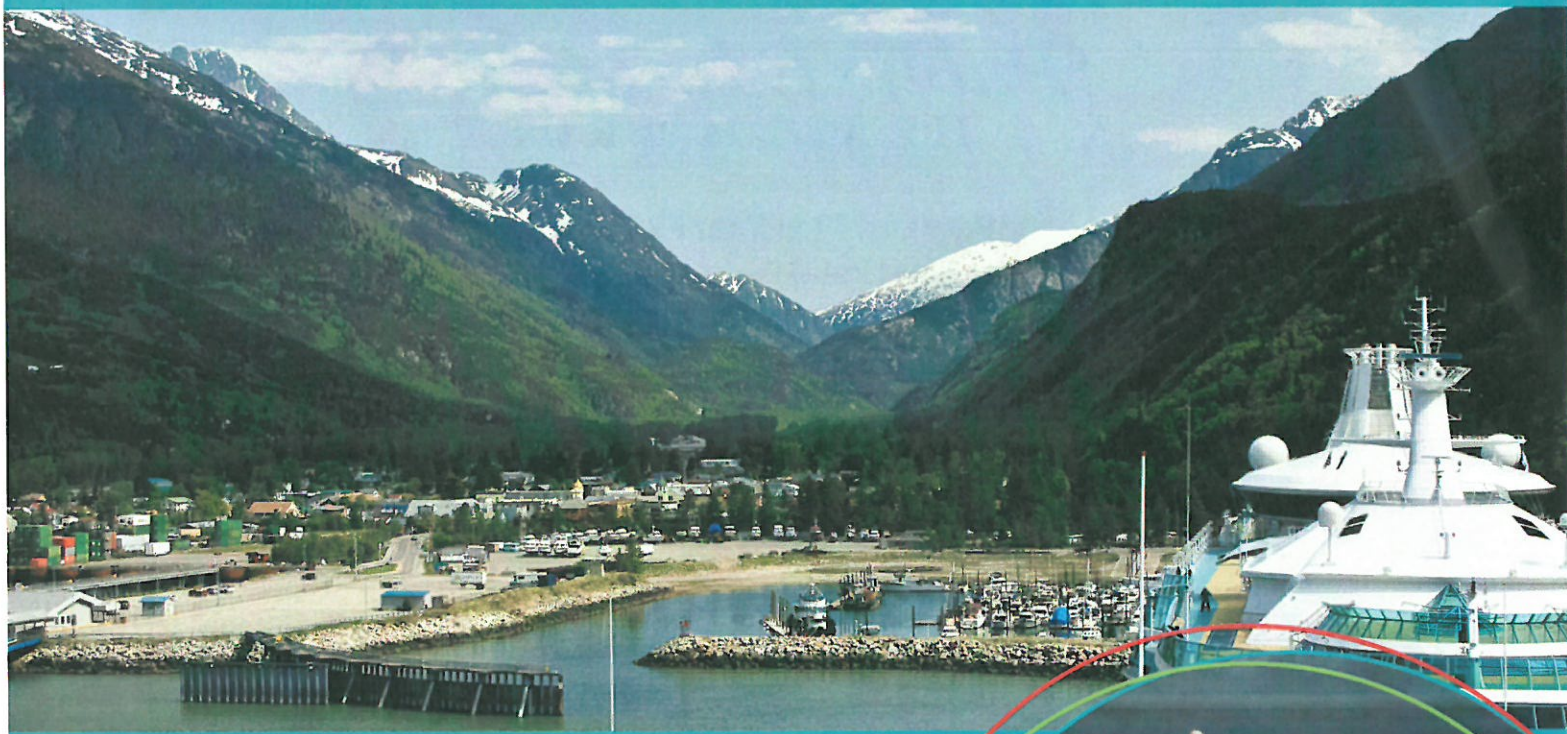
Letter _____

Letter _____

Signature

Title

Date



Public Education

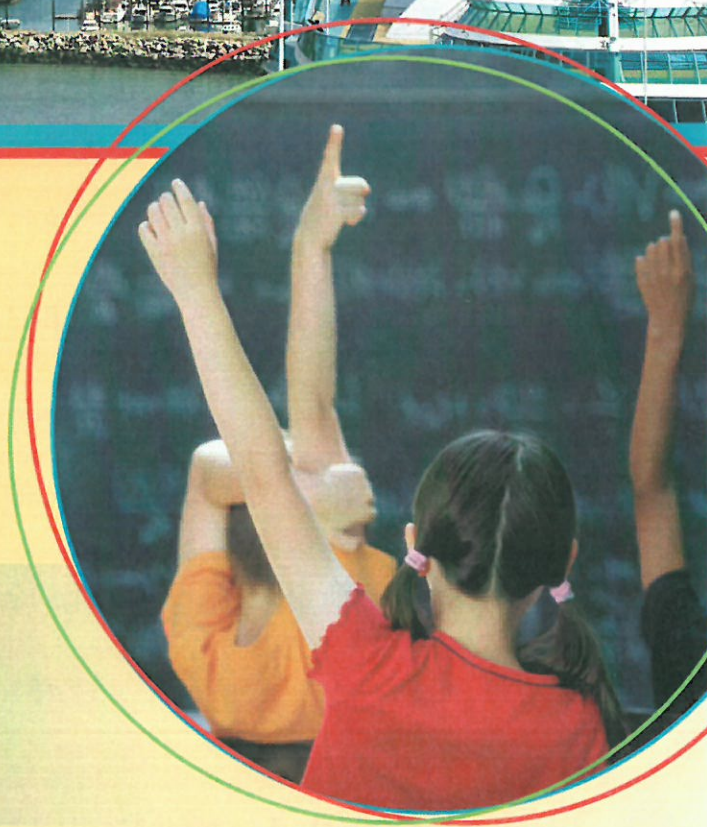
HEALTH TRUST



We value fiscal integrity.
We value the highest standard of service.
We value open and honest communication.
We value mutual respect and building trust.
We value the greatest possible benefit for all.

