

RETIREE HEALTH INSURANCE

I. Applicability

This Policy shall apply to all Non-Bargaining Unit employees of Questar III who do not have an individual employment contract with Questar III.

II. Definitions

As used in this Policy, the following terms shall mean:

Employee or Employees – shall mean non-bargaining unit employee(s) of Questar III who do not have an individual employment contract with Questar III.

Employment Service – shall mean an employee's total length of full time employment with Questar III, with or without breaks in the employment relationship, provided, however the employee is an employee of Questar III immediately prior to retirement pursuant to the rules and regulations of the Teachers' Retirement System or the State and Local Employees' Retirement System.

III. When Health Insurance Will be Provided

- A. Employees employed by Questar III on or before January 1, 2007, shall have the option of continuing a health insurance plan in which they were participating immediately prior to retirement, or a substantially similar plan as provided by section IV of this policy, provided that they were a full time employee immediately prior to retirement pursuant to the rules and regulations of the Teachers' Retirement System or the State and Local Employees' Retirement System and provided they have ten (10) years or more employment service with Questar III.
- B. Employees employed by Questar III after January 1, 2007, shall have the option of continuing a health insurance plan in which they were participating immediately prior to retirement, or a substantially similar plan as provided by section IV of this policy, provided that they were a full time employee immediately prior to retirement pursuant to the rules and regulations of the Teachers' Retirement System or the State and Local Employees' Retirement System and provided they have fifteen (15) years or more employment service with Questar III.

- C. Notwithstanding paragraph A or B of this section, an employee with thirty (30) or more years of employment service with Questar III who also has a spouse who is employed by Questar III or was employed by Questar III immediately before retirement, and who retires or leaves employment with Questar III before reaching eligibility to retire pursuant to the rules and regulations of the Teachers' Retirement System or the State and Local Employees' Retirement System, shall have the option of obtaining health insurance in the health insurance plan in which they were participating immediately before leaving employment with Questar III at any time after leaving such employment in the event such employee has no insurance coverage through such spouse. Such employee shall be treated in all other respects under this Policy as if he or she was employed by Questar III immediately before retirement.

IV. Benefits and Contributions

- A. Any employee who receives health insurance benefits in retirement pursuant to this Policy will be given the opportunity to continue in the health insurance plan in which they were participating immediately prior to retirement, at the same level of benefits and coverage, provided that the benefit plan continues to be available to Questar III. In the event such plan does not continue to be available, Questar III shall offer such employee another plan with substantially the same coverage as the discontinued plan.
- B. An employee may change to another health insurance plan or level of coverage offered by Questar III during an open enrollment period, subject to the contribution provisions of paragraph C., below.
- C. Any employee who receives health insurance benefits in retirement pursuant to this Policy shall contribute the same percentage of employee share of premium the employee paid immediately prior to such retirement. In the event such employee voluntarily changes health insurance plans or coverage, as provided by this Policy, the employee shall, in addition to such contribution, also pay any increase in cost to Questar III for such other plan or coverage.

- D. When an employee who receives health insurance benefits in retirement pursuant to this Policy turns sixty-five (65) years old, Medicare Part B will become the primary coverage. Any health insurance provided to an employee who receives health insurance benefits pursuant to this Policy on and after the employee is sixty-five (65) years old will be secondary coverage, supplemental to Medicare. Any such employee hired before January 1, 2007 and, if applicable, such employee's spouse, will be reimbursed by Questar III for Medicare withholding from the covered individual's Social Security payments, not to exceed twenty dollars (\$20) a month per covered individual. Employees hired on or after January 1, 2007 will not be reimbursed by Questar III for Medicare.
- E. Questar III will provide health insurance pursuant to this policy until the death of such employee. In the event any such employee has health insurance for any surviving spouse who was a spouse of the employee at the time of retirement from Questar III, such surviving spouse will be offered the option of continuing coverage in such health insurance plan through COBRA (Consolidated Budget Reconciliation Act of 1985).

V. Notification to Employees

The Board of Education will provide written notice to all employees and all employees who have retired and receive health insurance pursuant to this Policy in the event the Board considers any amendment to this Policy. Such notice shall be given by regular mail to the employee's or retiree's home address on file with Questar III no less than thirty (30) days prior to the Board meeting at which the amendment will be considered for first reading and will include a copy of this Policy and an explanation of the impact such changes will have on such employees and/or retirees.

ADOPTED: 7/13/06