

# West Hempfield Township

West Hempfield Township  
3476 Marietta Avenue  
Lancaster, PA 17601

## West Hempfield Township HRA Plan

Plan Document

Effective January 01, 2023

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# West Hempfield Township HRA Plan

## INTRODUCTION

West Hempfield Township hereby establishes effective January 01, 2023, a health reimbursement arrangement, known as the West Hempfield Township HRA Plan (the "HRA"), the terms of which are set forth in this document. The HRA provides for the reimbursement of expenses as described in the Appendices of this document that have been incurred by Eligible Employees, their spouses and certain eligible Dependents of such Employees.

It is intended that the HRA meet the requirements for qualification under Code Section 105 with respect to Employees, and that benefits paid Employees hereunder be excludable from their gross incomes pursuant to Code Section 105(b).

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## I. ARTICLE - DEFINITIONS

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As used in this HRA, the following words and phrases shall have the meanings set forth herein unless a different meaning is clearly required by the context:

01. **"Plan Administrator"** means the individual(s) or committee appointed by the Employer to carry out the administration of the HRA. In the event the Administrator has not been appointed, or resigns from an appointment, the Employer shall be deemed to be the Administrator.
02. **"Code"** means the Internal Revenue Code of 1986, as amended.
03. **"Coverage Period"** means the period of the current plan year in which the individual is an eligible employee on or after his or her plan entry date.
04. **"Dependent"** means any individual who qualifies as a dependent under Code Section 152 (as modified by Code Section 105(b)). Any child of a Participant who is an "alternate recipient" under a qualified medical child support order shall be considered a Dependent under this Arrangement.
05. **"Effective Date"** means January 01, 2023.
06. **"Eligible Employee"** means an Employee who is eligible to participate in the Employer's group medical plan. An individual shall not be an "Eligible Employee" if such individual is not eligible for the Employer's group medical plan.
07. **"Employee"** means you are an active employee working 35 hours or more per week. The term "Employee" shall also include any person who is a Leased Employee deemed to be an Employee as provided in Code Section 414(n) or (o).
08. **"Employer"** means West Hempfield Township, a Government Entity or any successor which shall maintain this HRA and any predecessor which has maintained this HRA. In addition, unless the context requires otherwise, the term "Employer" shall include any Participating Employer which shall adopt this HRA.
09. **"Employer Contribution"** means the amounts contributed to the HRA by the Employer.
10. **"HRA"** means the West Hempfield Township HRA Plan as adopted by the Employer, including all amendments thereto.
11. **"Leased Employee"** means, effective with respect to Plan Years beginning on or after January 1, 1997, any person (other than an Employee of the Employer) who, pursuant to an agreement between the Employer and any other person or entity ("leasing organization"), has performed services for the Employer (or for the Employer and related persons determined in accordance with Code Section 414(n)(6)) on a substantially full time basis for a period of at least one year, and such services are performed under primary direction or control by the Employer. Contributions or benefits provided to a Leased Employee by the leasing organization which are attributable to services performed for the Employer shall be treated as provided by the Employer. Furthermore, compensation for a Leased Employee shall only include compensation from the leasing organization that is attributable to services performed for the Employer.

A Leased Employee shall not be considered an Employee of the Employer if:

1. such employee is covered by a money purchase pension plan providing:
  - i. a nonintegrated employer contribution rate of at least ten percent (10%) of compensation, as defined in Code Section 415(c)(3), but including amounts contributed pursuant to a salary reduction agreement which are excludable from the employee's gross income under Code Sections 125, 402(e)(3), 402(h) or 403(b),
  - ii. immediate participation, and

iii. full and immediate vesting; and

2. leased employees do not constitute more than twenty percent (20%) of the recipient Employer's non-highly compensated workforce.

12. "**Participant**" means any Eligible Employee who has satisfied the requirements of the Section titled: "Eligibility" and has not for any reason become ineligible to participate further in the HRA.
13. "**Permissible Employee Class(es)**" means the permitted classifications for distinguishing among employees defined by law.
14. "**Plan Year**" means the 12-month period beginning January 01 and ending December 31.
15. "**Premiums**" mean the Participant's cost for any health plan coverage.
16. "**Qualifying Medical Expenses**" means any expenses as described in the Appendices of this document that meets the definition of "qualified medical expenses" (within the meaning of Code Section 213(d) and as allowed under Code Section 105 and the rulings and Treasury regulations thereunder) of the Participant, the Participant's spouse or a Dependent and that are not otherwise used by the Participant as a deduction in determining the Participant's tax liability under the Code or reimbursed under any other health coverage, including a health Flexible Spending Account. If the Employer provides Health Savings Accounts for Participants, Qualifying Medical Expenses reimbursed shall be limited to those allowed under Code Section 223.

