

<p style="text-align: center;">COUNTY OF WASHINGTON</p> <p style="text-align: center;">Pennsylvania</p>	<p style="text-align: center;">RETIREE HEALTH INSURANCE POLICY</p>	<p>POLICY NO: DATE: PAGE: 1 OF 2</p> <p>DATE: March 18, 2004</p>
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POLICY

Whereas, the Washington County Board of Commissioners established a policy for health insurance coverage for eligible pensioners which was adopted on September 23, 1993 per minute #466, which policy was a revision of a prior adopted policy.

Whereas, the Washington County Board of Commissioners revised said policy on December 18, 2003 per minute #734 which was made effective January 1, 2004.

Whereas, the Washington County Board of Commissioners desire to further amend said policy.

Wherefore, the Washington County Board of Commissioners hereby establishes a policy in regard to providing health insurance coverage to retirees.

1. The hereinabove recited policy adopted September 23, 1993 shall be the health insurance policy applicable to eligible pensioners, their spouse and disabled children, whose employment with Washington County commenced on or before December 31, 2003.
2. The hereinabove recited policy adopted December 18, 2003 shall be the health insurance policy applicable to eligible pensioners, their spouse and disabled children, whose employment with Washington County commenced between January 1, 2004 or before March 31, 2004.
3. Washington County shall provide no health insurance coverage to any retiree, their spouse and disabled children, whose employment with Washington County commenced on or after April 1, 2004.
4. All amendments of this policy will be adopted in writing by the County Commissioners and will become part of the policy when effective. The County Commissioners may amend the policy at any time and from time to time for any reason. Furthermore, the County reserves the right to terminate the policy and eliminate health coverage at any time.

INTERPRETATION and CONTROL

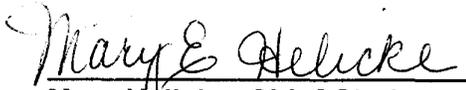
The Human Resources Department is responsible for the overall interpretation and administration of this policy.

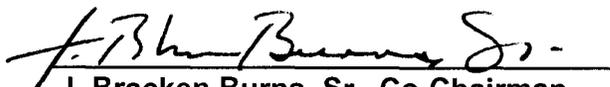
The Board of Commissioners is responsible for the ultimate authorization and control of this policy.

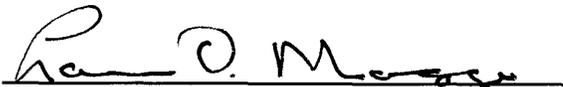
ADOPTED this 18th day of March, 2004, per minute #740.

ATTEST:

COUNTY OF WASHINGTON


Mary Helicke, Chief Clerk


J. Bracken Burns, Sr., Co-Chairman


Lawrence O. Maggi, Co-Chairman


Diana L. Ireby, Commissioner

APPROVED AS TO FORM AND
LEGALITY:


County Solicitor

Retiree Health Insurance Policy

Washington County Board of Commissioners hereby establishes this policy to provide certain health insurance coverage to retirees (their spouses and dependents) under the following terms and conditions:

I Eligibility

A. Eligibility to receive benefits under this policy is extended to any pensioner ("pensioner" for purposes of this policy is defined as any former employee or elected official of Washington County receiving a monthly retirement pension from Washington County) who

1) has reached age sixty (60) and has completed at least twenty years of active employment with Washington County ("County"), or has reached age fifty-five (55) and completed at least twenty-five years of active employment with Washington County, or has reached age fifty (50) and completed at least thirty (30) years of active employment with Washington County, and

2) was eligible to receive health insurance benefits through the County while employed by the County.

B. Any pensioner who is permanently disabled while employed at the County, was eligible to receive health insurance benefits through the County while employed by the County and has completed at least five (5) years of active employment is also eligible for the same coverage under this policy for twenty-nine (29) months or upon reaching the age of sixty-five (65), whichever occurs first, at which time the pensioner is eligible for Medicare coverage. The pensioner would then be eligible for whatever Medicare supplemental coverage is in place at that time for post-65 Washington County retirees. When the retiree receives Medicare coverage, his/her spouse, depending on the spouse's age, would be offered the same benefit available to other similarly situated Washington County retiree spouses.

C. Any eligible pensioner's spouse or dependent (as defined by the insurance carrier) who is not eligible to receive health benefits through any other employer, government agency or government program.