TRUST VISION STATEMENT

Maximize Member Benefits at the Least Cost.



Individual/Family DEDUCTIBLE
COINSURANCE %
Individual/Family OUT-OF-POCKET LIMIT*
OUT-OF-POCKET (Non Preferred)
CHIROPRACTIC
PHYSICIAN OFFICE VISIT CO-PAY
PRESCRIPTIONS - Retail (Generic medications required when available)
PRESCRIPTIONS - Mail Order (Generic medications required when available)
SPECIALTY MEDICATION PROGRAM (Not including oncology medications)
PREVENTIVE CARE (Well baby and routine cancer screenings)
EMERGENCY ROOM DEDUCTIBLE (waived if admitted)
INPATIENT HOSPITAL CO-PAY
BridgeHealth Surgery Benefit™

A	B
\$100 / \$300	\$250 / \$750
Preferred 80% to \$5,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$10,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate
\$1,000 plus deductible/ \$3,000 plus deductible	\$2,000 plus deductible/ \$6,000 plus deductible
No limit	No limit
Subject to deductible and coinsurance; up to 20 visits per calendar year	Subject to deductible and coinsurance; up to 20 visits per calendar year
N/A	N/A
\$12 / \$25 / \$50 - 30-day supply	\$12 / \$25 / \$50 - 30-day supply
\$24 / \$50 / \$100 - 90-day supply	\$24 / \$50 / \$100 - 90-day supply
50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary
Paid at 100%	Paid at 100%
\$500	\$500
\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year
100% no deductible	100% no deductible

* All plans that participate in the Trust are indexed each year to meet ACA required limitations for global out-of-pockets. In network, out-of-pocket responsibilities include calendar year deductible, coinsurance, (office co-payment where applicable) inpatient hospital deductibles, emergency room deductibles, prescription co-payment, pediatric vision exam and pediatric material co-payment.

C	D	E	F
\$500 / \$1,500	\$300 / \$900	\$1,000 / \$3,000	\$1,500 / \$3,000
Preferred 80% to \$10,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 70% to \$7,500; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$15,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$15,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate
\$2,000 plus deductible / \$6,000 plus deductible	\$2,250 plus deductible / \$6,750 plus deductible	\$3,000 plus deductible / \$9,000 plus deductible	\$3,000 plus deductible / \$6,000 plus deductible
No limit	No limit	No limit	No limit
Subject to deductible and coinsurance; up to 20 visits per calendar year	Subject to deductible and coinsurance; up to 20 visits per calendar year	Subject to deductible and coinsurance; up to 20 visits per calendar year	Subject to OVC or deductible/ coinsurance; up to 20 visits per calendar year
N/A	N/A	N/A	\$25 (1st 6 visits per calendar year)
\$17 / \$30 / \$60 - 30-day supply	\$12 / \$25 / \$50 - 30-day supply	\$17 / \$30 / \$60 - 30-day supply	\$17 / \$30 / \$60 - 30-day supply
\$34 / \$60 / \$120 - 90-day supply	\$24 / \$50 / \$100 - 90-day supply	\$34 / \$60 / \$120 - 90-day supply	\$34 / \$60 / \$120 - 90-day supply
50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary
Paid at 100%	Paid at 100%	Paid at 100%	Paid at 100%
\$500	\$500	\$500	\$500
\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year	\$500 per admission; capped two times per individual per year
100% no deductible	100% no deductible	100% no deductible	100% no deductible

	G	HDHP
Individual/Family DEDUCTIBLE	\$3,000 / \$6,000	\$1,500 / \$3,000
COINSURANCE %	Preferred 80% to \$15,000; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate	Preferred 80% to \$17,500; Non-Preferred Facility and Providers Payable amount up to 125% of the Medicare equivalent rate
Individual/Family OUT-OF-POCKET LIMIT*	\$3,000 plus deductible / \$6,000 plus deductible	\$3,500 plus deductible / \$7,000 plus deductible
OUT-OF-POCKET (Non Preferred)	No limit	No limit
CHIROPRACTIC	Subject to OVC or deductible/coinsurance; up to 20 visits per calendar year	Subject to deductible and coinsurance; up to 20 visits per calendar year
PHYSICIAN OFFICE VISIT CO-PAY	\$30 (1st 6 visits per calendar year)	N/A
PRESCRIPTIONS - Retail (Generic medications required when available)	\$17 / \$30 / \$60 - 30-day supply	Prescriptions are subject to deductible and coinsurance
PRESCRIPTIONS - Mail Order (Generic medications required when available)	\$34 / \$60 / \$120 - 90-day supply	Prescriptions are subject to deductible and coinsurance
PRESCRIPTION SPECIALTY (Not including oncology medications)	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non- Formulary	50% co-payment per prescription with a per prescription maximum of \$100 Value/\$400 Formulary/\$600 Non-Formulary
PREVENTIVE CARE (Well baby and routine cancer screenings)	Paid at 100%	Paid at 100%
EMERGENCY ROOM DEDUCTIBLE (waived if admitted)	\$500	\$500
INPATIENT HOSPITAL CO-PAY	\$500 per admission; capped two times per individual per year	\$200 per admission; capped two times per individual per year; applies to out-of-pocket
BridgeHealth Surgery Benefit™	100% no deductible	100% after deductible

* All plans that participate in the Trust are indexed each year to meet ACA required limitations for global out-of-pockets. In network, out-of-pocket responsibilities include calendar year deductible, coinsurance, (office co-payment where applicable) inpatient hospital deductibles, emergency room deductibles, prescription co-payment, pediatric vision exam and pediatric material co-payment.

