



Evergreen Teachers Association

EVERGREEN TEACHERS
ASSOCIATION
HEALTH & WELFARE
TRUST

**BENEFITS
BOOKLET**

Revised January 2015

THE ETA TRUST IS A UNILATERAL TRUST FORMED BY THE EVERGREEN TEACHERS ASSOCIATION AND ADMINISTERED BY THE EVERGREEN TEACHERS ASSOCIATION HEALTH AND WELFARE TRUST BOARD OF TRUSTEES TO PROVIDE BENEFITS THAT PARTICIPANTS WOULD OTHERWISE NOT RECEIVE.

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THIS BENEFITS BOOKLET HAS BEEN PREPARED FOR YOUR INFORMATION BY THE EVERGREEN TEACHERS ASSOCIATION HEALTH AND WELFARE TRUST BOARD OF TRUSTEES TO DESCRIBE CURRENT BENEFITS.

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I

DEFINITIONS

1. **Association:** The term “Association” shall mean the Evergreen Teachers Association.
2. **Benefits:** The term “Benefits” shall include: income protection (long-term disability); life and dismemberment insurance (\$10,000/\$20,000); contribution toward payment of health insurance premiums for eligible retirees at age 65 and over and their spouses (or California Registered Domestic Partners); and individual long-term care for eligible participants (i.e., convalescent / home care). (Specific definitions as to eligibility for and a description of the Income Protection Plan are contained in pages 11 through 23 of this document and are incorporated herein by reference; specific definitions for long-term care benefits are contained in pages 26 through 33 of this document and are incorporated herein by reference).
3. **District or Employer:** The term “District” or “Employer” shall mean the Evergreen School District Board of Trustees.
4. **Eligible Participant:** The term “eligible participant” shall mean any member of the teachers’ bargaining unit, confidential employees, Evergreen School District Trustees, or the Evergreen School District management team. In addition, eligible participants for retiree health insurance premium benefits must have 15 years of service in eligible classifications in the Evergreen School District, retire from Evergreen School District at age 55 or older and apply for Trust benefits at age 65 or older. Service shall include part-time or full-time services and shall also include periods of time after separation from service during which the District makes contributions to the Trust pursuant to a written agreement approved by the Board of

Trustees of the Evergreen Teachers Association Health and Welfare Trust.

Any employee who is performing work for an entity other than the District or as the Evergreen Teachers Association president, regardless of which entity provides payment, will not be considered a District employee for purposes of satisfying the eligibility rules of this Trust unless the agreement under which the employee is working is approved by the Trustees of the Evergreen Teachers Association Health and Welfare Trust.

5. **Employee or Member:** The term “Employee” or “Member” shall mean any employee of the District on whose behalf contributions are paid to the Trust Fund pursuant to a written agreement accepted and approved by the Evergreen Teachers Association Health and Welfare Trust Board of Trustees.
6. **Income:** The term “Income” or “Income to the Trust Fund” shall include all investment and member contributions paid to the Trust Fund as well as contributions by the District pursuant to a collective bargaining agreement, memorandum of understanding or other agreement approved by the Evergreen School District Board of Trustees.
7. **Retire:** The term “Retire” shall mean retirement from service with the District at age 55 or older. Retirement at 55 or older means that the Member must be employed by the District until at least age 55 and must start receiving STRS or PERS benefits upon retirement from the Evergreen School District. A retiree, who has met eligibility requirements under the Trust upon retiring, is receiving STRS retirement benefits and who subsequently returns to teaching, as provided by AB 1733, will continue to be eligible for retiree benefits under the Trust.

II
GENERAL INFORMATION
REGARDING THE TRUST

1. What are the benefits currently provided by the Trust?

- (a) Income Protection for active employees (long-term disability).
- (b) Life, Accidental Death and Dismemberment insurance for active employees and Evergreen School District Board of Trustees.

Life:	\$10,000
Accidental Death:	\$20,000
Dismemberment:	\$5,000 to \$10,000

- (c) Contributions to Health Insurance premiums paid for eligible retirees and spouses (or California Registered Domestic Partners) when retiree turns 65 (See page 6.III.1).
- (d) Individual Long Term Care (i.e., Nursing Home / Convalescent Home / Home Care) for active employees and eligible retirees (spouses or California Registered Domestic Partners not included).

2. Who is eligible for Trust benefits?

- (a) All members of the Teachers' Bargaining Unit, the Evergreen School District Management Team and Confidential Employees are eligible for **Income Protection, Life Insurance, and Accidental Death & Dismemberment Insurance. Individual Long Term Care** benefits are provided for all active employees participating in the Trust or retirees who have been approved for Trust benefits. In addition, retiree benefits include contributions to health insurance premiums.

(b) Members of the Evergreen School District Board of Trustees are eligible for Life Insurance and Accidental Death & Dismemberment Insurance. Individual Long Term Care benefits are provided for all trustees participating in the Trust or retirees who have been approved for Trust benefits. In addition, retiree benefits include contributions to health insurance premiums.

(c) All members of the Teachers' Bargaining Unit, Management Team, Evergreen School District Board of Trustees and Confidential Employees who have at least 15 years of service in eligible classifications in the Evergreen District and retire from the Evergreen School District and STRS or PERS at age 55 or older will have a contribution to their health insurance premiums paid by the Trust from age 65 until death. Spouses (or California Registered Domestic Partners) will also receive the contribution to health premium benefit at the time of the retiree's eligibility.

(d) The only individuals who shall be entitled to participate in and receive benefits from the Trust Fund shall be those employees who are described above. It is expected that the Employer will submit contributions only on behalf of such employees. The receipt by the Trust Fund of contributions which may be submitted on behalf of individuals who are not eligible to participate shall not stop the Trustees from declining or terminating the participation of such individuals nor shall it constitute a waiver of any of the provisions of participation or of the benefit plans.

