PERALTA COMMUNITY COLLEGE DISTRICT

MEDICARE PARTS A AND B PREMIUM REIMBURSEMENT PLAN

PURSUANT TO INTERNAL REVENUE CODE SECTION 105
PLAN DOCUMENT

Restated February 22, 2012

Summary of clarifications and eligibility criteria:

• Reimbursement program is available to those who were hired before July 1, 2004 and satisfy years of service requirements; and

• Enrollment in either Kaiser Permanente Senior Advantage Plan or the District’s self-funded insurance plan is required; and

• Medicare Premium Reimbursement Claim Form is required for all requests for reimbursement; and

• Reimbursement for both Medicare A & B premiums now consistently referenced throughout the document.
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1. INTRODUCTION

1.1 ESTABLISHMENT OF PLAN

Peralta Community College District has formally adopted this plan effective July 1, 2004 to provide benefits for those Employees who shall qualify hereunder and their dependents and beneficiaries. The Plan shall be known as the Peralta Community College District Medicare Parts A and B Premium Reimbursement Plan (the "Plan").

Our intention, as the Employer and plan sponsor, is that the Plan qualify within the meaning of Section 105 of the Internal Revenue Code, as amended, and that the benefits which an Employee may receive under the Plan be excludable from the Employee's income under Section 105 and other applicable sections of the Internal Revenue Code, as amended and to be interpreted in a manner consistent with the requirements thereof.

1.2 INTENTION OF PLAN

This Plan has been established to reimburse the eligible employees of the Employer for the cost of Medicare Parts A and B premiums. It is intended that the Plan meet the requirements for qualification under Section 105 of the Code, and that benefits paid employees hereunder be excludable from their gross incomes by virtue of Section 105(b).

2. DEFINITIONS

The following words and phrases are used in this Plan and will have the meanings set forth unless a different meaning is clearly required by the context.

2.1 ADMINISTRATOR

Or "Plan Administrator" means the Employer sponsoring the Plan (Peralta Community College District). The Administrator shall be the named fiduciary pursuant to ERISA Section 402. The Administrator shall appoint and delegate a contract administration firm to assist in the administration of the Plan.

2.2 AFFILIATED EMPLOYER

Any Employer within the context of Code Section 414(b), (c), or (m) of the Code which will be treated as single employer for purposes of Code Section 125.
2.3 BENEFITS

Any amounts paid to a Participant in this Plan as reimbursement for Eligible Medical Expenses incurred by the Participant during a Plan Year by Participant, spouse or dependents.

2.4 CLOSING PERIOD

The date at the end of each month after which the administrator will process payments for claims received during the month. In order to be reimbursed for outstanding claims at the end of the calendar year, claims must be filed no later than 90 days after the end of the plan year. (see page 6, Article 2.14 Plan Year)

2.5 COMPANY

The Organization named as the "Employer."

2.6 COVERAGE PERIOD

The Plan Year, during which period the benefits provided by this Plan are available to a Participant hereunder.

2.7 EFFECTIVE DATE

The specified date on which the Plan is applicable to the Participating Employees.

2.8 ELIGIBLE EXPENSES

An expense incurred by a Participant, or by the Spouse for Medicare Parts A and B premiums, but only to the extent that the Participant or other person incurring the expense is not reimbursed for the expense through any other means.

2.9 EMPLOYEE

Any individual who is considered to be in a legal employer-employee relationship with the Employer for Federal withholding tax purposes or a Retiree who had a legal employer-employee relationship at the time of retirement.

2.10 EMPLOYER

The Company and any Affiliated Employer authorized by the Company that adopts the Plan, provided, however, that when the Plan provides that the Employer has a certain power (e.g., the appointment of a Plan Administrator, entering into a contract with a third party insurer, or amendment or termination of the Plan), the term "Employer" shall mean only the Company. Affiliated Employers who adopt the Plan shall be bound by the Plan as adopted and subsequently amended unless they clearly withdraw from participation herein.
2.11 PARTICIPANT

Any Employee who has met the eligibility requirements contained in the Employer’s Plan Document and who has elected to receive benefits under this Plan.