Your Dental Benefit Options

Dental Plan A

Deductible	\$50 per person or \$150 per family
Maximum (per calendar year)	\$2000 (does not apply to preventive care services for covered persons age 18 and under)
Preventive Care	100% up to Usual and Customary (two visits per person per year)
Basic	80% subject to deductible and up to Usual and Customary
Major	50% subject to deductible and up to Usual and Customary

Dental Plan B

Deductible	\$75 per person or \$225 per family
Maximum (per calendar year)	\$3000 per person (does not apply to preventive care services for covered persons age 18 and under)
Preventive Care	100% up to Usual and Customary (two visits per person per year)
Basic	80% subject to deductible and up to Usual and Customary
Major	50% subject to deductible and up to Usual and Customary

Dental Plan - Value

Deductible	\$50 per person or \$150 per family
Maximum (per calendar year)	\$500 per person (does not apply to preventive care services for covered persons age 18 and under)
Preventive Care	100% up to the UCR (two visits per person per year) – after dental deductible
Basic	None
Major	None

Orthodontia

Orthodontia (per lifetime)	50% up to \$2000 per person
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Members are encouraged to use Aetna Dental Administrators *www.aetna.com/docfind/custom/aetnadentalaccess/ when available for additional Plan discounts.

Your Health Benefit Plan

Public Education Health Trust (PEHT), has contracted with Employee Benefit Management Services, Inc. (EBMS), a family-owned, nationally recognized third party administrator of group health benefit plans, for the administration of your benefits, including claims processing, access to Aetna Signature Administrator's national provider network, call center and online customer support and Carelink's medical management services. EBMS' dedicated team of health, legal and business strategists work collaboratively with PEHT administration and your member organizations to help maximize health and financial outcomes for the Trust and the members they serve.



EBMS has devoted a team of highly trained professionals available to help members navigate the complicated healthcare and insurance system. These member advocates will help explain the member's summary of benefits, review benefit programs offered by the member's health plan, assist with billing questions, and/or help the member resolve outstanding claims issues. This service is designed for members who are experiencing complex health issues or are having difficulty resolving their claims and benefits questions.

EBMS also provides real time access through our web based benefit administration resource, miBenefits. Allowing 24/7 online access to all benefits, claims, healthcare resources and general information, miBenefits allows you to check claims status and Explanation of Benefits (EOB) forms, view plan documents and provider directories. To access this web based portal, visit www.ebms.com.

Your VSP Vision Benefits



VSP is the largest not-for-profit vision care company in the U.S. today. They've worked exclusively with private-practice doctors to provide Public Education Health Trust members with the best eye care possible. With more than 67 million members nationwide, 49,000 clients, 54,000 access points of care and 31,000 doctors in their network, one in five people in the U.S. rely on VSP for quality eye coverage.

Vision (In VSP Network - for a list of VSP Providers go to www.vsp.com)

Co-pay	Examination - \$25; Materials - \$25
Annual Exam	Paid-in-Full every calendar year (after co-payment)
Lenses (single vision, lined bifocal, lined trifocal, and Lenticular Lenses)	Paid-in-Full every calendar year (after co-payment). Anti-reflective coating covered in full.
Frames	Paid-in-Full up to \$195 every calendar year (after co-payment) OR 2 pairs of frames every other calendar year (after co-payment).
Contact Lenses (instead of spectacle lenses and frame)	Necessary - Paid-in-Full (after co-payment); Specific benefit criteria must be met for Necessary Contact Lenses. Eligibility is determined by the VSP doctor at the time of service. Elective - paid up to \$130. Contact lens fitting and evaluation exam is covered after a \$60 copay.

**The above table is not applicable to the HDHP. Please see routine care services listed in the medical benefit booklet.*

Pharmacy Benefit Management



As your pharmacy benefits manager, Optum wants to help you get the most value from your prescription benefits. We are committed to giving you the information you need to make the best decisions regarding the prescriptions you take!

YOUR HEALTH IS IN YOUR HANDS

Visit Optumrx.com/mycatamaranrx or get the Optum Mobile App for iPhone or Android to locate a nearby pharmacy, find your copay, review your benefit documents, order mail order refills, and more. Most national chains and many local pharmacies are included in the Optum network. Save the most money by choosing generic medications when possible.

HOME DELIVERY

Members who take long-term maintenance medications will save money using this service. Medications are delivered right to your door, and you can order refills quickly and easily online or by phone.

CUSTOMER SERVICE

We are here to assist you day and night! Call the phone number on your member ID card or visit Optumrx.com/mycatamaranrx.

Member Assistance Program

The SupportLinc Member Assistance Program (MAP) is designed to help you manage life's daily challenges. We can refer you to professional counselors and services that can help you and your eligible family members resolve a broad range of personal concerns, such as:

- Marriage and Relationship Issues
- Stress and Anxiety
- Depression
- Substance Abuse
- Anger Management
- Family Problems
- Grief and Loss
- Legal and Financial Services
- Dependent Care

Visit www.supportlinc.com to find out more information!



Disease Management Program

INETICARE's skilled Nurse Care Managers can help you enroll in appropriate programs and provide guidance and support as you learn how to effectively manage your condition. They can be with you every step of the way, supplying information, educational materials and resources to help you take control. In addition, they provide ongoing support to ensure you are able to achieve your goals while continuing to improve your health and wellness.

IT'S EASY TO GET STARTED!