3. From what sources does the Trust derive its income?

The District's contribution to the Trust is established through negotiations with the School District. The

District contribution for Management Team Members, Confidential Employees and School Board Members shall always be at least \$24.00 more than the negotiated amount for bargaining unit members. Other income is derived through the interest accrued on the accumulated reserve, investments, and member contributions.

4. How do I apply for Trust Benefits?

- (a) Income Protection: Application forms are available in the Department of Human Resources.
- (b) Retiree Health Premium Benefits: Application forms are available in the Department of Human Resources. Additionally, applications are mailed to eligible participants three months prior to turning age 65.
- (c) Individual Long Term Care: Application forms are available in the Department of Human Resources.
- (d) Life Insurance and AD&D:

Evergreen Teachers Association Health and Welfare Trust
c/o United Administrative Services
6800 Santa Teresa Blvd., Suite 100
San Jose, CA 95119
(408) 288-4400

5. Who do I contact if I have questions regarding my benefits under this Trust?

Contact one of the Trustees or United Administrative Services (the Trust Administrator). See the inside front cover of this booklet for contact information.

Individual Trustees may answer questions but their responses do not legally bind the Trust. Official responses may be requested in writing from the full Board of Trustees.

6. What are the Income Protection Benefits?

After 45 days of consecutive disability your income protection plan will pay 66²/₃% of your salary divided into 12-month periods up to a maximum of \$4,500 per month for disabilities starting prior to March 1, 2007 and \$5,500 per month for disabilities starting on or after March 1, 2007 reduced by sick leave, differential pay or other employer sponsored plans. (See “Other Income” on page 14.)

7. When do I apply to STRS for Income Protection Benefits?

It is imperative that you apply for STRS Disability Benefits immediately upon the onset of a prolonged period of disability due to injury or illness.

8. When do I apply for Income Protection Benefits from the Trust?

Application for Trust benefits should be made when you have been out for 45 consecutive days.

9. What if I receive Income Protection (long term disability benefits) from STRS and the Trust concurrently?

The Trust will require that you repay to the Trust any combined amounts that you receive which are more than 66²/₃% of your salary. This does not affect individual plans or outside salaries.

10. How much will the Trust pay toward Individual Long Term Care?

For each eligible participant, the Trust will pay up to a total of \$30,000 at a maximum of \$2,000 per month. Spouses (or California Registered Domestic Partners) are not included in this benefit. (For further information, see pages 26 through 33.)

11. Can I receive Individual Long Term Care in a private home?

Yes. You can be cared for in a private home if eligibility is established and this is your preference.

12. Must I fill out the beneficiary card in order for my Life Insurance to be in force?

No. However, it is to your benefit to fill out the card to expedite payment and to assure the benefits will be paid to the person of your choice. Beneficiary Designation cards are available in the Department of Human Resources.

13. Where may I find additional copies of this booklet?

Copies of this benefits booklet will be available at the Department of Human Resources and at www.evergreenbenefits.org.

**III
GROUP MEDICAL COVERAGE FOR
ELIGIBLE RETIREES AND SPOUSES (OR CALIFORNIA
REGISTERED DOMESTIC PARTNERS)**

1. How much will the Trust member be responsible to pay toward the monthly premium?

Currently the Trust contributions for members, spouses and registered domestic partners are based on plan selection. Please refer to the website or call UAS for current contribution information.

Kaiser retirees will receive a quarterly bill from United Administrative Services. Monthly payments are also allowed for an additional nominal monthly fee. All premiums are due on the first day of the month of coverage.

One Exchange member/spouse will be responsible for paying the premiums to the selected carrier directly. Plan reimbursement forms and procedures are outlined on the website.

2. Who is eligible for contributions toward group medical premium payments?

Retirees who have fifteen (15) years of service in the District and retire from the Evergreen School District and STRS or PERS at age 55 or older are eligible for contributions toward group medical premium payments at age 65. Spouses (or California Registered Domestic Partners) will also receive the health premium benefit at the time of the retirees' eligibility. Spouses (or California Registered Domestic Partners) may be added to the Trust upon marriage (or registration). The Trust must be notified within 30 days of marriage (or registration) for the spouse (or California Registered Domestic Partner) to be eligible or spouse (or California Registered Domestic Partner) benefits will be forfeited.

3. Are part-time employees eligible?

Yes, provided full monthly contributions are made to the Trust on their behalf. Employees who work less than 50% must make 100% contributions through payroll deduction. Those working 50% or more will pay a pro rata portion. The pro rata portion must also be paid during any paid medical leave.

If the Trust receives full monthly contributions on behalf of part-time employees, they will receive a full year's credit towards Trust benefits for each school year employed. However, these employees **must maintain continuous health coverage between ages 55 and 65** to be eligible for Trust retirement benefits.

Newly hired part-time employees will be given a one time 30 day period from date of hire to make the decision to participate in the Trust. **A part-time employee's decision not to participate in this Trust is final and irrevocable. All future benefits under this Trust are forfeited.**

Full-time employees who change to part-time status will be given a 30-day period from the date of change of status to make the decision to pay the pro rata share.

4. If I am a part-time employee, am I required to continue to make contributions to the Trust even if I have completed the 15 years eligibility requirement?

Yes, all employees whether full-time or part-time must have full contributions made to the Trust while working for the District if they are to be eligible for benefits. *An employee's decision not to participate in this Trust is final and irrevocable. He/she will not be allowed to re-enroll.*

5. Are temporary employees required to make full contributions to the Trust?

Temporary employees will not be required to make contributions to the Trust the first summer after they have been employed as temporary. The second summer the District will make the required contributions to the Trust.

6. Do the fifteen (15) years of service have to be consecutive?

No.

