Summary of Dental Coverage

Clearfield Area School District – Plan #130

Effective July 1, 2012

The intent of this benefit plan is to provide benefits for eligible dental services that meet professionally acceptable standards for the treatment of an existing dental condition.

Plan Administrator:

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www.schoolclaimsservice.com

The Health Insurance Portability and Accountability Act of 1996 ("HIPAA")

HIPAA requires that certain "covered entities", such as self-insured group health plans that are administered by third parties, comply with HIPAA's privacy and electronic transaction regulations. School entities that offer self-insured dental and vision plans must ensure that those plans comply with HIPAA's privacy and electronic transaction regulations, and are advised to consult with legal counsel regarding their HIPAA compliance obligations.

School Claims Service, LLC (SCS), as a Third-Party Administrator of dental and vision plans, is not a "covered entity" under HIPAA, and does not bear the legal responsibility to ensure that the school entity's dental and vision plans comply with HIPAA. In order to provide more comprehensive services to our school entity customers, SCS will assist our customers in achieving HIPAA compliance for their dental and vision plans, including providing an appropriate Notice of Privacy Practices, a Privacy Policy, executing appropriate business associate contracts, and implementing other measures to ensure that the dental and vision plans of our customers fully comply with the privacy and electronic transaction standards of HIPAA. If you desire to have SCS implement these HIPAA compliance measures for its dental or vision plan, SCS will provide these services at no additional charge.

This plan summary is not a contract. It explains in nontechnical language the essential features of your employee fringe benefit plan.

I. Schedule of Benefits

A. Maximum Benefit: ..... **$1,500 per fiscal year**

B. Orthodontics: ..... **$800 lifetime maximum benefit**

C. Deductible Amount: **$0**

Claims must be submitted within twelve (12) months of
the date of service to be considered for payment.

D. Diagnostic & Preventative	**Plan Pays***
• Exams	100%
• Fillings	100%
• Cleanings	100%
• Fluoride Treatments	100%
• Palliative Treatment	100%
• Sealants	100%
• Space Maintainers	100%
• X-Rays	100%

E. Basic Services	
• Endodontics	100%
• Simple Extractions	100%
• Anesthesia	100%
• Oral Surgery	100%
• Repairs	100%

F. Major Restorative

- Surgical & Nonsurgical Periodontics 50%
- Inlays, Onlays, Crowns 50%
- Relining, Rebasing 50%
- Prosthetics 50%
- Orthodontics (up to age 19) 50%

* All percentages are based on Usual, Customary, and Reasonable (UCR) fees.

G. Covered Dental Charges

A charge will be deemed incurred as of the date the service is rendered or the supply is furnished, except that such charge will be deemed incurred:

1. With respect to fixed bridgework, crowns, inlays, onlays or gold restorations, on the first date of insertion of the tooth or teeth involved.
2. With respect to full or partial dentures, on the date of insertion.
3. With respect to endodontics, on the date the tooth was finished.

Covered dental charges are the charges of a **Dentist** or physician for the services and supplies listed below required for dental care and treatment of any disease, defect, or accidental injury, or for preventive dental care. Not included is any charge in excess of the reasonable and customary charge:

1. For similar services and supplies by **Dentists** or physicians in the locality concerned.
2. Where **Alternate Services** or supplies are customarily available for such treatment, for the least expensive service or supply resulting in professionally adequate treatment.

H. Diagnostic & Preventative – 100% UCR

1. Charges for cleaning and scaling of teeth but not more often than once in any six-month period.
2. Charges for fluoride application to a **Child's** teeth, but not more often than once in any six-month period.
3. Charges for space maintainers (not made of precious metals) that replace prematurely lost teeth for dependent **Children** under 19 years of age.
4. One sealant per tooth in any three-year period for dependent **Children** through age 10 on permanent first molars and through age 15 on permanent second molars, but only if the teeth to be sealed are free of proximal caries and there are no previous restorations on the surface to be sealed.
5. Charges for full mouth X-rays are covered only once in any three-year period.
6. Charges for bitewing X-rays are covered only once in any six-month period.
7. Charges for a diagnostic oral examination are covered only once in a six-month period.
8. Charges for emergency treatment for relief of dental pain on a day for which no other benefit other than for X-rays, is payable here under.