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## **II. ARTICLE - PARTICIPATION**

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### **01. Eligibility**

Any Eligible Employee shall be eligible to participate hereunder on the date such Employee is enrolled in the Employer's group medical plan.

### **02. Effective Date of Participation**

An Eligible Employee who has satisfied the conditions of eligibility pursuant to the Section titled "Eligibility" shall become a Participant effective on the date such Employee is enrolled in the Employer's group medical plan.

### **03. Termination of Participation**

Terminated Employees may not continue to participate in the HRA, and any unused amounts shall be forfeited. In the case of the death of the Participant, any remaining balances may only be paid out as reimbursements for Qualifying Medical Expenses as stated in the Section titled: "Health Reimbursement Arrangement Claims" under the Article titled: "Benefits" and shall not constitute a death benefit to the Participant's estate and/or the Participant's beneficiaries. A Participant shall be permitted at least annually to opt out of the HRA and waive future reimbursements from the HRA.

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### III. ARTICLE - BENEFITS

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#### 01. Establishment of HRA

- a. The HRA is intended to qualify as a Health Reimbursement Arrangement under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder.
- b. Participants in this Health Reimbursement Arrangement may submit claims for the reimbursement of Qualifying Medical Expenses as defined under the HRA.
- c. The Employer shall make available to Participant an Employer Contribution in the amounts listed in the Appendices of this document.

The amounts provided to the HRA by The Employer will be made available on the first day of the plan year.

- d. This HRA shall not be coordinated or otherwise connected to the Employer's cafeteria plan (as defined in Code Section 125), except as permitted by the Code and the Treasury regulations thereunder in order for this HRA to be maintained as a Health Reimbursement Arrangement. No salary reduction contributions may be made to this Health Reimbursement Arrangement.
- e. If the Employer maintains Health Savings Accounts for Participants, this Arrangement shall be operated in accordance with the restrictions under Code Section 223.

#### 02. Nondiscrimination Requirements

- a. It is the intent of this Health Reimbursement Arrangement to not discriminate in violation of the Code and the Treasury regulations thereunder.
- b. If the Administrator deems it necessary in order to avoid discrimination under this Health Reimbursement Arrangement, it may, but shall not be required to reduce benefits provided to "highly compensated individuals" (as defined in Code Section 105(h)) in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner.

#### 03. Health Reimbursement Arrangement Claims

- a. The Administrator shall direct the reimbursement to each eligible Participant of all Qualifying Medical Expenses. Qualifying Medical Expenses shall be reimbursed, even though the submission of such a claim occurs after participation hereunder ceases, provided that the Qualifying Medical Expenses were incurred during a Coverage Period. In order to claim reimbursement, claims must include receipts or documentation that the expense being incurred is eligible for reimbursement. Expenses may be reimbursed in a subsequent Coverage Period, subject to subsection (b) below. However, a Participant may not submit claims incurred prior to beginning participation in the HRA and/or the Effective Date of the HRA, whichever is earlier.
- b. Claims for the reimbursement of Qualifying Medical Expenses incurred in any Coverage Period shall be paid as soon after a claim has been filed as is administratively practicable. However, if a Participant fails to submit a claim within 91 days immediately following the end of the Coverage Period (that is, by 03/31), those Medical Expense claims shall not be eligible for reimbursement by the Administrator.
- c. Reimbursement payments under this HRA shall be made directly to the Participant or the Provider, as requested.
- d. If the maximum amount available for reimbursement for a Coverage Period is not utilized in its entirety, refer to Appendix A for information on how these funds will be handled.
- e. Reimbursement requests for Terminated Employees must be received within 90 days following the date of termination, or remaining funds will be forfeited.