7. Do I have the option to make contributions while I am on unpaid leave?

No. Employees on unpaid personal leave are not eligible for any Trust benefits.

8. Will the District make contributions to the Trust while I am on Family (FMLA) and/or Medical leave?

Yes, if the District makes contributions for all other benefits, contributions will also be made to the Trust.

9. How many years before retirement am I allowed to take unpaid leave and still be eligible for Trust benefits?

If you are on unpaid non-medical leave for more than two consecutive years and do not return to active service for at least one school year in the Evergreen School District before you retire, you will not be eligible for retiree benefits under the Trust.

10. When should a member submit the application for retiree Trust eligibility?

The member should contact the Human Resources Department to obtain the application and submit it to the Trust at least 3 months before the date of retirement.

11. What if the current health plans are no longer available at a future date?

This Trust will investigate for other comparable group coverage. The Trust may change carriers as it deems necessary.

12. If an employee dies while in active service, will the surviving spouse (or California Registered Domestic Partner) receive health premium benefits?

No, because the active employee had not yet retired and therefore had not met the requirements for Trust health premium benefits.

13. If a participant dies after being approved for Trust benefits, will the surviving spouse (or California Registered Domestic Partner) receive health premium benefits?

The surviving spouse (or California Registered Domestic Partner) will receive benefits under the Trust when the Employee would have reached age 65 if the participant had met all eligibility requirements, and if the insurance carrier allows the spouse (or California Registered Domestic Partner) in the plan. *However, if a surviving spouse (or California Registered Domestic Partner) remarries (or re-registers), he/she will no longer be eligible for Trust benefits.*

14. Do I have to be an ETA member to be eligible for benefits under this Trust?

No. However, all eligibility requirements for the Trust must be met.

15. What if a spouse (or California Registered Domestic Partner) of an eligible retiree has coverage as an active employee under another group plan?

The insurance provided under this Trust will be secondary.

16. What if a spouse (or California Registered Domestic Partners) of an eligible retiree has coverage as a retiree under another group plan?

The insurance provided under this Trust will be secondary so long as the spouse (or California Registered Domestic Partner) is under age 65. Once the spouse (or California Registered Domestic Partner) reaches age 65, you will be contacted by the Trust regarding your options for continuation of coverage.

17. What is the Trust's policy regarding Medicare?

Participants who are eligible for Medicare must obtain Medicare Parts A and B at age 65 or upon retirement, whichever comes later.

Participants who are not eligible for Medicare should contact the Trust to discuss their options.

All participants must pay for Medicare Part B.

For further information, see Section IX (Frequently Asked Questions about Turning 65) on page 36.

18. Who pays for my health benefits if I retire between ages 55 and 65?

The Trust does not pay for health benefits for members between ages 55 and 65. Please refer to your current negotiated contract between the Evergreen School District and the Evergreen Teachers Association regarding payment of health benefits between ages 55 and 65.

IV
INCOME PROTECTION PLAN
DESCRIPTION

This is an explanation of the Plan benefits for those eligible for coverage under the rules described herein. All benefits are subject to the provisions, definitions, exceptions, and restrictions as described herein.

This is a self-funded plan for the first 12 months of coverage. **For those employees who do not qualify for benefits under the State Teachers Retirement System by reason of having less than (5) years of contributions into STRS, benefits will be provided by the Trust's insurance carrier after the first 12 months of coverage as provided by this Plan.** Refer to the benefits described herein on page 19, Summary of Benefits.

For employees with more than five years of STRS contributions who have no dependents or one dependent, benefits will also be paid by the insurance carrier as described on page 19 in the "Summary of Benefits".

In this Plan Document the Evergreen Teachers Association is referred to as the "Association" and the eligible employee as "you".

These Rules and Regulations govern the direct payment plan and insurance provisions for active certificated employees, district management team, and confidential employees employed by the Evergreen School District. Effective date of the Plan is October 1, 1985.

ELIGIBLE STATUS

All active full-time employees of the recognized bargaining unit, district management team, and confidential employees.

ELIGIBILITY DATE

If you are in an eligible status, you will become eligible for coverage on the first day of the month coinciding with or following your date of employment or the date you enter or return from an approved leave.

EFFECTIVE DATE OF COVERAGE*

The effective date for those in an eligible status is the same as your eligibility date.

TERMINATION OF COVERAGE

Your coverage and insurance will automatically terminate on the earlier of the following dates: (1) the date the plan terminates, (2) the date of expiration of the period for which the last contribution or premium is made on account of your coverage, or (3) the first day of the month following the date in which you enter full-time military service.

Unless your coverage terminates earlier as in (1),(2), or (3) above, the Association, by filing advance written notice with the Contract Administrator and provided contributions are paid, may continue your coverage in force during the period of any temporary lay-off up to a maximum of three (3) months.

At the expiration of the respective period provided above, your coverage will terminate automatically unless you then return or will have returned to active work.

WAIVER OF CONTRIBUTION

While you are totally disabled by reason of bodily injury or illness and are receiving benefits from STRS, PERS, and/or from this plan, the Plan will waive all premiums and/or contributions due in your account during the period for which benefits are payable on account of such disability. You may also be eligible to continue Life

Insurance Benefits while totally disabled (See Section V, #5)

***Effective Date Proviso.** *If you are a newly hired employee and are not actively at work in an eligible status on the date your coverage would otherwise become effective, the coverage will not become effective until the date you return to active work for eleven consecutive regular work days. If you are not actively at work in an eligible status on the date you would otherwise be entitled to any additional insurance or increased benefits as the result of a change or an amendment to the Plan, the additional insurance or increased benefits will not become effective until the date you return to active work for eleven consecutive regular work days.*

DEFINITIONS

“Administrator or Contract Administrator” for the Short-Term Self-Funded Disability Benefit means United Administrative Services (UAS), 1120 South Bascom Avenue, San Jose, California 95128, and for the Long-Term Disability Income Benefits means the Trust’s insurance carrier. The insurance carrier can be notified c/o UAS or notified directly on applicable claim forms.