D. Any pensioner who is eligible to receive health benefits through any other employer directly or through benefit entitlement by the spouse of the retiree is excluded from receiving health insurance benefits under this policy. In the event that the pensioner is in fact excluded by the existence of this policy from receiving those other health insurance benefits, the retiree will have the opportunity to select the health insurance provided under this policy. Should the pensioner present false or misleading information, this may result in

permanent loss of health insurance coverage for anyone enrolled under this policy.

E. This policy specifically excludes any pensioner who is otherwise eligible who was terminated from employment with Washington County for gross negligence or willful misconduct, as determined by Washington County.

F. Beginning January 1, 2004 and ending June 30, 2004, employees who retire from the County and have completed at least 20 years of active employment with Washington County will not be subject to the provisions of this policy relating to eligibility as defined in Section A(1).

II Coverage Provided

- A. Effective April 1, 2004, Washington County shall pay the same dollar amount for the health insurance plan for the retiree over the age of 65, under the age of 65, living outside of the area and the disabled retiree, regardless of the cost of the plan that the retiree has selected/is eligible for. The difference in cost will be deducted from the retiree's monthly pension check. Any amount remaining will be paid directly to the County by the retiree on a monthly basis before the first of each month. The amount that Washington County will pay for the retiree health insurance will be determined by the Board of Commissioners on an annual basis.
- B. Washington County Board of Commissioners will determine the health insurance plan that will be offered to eligible retirees.
- C. All amendments to this policy will be adopted in writing by the County and will become part of the policy when effective. The County may amend the policy at any time and from time to time for any reason. Furthermore, the County reserves the right to terminate the policy and eliminate this health coverage at any time.
- D. This policy supercedes and replaces any prior policies regarding health insurance coverage for County retirees, their spouses and dependents.

III Requirements

- A. Any retiree eligible for benefits under this Policy who desires coverage must complete the appropriate application and submit the same to the Human Resources Department within thirty (30) days of their retirement.

Should the retiree decide to not participate in the health benefits offered by the County without having other health benefits, then later decide to enroll in the health benefits, the retiree will be able to enroll during the Open Enrollment period that takes place annually. Should the retiree lose health benefits through another employer, the retiree must notify the County within thirty (30) days of the loss of coverage date. The retiree can begin participating in the County health plan offered to retirees the first day of the month following the month he/she has lost coverage and will be required to contribute whatever amount is applicable at that time, provided the County has continued offering health insurance coverage for County retirees.

- B. Any retiree receiving coverage under this Policy agrees to supply any and all necessary and reasonable information requested by the Human Resources Department or the insurance carrier. Failure to submit requested documents shall render the retiree or retiree's dependent(s) ineligible for benefits hereunder.

This revised Policy is adopted the 18th day of December, 2003, per minute # 734
_____ and will be effective on January 1, 2004.

Board of Commissioners
Washington County

ATTEST:

Catherine E. Kresh
Catherine E. Kresh, Chief Clerk

John P. Bevec
John P. Bevec, Chairman

Diana L. Ireby
Diana L. Ireby

J. Bracken Burns, Sr.
J. Bracken Burns, Sr.

APPROVED AS TO FORM AND
LEGALITY:

Richard DiSalle
Richard DiSalle
County Solicitor

per minute # 734
dated 12-18-03



County of Washington

FRANK R. MASCARA, CHAIRMAN
METRO PETROSKY, JR.
JOSEPH A. FORD
COUNTY COMMISSIONERS

COMMONWEALTH OF PENNSYLVANIA
COURTHOUSE SQUARE, ROOM 702
WASHINGTON, PA 15301



*xl: Personal
Contract*

(412) 228-6724

LOU LIGNELLI,
DIRECTOR OF ADMINISTRATION
(412) 228-6725

CHRISTINE S. DALLATORE,
CHIEF CLERK
(412) 228-6723

POLICY FOR HEALTH INSURANCE COVERAGE FOR ELIGIBLE PENSIONERS

Washington County Board of County Commissioners hereby establishes this Policy to provide certain health insurance coverage to eligible pensioners, and their spouses and disabled children under the following terms and conditions:

I. ELIGIBILITY

A. Eligibility to receive benefits under this Policy is extended to any pensioner who has completed at least eight (8) years of active employment with Washington County and who is not receiving duplicate or comparable coverage through any other employer directly or through benefit entitlement by the spouse of the pensioner. For purposes of this Policy, "pensioner" is defined as any former employee or elected official of Washington County who is currently receiving a monthly retirement pension from Washington County.