#### 04. Recovery of Excess or Mistaken Payments

If any reimbursement or other payment made under this HRA Plan is subsequently found to have been excessive or made in error, the Plan shall notify the Participant and be entitled to recover the amount of such mistaken payments in accordance with the procedures set forth in this subsection. The Administrator and the Employer shall pursue recovery of mistaken payments utilizing one or more of the following correction methods: (a) Require the Participant or other person receiving the mistaken payment to reimburse the Plan for the amount of the mistaken payment; (b) If the HRA Administrator and the Employer are unable to obtain repayment per (a) above, deny the Participant reimbursement of subsequently submitted claims incurred during the same Plan Year until the amount of the mistaken payment is fully recovered by the Plan; or (c) Take such other

action that the HRA Administrator and Employer reasonably deem necessary to ensure recovery of mistaken payments and that such mistaken payments do not recur. If none of the above correction methods are successful in recovering a mistaken payment, the Employer, consistent with its business practice, may treat the amount owed by the Employee as it would any other business debt. To the extent the Employer forgives the debt after requesting payment consistent with collection procedures for other business debt, the Employer shall report the amount of the mistaken payment to the Employee and IRS as taxable wages. Any of the above correction methods shall be pursued only in accordance with and to the extent permitted by applicable law.



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## **IV. ARTICLE - ADMINISTRATION**

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### **01. HRA Administration**

The operation of the HRA shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the HRA is carried out in accordance with its terms, and for the exclusive benefit of Eligible Employees entitled to participate in the HRA. The Administrator shall have full power to administer the HRA in all of its details. The Administrator's powers shall include, but shall not be limited to the following authority, in addition to all other powers provided by this HRA:

- a. To make and enforce such rules and regulations as the Administrator deems necessary or proper for the efficient administration of the HRA;
- b. To interpret the HRA, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits under the HRA;
- c. To decide all questions concerning the HRA and the eligibility of any person to participate in the HRA and to receive benefits provided under the HRA;
- d. To limit benefits for certain highly compensated individuals if it deems such to be desirable in order to avoid discrimination under the HRA in violation of the applicable provisions of the Code;
- e. To approve reimbursement requests and to authorize the payment of benefits;
- f. To appoint such agents, counsel, accountants, consultants, and actuaries as may be required to assist in administering the HRA; and

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the HRA shall continue to comply with the terms of Code Section 105(h) and the Treasury regulations thereunder.

### **02. Examination of Records**

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer, for examination at reasonable times during normal business hours, such records as pertain to that person's interest under the HRA.

### **03. Indemnification of Administrator**

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the HRA, if such act or omission is or was in good faith.

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## **V. ARTICLE - AMENDMENT OR TERMINATION OF HRA**

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01. **Amendment**

The Employer, at any time or from time to time, may amend any or all of the provisions of the HRA without the consent of any Employee or Participant.

02. **Termination**

The Employer is establishing this HRA with the intent that it will be maintained for an indefinite period of time. Notwithstanding the foregoing, the Employer reserves the right to terminate the HRA, in whole or in part, at any time. In the event the HRA is terminated, no further reimbursements shall be made.

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## **VI. ARTICLE - MISCELLANEOUS**

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### **01. Adoption by Other Employers**

Notwithstanding anything herein to the contrary, and with the consent of the Employer, any other corporation or entity, whether an affiliate or subsidiary or not, may adopt this HRA and all of the provisions hereof, and participate herein and be known as a "Participating Employer", by a properly executed document evidencing said intent and will of such Participating Employer.

### **02. HRA Interpretation**

All provisions of this HRA shall be interpreted and applied in a uniform, nondiscriminatory manner. This HRA shall be read in its entirety and not severed except as provided in the Section titled: "Severability".

### **03. Gender and Number**

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

### **04. Written Document**

This HRA, in conjunction with any separate written document which may be required by law, is intended to satisfy the written HRA requirement of Code Section 105 and any Treasury regulations thereunder.

### **05. Exclusive Benefit**

This HRA shall be maintained for the exclusive benefit of the Employees who participate in the HRA.

### **06. Not Employment Contract**

This HRA shall not be deemed to constitute an employment contract between the Employer and any Participant or Employee, or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this HRA shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this HRA.

### **07. Action by the Employer**

Whenever the Employer under the terms of the HRA is permitted or required to do or perform any act or matter or thing, it shall be done and performed by an authorized representative of the Employer.

### **08. No Guarantee of Tax Consequences**

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the HRA will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the HRA is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this HRA shall be legally enforceable.

### **09. Indemnification of Employer by Participants**

If any Participant receives one or more payments or reimbursements under the HRA that are not for a permitted Medical Expense such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

### **10. Funding**

Unless otherwise required by law, amounts made available by the Employer need not be placed in

trust, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the HRA may be made.