“Benefit Payment Program and Benefit Waiting Period” means the applicable periods specified in the Summary of Benefits.

“Monthly Contract Salary” means only the gross annual salary payable to you as contracted between you and the District, divided by twelve. In no event, however, will this term include any additional compensation for overtime pay, weekend, summer, after school or outside of District employment, bonuses, or district funded fringe benefits.

For the purpose of determining the amount of benefits payable in accordance with the Summary of Benefits, your monthly contract salary will be determined based on the contract year in which total disability commenced.

“Doctor” means a person who is licensed to practice medicine and surgery as a Doctor of Medicine or as a Doctor of Osteopathy. While acting within the scope of his/her practice and to the extent that benefits are provided, “doctor” will also include a person licensed to practice as a psychologist. The term “doctor” will not include you or your spouse (or California Registered Domestic Partner), parent, child, brother or sister.

The term **“doctor”** will also include any Christian Science Practitioner recognized by the Mother Church; provided however, that with respect only to the Long Term Disability Income Benefit, this paragraph will only apply to you if you are confined in a Christian Science Sanitarium which qualifies as a hospital.

“Active Employee” means a full-time employee working at least an average of 20 hours per week for the Evergreen School District. The Trust provides benefits for all Trust participants.

“Other Income” means the total amount of income or benefits which you receive, while disabled, from the following sources: (1) income which you are eligible to receive from your employer; (2) benefits payable under any other disability income plans for which the employer pays the premium, including those required under any workers’ compensation, State Teachers Retirement System, California Public Employees Retirement System or employer’s liability law or (3) disability benefits or pensions payable under any governmental plan; except that the following provisions will apply:

- (a) Military service retirement benefits and military disability allowances being received as a consequence of prior service connected

disabilities are excluded, except as provided in (b) below.

- (b) Military disability allowances applied for after becoming disabled while insured will be considered "Other Income".
- (c) Improvement factors or cost of living adjustments which become effective after the date of disability are excluded.

The term "Other Income" will also include disability benefits which you are eligible to receive whether or not actually applied for from any other group life or disability plans, any franchise or wholesale insurance plans.

If you are disabled and accept a lump sum settlement in lieu of all or part of the periodic payments under any of the sources of "Other Income", such payments will be considered for the purposes of determining the Monthly Benefit Payable to continue for a number of months determined by dividing the lump sum settlement by the monthly equivalent of such payments.

If benefits are payable for a period which is less than a full month, such benefits will be computed as provided above, but pro-rated on the basis of $\frac{1}{30}$ th for each calendar day.

With respect only to members with less than five years of credited service under the California State Teachers Retirement System who have received disability benefits for at least one year, the term "Other Income" will mean income which you are eligible to receive whether or not actually applied for from any of the sources enumerated in items 1, 2, or 3 in the first paragraph of this definition.

"Period of Disability" means the period during which you are continuously totally disabled.

Successive periods of disability resulting from the same or related causes will be considered one period of disability unless the periods are separated by your returning to work for at least 45 consecutive regular work days.

If a period of total disability commences and continues during a "Scheduled Vacation Period", any applicable benefit waiting period will commence during such period.

"Scheduled Vacation Period" means any vacation period other than a leave of absence which is at least two but less than fourteen consecutive weeks in duration.

"Regular Work Day" means any day of teacher attendance required by regulations of the employing unit including legal holidays which fall on any otherwise regular workday.

"Fully Paid Sick Leave" means the total number of days of sick leave with full pay to which you are entitled.

"Totally Disabled" During your Benefit Payment Period but not to exceed the first four years thereof, you will be considered "totally disabled" while you are unable to perform the material duties of your own occupation, and while you are not engaged in any other occupation. Therefore, you will be considered "totally disabled" while you are unable to engage in any gainful occupation for which you are reasonably qualified by training, education and/or experience.

"Hospital" in relation to the above condition means only an institution which meets all the following requirements: (a) maintains permanent and full-time facilities for bed care of five or more resident patients, (b) has a doctor in regular attendance, (c) continuously

provides 24 hours a day nursing service by Registered Nurses, and (d) is primarily engaged in providing diagnostic and therapeutic facilities for medical and surgical care of injured and sick persons.

The term “hospital” will also include any approved Christian Science Sanitarium or other institution which has been approved by the committee on Christian Science Nursing Homes of the Mother Church, except in the event of confinement in such institution for spiritual guidance or rest. In no event, however, will the term “hospital” include any institution, or part thereof, which is used principally as a rest home, nursing home, convalescent home or a place for the aged.

“**State Teachers Retirement System**” means the applicable provisions of the Education Code of the State of California which relate to the State Teachers Retirement System.

DESCRIPTION OF BENEFITS
SHORT-TERM SELF-FUNDED DISABILITY
BENEFIT

If you become totally disabled while covered as a result of bodily injury or illness, the Plan will pay the applicable amount during each period of disability, commencing on the applicable day shown in the Summary of Benefits. In the event you are totally disabled and eligible for benefits at the time the plan of benefits for your Sub-Group is changed, or your coverage terminates, benefits will be paid on account of the illness or injury which caused such disability, to the same extent as if the change or termination had not occurred.

EXCLUSIONS

The Plan does not pay benefits for (1) illness first manifested or injury sustained prior to your effective date of insurance, except for periods of disability commencing while you are insured, (2) bodily injury or illness for which you are not under the regular care of a doctor other than yourself, your spouse (or California Registered Domestic Partner), parent, child, brother or sister, (3) intentionally self-inflicted injuries, (4) participation in the commission of a felony or (5) war or any act of war, whether declared or undeclared.