- Decide to participate
- Communicate with your Nurse Care Manager
- Set realistic goals
- Work towards improving your health
- Receive your \$0 co-pay incentive for generic medications

Call today: (877) 608 - 2200



So when an INETICARE Nurse Care Manager reaches out to you, take a moment and have the conversation that can begin to improve your quality of life and save you money!

\$0 Co-Pay Incentive Program for generic medications - THE SECOND BEST BENEFIT NEXT TO YOUR IMPROVED HEALTH!

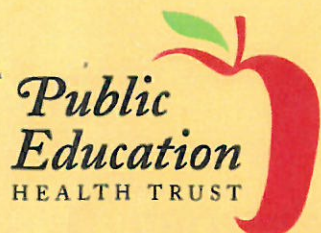
Teladoc

Public Education Health Trust has contracted with TelaDoc to provide 24/7 Physician Consultations for you and your Dependents.

Teladoc offers 24/7 Physician Consultations, which provide access to licensed, U.S.-based physicians by phone, secure e-mail, video and mobile app at any time of the day. Physicians offer diagnoses, medical advice, treatment recommendations and can even prescribe medications over the phone.

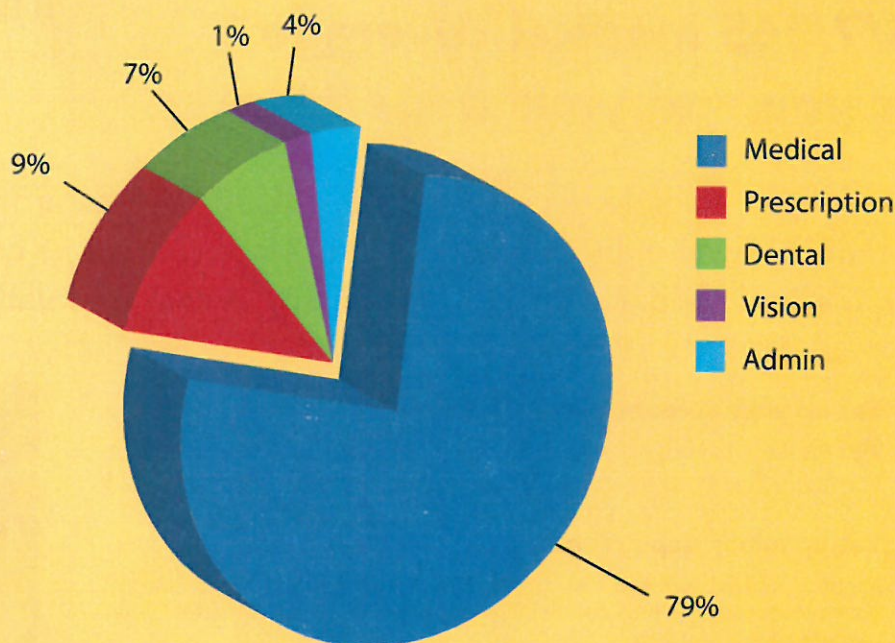
Call: 1-800-Teladoc or www.Teladoc.com.





Public Education Health Trust Premium Dollar Advantage

96% of all premium dollars are used to pay member claims.



The Public Education Health Trust was established on July 1, 1996.

As of January 1, 2016, the following associations/employer groups participate in the Trust:

Alaska Gateway School District
Anchorage Education Association
Bristol Bay Borough School District
Chatham School District
Classified Employee Association
Copper River School District
Cordova School District
Craig City School District

Delta Greely School District
Denali Borough School District
Haines School District
Hydaburg City School District
Juneau Administrators
Juneau Exempt
Juneau Education Association
Kake School District

Mat-Su Borough School District
Mat-Su Education Association
Nenana School District
Petersburg School District
Pribilof School District
Public Education Health Trust Office
Southeast Island School District
Wrangell School District

Contact the Health Plan by Mail:

Public Education Health Trust
4003 Iowa Drive; Anchorage, Alaska 99517

Contact the Health Plan by Phone:

in Anchorage: 907-274-7526
outside of Anchorage: 1-888-685-7526

Contact the Health Plan by Fax:

907-222-2556





Brought to you by:
Teladoc



24/7/365 medical coverage for you and your dependents

You and your eligible dependents can talk to a U.S. board-certified doctor anytime, anywhere, by phone or video. Teladoc® doctors can treat many of your medical conditions. **Give your family access to Teladoc.**

1 Set up your account (PRIMARY MEMBER)

Visit the website and click "Set up account". Follow the online instructions to provide the necessary information and to complete your medical history.

2 Set up minor dependents (17 OR YOUNGER)

Log into your account and click "My Family" from the top menu. Follow the online instructions to provide the necessary information and complete your dependent medical history.

3 Set up adult dependents (18 OR OLDER)

Adult dependents set up their own account by visiting the website and clicking "Set up account". They should follow the online instructions to provide the necessary information and to complete their medical history.

4 Request a consult

Once your account is set up, request a consult anytime and anywhere you need care. With your consent, Teladoc is happy to provide information about your Teladoc consult to your primary care physician.

Do I have a username?

When setting up your account online, you will be asked for a username. Your username can be found on your Teladoc membership card. If you do not have a membership card or you do not know your username, simply select "No" and complete the information requested.



Talk to a doctor anytime for Free

 Teladoc.com

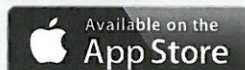
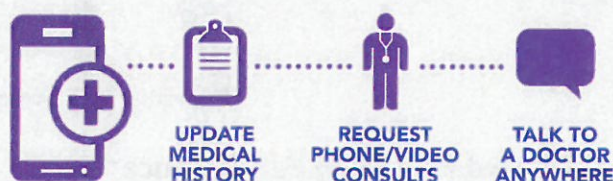
 Facebook.com/Teladoc

 **1-800-Teladoc**

 Teladoc.com/mobile

Download the app and take a doctor with you

The Teladoc member app gives you 24/7/365 access to a doctor through your mobile devices.