I. Basic Services – 100% UCR

1. Amalgam, silicate, acrylic, synthetic porcelain, and composite filling restorations to restore diseased or accidentally broken teeth. Composite restorations on posterior teeth will be limited to the allowance for an amalgam restoration. The balance of the cost remains patient's responsibility.
2. Charges for simple extractions.
3. Surgical and nonsurgical periodontics.
4. Charges for root canals and other endodontic treatment.
5. Administration of anesthesia (I.V. sedation, Nitrous Oxide) in connection with services when rendered by or under the direct supervision of a dentist other than the surgeon, assistant surgeon or attending dentist.
6. Charges for injectable antibiotics administered by a dentist or physician to treat a dental related condition.
7. Repair of broken partial or full removable dentures.
8. Inpatient consultations if the condition requires it and the dentist in charge of the case requests the consultation. You are limited to one (1) consultation per consultant during any one (1) inpatient stay.
9. Partial and complete bony impactions.
10. Surgical removal of maxillary or mandibular intrabony cysts.
11. Procedures performed for the preparation of the mouth for dentures.
12. Apicoectomy (surgical removal of the end of a root).
13. Services of a dentist who actively assists the operating surgeon in the performance of covered surgery when the condition of the patient or the type of surgery performed requires assistance. Surgical assistance is not covered when performed by a dentist who himself performs and bills for another surgical procedure during the same operative session.

J. Major Restorative Services and Supplies – 50% UCR

Coverage for prosthetics, crowns, inlays, and onlays may be limited to the least expensive but adequate treatment plan consistent with established dental standards. A more expensive treatment plan than that covered under this dental plan may be selected with the understanding that the patient will be responsible for paying the difference in cost between the treatment received and the benefit provided by the plan. Coverage is as follows:

1. Initial insertion of bridges (including pontics and abutment crowns, inlays and onlays).
2. Initial insertion of partial or full dentures (including any adjustments during the six-month period following insertion).
3. Replacement of an existing partial or full denture or bridge by a new denture or by a new bridge, but only if satisfactory evidence is presented that:

a. The existing denture or bridge was inserted at least five years prior to the replacement; and
b. The existing denture or bridge is not serviceable and cannot be made serviceable. If the existing denture or bridge can be made serviceable, payment will be made toward the cost of the services which are necessary to render such appliance serviceable.

4. Single unconnected crown, inlays and onlays (none of which is part of a bridge or are splinted together).
5. Replacement of crowns, inlays and onlays, but only if satisfactory evidence is presented that at least five (5) years have elapsed since the date of the insertion of the existing crown, inlay or onlay and only if the existing crown, inlay or onlay is not serviceable and cannot be made serviceable.
6. The addition of teeth to an existing partial denture or to a bridge, but only if satisfactory evidence is presented that the addition of teeth is required to replace one or more teeth extracted after the existing denture or bridge was inserted.
7. Relining or rebasing of dentures more than six (6) months after the insertion of an initial or replacement denture, but not more than one (1) relining or rebasing in any 36-month period.
8. Repair of broken crowns, inlays, onlays or bridges.
9. Exclusions/Limitations Specific to Prosthetics, Crowns, Inlays, and Onlays
    a. Charges for specialized techniques involving precision attachments, personalization, or characterization and additional charges for adjustments within six months from installation are not included as covered dental charges. Covered charges for both a temporary and permanent prosthesis will be limited to the charge for the permanent one.
    b. No payment will be made for any crown, inlay or onlay restoration or for any denture or bridge and the fitting thereof which was prescribed within a 90-day period preceding the effective date of coverage. Such benefits will be covered after you have been covered for more than 12 months under this program. Restorative treatment initiated or the denture or bridge prescribed while the subscriber was covered under this program and which is finally inserted more than 30 days after termination of coverage will not be eligible.
    c. No payment will be made for precious metal dentures. Payment of the applicable percentage of the UCR allowance for a non-precious metal denture will be made toward the charge for the precious metal denture selected by the subscriber and dentist. The balance of the treatment charge remains the responsibility of the subscriber.
    d. No payment will be made until services are completed. Crowns, inlays, onlays, bridges and dentures shall be considered completed on the date they are finally inserted.
10. Periodontal services include the diagnosis and treatment planning including periodontal examination; nonsurgical periodontal therapy including periodontal scaling and root planning; surgical periodontal therapy; and post-treatment preventive periodontal procedures (periodontal prophylaxis).