LONG TERM DISABILITY INCOME BENEFIT
(CLASSES I AND II)

If, while insured, you become totally and continuously disabled as a result of bodily injury or illness, the Plan will pay you the monthly benefit, beginning with the day following the Benefit Waiting Period and ceasing on the earlier of the following dates: (a) the date you cease to be so disabled, or (b) the end of the Benefit Payment Period, maximum one (1) year. In the event you are totally disabled and eligible for benefits at the time the plan of benefits for your Sub-Group is changed, or your insurance terminates, benefits will be paid on account of the illness or injury which caused such disability, to the same extent as if the change or termination had not occurred.

Should you continue to be disabled as a result of bodily injury or illness beyond the date that the Benefit Payment (maximum of one year) terminates under the self-funded provision of the Plan, your eligibility for continuous coverage will be determined by the insurance carrier.

EXCLUSIONS

The Plan does not pay benefits for: (1) illness first manifested or injury sustained prior to your effective date of coverage, except for periods of disability commencing while covered, and immediately following at least ten consecutive regular work days of full-time active employment, (2) bodily injury or illness for which you are not under the regular care of a doctor other than yourself, your spouse (or California Registered Domestic Partners), parent, child, brother or sister, (3) intentionally self-inflicted injuries, (4) participation in the commission of a felony or (5) war or any act of war, whether declared or undeclared.

SUMMARY OF BENEFITS

SHORT-TERM SELF-FUNDED DISABILITY BENEFIT (Provided by ETA Health and Welfare Trust) for all eligible employees regardless of number of years under the California State Teachers Retirement System as follows:

Amount payable for each period of disability is $66\frac{2}{3}\%$ of monthly contract salary up to a maximum of \$5,500 per month effective March 1, 2007

Benefit Waiting Period.....45 consecutive days of disability.

Benefits Payment Period – Maximum – One year from the date the waiting period is met.

LONG-TERM DISABILITY INCOME BENEFIT Provided by the insurance carrier for eligible employees as follows:

Class I – Not eligible for STRS Disability Benefits
Any employee who, on the date he/she becomes totally disabled, has less than five years of credited

service under the California State Teachers Retirement System and eligible classified management and confidential employees.

Class II – Eligible for STRS Disability Benefits

Any certified employee who, on the date he/she becomes totally disabled, has five years or more of credited service under the California State Teachers Retirement System.

Qualifying Period:

Class I – 410 Days (365 + 45 days waiting period)

Class II – 12 Months (365 days which includes 45 days waiting period)

Amount Payable:

Class I – $66\frac{2}{3}\%$ of your annual contract salary divided by twelve months subject to a total maximum amount of \$5,500 per month effective March 1, 2007. (Not eligible for STRS benefits.)

Class II – If you have no dependents, in addition to STRS benefits, $16\frac{2}{3}\%$ of your annual contract salary divided by twelve months subject to a total maximum amount of \$5,500 per month effective March 1, 2007. (May be eligible for STRS benefits.)

If you have one dependent, in addition to STRS benefits, $6\frac{2}{3}\%$ of your annual contract salary divided by twelve months subject to a total maximum amount of \$5,500 per month effective March 1, 2007.

Benefit Payment Period (Classes I and II):

Maximum ... to age 65 if disability commences prior to your 60th birthday; or if benefits commence for a period of disability between your 60th and 65th birthdays, 3 years or to 65th birthday, whichever is longer.

After the 65th and before the 70th birthday, the benefit payment period is 2 years, but not beyond the 70th birthday.

The amounts of Short-Term Self-Funded Disability benefit and Long-Term Disability Income Benefit will be reduced by the total amounts of "Other Income". (See page 14.)

GENERAL INFORMATION

1. WORKERS COMPENSATION

The Plan does not replace nor affect any requirement for coverage by workers' compensation insurance.

2. EFFECTIVE DATE

The effective time for any dates used herein will be 12:01 a.m. Standard Time at the address of the Policyholder.

3. AMENDMENTS

The Plan can be changed only by the Evergreen Teachers Association Health and Welfare Trust and the insurance carrier.

4. PERIOD OF NON-CONTESTABILITY

The validity of the insurance carrier will not be contested except for nonpayment of premiums after it has been in force for two years from its effective date. No statement made by an individual relating to his/her insurability will be used in contesting the validity of the insurance with respect to which such statement was made after such insurance has been in force prior to contest for a period of two years during his/her lifetime, nor unless it is contained in a written application signed by him/her, and a copy of such application is furnished to him/her or his/her beneficiary.

5. CONTESTABILITY BASED ON FRAUDULENT STATEMENTS

The Plan will not use any statement other than a fraudulent misstatement by a covered person to contest a claim after his/her coverage has been in effect continuously for two years. If a claim is contested, a copy of such statement will be furnished to the insured person or his/her beneficiary.

6. TIMELY WRITTEN NOTICE OF CLAIM REQUIREMENTS (PROOF OF LOSS)

For short-term disability, written notice of claim must be given within 20 days after loss begins or as soon as reasonably possible. The Contract Administrator must be furnished proof of loss by the claimant within 90 days after the date of loss if reasonably possible, and except in the absence of legal capacity of the claimant not later than one year after the end of the 90-day period.

The Plan Administrator will provide the usual claim forms for the claimant within 15 days after he/she gives written notice of claim; otherwise he/she may submit within the required time written proof covering the occurrence, character and extent of the loss.

Filing of claims and all questions regarding the processing of your claim should be directed to the Plan Administrator's Office.

