

**PINECREST PERMITTEES ASSOCIATION RESOLUTION  
FOR UNINSURED EXCESS MEDICAL REIMBURSEMENT**

The Pinecrest Permittees Association (PPA) duly organized and existing under and by virtue of the laws of the state of California, DO HEREBY RESOLVE:

That on December 4, 2015 a meeting of the Board of Directors of PPA was duly called and held at the Pinetree Restaurant, Sonora, CA at which a quorum was present, and the following resolution was adopted by said Board of Directors, to wit:

**WHEREAS**, it is the desire of the PPA to assist its employees in defraying medical and dental expenses incurred by them and their dependents by reimbursing the employees for expenses not covered by insurance; and

**WHEREAS**, it has been determined that an uninsured excess medical reimbursement plan would reward employees for their past service to the PPA and would aid in developing and maintaining a healthy staff which would best advance the long range interests and performance of the PPA by providing present and future eligible employees with good health and additional incentives;

**WHEREAS**, fiscal years 2014-16 are years of unusual health insurance conditions;

**THEREFORE, BE IT RESOLVED** that the uninsured Excess Medical Reimbursement Plan is hereby adopted in accordance with the terms of the plan attached hereto, and incorporated herein by this reference and made a part hereof as if fully set out herein.

**BE IT FURTHER RESOLVED**, that the PPA General Manager is hereby authorized and directed to take the necessary steps to institute such a plan and to notify all eligible participants of its existence.

**IN WITNESS WHEREOF**, I have hereunto set my hand in the city of Sonora, State of California on the 4<sup>th</sup> day of December, in the year 2015.

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(Name/Office)

# **UNINSURED EXCESS MEDICAL REIMBURSEMENT PLAN**

**1. PURPOSE OF THE PLAN.** The purpose of this Excess Medical Reimbursement Plan, hereafter called "Plan," is to assist its eligible employees in defraying medical and dental expenses incurred by them and their dependents by reimbursing the employees for certain expenses not covered by insurance or other sources of reimbursement. Pinecrest Permittees Association, hereafter called the "Corporation," intends to improve the efficiency of its employees by providing this benefit.

**2. ELIGIBILITY.** All employees of the Corporation who are otherwise eligible for health insurance are eligible employees for purposes of the Plan.

**3. BENEFITS PAYABLE.** The following benefits will be reimbursed:

**A.** The Corporation shall reimburse to each eligible employee medical expenses incurred by the employee for himself or herself, or by the employee's spouse and dependents, such medical expenses to include all amounts paid or accrued for medical treatment, dental care or eye care; such reimbursement to extend to amounts paid or accrued for the diagnosis, cure, mitigation treatment or the prevention of disease, or for the purpose of affecting any structure or function of the body, and for transportation primarily for and essential to such medical, dental and eye care. The term "dependent" shall include all persons coming within the definition provided by section 152 of the Internal Revenue Code of 1986 as amended from time to time, or any successor thereto. The term "spouse" shall not include a spouse from whom the employee is legally separated under a decree of separate maintenance.

**B. Limitations:**

**1.** The Corporation shall not reimburse any participating employee for any expenses which would otherwise be reimbursed. If such employee has received or is entitled to receive reimbursement for such expenses from any other source, including from any medical expense insurance, regardless of the type of insurance, who owns the insurance or who paid the premiums.

**2.** The total benefits paid to a participating employee under this Plan in any fiscal year of the corporation for the employee, the employee's spouse and the employee's dependents, may not exceed \$500 per employee and \$500 per employee's dependents in any fiscal year of the Corporation, unless explicitly approved in writing by the Board. If the total benefits paid to a participating employee in a fiscal year do not exceed such maximum amount, then the difference between benefits paid and the maximum amount may not be carried forward to a succeeding year.

**3.** Expenses reimbursable under this plan shall include only those incurred while the employee is eligible for the plan, regardless of when the bill for such expenses was rendered, received or paid.

**4.** This benefit does not accrue to the Board President.

**4. FIDUCIARY PROVISIONS.** The Board Secretary/Treasurer is hereby designated as the “Fiduciary” for the Plan established by this resolution and he or she shall have the authority to control and manage the operation and administration of such plan.