11. Post-treatment preventive periodontal procedures are limited to four (4) in any period of 12-month period. This maximum shall be reduced by the number of routine prophylaxis and periodontal scaling in the presence of gingival inflammation received during that 12-month period so the total number of these procedures for any given 12-month period including periodontal scaling in the presence of gingival inflammation, routine and periodontal prophylaxis, shall not exceed four (4).
12. Periodontal scaling in the presence of gingival inflammation is limited to one (1) in any three-year period.

K. Covered Orthodontic Dental Charges

1. Payments will be made for the applicable percentage stated in the **Schedule of Benefits** of the covered orthodontic dental charges described below which are incurred with respect to your dependent **Child** while the child is covered up to the lifetime maximum benefit for orthodontics stated in the **Schedule of Benefits**.
2. Covered orthodontic dental charges are the charges made by a **Dentist** for services and supplies in connection with orthodontic treatment, other than for extractions and space maintainers, to correct malpositioned teeth, provided the **Dentist** has diagnosed one of the following conditions:
    a. The existence of extreme buccoversion of the teeth, either unilateral or bilateral.
    b. A protrusion of the maxillary teeth of more than four (4) millimeters.
    c. A protrusive or retrusive relation of the maxillary or mandibular arch of at least one (1) cusp.
    d. An arch length discrepancy of four (4) or more millimeters.
3. Orthodontic services are eligible for benefits only if the first active appliance was inserted while the **Child** was eligible for benefits under this plan.
4. Total covered dental charges for the entire course of treatment will be divided into equal 90-day portions, the first portion being deemed incurred as of the date an active appliance is first inserted. The last portion will be deemed incurred 90 days before the earlier of:
    a. The date the course of treatment is estimated to be completed.
    b. Two years from the date the first such portion is deemed incurred.
5. No portion will be deemed to be incurred on any date unless the **Child** is covered for this benefit on that date.
6. The benefits described above are not provided for charges incurred after coverage terminates.
7. Exclusions and Limitations on Orthodontic Service
    a. If, for any reason, the orthodontic services are terminated before completion of the approved orthodontic treatment, the responsibility of the school district will cease with payment through the month of termination.
    b. **We** reserve the right to review the subscriber's dental records, including necessary radiographs and study models, to determine whether orthodontic needs and treatment are eligible under this program.

c. For the purpose of determining benefits available for treatment in progress at the commencement or termination of an **Employee's** coverage hereunder, all orthodontic services shall be deemed to have been provided on the date performed and payment will be limited in accordance with **Our** formula.
d. Charges for the replacement and/or repair of any appliance furnished under the treatment plan or for any duplicate plan are not covered.
e. Functional/Myofunctional therapy is covered only when provided by a **Dentist** in conjunction with appliance therapy.
f. Notwithstanding any other provision of this program, benefits for orthodontic services shall be limited to dependent **Children** under 19 and shall terminate at the end of the month in which the **Child** attains age 19.

II. Definitions

A. Active Full-Time Work

Performing all of the regular duties of your job while in permanent active service with the employer. On any day, you will be considered in active service if you performed the regular duties of your job on the last scheduled workday.

B. Alternate Services

If alternate services or supplies may be used to treat a dental condition, covered dental expenses will be limited to the services and supplies which are customarily employed nationwide to treat the disease or injury and which are recognized by the profession to be appropriate methods of treatment in accordance with broadly accepted national standards of dental practice, taking into account the participant's total current oral condition.