7. FOR LONG-TERM DISABILITY INCOME BENEFIT

The insurance carrier must be given written notice of claim before the end of the Benefit Waiting Period or as soon as reasonably possible. The insurance carrier must be furnished proof of total disability by the claimant within 90 days after the end of the Benefit Waiting Period, and thereafter during the continuation of the disability as the insurance carrier may reasonably require. Failure to furnish such proof within the time required will not invalidate a claim if it was not reasonably possible

V
GROUP LIFE INSURANCE
FOR ALL ACTIVE PARTICIPANTS

to give such proof within such time, provided such proof is given as soon as reasonably possible, and in no event later than one year from the time proof is required, except in the absence of legal capacity of the claimant.

8. PAYMENT

All disability payments under the policy are payable to you. Any accrued amounts unpaid at your death will be paid at our option to your beneficiary or to your estate.

If any indemnity under the policy is payable to your estate, or to you or a beneficiary while you or they are a minor or otherwise not competent to give a valid release, we may pay such indemnity up to an amount not exceeding \$1,000 to any relative by blood or marriage to you or the beneficiary who is deemed by us to be equitably entitled to it. Any payment made by the Plan in good faith under this provision will fully discharge us to the extent of such payment.

9. PERIODIC PHYSICAL EXAMINATION

If not forbidden by law, the insurance carrier may require, at our expense, a medical examination of the person for whom a claim is made.

10. PART-TIME DISABILITY COVERAGE

Effective September 1, 1992, the Trust provides benefits for disabled employees working part-time (no less than 50%) provided the disability is approved by the District. All other terms, conditions, limitations, exclusions and benefits of the existing disability plan will remain the same.

1. How much life insurance will each participant have?

- | | |
|-----------------------|-----------------------|
| (a) Life: | \$10,000 or |
| (b) Accidental Death: | \$20,000 |
| (c) Dismemberment: | \$5,000 -
\$10,000 |

2. Who is eligible for Life Insurance?

All active employees for whom contributions to the Trust are made on their behalf are eligible for life insurance. Spouses (or California Registered Domestic Partners) are not active employees and are ineligible for this benefit.

3. Will a medical questionnaire or Evidence of Insurability be required to enroll in the plan?

No.

4. When will the life insurance become effective?

Life insurance becomes effective on your first day of active employment.

5. When will the life insurance coverage terminate?

Coverage terminates when you are no longer employed by the Evergreen School District, when you retire or when you are on unpaid leave without District paid benefits.

6. Will my life insurance remain in force if I become totally and permanently disabled?

Yes, if you are an active employee and become totally and permanently disabled before age 60, your life insurance will remain in force to age 65 without premium payment as long as you remain so disabled, apply for Waiver of Premium within twelve (12) months of disability, and continue to submit proof of disability.

7. Must I fill out the beneficiary card?

No, it is not required. However, it is to your benefit to fill out the card to expedite payment and assure the benefits will be paid to the person of your choice. Beneficiary designation cards may be obtained in the Department of Human Resources.

VI
**LONG-TERM CARE BENEFITS
(SPOUSES AND CALIFORNIA REGISTERED
DOMESTIC PARTNERS NOT INCLUDED)
EFFECTIVE JANUARY 1, 1994**

1. What is Long-Term Care Coverage?

Long-Term care coverage provides financial assistance for care at home, in a long-term care facility, or another similar place.

2. Who is eligible?

You are eligible for benefits if you are an active eligible participant in the Trust or a retiree who has met the eligibility requirements of the Trust. Spouses and or California Registered Domestic Partners are not included in this benefit.

3. When is coverage effective?

Coverage is effective after a 30-day waiting period from the date of eligibility for benefits or 30 days from the date that you apply for benefits, whichever is later.

4. What are my benefits?

The maximum payment per month to a long-term facility or for home care is \$2,000. The lifetime maximum per participant is \$30,000. The Trust will review any amounts charged to determine that the charges are reasonable for the services provided.

5. How do I qualify to receive benefits?

Benefits are payable when you require the standby assistance of another person for either the loss of two or more activities of daily living (ADL's) or suffer cognitive impairment.

6. How are my long-term care benefits affected if I am covered by STRS, PERS, or other Long-Term plans?

This plan supplements benefits you are eligible to receive from other long-term care plans.

7. What are Activities of Daily Living (ADL's)?

Activities of daily living are activities you need to perform to live independently. They are Bathing, Dressing, Toileting, Transferring, Continence and Feeding.

(a) Bathing is the ability to wash yourself:

- in the tub or shower, or
- by sponge bath even if you must use equipment aids.

If you do not need standby assistance of another person with bathing, this Plan will consider you able to bathe yourself.

(b) Dressing is the ability:

- to put on and take off all garments even if you use modified clothing or adaptive devices such as tape fasteners or zipper pulls, and
- to put on or take off and to fasten or unfasten any medically necessary braces or artificial limbs.

If you do not need standby assistance of another person with dressing, the Plan will consider you able to dress yourself.

(c) Toileting is the ability:

- to get to and from and on and off the toilet, or
- to use a commode, bedpan or urinal and to empty and clean it yourself, or
- to wear a special appliance to collect body waste and fluid and to empty and clean it as necessary yourself, and
- to keep yourself reasonably clean.

If you do not need standby assistance of another person with toileting, the Plan will consider you able to toilet yourself.

(d) Transferring is the ability to get in and out of a chair or bed yourself even if you use equipment such as canes, quad canes, walkers, crutches, grab bars or other support devices, including mechanical or motorized devices.

If you do not need standby assistance of another person with transferring, the Plan will consider you able to transfer yourself.

(e) Continence is the ability:

- to voluntarily control bowel and bladder functions yourself, or
- to use a special appliance, a device or protective undergarment to collect body waste and fluid and to empty, clean or dispose of it as necessary yourself, and
- to keep yourself reasonably clean.

If you do not need standby assistance of another person to maintain continence, the Plan will consider you to be continent.

(f) **Feeding** is the ability:

- to reach for, pick up, and grasp a utensil and cup, and
- to get food on a utensil, and
- to bring food, utensil, and cup to mouth, and
- to manipulate food on plate, and
- to clean face and hands as necessary following meals.