**11. Governing Law**

This HRA and Trust shall be construed and enforced according to the Code and the laws of the state of Pennsylvania, other than its laws respecting choice of law.

**12. Severability**

If any provision of the HRA is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the HRA, and the HRA shall be construed and enforced as if such provision had not been included herein.

**13. Headings**

The headings and subheadings of this HRA have been inserted for convenience of reference and are to be ignored in any construction of the provisions hereof.

**14. Continuation of Coverage**

Notwithstanding anything in the HRA to the contrary, in the event any benefit under this HRA subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each qualified beneficiary (as defined in Code Section 4980B) will be entitled to continuation coverage as prescribed in Code Section 4980B.

**15. Health Insurance Portability and Accountability Act**

Notwithstanding anything in this HRA to the contrary, this HRA shall be operated in accordance with HIPAA and the regulations thereunder.

**16. Uniformed Services Employment and Reemployment Rights Act**

Notwithstanding any provision of this HRA to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with USERRA and the regulations thereunder.

**17. HIPAA Privacy Standards**

- a. If this HRA is subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.
- b. The HRA shall not disclose Protected Health Information to any member of Employer's workforce unless each of the conditions set out in this Section is met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.
- c. Protected Health Information disclosed to members of Employer's workforce shall be used or disclosed by them only for purposes of HRA administrative functions. The HRA's administrative functions shall include all HRA payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill HRA responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care.
- d. The HRA shall disclose Protected Health Information only to members of the Employer's workforce who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the HRA. "Members of the Employer's workforce" shall refer to all Employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.
  1. An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the HRA.
  2. In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the HRA's privacy officer. The privacy officer, or the Employer, shall take appropriate action, including:

- i. investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
  - ii. appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
  - iii. mitigation of any harm caused by the breach, to the extent practicable; and
  - iv. documentation of the incident and all actions taken to resolve the issue and mitigate any damages.
- e. The Employer must provide certification to the HRA that it agrees to:
  - 1. Not use or further disclose Protected Health Information other than as permitted or required by the HRA documents or as required by law;
  - 2. Ensure that any agent or subcontractor to whom it provides Protected Health Information received from the HRA, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
  - 3. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or Employee benefit plan of the Employer;
  - 4. Report to the HRA any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
  - 5. Make available Protected Health Information to individual HRA members in accordance with Section 164.524 of the Privacy Standards;
  - 6. Make available Protected Health Information for amendment by individual HRA members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
  - 7. Make available the Protected Health Information required to provide an accounting of disclosures to individual HRA members in accordance with Section 164.528 of the Privacy Standards;
  - 8. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the HRA available to the Department of Health and Human Services for purposes of determining compliance by the HRA with the Privacy Standards;
  - 9. If feasible, return or destroy all Protected Health Information received from the HRA that the Employer still maintains in any form, and retain no copies of such information, when no longer needed for the purpose for which disclosure was made, or, if and only if such return or destruction is not feasible, limit further uses and disclosures to those permitted purposes that make the return or destruction of the information infeasible; and
  - 10. Ensure adequate separation between the HRA and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

**18. HIPAA Electronic Security Standards**

If this HRA is subject to the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"), then this Section shall apply as follows:

- a. The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the HRA. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- b. The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- c. The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in the Section titled: "HIPAA Privacy Standards".

- d. The HRA shall not disclose Protected Health Information to any member of Employer's workforce unless each of the conditions set out in this Section is met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including information about treatment or payment for treatment.
- e. Protected Health Information disclosed to members of Employer's workforce shall be used or disclosed by them only for purposes of HRA administrative functions. The HRA's administrative functions shall include all HRA payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill HRA responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care.
- f. The HRA shall disclose Protected Health Information only to members of the Employer's workforce, who are authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the HRA. "Members of the Employer's workforce" shall refer to all Employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.
  1. An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the HRA.
  2. In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the HRA's privacy officer. The privacy officer, or the Employer, shall take appropriate action, including:
    - i. investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;
    - ii. appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;
    - iii. mitigation of any harm caused by the breach, to the extent practicable; and
    - iv. documentation of the incident and all actions taken to resolve the issue and mitigate any damages.
- g. The Employer must provide certification to the HRA that it agrees to:
  1. Not use or further disclose Personal Health Information other than as permitted or required by the HRA documents or as required by law;
  2. Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the HRA, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;
  3. Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or Employee benefit plan of the Employer;
  4. Report to the HRA any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
  5. Make available Protected Health Information to individual HRA members in accordance with Section 164.524 of the Privacy Standards;
  6. Make available Protected Health Information for amendment by individual HRA members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
  7. Make available the Protected Health Information required to provide an accounting of disclosures to individual HRA members in accordance with Section 164.528 of the Privacy Standards;
  8. Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the HRA available to the Department of Health and Human Services for purposes of determining compliance by the HRA with the