C. Child and Children

The terms "**child**" and "**children**" will include your own child, stepchild, legally adopted child or one for whom legal adoption proceedings have been initiated, and also will include any other child who is related to you by blood or marriage, principally dependent upon you for maintenance and support and living with you in a regular parent-child relationship.

D. Coordination of Benefits

The provision will coordinate the dental benefits payable as described on the preceding pages with similar benefits payable under other plans. The other plans are those providing benefits and services in connection with dental care and treatment which benefits and services are provided by:

1. Group or blanket insurance coverage (other than student blanket insurance), franchise insurance, Blue Cross, Blue Shield, or other prepayment coverage, coverage under a labor-management trusteed plan, union welfare plan, employer organization plan, or employee benefit organization plan, including any federal, state, or other governmental plan or law toward the cost of which any employer shall have contributed or shall have made payroll deductions.
2. Coverage under any plan solely or largely tax supported or otherwise provided for by or through action of any government, except Medicare or Medicaid.
3. Regulated by or through action of the Pennsylvania Motor Vehicle Financial Responsibility Law.

E. Dentist
A person duly licensed to practice dentistry by the governmental authority having jurisdiction over the licensing and practice of dentistry in the locality where the service is rendered.

F. Employee
A person directly employed in the regular business of and compensated for services by the employer who works on a permanent, active full-time basis.

G. Experimental or Investigative
The use of any treatment, procedure, facility, equipment, drug or drug usage, device or supply not accepted as standard dental treatment of the condition being treated by the general dental community, or any such items requiring federal or other governmental agency approval not granted at the time services were rendered.

H. Maximum Benefit
The maximum amount available for all dental expenses for each individual covered under the plan is specified in the Schedule of Benefits section of this plan.

I. Predetermination of Benefits
The dental plan contains an optional feature called **Predetermination of Benefits** or **Pre-D**. Through an interchange of information between School Claims Service, LLC and your **Dentist,** it will be possible for you to know exactly what benefits will be paid under this plan before extensive dental work is undertaken. Due to the expensive nature of dental work, it will be to your advantage to avail yourself of this added feature. A **Pre-D** is recommended for procedures such as prosthetics, crowns, inlays, onlays, periodontic, and orthodontic services.

J. Usual, Customary, and Reasonable (UCR)
A usual charge made by a provider of dental services, medicines or supplies shall not exceed the general level of charges made by others rendering or furnishing such services, medicines or supplies within the area where the charge is incurred for injury or dental care comparable in severity and nature to the injury or dental care being treated, giving due consideration to any medical complications or unusual circumstances which require additional time, skill or experience. The term “area” as it would apply to any particular service, medicine or supply means a county or such greater area as is necessary to obtain a representative cross section of level of charges.

K. Treatment Plan
A written report made by a **Dentist** describing the findings of the examination of a covered person and recommended treatment for the person's dental disease, defect, or accident causing injury to teeth.

L. We, Us, Our
These terms refer to the Plan Administrator, School Claims Service, LLC.

III. Exclusions

A. Not covered under any section of these benefits:

1. Treatment by someone other than a **Dentist** or physician, except when performed by a duly qualified technician under the direction of a **Dentist.**
2. Services or supplies cosmetic or **Experimental** in nature.
3. Facings on pontics or crowns posterior to the second bicuspid.

4. Training or supplies used for dietary counseling, oral hygiene, or plaque control.
5. Procedures, restoration, and appliances to increase vertical dimension or to restore occlusion.
6. Services and supplies connected with injury caused by a war or international armed conflict.
7. Services and supplies connected with injuries sustained while engaged in an occupation for which Workers' Compensation or similar benefits are payable.
8. Expenses you are not legally required to pay.
9. Lost or stolen appliances, missed appointments, or expenses incurred while benefits were not in force.
10. Dental care resulting from active participation in a riot or the commission of a felony.
11. Dental care resulting from any injury not caused by an accident or which is self-inflicted.
12. Claims for services performed over 12 months prior to submission.
13. Services or supplies which are not appropriate or which do not meet professionally recognized standards of quality.
14. Any other services or supplies except as described in this booklet.