If you do not need standby assistance of another person with feeding, the Plan will consider you able to feed yourself.

8. What is Standby Assistance?

Standby assistance means that, in the absence of another person's assistance, you would not be able to safely and completely perform an activity of daily living.

9. What is Cognitive Impairment?

Cognitive impairment means a deterioration or loss in intellectual capacity resulting from Alzheimer's disease or similar forms of irreversible dementia.

The extent of your cognitive impairment will be determined by clinical evidence and standardized tests which reliably measure your deterioration or loss in the following areas:

(a) Short or long term memory;

(b) Orientation as to:

- Person (such as who you are);
- Place (such as your location);
- Time (such as day, date and year); and

(c) Deductive or abstract reasoning.

If, because of a deterioration or loss in intellectual capacity, you need continual supervision for your own protection or for the protection of others, the Plan will consider you to have cognitive impairment.

10. When do I file a claim for Long-Term Care payments?

A claim may be filed any time after it is determined that there is a loss of functional capacity (or cognitive impairment) or as soon as it is reasonably possible to do so.

The Trust may request additional information including a second medical opinion prior to the approval of any payment of benefits.

If you do not have a Long-Term Care Notice of Claim form, you can get one from the Department of Human Resources or United Administrative Services.

11. What is a Long-Term Care facility?

A Long-Term care facility is:

(a) An institution, or a distinctly separate part of a hospital, that provides skilled, intermediate or custodial care and operates under state licensing laws and any other laws that apply;

(b) Any other institution that meets all of the following tests:

- is operated as a health care facility under applicable state licensing laws and any other laws;
- primarily provides nursing care under the orders of a doctor;
- operates under the supervision of a registered nurse or a licensed practical nurse;
- regularly provides room and board and continuous 24 hour a day nursing care of sick and injured persons;
- maintains a daily medical record of each patient who must be under the care of a doctor;
- is authorized to administer medication to patients on the order of a doctor; and
- is not, other than incidentally:
 - a. a home for the mentally retarded, the mentally ill, the blind or the deaf, alcoholics or drug users, or
 - b. a hotel, a domiciliary care home or a residence.

12. What is Home Care?

Care may be provided to you by:

- (a) a formal caregiver, such as a Home Health Care Provider, an Adult Day Care Facility, a registered nurse, a licensed practical nurse, etc., or

- (b) an informal caregiver, such as your friends or relatives.

13. What is not covered under the Long-Term plans?

This Plan does not make long-term care payments to you for:

- (a) expenses incurred as a result of attempted suicide (while sane or insane) or self-destruction.
- (b) expenses incurred as a result of committing or attempting to commit an assault or felony,
- (c) expenses incurred as a result of confinements during which you are outside the United States, its territories or possessions for longer than 30 days,
- (d) any day you are confined in any facility for acute care (acute care is medical care obtained as a result of an injury or an illness requiring immediate medical intervention),
- (e) expenses incurred as a result of alcoholism,
- (f) expenses incurred as a result of voluntary use of any controlled substance unless the controlled substance is prescribed for you by a doctor (“Controlled Substance” is defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and all Amendments), or
- (g) Expenses that are covered or eligible for benefit payments under an HMO plan such as Kaiser or Group Insurance or any other arrangement of coverage for individuals in a group whether insured or not or Blue Cross, Blue Shield or any other pre-payment arrangement.

This Plan will make payments to you for conditions that are not psychological or psychiatric in nature. Alzheimer's disease, multi-infarct dementia, and Parkinson's disease are covered under this Plan.

VII CLAIM AND APPEAL PROCESS

Should any benefit provided by the Evergreen Teachers Association Health and Welfare Trust be denied, the Member may appeal the decision to the Evergreen Teachers Association Health and Welfare Trust Board of Trustees in writing. The decision must be filed within 60 days of the date of denial and should be filed c/o United Administrative Services, 6800 Santa Teresa Blvd, Suite 100, San Jose, California, 95119, (408) 288-4400.

The appeal should state the nature of the claim, when it was denied, the nature of the disagreement with the denial, and should contain any additional evidence or data that bears on the eligibility for coverage or the amount of benefit. The claim review will be conducted by the Evergreen Teachers Association Health and Welfare Trust Board of Trustees or the delegated Contract Administrator, United Administrative Services.

At the Evergreen Teachers Association Health and Welfare Trust Board of Trustees' option, a hearing may be held, at which time the Member or his/her designated representative will be called to appear to provide additional information. However, the Evergreen Teachers Association Health and Welfare Trust Board of Trustees need not conduct such a hearing and may make a review decision based on the appeal file by the Member and any additional evidence they have. However, the Member will be supplied all evidence upon which the Evergreen Teachers Association Health and Welfare Trust Board of Trustees plans to make a

decision, and the Member will be allowed to comment on that evidence prior to any decision being made.

Also, any of the Evergreen Teachers Association Health and Welfare Trust Board of Trustees members may be contacted directly for any additional information. The contact information for the current members of the Evergreen Teachers Association Health and Welfare Trust Board of Trustees can be found on the inside of the front cover.

The decision of the Evergreen Teachers Association Health and Welfare Trust Board of Trustees as to factual findings shall be final and binding. The Evergreen Teachers Association Health and Welfare Trust Board of Trustees has complete discretion to interpret the nature of benefits, eligibility and other matters pertaining to benefits under this Plan.

VIII ARBITRATION

Any disagreement with a final decision of the Evergreen Teachers Association Health and Welfare Trust Board of Trustees shall be referred to binding arbitration. The Member has 120 days from notice of the unfavorable decision to initiate arbitration. Arbitration shall be initiated by written letter to the Evergreen Teachers Association Health and Welfare Trust Board of Trustees demanding arbitration. The Evergreen Teachers Association Health and Welfare Trust Board of Trustees shall arrange for a single neutral arbitrator through the American Arbitration Association or County Medical Board, as is appropriate.