**5. ALLOCATION OF FIDUCIARY RESPONSIBILITIES.** The Fiduciary may allocate responsibilities for the operation and administration of the Plan, including the designation of persons to carry out fiduciary responsibilities under the plan. The Fiduciary shall effect any such allocation of his or her responsibilities by delivering to the Board of Directors of the Corporation a signed written instrument that specifies the nature and extent of the responsibilities allocated, including the persons who are designated to carry out these fiduciary responsibilities under the plan, together with a signed acknowledgement of their acceptance.

**6. CLAIMS PROCEDURE.** The following claims procedure shall apply to the Plan.

**A. Filing of a Claim for Benefits.** To receive medical expense reimbursement under the Plan, an eligible employee shall submit suitable proof of expense to the Fiduciary who shall be the sole judge of whether the employee is entitled to reimbursement under the Plan.

**B. Claim Approval or denial with Respect to Plan Benefits.** With respect to a claim for benefits, the Fiduciary shall review and make decisions on claims for benefits. The Fiduciary shall have complete and sole discretionary authority to determine eligibility for benefits and to construe the terms of the Plan.

**C. Notification to Claimant of Decision.** If a claim is wholly or partially denied, notice of the decision, meeting the requirements of paragraph d. following shall be furnished to the claimant within a reasonable period of time after the claim has been filed.

**D.** The Fiduciary shall provide to any claimant whose claim for benefits is denied in whole or in part a written notice setting forth, in a manner calculated to be understood by the claimant, the following:

1. The specific reason or reasons for the denial or partial denial;
2. Reference to pertinent Plan provisions on which the denial is based;
3. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
4. An explanation of the plan’s claim review procedure, as set forth below.

**E. Review Procedure.** The purpose of the review procedure set forth in this paragraph and in paragraph f. following is to provide a procedure by which a claimant under the Plan may have a reasonable opportunity to appeal a denial or partial denial of a claim and request a full and fair review. To accomplish that purpose, the claimant or a duly authorized representative:

1. may request a review upon written application to the Fiduciary;
2. may review pertinent Plan documents or agreements; and
3. may submit issues and comments in writing.

A claimant (or duly authorized representative) shall request a review at any time within sixty days by filing a written application after receipt by the claimant of written notice of the denial of his or her claim.

F. A decision on review of a denial of a claim shall be made in the following manner:

1. The decision on review shall be made by the Fiduciary, which may in their discretion hold a hearing on the denied claim. The Fiduciary shall make their decision promptly, unless special circumstances (such as the need to hold a hearing) require an extension of time for processing, in which case a decision shall be rendered as soon as possible, but not later than one hundred twenty (120) days after receipt of the request for review.

2. The decision on review shall be in writing and shall include specific reasons for the decisions, written in a manner calculated to be understood by the claimant, and specific references to the pertinent Plan provisions on which the decision is based.

**7. NONASSIGNABLE.** None of the payments provided for in this Plan shall be subject to seizure for payment of any debts or judgments against a participating employee; nor shall any employee have any right to transfer, modify, anticipate or encumber any rights or benefits hereunder; provided, however, - that the undistributed portion of any benefit payable hereunder shall at all times be subject to set off for debts owned by an employee to the Corporation.

**8. TERMINATION OF EMPLOYMENT.** In the event that the employment of an eligible employee is terminated for any reason, his or her eligibility to participate and receive benefits under this Plan shall cease; provided, however, that such termination of employment shall not affect the right of any employee to claim reimbursement hereunder for medical expenses as defined and arising prior to the employee's termination of employment.

**9. COMMUNICATION.** The Corporation shall communicate the features of this Plan to all eligible employees and providing each a copy of this Plan.

**10. EFFECTIVE DATE.** This Plan shall be effective as of January 1, 2015 and shall continue in effect until December 31, 2015.

**11. AMENDMENT AND TERMINATION.** The Corporation, by resolution of the Board of Directors, may amend the Plan at any time, in whole or in part, including any amendments as it shall deem advisable in order that the Plan shall conform to the provisions of sections 105 and 106 of the Internal Revenue Code of 1986, as amended, or to conform to any change in the law. The Plan may be terminated at any time by a resolution of the Board of Directors. If the Plan is amended or terminated, the Fiduciary shall give written notice to each eligible employee of the action taken by the Board of Directors. Any such amendments or termination shall not affect any right to benefits arising prior to such amendment or termination.

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Board President

Date