Talk to a doctor now for Free

Teladoc.com | 1-800-Teladoc

Teladoc can treat



- Cold & flu symptoms
- Respiratory infection
- Sinus problems
- Ear infection
- And more!

Use Teladoc when

- You need care now
- You're considering the ER or urgent care for a non-emergency issue
- Traveling out of town

All Teladoc doctors



- Are practicing doctors and pediatricians
- Avg 15 years experience
- Are board-certified and state-licensed

Teladoc's wait time



Talk to a doctor within **one hour** or less guaranteed

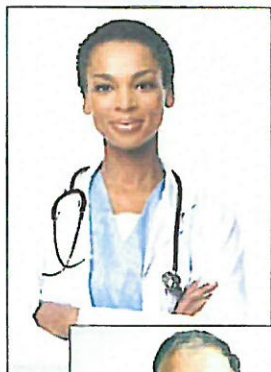


Public Education
HEALTH TRUST

With your consent, Teladoc can send consult results to your primary care physician. Get social: [Facebook.com/Teladoc](https://www.facebook.com/Teladoc)

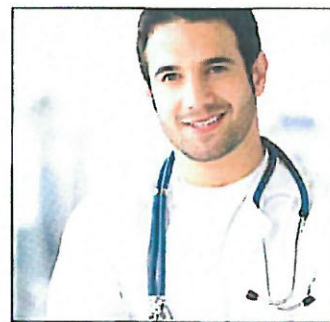
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You've got access to an exclusive surgery network



What does this mean for you?

It means you have access to an expanded surgical network comprised of top-ranked hospitals and physicians. Simply put, you've got more options when you need surgical care.



With **BridgeHealth Medical's High Performance Surgery Network**, you'll experience top-quality care, coverage of travel expenses, and reduced medical costs. You'll also get support from a BridgeHealth Medical Care Coordinator every step of the way.

Get more from your benefits with BridgeHealth Medical's High Performance Surgery Network

- **Significant savings** on out-of-pocket expenses when you need surgery.
- **Access to the top-rated hospitals** in the country (as rated by an independent agency).
- **Travel and lodging covered at 100%** for you and a companion if provider is not local.
- **No out-of-network penalties.**
- **A Care Coordinator with you every step of the way**—from initial consultation and scheduling, to the surgery and recovery.
- **Find out more!** Visit www.BridgeHealthMedical.com and look for the Member Login. Register using the company code below if it's your first time visiting the site.



Web access company code: TVIBF
www.BridgeHealthMedical.com
1-800-680-1366



PUBLIC EDUCATION HEALTH TRUST PARTICIPATION AGREEMENT

This Participation Agreement ("Agreement") made effective July 1, 2016 ("Effective Date"), by and among the _____ ("District"), the _____ ("Association") and the Public Education Health Trust ("Trust") (sometimes referred to hereinafter as "Party" or "Parties"). Capitalized terms used herein shall have the meaning provided in the Public Education Health Trust Plan official Plan document and the Trust Agreement.

1. Purpose. The Agreement sets forth the terms and conditions under which employees of the District, who are members of the Association Bargaining Unit, and are deemed eligible by the Association to receive health and welfare benefits may obtain coverage for themselves and their eligible dependents under the Public Education Health Trust ("Plan"). Upon execution of this Agreement, the District shall become a Participating Employer in the Plan.
2. Nature of Agreement. Pursuant to a collective bargaining agreement (together with any successor agreement, the "CBA") between the District and the Association, the District shall make payments to the Trust in the time and manner specified in the CBA as may be necessary to fund Plan benefits in accordance with the terms of the applicable Plan documents; provided, however, that if there is a conflict between the terms of the CBA and this Agreement, the terms of this Agreement shall govern.
3. Cooperation with the Trust. The District and the Association shall fully cooperate with the Trust and take all necessary and appropriate steps to effectuate the spirit and letter of the this Agreement. The District and the Association each certifies that the Trust has the authority to execute and adopt amendments to the Plan on behalf of the District and the Association and confirms that the Trust has the authority to act on the District's and/or the Association's behalf with respect to all matters concerning the Plan.
4. Acknowledgement and Delegation of Authority to the Trust. The District and the Association hereby irrevocably give and grant to the Trust full and exclusive power and authority to exercise all of the powers conferred upon it by the terms of the Trust Agreement, including the sole and exclusive power to exercise, enforce or waive any rights whatsoever which the District or the Association might otherwise have with respect to the Trust Fund, and each by becoming a party to this Agreement, irrevocably appoint the Trust as its agent for such purposes.
5. Obligations of Association. By execution of this Agreement, the Association selects the Trust as the provider of health and welfare coverage to members of the Bargaining Unit through the Plan. The Association hereby appoints the Trust, or its duly authorized delegate, as Plan Administrator for the Plan.
6. Obligations of the District.

