

RESOLUTION NO. 1421

PORT OF PASCO MEDICAL REIMBURSEMENT PLAN

The employer by signature to this document hereby establishes a Medical Reimbursement plan having the provisions set forth below and Administrated by Verde Services, a division of Conover Insurance, PO Box 10088, Yakima, WA.

1. **Eligibility**, All Employees of the Port of Pasco are eligible to participate in this Plan except:

Those employees not enrolled in the employer sponsored medical plan.

A new eligible Employee shall become a Participant on the date they become covered by group medical insurance.

2. **Plan Benefit**. Benefits available under the Employer's Plan shall include the following:

The Port of Pasco will place an amount equal to three months of eligible benefit into a trust account as suggested by the Office of Financial Management. Claims made in FY2016 will be deducted from the balance of the account.

Port of Pasco will reimburse any eligible unreimbursed medical expense that was incurred by the employee or enrolled dependent, due to benefit modifications with the Port of Pasco, Health and Welfare Plan in FY2016.

Eligible medical expenses are the amount insurance would have paid had the annual deductible been \$200.00 per person and had the co-insurance limit been \$500 per person.

Prescription drugs are eligible for reimbursement. The maximum reimbursement amounts for each prescription will be as follows:

1. Generic \$5
2. Preferred Brand \$15
3. Non-preferred Brand \$40

Expenses paid by other insurance or otherwise that would not have been paid by the Port's medical insurance carrier are ineligible for reimbursement. No more than 100% of an expense item will be reimbursed.

3. **Maximum Credit**. The maximum amount of eligible reimbursement for any Participant shall not exceed the following amount for Fiscal year 2016.

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|--|----------|
| 1. Employee | 3,300.00 |
| 2. Employee plus one or more dependent | 6,600.00 |

Prescription reimbursement is subject to the maximum reimbursement.

4. **Effective Date**. The effective date of the Employer's Plan is November 1, 2015.

5. **Plan Year**. The plan year will end on October 31, 2016.

6. **Fail-safe Provision**. The Port of Pasco reserves the right to adjust the amounts, amend the plan, or make necessary changes to assure the legal plan requirements as required by any regulations set forth by the Internal Revenue, or legal action.

IMPORTANT NOTICE:

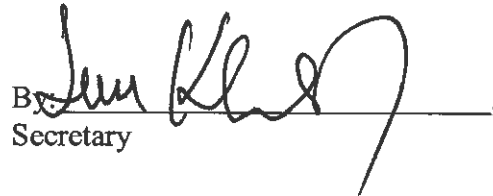
Verde Services, a division of Conover Insurance, provides a model plan document as a specimen to be utilized by the employer in establishing a medical reimbursement plan. Verde Services will provide administration services for the reimbursement plan, and pay claims at the Pasco location, PO Box 10088, Yakima, WA, for an agreed upon fee.

ADOPTED this 14th Day of January, 2016.

PORT OF PASCO COMMISSION

By: 
President

By: 
Vice-President

By: 
Secretary