2.12 PLAN

This Plan as set forth herein, together with any and all documents incorporated by reference including amendments and supplements hereto, known by the name The Peralta Community College District Medicare Parts A and B Premium Reimbursement Plan.

2.13 PLAN SERVICE PROVIDER

Person, Persons, or Service Company contracted by the Employer to perform administrative and record keeping tasks related to the "Plan."

2.14 PLAN YEAR

The annual accounting period of the Plan which coincides with the calendar year, January through December.

2.15 SPOUSE

An individual who is legally married to a Participant, but will not include an individual separated from the Participant under a legal separation decree. Domestic Partners who assign Medicare to a Peralta Community College District group medical insurance plan are also eligible for reimbursement.

3. ELIGIBILITY

3.1 ELIGIBILITY

Eligibility criteria apply to and include any former Employee hired before 2004 who has:

- Retired from the District and satisfy years of service requirements; and
- Peralta District medical insurance as secondary to Medicare; and
- Enrolled in either Kaiser Permanente Senior Advantage or the self funded plan; and
- Elected Medicare Parts A or B coverage; and
- Paid for Medicare Parts A or B coverage.
4. BENEFITS

4.1 AVAILABLE LEVELS OF BENEFITS

All eligible retirees are entitled to be reimbursed for their Medicare Parts A and B premiums. This cost of coverage (premium) is determined by Medicare and varies based on each individual taxpayer's eligibility.

4.2 REQUIRED INFORMATION

Each Participant's claim for benefits will contain a written statement, from a third party (Social Security Administration or State Teachers Retirement System) that provides the following information:

• Person or persons on whose behalf Medicare Parts A or B premiums have been paid; and
• Dates of coverage; and
• Amount of the premium; and
• Proof of payment to Medicare; and
• Medicare reimbursement claim form.

5. BENEFIT LIMITATIONS

5.1 SOURCE OF PAYMENTS

All benefits derived hereunder will be paid exclusively from the employer's general assets. No benefits will be payable with respect to a coverage period for which the Participant was not eligible to receive this benefit.

6. PLAN ADMINISTRATION

6.1 ADMINISTRATIVE FUNCTIONS

The Plan Administrator will be responsible for the day-to-day operation of the Plan, including verification of Reimbursable Expenses, and determination of the amounts that are eligible for reimbursement according to the specifications in the Employer's Plan. The Plan Administrator may retain such consultants, actuaries, legal counsel, third party administrators and Plan Service Providers as it deems necessary to fulfill its administrative functions hereunder.
6.2 PERIODIC STATEMENTS

The Administrator will furnish each Participant periodic statements of Participant's Medicare Parts A and B Premium Reimbursement Account during the Plan Year.

7. CLAIMS PROCEDURES

7.1 DENIED CLAIMS PROCEDURE UNDER THE PLAN

Any Participant, beneficiary, or duly authorized representative may file a claim for a plan benefit to which the claimant believes that he is entitled. Such a claim must be in writing and delivered to the Plan Service Provider. Within ninety (90) days after receipt of such claim, the Plan Administrator will send to the claimant notice of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed ninety (90) days from the end of the initial period. If such extension is necessary, the claimant will be given a written notice to this effect prior to the expiration of the initial 90-day period. The Plan Administrator will have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section 7.1, the claim will be deemed denied, and the claimant will be permitted to exercise the right to review pursuant to Sections 7.3 and 7.4.

7.2 REQUIREMENT FOR WRITTEN NOTICE OF CLAIM DENIAL

The Plan Administrator will provide to every claimant who is denied a claim for benefits a written notice setting forth in a manner calculated to be understood by the claimant the following information:

• Specific reason or reasons for the denial; and

• Description of any additional material of information necessary for the claimant to perfect the claim; and

• An explanation of why such material is necessary.