- (a) Timely Payment. The District shall ensure that payments are made to the Trust in the manner and at the times specified in Section 8 of this Agreement.
- (b) Delivery of Information to Trust. The District shall deliver to the Trust all information reasonably necessary to ensure coverage of eligible employees of the District who are Participants in the Plan, and shall deliver such information in a timely fashion, no less frequently than monthly, and in a form reasonably determined by the Trust and its agents to be necessary for the continued delivery of Plan benefits to such Participants. Such information shall include, but not be limited to: census data, Social Security numbers, job classifications, full time equivalency, and dates of hire and termination. Eligibility data shall be transmitted electronically to the Trust by the fifth day of each month with the required premium payment, in accordance with the terms of Section 8 of this Agreement. The Trust shall be entitled to rely upon the accuracy of information provided by District and shall have no duty to investigate or inquire as to the method of calculation, or validity of such information.
- (c) Delivery of Disclosures to Participants. The District shall deliver the benefit materials as described in Section 7(f) to affected Plan Participants within 3 days of receipt of such materials from the Trust. When applicable, the District shall provide new enrollees with Plan disclosures within 3 days of becoming eligible to participate in the Plan. When applicable, the District shall timely provide directly to affected Participants, the "Participating Employer" disclosures described in Exhibit A hereto.
- (d) Permissible Enrollment Categories. The District acknowledges and agrees that the Plan shall provide for enrollment of three types: (1) **initial enrollment**, occurring upon initial eligibility as defined by the District and the CBA; (2) **open enrollment**, occurring a reasonable period prior to the commencement of each Plan Year, or mid-Plan Year in the case where District elects to commence participation in the Plan other than on July 1; and (3) **special enrollment**, occurring mid-Plan Year in certain limited situations. All three types of enrollments must be completed within specified period of time as described in the applicable Plan booklet. Late enrollment is not permitted.
- (e) Coverage of Part-Time Employees. The District and the Association may negotiate for coverage for Bargaining Unit employees working fifteen (15) or more hours per week; provided, however, that pursuant to Article One, Section 1.11 of the Plan Document, the Trust employees working less than fifteen (15) hours per week shall not be eligible to participate in the Plan.

- (f) Updated Eligibility Information. The District shall transmit to the Trust by the fifth day of each month updated information for individuals described in Sections (g) 1 and (g) 2 hereof.
- (g) Delivery of Information for COBRA and Required Participant Communications. The Trust is responsible for issuing certain required legal notices to Plan Participants, including, but not limited to notification of covered employees and qualified beneficiaries regarding their rights under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). The District shall provide to the Trust, or its duly authorized delegate, the following information within the timeframes specified:
 - 1. A list of its covered employees as of the first day of each month;
 - 2. A list identifying those employees in 1 above who are working less than fifteen (15) hours per workweek, and their percentage of full-time equivalency; and
 - 3. Notice within ten (10) business days of the occurrence of the following qualifying events: (i) voluntary or involuntary termination of the covered employee's employment other than by reason of gross misconduct, or (ii) reduction of hours of the covered employee's employment, which causes the covered employee to lose eligibility for coverage under the Plan.

7. Obligations of the Trust.

- (a) The Trust shall utilize funds delivered to it by the District pursuant to this Agreement solely for the purpose of providing health and welfare coverage under the Plan for Participants;
- (b) The Trust shall notify the District by May 31 of the premium amount which shall become effective on July 1 of that calendar year;
- (c) The Trust shall provide continuation coverage under the Plan pursuant to COBRA;
- (d) The Trust may obtain stop-loss insurance to protect the Trust's assets;
- (e) The Trust shall provide a reasonable number of copies of the Plan and Trust documents and insurance policies to the District
- (f) Participant Disclosures. When legally required, the Trust shall provide to the District for distribution to Participants, or directly to affected Participants, the "Plan Administrator" disclosures described in Exhibit A hereto.

(g) Healthcare Flexible Spending Arrangements and Health Reimbursement Accounts Not Included. The Trust shall have no obligation to provide disclosures or any administrative services with respect to healthcare FSA's or HRA's maintained by the District or the Association.

8. Premium Payments. All payments made by the District to the Trust shall be made in monthly installments commencing on the Effective Date, and shall be received by the Trust by the fifth day of each month, or, if the fifth day of the month falls on a Saturday or Sunday, or a District holiday, on the first working day following. Payments shall be made by wire transfer or check to:

Public Education Health Trust
4003 Iowa Drive
Anchorage, AK 99517

Written notice of a change in the Trust's address or ACH instructions shall be provided at least thirty (30) days in advance of the effective date of such change.

9. No Rescission. The Trust shall reconcile its records of eligible Participants using data provided by the District once per month. The Plan permits the retroactive elimination of coverage back to the date of termination of employment within a one month administrative correction period. Notwithstanding any provision of the CBA to the contrary, the Plan shall not permit any other retroactive elimination of coverage, in accordance with applicable law.
10. Late Payments. If a premium payment is not received by the Trust by the deadline provided in Section 8, the District shall pay a late fee at a rate equal to the Prime Rate plus two (2) percent per day on the past due balance until such outstanding balance is paid in full.
11. Confidentiality. During and after termination of this Agreement, the Trust will maintain and keep confidential records, health data, and coverage information regarding Plan Participants. The Trust shall maintain and keep such records, data, and information in a secure and confidential manner in accordance with the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), and other applicable rules and laws related to the security and privacy of health information. The District and the Association acknowledge and agree that, notwithstanding the District's obligation to provide confidential employee and beneficiary information to the Trust pursuant to Section 6 of this Agreement, the Trust shall not have any obligation to provide Plan or Participant records, data or information to the District or the Association other than as permitted under the Plan document and applicable law.
12. Audit. The District shall retain its payroll records and other personnel records relied on by the District in providing the information required under Section 6 of this Agreement for a period of not less than seven years from the date of termination

of this Agreement. The Trust shall have the right, upon not less than fifteen (15) days prior written notice provided during the term of the Agreement and not later than six (6) months after termination of this Agreement to have its agents or auditors review and copy such records of the District during normal working hours as may be necessary to substantiate the accuracy of such information.