The parties shall equally divide the expense of the Arbitrator. Each party shall bear its own attorney fees and costs, including those of expert witnesses.

IX FREQUENTLY ASKED QUESTIONS ABOUT TURNING 65

When you're about to turn 65, you may have several questions about what you need to do. Below are some of the more common questions and answers we have encountered. If you still have additional questions, please feel free to contact us at 408-288-4453 and we will assist you.

Q #1: Do I need to enroll in Medicare while I am an active employee of the Evergreen School District School District after age 65?

A #1: No, you will need to start the Medicare enrollment process a few months before you retire in order to have your Medicare benefits set up by the time you retire. There will be no penalty from Medicare for not signing up while you are actively working. When you are planning to retire, follow the steps in Answer #2. **While you are still an Active employee, do not enroll in any Medicare program with Kaiser or Blue Shield.**

Q #2: I am retired and will be turning 65 soon, what do I need to do to ensure that I will receive Trust benefits?

A #2: At least three months before you turn 65, you need to do the following:

- Contact Social Security at 1-800-772-1213 and they will walk you through signing up for Medicare. If you do not qualify for Medicare Part A, please see Question #8.
- Refer to the packet mailed to you by UAS. If you don't receive it, please contact UAS for the necessary paperwork to transition to the Trust's retirement health plan. Return the paperwork to United Administrative Services.

- Send United Administrative Services a copy of your Medicare card once it is received.

Q #3: When forms ask for my “Employer Name” what do I fill in?

A #3: If you are a member of a group plan (Kaiser), you will list “Evergreen School District” as your employer.

Q #4: What medical benefits does the Trust cover?

A #4: The Trust makes a contribution toward the monthly premium for either the Trust approved medical and prescription plan as long as you remain active in Medicare.

Q #5: If I waive medical coverage when eligible, can I re-enroll in Trust benefits at a later date?

A #5: Yes.

Q #6: What is Medicare Part A?

A #6: Medicare Part A is that part of the Medicare insurance program that covers hospitals, skilled nursing facilities, home health agencies, etc.

Q #7: As a teacher, am I eligible for Medicare Part A?

A #7: If you (or your spouse of at least ten years) have at least 40 quarters of Medicare eligible employment, you will qualify for Medicare Part A on your own and there is no additional premium. If not, you can coordinate to obtain Medicare coverage through CalSTRS at (800) 228-5453. The Social Security office will be able to provide you with the necessary paperwork at the time you sign up for Medicare/Social Security.

Q #8: What is Medicare Part B?

A #8: Medicare Part B is that part of the Medicare insurance program that covers physician and outpatient services.

Q #9: What is the monthly Part B premium?

A #9: This premium is set by CMS (Centers for Medicare and Medicaid Services) and can be obtained at any Social Security office. This premium must be paid to CMS by all participants that are eligible for Medicare.

Q #10: What if I do not participate in Medicare A and B?

A #10: If you do not participate in Medicare A and B, you will be responsible to reimburse the Trust for the additional premiums that it incurs as a result of your non-participation.

Q #11: What is Medicare Part D?

A #11: Medicare Part D is a federal program to subsidize the costs of prescription drugs for Medicare beneficiaries.

Q #12: Should I enroll in a Medicare Part D plan?

A #12: No, if you are a Kaiser member, the benefit that you receive through the Trust exceeds that provided by Medicare. Do not enroll in a Medicare Part D plan or you will be disenrolled from the Trust plan.

Q #13: Are the Kaiser benefits the same after age 65 as prior to age 65?

A #13: In regard to Kaiser, upon reaching age 65, all Kaiser members are required to assign their Medicare benefits to Kaiser (Senior Advantage). This means that you would have no Medicare benefits outside of Kaiser.

Q #14: Is it possible to switch plans?

A #14: Yes, members can elect to change plans at the Medicare designated open enrollment period each year.

Q #15: What happens if I move outside of the Kaiser service area?

A #15: If you move out of the Kaiser service area (the ZIP Code list provided with your application) you may switch to an Alternate Trust Plan. You must notify United Administrative Services within 60 days to ensure a smooth transition. Please contact UAS since you will no longer be eligible for the Kaiser Trust Plan.

Q #16: When is my spouse covered by the Trust?

A #16: Currently, the Trust makes a contribution toward your spouse's medical premium as soon as **you turn 65** no matter what your spouse's age. Prior to your turning 65, refer to the ETA negotiated contract for benefit information.

Q #17: Can my spouse or California Registered Domestic Partner continue with Trust benefits if I die?

A #17: The surviving spouse or California Registered Domestic Partner will receive benefits under the Trust when the Employee would have reached age 65 if the participant had met all eligibility requirements, and if the insurance carrier allows the spouse or California Registered Domestic Partner in the plan. *However, if a surviving spouse or California Registered Domestic Partners remarries or re-registers, he/she will no longer be eligible for Trust benefits.*

Q #18: Do I still have life insurance?

A #18: Life insurance is provided by the Trust to actively working Trust members. Once you retire, you no longer have life insurance through the Trust.

Q #19: Do I still have Long Term Care benefits?

A #19: Yes, please refer to section VI of the Trust Benefits Booklet for a complete description of the benefit. This coverage is for the member only.

Q #20: Do I still have Income Protection benefits?

A #20: You still have Income Protection benefits as long as you are a benefit eligible **active** employee of the Evergreen School District. Once you retire, you are no longer eligible for Income Protection benefits through the Trust.

Q #21: Who do I call if I have more questions?

A #21: Please contact United Administrative Services at 408-288-4453 for additional assistance.

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