B. Any pensioner who is permanently disabled and who has completed at least five (5) years of active employment with Washington County and who is otherwise qualified is also eligible for coverage under this Policy.

C. Any spouse of an eligible pensioner who is not receiving duplicate or comparable coverage elsewhere is also eligible for coverage under this Policy.

D. Any disabled child of an eligible pensioner who is not receiving duplicate or comparable coverage elsewhere is also eligible for coverage.

E. This Policy specifically excludes any pensioner who is otherwise eligible who was terminated from employment with Washington County for just cause, as determined by Washington County.

II. COVERAGE PROVIDED

A. Washington County shall pay the premium to provide coverage for medical insurance under the Blue Cross of Western Pennsylvania Plan provided to County employees for any eligible person under the age of sixty-five (65) years who complies with the terms and conditions established in this Policy.

B. Washington County shall pay the premium to provide coverage for medical insurance under the Blue Cross of Western Pennsylvania's 65 Special Master Medicare Supplemental for any eligible person who is sixty-five (65) years or older or permanently disabled and who complies with the terms and conditions established in this Policy.

C. Any legally, totally disabled child of a qualified, eligible pensioner shall be provided medical insurance through the above referenced Employee Plan until the time that the disabled child is eligible for Medicare/Medicaid, at which time, the County shall then provide said disabled child with coverage under the 65 Special Master Medicare Supplemental plan; any coverage shall only be provided for as long as the disability exists and the providing parent is receiving a County pension.

D. A pensioner is eligible to include his or her dependent children on the County health insurance plan at the expense of the pensioner. Dependent children shall be defined by the insurance carrier. The Plan utilized shall be the under age sixty-five (65) group - Family coverage or Parent with Children. No coverage shall be available if the pensioner and his or her spouse are over age sixty-five (65). The cost to the pensioner shall be as follows: the greater of either 1.) the difference between the County provided coverage and the cost of the total Plan with dependent children or 2.) one-half of the cost of the total Plan with dependent children.

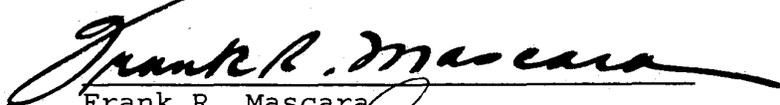
III. REQUIREMENTS

A. Any person eligible for benefits under this Policy who so desires coverage must complete the application and submit the same to the Office of Employee Relations within thirty (30) days of their retirement from employment or within thirty (30) days of becoming eligible. After that date, coverage will begin at the next available date that eligible persons are permitted by Blue Cross of Western Pennsylvania to be added to the group, not greater than the next anniversary date. Coverage for a pensioner's spouse or disabled child, or for dependent children coverage under II. D. cannot be added subsequent to the date set forth in this paragraph.

B. Any person receiving coverage under this Policy agrees to supply any and all necessary and reasonable information requested by either the Office of Employee Relations or Blue Cross of Western Pennsylvania. Failure to submit requested documents shall render the Pensioner or spouse ineligible for benefits hereunder.

This revised Policy is adopted this 23rd day of September, 1993.

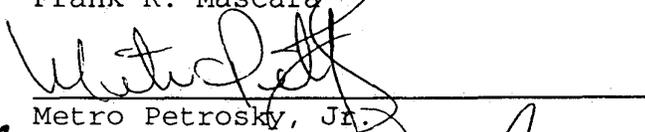
BOARD OF COMMISSIONERS
WASHINGTON COUNTY

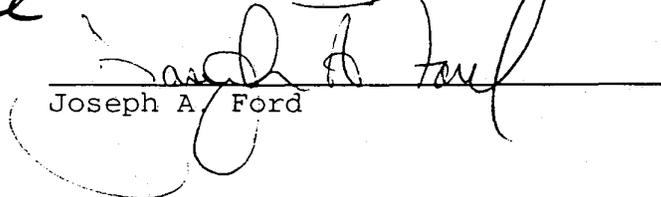

Frank R. Mascara

ATTEST:



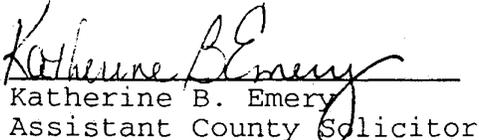
Christine S. Dallatore
Chief Clerk


Metro Petrosky, Jr.


Joseph A. Ford

Pu Min. #466

Approved as to form
and legality


Katherine B. Emery
Assistant County Solicitor