13. Notices. Notices required by this Agreement shall be given in writing and forwarded by certified or registered mail, or by facsimile transmission followed by first class delivery in the U.S. Mail, or electronically with evidence of electronic receipt, addressed as follows:

To the Trust:
Public Education Health Trust,
Attn: Rhonda Kitter, CFO,
4003 Iowa Drive,
Anchorage, AK 99517,

Fax: (907) 222-2556;
Email: rkitter@pehtak.com

To the Certificated Association:

To the Classified Association:

To the District:

14. Term and Termination. This Agreement shall renew automatically from year to year, unless terminated as permitted and provided under Article Six, Section 6.3 or Section 6.4 of the official Plan document. Unless the official Plan document provides to the contrary, the following procedures will apply to any termination requested by the District or Association:
 - (a) This Agreement may not terminate on any date other than June 30 unless permitted by a vote of the Trustees.
 - (b) The District or Association must provide the Trust at least 120 days' notice of termination. If 120 days' notice is not given, the District shall continue to make the premium payment required under Section 8 for 120 days after the date that the Trust was notified of termination.

- (c) Neither the District, the Association, or any Participant or Beneficiary shall be entitled to any portion of the designated reserves, IBNR funds, or waiver funds held by the Trust.
- (d) The Trust will pay claims incurred prior to the effective date of termination, which are submitted to the Trust in the manner required under the terms of the Plan for a period of 90 days after the effective date of termination. Claims incurred on or after the effective date of termination shall not be paid.
- (e) The District or Association will not be allowed to re-enter the Trust for a period of 3 years.

15. General Provisions.

- (a) Entire Agreement. This Agreement constitutes the entire Agreement and supersedes all prior and contemporaneous agreements, understandings, contracts, representations, promises, acknowledgments, warranties and covenants, oral or written, by and between the parties to this Agreement with respect to the subject matter of this Agreement.
- (b) Severability. If any provision of this Agreement shall be declared void or unenforceable by any judicial or administrative authority, the validity of any other provision and of the entire Agreement shall not be affected thereby.
- (c) Governing Law/Jurisdiction/Venue. This Agreement, and the respective rights, remedies, obligations and transactions contemplated by it, shall be governed by, construed and enforced in accordance with the laws of Alaska without respect to conflicts of law principles, to the extent that federal law does not govern. For purposes of any proceeding under or with respect to this Agreement venue shall be in the federal district court for the State of Alaska, at Anchorage, Alaska.
- (d) Amendment/Assignment. No change, modification, amendment, or addition to this Agreement will be valid unless it is in writing and signed by the Parties. The Parties cannot assign this Agreement or any of their rights hereunder unless in a writing executed by the Parties;
- (e) Limitations on Waivers Any failure or delay by any Party to object to any default or exercise any rights or remedies under this Agreement shall not constitute a waiver of the right to do so in the future, unless such failure is accompanied by an express written waiver by such party.
- (f) Authorizations. The District, the Association and the Trust, through the undersigned representatives hereby represent that all steps necessary to authorize execution of this Agreement have been duly taken by each respective entity, and that the terms of this Agreement are valid, enforceable and binding upon the Parties.

IN WITNESS WHEREOF, the Parties have executed, delivered and formed this Agreement on the Effective Date.

PUBLIC EDUCATION HEALTH TRUST

NAME, TITLE

DATE

DISTRICT

NAME, TITLE

DATE

CERTIFICATED ASSOCIATION

NAME, TITLE

DATE

CLASSIFIED ASSOCIATION

NAME, TITLE

DATE

**RESOLUTION FOR
PARTICIPATING SCHOOL BOARDS
UNDER AS 14.14.140(c)**

WHEREAS, the Kenai Peninsula Borough School Board (the "School Board") recognizes the time and personal effort that the members of the School Board ("School Board Members") give to the Kenai Peninsula Borough School District ("School District") and wishes to compensate the School Board Members for their time spent in the performance of their duties on the School Board; and

WHEREAS, Section 14.14.140(c) of the Alaska Statutes authorizes the School Board to provide compensation to School Board Members if such compensation is authorized by a resolution adopted by the School Board; and

WHEREAS, the School Board intends to make participation in the Public Education Health Trust (the "Trust") under which School Board Members elect health insurance and other welfare benefits offered by the Trust for themselves and their eligible dependents, provided that the School District makes contributions to the Trust on behalf of the School Board Members that participate in the Trust and the School Board Member executes an agreement with the Trust effectuating the foregoing; and

WHEREAS, the School Board authorizes the School District to make contributions to the Trust on behalf of those School Board Members that participate in the Trust in the amounts required pursuant to the terms of the Trust ("Contributions"); and

WHEREAS, Contributions are compensation as contemplated by 14.14.140(c) of the Alaska Revised Statutes and School Board policies; and

WHEREAS, participation in the Trust's health insurance and other welfare benefits programs by School Board Members and their eligible dependents as well as contributions required by such School Board Members shall be subject to the terms of the Trust and any agreement governing the Trust;

NOW THEREFORE, BE IT RESOLVED, that the School Board authorizes participation by School Board Members and their eligible dependents in the health insurance and other welfare benefits offered by the Trust; and

FURTHER RESOLVED, that the School Board authorizes and requires each School Board Member who wishes to participate in the health insurance and other welfare benefits offered by the Trust to execute a participation agreement between the School Board Member and Trust; and

FURTHER RESOLVED, that the School Board authorizes and requires the School District to make contributions on behalf of School Board Members who participate in the Trust pursuant to the terms of the Trust; and

FURTHER RESOLVED, that participation in the Trust's health insurance and other welfare benefits programs by School Board Members and their eligible dependents as well as any contributions required by such School Board Members shall be subject to the terms of the Trust and any agreement governing the Trust; and

FURTHER RESOLVED, that the appropriate agents of the School Board are hereby authorized and directed to take such further actions as may be necessary, appropriate, or advisable to implement the foregoing resolutions.