7.3 RIGHT TO REQUEST HEARING ON BENEFIT DENIAL

Within sixty (60) days after the receipt by the claimant of written notification of the denial (in whole or in part) of Participant's claim, the claimant or duly authorized representative may make a written application to the Plan Administrator, in person or by certified mail, postage prepaid, to be afforded a review of such denial; may review pertinent documents; and may submit issues and comments in writing.
7.4 DISPOSITION OF DISPUTED CLAIMS

Upon receipt of a request for review, the Plan Administrator will make a prompt decision on the review matter. The decision on such review will be written in a manner calculated to be understood by the claimant and will include specific reasons for the decision and specific references to the pertinent plan or insurance policy provision on which the decision was based. The decision upon review will be made not later than sixty (60) days after the Plan Administrator's receipt of a request for a review, unless special circumstance require an extension of time for processing, in which case a decision will be rendered not later than one hundred twenty (120) days after receipt of a request for review. If an extension is necessary, the claimant will be given written notice of the extension prior to the expiration of the initial sixty (60) day period. If notice of the decision on the review is not furnished in accordance with this Section 7.4, the claim will be deemed denied, and the Claimant will be permitted to exercise the right to legal remedy pursuant to Section 7.5.

7.5 PRESERVATION OF REMEDIES

After exhaustion of the claims procedure is provided under this Plan, nothing is to prevent any person from pursuing any other legal or equitable remedy.

8. PLAN AMENDMENT AND TERMINATION

8.1 PERMANENCY

Continuation of the Plan will be subject to the Employer’s right to amend or terminate the Plan, as provided in Sections 8.2 below.

8.2 EMPLOYER’S RIGHT TO AMEND

The Employer reserves the right to amend the Plan at any time and from time-to-time, and retroactively if deemed necessary or appropriate for any reason whatsoever; provided, however, that no such modification or amendment will make it possible for any Expense Reimbursement Account Balance to be used for, or diverted to, purposes other than for the exclusive benefit of the Participants and their beneficiaries under the Plan.

9. MISCELLANEOUS PROVISIONS

9.1 NO EMPLOYMENT RIGHTS CONFERRED

Neither this Plan nor any action taken with respect to it confers upon any person the right of employment or continued employment with any Employer.

9.2 PAYMENTS TO BENEFICIARY

Any benefits otherwise payable to a Participant following the date of death of such Participant will be paid to the Participant's estate.
9.3 NON-ALIENATION OF BENEFITS

No benefit under the Plan will be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so will be void. No benefit under the Plan will in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to benefits under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit under the Plan, or if any attempt is made to subject any such benefit to the debts, contracts, liabilities, engagements or torts of the person entitled to any such benefit, except as specifically provided in the Plan, then such benefit will cease and terminate at the discretion of the Plan Administrator, and the Plan Administrator may hold or apply the same or any part thereof for the benefit of any dependent or beneficiary of such person, in such manner and proportion as may be deemed proper by the Plan Administrator.

9.4 GOVERNING LAW

This Plan will be construed, administered, and enforced according to applicable Federal law and the laws of the state where Peralta Community College District is established.

9.5 MENTAL OR PHYSICAL INCOMPETENCY

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan who is incompetent by reason of physical or mental disability, the Plan Administrator may cause all payments thereafter becoming due to such person to be made to another person for Participant's benefit, without responsibility to follow the applicator of amounts so paid. Payments made pursuant to this Section will completely discharge the Plan Administrator and Employer.

9.6 INABILITY TO LOCATE PAYEE

If the Plan administrator is unable to make payment to any Participant or other person whom a payment is due under the Plan because the identity or whereabouts of such Participant or other person cannot be ascertained after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of each Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person will be forfeited three (3) years after the date any such payment first became due.