IV. Eligibility

A. Eligible Classes: All full-time **Employees** of the **Clearfield Area School District**.

B. Effective Date: Eligibility begins on the first day of full-time employment.

You will be eligible for the benefits on your dependents on the date you become eligible as stated above or the date you acquire your first dependent, whichever is later.

C. Eligible Dependents are:

1. Your spouse.
2. Your unmarried **Children** under 19 years of age who are wholly dependent upon you for maintenance and support.
3. Your unmarried **Children** 19 years of age but under 25 years of age who are registered students in regular full-time attendance at school, are principally dependent upon you for maintenance and support, and are not regularly employed by one or more employers on a full-time basis of 30 hours or more per week exclusive of scheduled vacation periods.
4. Your unmarried **Children**, regardless of age, if, due to a mental or physical disability, are principally dependent upon you for maintenance and support and are living with you in a regular parent-child relationship.

D. When Your Benefits Begin:

You will be covered on the date you become eligible provided you are not away from **Active Full-Time Work** due to disability on that date. If you are away from **Active Full-Time Work** due to disability, your coverage will not start until you return to **Active Full-Time Work.**

E. When Your Benefits Terminate:

1. Your benefits under this plan will terminate at the earliest time stated below:
   a. When your employment terminates. For plan purposes, your employment is deemed terminated when you cease **Active Full-Time Work,** but the employer may continue your benefits:
      i. If you are absent from **Active Full-Time Work** because of injury, sickness or pregnancy.
      ii. If you are absent from **Active Full-Time Work** because of a leave of absence or

temporary layoff, but only until the last day of the month following the month in which such leave of absence or temporary layoff begins.

b. When this plan is discontinued.

2. In addition to the above, the coverage terminates with respect to an individual dependent:
   a. When such person becomes covered as an **Employee.**
   b. When such person ceases to be an eligible dependent.
   c. Dependent **Children** will be terminated at the end of the month in which they reach maximum age.

F. After Benefits Terminate:

1. The benefits described herein also are provided for covered dental charges:
   a. For services or supplies furnished within 90 days after benefits terminate if the charges were incurred while benefits were in force.
   b. For charges incurred within 90 days after benefits terminate if an accident resulting in injury to natural teeth sustained while benefits were in force causes continuous total disability from the date of termination; provided benefits are not payable for such expenses under any other group insurance policy or plan.

V. Coordination of Benefits

A. When this Provision is Applicable:

This provision is applicable when the total benefits that would be payable in the absence of any **Coordination of Benefits** provision under this plan and under all other plans covering an individual during a claim determination period exceed the allowable expenses incurred. An allowable expense is any necessary, reasonable, and customary item of expense, which qualifies as a covered dental charge under our plan, at least a portion of which is covered under at least one of the plans covering the individual with respect to whom a claim is made. A claim determination period is a calendar year.

B. How this Provision Coordinates Benefit Payments:

1. If this plan is the primary plan, it pays benefits first and without consideration of all other plans.
2. If this plan is secondary, the benefits under this plan will be reduced to the extent that the total amount of benefits:
   a. Payable under this plan in the absence of this provision.
   b. Payable under all other plans primary to this plan, is not more than the total allowable expenses incurred under this plan and the other plans.

C. Rules for Determining which Plan is Primary:

1. A plan which has no **Coordination of Benefits** provision is automatically primary.
2. A plan which covers a person as an **Employee** is primary to a plan which covers the same person as a dependent.
3. If a person is covered as a dependent under two or more plans, the plan of the parent whose birthday (month and day in a calendar year, not the year in which the person was born) falls earlier in a year are determined before those of the plan of the parent whose birthday falls later in that year. If both parents have the same birthday, the benefits of the

plan that covered the parent longer are determined before those of the plan that covered the other parent for a shorter period. However, the following exceptions may apply in the case of claims made on behalf of a dependent child:

a. When a husband and wife are legally separated or divorced and the parent with custody of the **Child** has not remarried, the plan which covers the **Child** as a dependent of the parent with custody of such **Child** is primary to the plan which covers the **Child** as a dependent of the parent without custody.
b. When the husband and wife are divorced and the parent with custody of the **Child** has remarried, the plan which covers the **Child** as a dependent of the parent with custody is primary to the plan which covers the **Child** as a dependent of the stepparent. In addition, the plan which covers the **Child** as a dependent of the stepparent will be primary to the plan which covers that **Child** as a dependent of the parent without custody. However, in the event of a court decree that establishes financial responsibility for the medical, dental or other health care expenses of such dependent **Child,** the plan which covers the **Child** as a dependent of the parent with such financial responsibility is primary to any other plan which covers the **Child** as a dependent **Child.**

4. If the above conditions do not apply, a plan may be primary if it covers the individual the longer period of time and secondary if it covers the individual the shorter period of time.
5. Information necessary to the administration of this provision will be required at the time a claim is submitted.
6. If both husband and wife work for the employer and are eligible for benefits, only on may cover the dependent **Children** for the dependents' benefits.

VI. Predetermination of Benefits

One of the advantages of this benefit plan is that you can find out how much will be paid by the plan before you have the dentist do extensive work. This will eliminate misunderstandings as to what is covered by the plan and so enable you to avoid underestimating what you may owe the **Dentist.** The procedure is called **Predetermination of Benefits** and here is how it works.

Customarily before starting extensive work, the **Dentist** will tell you what work needs to be done (dentists usually call this the treatment plan). This simply secures the information in writing so that the **Plan Administrator** may indicate, in advance, the benefits allowable as well as your portion of the **Dentist**'s charge.

Dental care can be expensive and it is to your advantage to know the benefits before you agree to have the work done.

A **Predetermination of Benefits** is not a guarantee of payment. Actual claim payment will be based on the coverage in effect on the date service is performed.

Important

Keep separate records of dental expenses incurred for yourself and each of your dependents, because deductible amounts, co-payments, and maximums apply separately to each individual.

If you plan to coordinate benefits with another dental plan, it is necessary to retain the explanation of benefits received when a claim is finalized.

VII. How to File a Claim

A. Filing a Claim for Services Already Rendered

1. Your Dentist will submit the necessary claim forms to be paid for services rendered.
2. If you need to file a claim yourself, go to the **Plan Administrator's** website at www.schoolclaimsservice.com, click on Forms and then on Dental Claim Form. Follow the instructions on page 2 and submit it and all receipts to the **Plan Administrator** for processing.

B. Requesting a Pre-Determination of Benefits

1. If a course of treatment can reasonably be expected to exceed $300, ask your **Dentist** to submit all the necessary documentation to the **Plan Administrator.** The **Plan Administrator** will then provide the pre-determined benefits based on that documentation. A **Pre-D** is not a guarantee of payment. Actual claim payment will be based on the coverage in effect on the date service is performed.

VIII. Appealing Claims if Denied

If your claim is denied in whole or in part, you will receive written notification.

A claim worksheet will be provided by the **Plan Administrator** showing the calculation of the total amount payable, charges not payable, and the reason.

If you receive denial of your claim, you may request a review by filing a written application with the **Plan Administrator.** Upon receipt of a written request for review of a claim, the **Plan Administrator** will review the claim and furnish copies of all documents and all reasons and facts relating to the decision. You or your authorized representative may examine pertinent documents (except as information may be contained therein which the physician or dentist does not wish made known to the claimant) which the **Plan Administrator** has and may submit your comments in writing. Request for review must be filed within 120 days after denial is received; however, we suggest it be filed promptly whenever possible. A decision by the **Plan Administrator** will be made within 60 days, unless special circumstances require extension. This decision will also be delivered to you in writing setting forth specific reasons for the decisions and specific references to the pertinent plan provisions upon which the decision is based. This decision will be final.

IX. Proof of Claim Provision

Normally a claim form completed by you and the treating **Dentist** is all that is necessary to initiate a claim for dental benefits. However, on occasion, it is necessary for **Us**to obtain additional information to accurately determine benefits.