PUBLIC EDUCATION HEALTH TRUST

PARTICIPATION AGREEMENT

This Agreement is made and entered into in the State of Alaska by and among the Public Education Health Trust (the "Trust") and [insert School Board member's name] a member of the **Kenai Peninsula Borough School Board**, both of whom are signatories to this Agreement.

RECITALS

WHEREAS, the Trust is an entity through which health insurance and other welfare benefit programs are made available to employees (and their eligible dependents) in local bargaining units affiliated with the Association (defined below) and covered under collective bargaining agreements that allow for participation; and

WHEREAS, the Board of Trustees of the Trust has determined that it is in the best interest of the Trust to make the Trust's health insurance and other welfare benefits programs available to School Board Members (defined below) and their eligible dependents; and

WHEREAS, the **Kenai Peninsula Borough School Board** has passed a Resolution (defined below) approving participation of School Board Members and their eligible dependents in the Trust's health insurance and other welfare benefits program, and authorizing **Kenai Peninsula Borough School Board** members to enter into an agreement with the Trust for this purpose; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so;

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants, and agreements contained herein, the undersigned agree as follows:

ARTICLE 1 – DEFINITIONS

As used in this Agreement, the term:

- 1.1 **Agreement** means this agreement entered into by the Trust and a School Board Member and as required by the Trust.
- 1.2 **Association** means NEA Alaska, a not-for-profit corporation organized under the laws of the State of Alaska, and its successors and assigns.
- 1.3 **Board of Trustees** or **Trustees** means the group of seven or more individual who serve as the Board of Trustees of the Trust.
- 1.4 **Contribution** means the amount paid or payable periodically to or at the direction of the Trust by a School District in order to pay all or a portion of health insurance and other welfare benefits offered by the Trust and selected by a Participating School Board

Member. For purposes of this definition, “health insurance and other welfare benefits offered by the Trust” can include reasonable expenses for purposes of administering the Trust and reasonable reserves for any purpose which the Trustees determine to be necessary and proper to carry out the purposes of the Trust.

- 1.5 **Participating School Board** means a School Board who makes participation in the Trust available to its School Board Members by meeting the requirements of Article 2 of this Agreement.
- 1.6 **Participating School Board Member** means a School Board Member of a Participating School Board and the School Board Member who is the signatory to this Agreement.
- 1.7 **Resolution** means the resolution adopted by a School Board, as required under AS 14.14.140(c), to authorize (i) participation by its School Board Members in the Trust, (ii) its school district to make Contributions to the Trust on behalf of its School Board Members who wish to participate in the health insurance and other welfare benefits offered by the Trust, and (iii) School Board Members to execute the agreement between each School Board Member and the Trust to effectuate the School Board Member’s participation in the Trust.
- 1.8 **School Board** means a school board recognized and governed by AS 14.12.025 *et seq.*
- 1.9 **School Board Member** means the individual who is a current, active member of a School Board.
- 1.11 **School District** means the school district operated, controlled, conducted, or administered by a Participating School Board, who is the designee of such Participating School Board for purposes of making Contributions to the Trust on behalf of the Participating School Board Members.
- 1.12 **Trust** means the Public Education Health Trust.
- 1.13 **Trust Agreement** means the written instrument effective July 1, 1996, signed by the Association and the Trustees named therein and all amendments thereto.

ARTICLE 2 – PARTICIPATION IN THE TRUST

- 2.1 If the requirements of Sections 2.2 and 2.3 are met, the School Board Member has the authority to enter into this Agreement.
- 2.2 School Boards that wish to make participation in the Trust available to their School Board Members must adopt a Resolution and provide it to the Trust prior to (i) participation by any School Board Member, and (ii) execution of this Agreement.
- 2.3 Any Participating School Board or Participating School Board Member’s participation in the Trust pursuant to this Agreement shall be subject to the terms of this Agreement, the Resolution, the Trust, and the Trust Agreement, which includes but is not limited to, the

timing and form of payment of Contributions and required contributions by Participating School Board Member and the Participating School Board Member's School District, and the eligibility and coverage effective date of the Participating School Board Member's participation in the health insurance and welfare benefit programs provided by the Trust.

ARTICLE 3 – DURATION OF AGREEMENT

The Agreement becomes effective on the date it is executed by both parties. This Agreement shall have perpetual duration until the earlier of the following: (i) the date upon which a Participating School Board Member's School Board ceases to be a Participating School Board; (ii) the date upon which a Participating School Board Member ceases to be a School Board Member; or (iii) the date upon which the Agreement is terminated upon advance written notice by either party.

ARTICLE 4 – GENERAL PROVISIONS

- 4.1 The School Board Member may not assign any right or claim of interest he or she may have under this Agreement.
- 4.2 No creditor, assignee, or third-party beneficiary of this Agreement shall have the right, claim, or title to any party, share, interest, premium, or asset of the Trust.
- 4.3 If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement, which can be given effect without the invalid provision if such remainder conforms to the requirements of applicable law and the fundamental purpose of the Agreement, and to this end the provisions of this Agreement are declared to be severable.
- 4.4 This Agreement may be signed in counterpart or duplicate copies and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.
- 4.5 This Agreement, and the documents referenced herein, contains all the terms and conditions agreed to by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement.

Public Education Health Trust

Signature: _____

Name: _____

Title: _____

Date: _____

[insert name of School Board Member]

Signature: _____

Name: _____

Title: _____

Date: _____