Privacy Standards;

9. If feasible, return or destroy all Protected Health Information received from the HRA that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, or, if and only if such return or destruction is not feasible, limit further uses and disclosures to those permitted purposes that make the return or destruction of the information infeasible; and
10. Ensure the adequate separation between the HRA and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

# Appendix A - HRA Plan Benefit

## HRA Employee Only Medical Plan

### **Employee Class**

- Employee Only

### **Qualified benefits**

- Qualifying Medical Expenses include expenses that are considered "qualifying expenses" under the Health Plan, as described in the certificate of coverage, and which are applied to the in-network deductible of that Plan. However, the Reimbursement Account funds cannot be used until after the Employee and his or her spouse and Dependents have satisfied their portion of the in-network deductible as described in this Adoption Agreement.

### **Plan Coverage**

- Medical

### **Reimbursement Schedule**

- First, the Employee will pay \$500.00 of qualifying expenses.
- Last, the HRA will pay \$4,500.00 of qualifying expenses up to a max benefit limit of \$4,500.00.

### **Unused HRA Funds**

- Unused benefits at the end of the coverage period shall be forfeited.



# Appendix A - HRA Plan Benefit

## HRA Employee and Family Medical Plan

### **Employee Class**

- Family

### **Qualified benefits**

- Qualifying Medical Expenses include expenses that are considered "qualifying expenses" under the Health Plan, as described in the certificate of coverage, and which are applied to the in-network deductible of that Plan. However, the Reimbursement Account funds cannot be used until after the Employee and his or her spouse and Dependents have satisfied their portion of the in-network deductible as described in this Adoption Agreement.

### **Plan Coverage**

- Medical

### **Reimbursement Schedule**

- First, the Employee will pay \$1,000.00 of qualifying expenses.
- Last, the HRA will pay \$9,000.00 of qualifying expenses up to a max benefit limit of \$9,000.00.  
The max an individual on family tier needs to meet is \$500.00. Max payout per family member is \$4,500.00.

### **Unused HRA Funds**

- Unused benefits at the end of the coverage period shall be forfeited.

# Execution Agreement

**IN WITNESS WHEREOF**, West Hempfield Township has caused its authorized officer to execute this Plan document as of 1-3-2023, the same to be effective **January 01, 2023**, unless otherwise indicated herein.

West Hempfield Township



By: AdwSt

Name: Andrew Stern

Title: Township Manager

# CERTIFICATE OF RESOLUTION WHT 3-23

The undersigned authorized representative of **West Hempfield Township** (the Employer) hereby certifies that the following resolutions were duly adopted by the governing body of the Employer on 1-3-2023, and that such resolutions have not been modified or rescinded as of the date hereof:

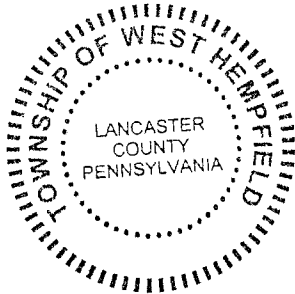
**RESOLVED**, that the form of Welfare Benefit Plan, effective January 01, 2023, presented to this meeting (and a copy of which is attached hereto) is hereby approved and adopted, and that the proper agents of the Employer are hereby authorized and directed to execute and deliver to the Administrator of said Plan one or more counterparts of the Plan.

**RESOLVED**, that the Administrator shall be instructed to take such actions that the Administrator deems necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures for the provision of benefits under the Plan.

**RESOLVED**, that the proper agents of the Employer shall act as soon as possible to notify the employees of the Employer of the adoption of the Plan and to deliver to each employee a copy of the Summary Plan Description of the Plan, which Summary Plan Description is attached hereto and is hereby approved.

The undersigned further certifies that attached hereto as Exhibits, are true copies of West Hempfield Township's Benefit Plan Document and Summary Plan Description approved and adopted at this meeting.

West Hempfield Township



By: David M. Dummeyer  
Name: David M. Dummeyer  
Title: Chairman, Bot 5