We reserve the right to have you or your dependent examined by a licensed **Dentist** of our own choosing when and as often as may be required to determine eligible benefits under the plan.

We shall have the right to require the treating **Dentist** to provide a complete statement of treatment, study models, pre- and postoperative X-rays and any additional evidence it deems necessary to determine eligibility of benefits under the plan.

X. Continuation Coverage Rights Under COBRA

A. Introduction

1. You are receiving this notice because you have recently become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice generally explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect the right to receive it.**

2. The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. For additional information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

B. What is COBRA Continuation Coverage?

1. COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage.

2. If you are an **Employee**, you will become a qualified beneficiary if you lose your coverage under the Plan because either one of the following qualifying events happens:

    a. Your hours of employment are reduced, or
    b. Your employment ends for any reason other then your gross misconduct.

3. If you are the spouse of an **Employee,** you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happens:

    a. Your spouse dies;
    b. Your spouse's hours of employment are reduced;
    c. Your spouse's employment ends for any reason other than his or her gross misconduct;
    d. Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or

e. You become divorced or legally separated from your spouse.

4. Your dependent **Children** will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happens:

   a. The parent-employee dies;
   b. The parent-employee's hours of employment are reduced;
   c. The parent-employee's employment ends for any reason other than his or her gross misconduct;
   d. The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
   e. The parents become divorced or legally separated; or
   f. The child stops being eligible for coverage under the plan as a "dependent child."

C. When COBRA Coverage is Available

1. The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the **Plan Administrator** has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the **Employee**, {commencement of a proceeding in bankruptcy with respect to the employer,} or the **Employee's** becoming entitled to Medicare benefits (under Part A, Part B, or both), the employer must notify the Plan Administrator of the qualifying event.

D. You Must Give Notice of Some Qualifying Events. For the other qualifying events (divorce or legal separation of the **Employee** and spouse or a dependent **Child's** losing eligibility for coverage as a dependent **Child**), you must notify the **Plan Administrator** within 60 days after the qualifying event occurs.

E. How COBRA Coverage is Provided

1. Once the **Plan Administrator** receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered **Employees** may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their **Children.**

2. COBRA continuation coverage is temporary continuation of coverage. When the qualifying event is the death of the **Employee,** the **Employee's** becoming entitled to Medicare benefits (under Part A, Part B, or both), your divorce or legal separation, or a dependent **Child's** losing eligibility as a dependent **Child,** COBRA continuation coverage lasts for up to a total of 36 months. When the qualifying event is the end of employment or reduction of the **Employee's** hours of employment, and the **Employee** became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the **Employee** lasts until 36 months after the date of Medicare entitlement. For example, if a covered **Employee** becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and **Children** can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the **Employee**'s hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation can be extended.

F. Disability extension of 18-month period of continuation coverage

1. If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the **Plan Administrator** in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage.

G. Second qualifying event extension of 18-month period of continuation coverage

1. If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage, the spouse and dependent **Children** in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if notice of the second qualifying event is properly given the Plan. This extension may be available to the spouse and any dependent **Children** receiving continuation coverage if the **Employee** or former **Employee** dies, becomes entitled to Medicare benefits (under part A, Part B, or both), or gets divorced or legally separated, or if the dependent **Child** stops being eligible under the Plan as a dependent **Child**, but only if the event would have caused the spouse or dependent **Child** to lose coverage under the Plan had the first qualifying event not occurred.

Keeping Administrator Informed

It is imperative that you keep the administrator informed of any address changes for all participates or beneficiaries who are or may become qualified beneficiaries. Likewise it is your responsibility to advise the administrator of any qualifying events such as divorce.

If You Have Questions

Questions concerning your ***Summary*** Plan ***Description*** or your COBRA continuation coverage rights should be addressed to the Contact or contacts identified below.

School Claims Service, LLC
Employee Benefits Division
PO Box 812
New Cumberland, PA 17070-0812
(866) 403-7700