9.7 SOURCE OF PAYMENTS

The Employer will be the sole source of benefits under the Plan. No Employee or beneficiary will have any right to, or interest in, any assets of the Employer upon termination from the plan, except as provided from time to time under the Plan, and then only to the extent of the benefits payable under the Plan to such Employee or beneficiary.
9.8 TAX EFFECTS

Neither the Employer nor the Plan Administrator makes any warranty or other representation as to whether any payments received by a Participant hereunder will be treated as excludable from gross income for State or Federal income tax purposes.

9.9 MULTIPLE FUNCTIONS

A person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

9.10 GENDER AND NUMBER

Masculine pronouns include the feminine as well as the neuter genders, and the singular will include the plural, unless indicated otherwise by the context.

9.11 HEADINGS

The Section headings contained herein are for convenience of reference only, and are not to be construed as defining or limiting the matter contained there under.

9.12 SEVERABILITY

Should any part of this Plan or the relative Sections of the Employer’s Cafeteria Plan subsequently be invalidated by a court of competent jurisdiction, a remainder thereof will be given effect to the maximum extent possible.

9.13 SUBMITTING FALSE, FRAUDULENT OR UNTIMELY CLAIMS

Peralta Community College District reserves the right to review claims for authenticity after it has been paid to the claimant. The submission of a false, fraudulent or materially altered claim (or supporting document) for reimbursement may disqualify claimant from future reimbursement rights.

10. GENERAL INFORMATION ABOUT OUR PLAN

This Section contains general information that you may need to know about the Plan

10.1 GENERAL PLAN INFORMATION

Peralta Community College District Employee Flexible Benefit Plan is the name of your Plan. Your Employer has assigned Number 504 to your Plan. The provisions of your Plan become effective on January 1, 2007. Your Plan’s records are maintained on a twelve-month period that is known as the Plan Year. The Plan Year begins on January 1st and ends on December 31st.
10.2 EMPLOYER INFORMATION

Your employer's name and address is:

Peralta Community College District
333 East 8th Street
Oakland, CA 94606
Tax ID#: 94-1676375

10.3 PLAN ADMINISTRATOR INFORMATION

The name and address of your Plan's Administrator is:

Peralta Community College District
333 East 8th Street
Oakland, CA 94606
Tax ID#: 94-1676375

The administrator keeps the records for the Plan and will also answer any questions you may have about our Plan. Please contact the Administrator for any further information about the Plan.

10.4 SERVICE OF LEGAL PROCESS

The name and address of the Plan's agent for service of legal process is:

Peralta Community College District
333 East 8th Street
Oakland, CA 94606

10.5 TYPE OF ADMINISTRATION

It is understood that the Employer sponsoring this plan (Peralta Community College District) is the Administrator of the plan. The Administrator shall be responsible for all administrative tasks as outlined in Article 9.
Peralta Community College District

ADOPTING RESOLUTION
Medicare Premium Reimbursement Plan
Resolution 06/07-33

WHEREAS The undersigned principal of Peralta Community College District (The employer) hereby certifies that the following resolutions were duly adopted by the Employer on February 6, 2007 and that such resolutions have not been modified or rescinded as of the date hereof:

RESOLVED, that the Medicare Premium Reimbursement Plan is restated effective January 1, 2007 presented to this meeting is hereby approved and adopted and that the duly authorized agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

RESOLVED, that the Administrator shall be instructed to take such actions that are deemed necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

RESOLVED, that the duly authorized agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Cafeteria Plan by delivering to each employee a copy of the summary description of the Plan in the form of the Summary Plan Description presented to this meeting, which form is hereby approved.

WHEREAS the undersigned further certifies that attached hereto as Exhibit A is a true copy of the Peralta Community College District Medicare Premium Reimbursement Plan Document as approved and adopted in the foregoing resolutions.

PASSED AND ADOPTED THIS 6th day of February, 2007, by the following called vote:

AYES: Trustees Guillen, Gulassa, Handy, Hodge, Riley, President Withrow, Student Trustee advisory vote Hurd and James

NOES: None

ABSTAIN: None

ABSENT: Trustee Gonzalez Yuen

Elihu M. Harris, Chancellor
Secretary to the Board of Trustees