

EMPLOYEE ACKNOWLEDGMENT

As an employee of the Sevier County Board of Education, I hereby certify that I have access to the Sevier County Board of Education personnel policies. I understand that these policies are available on the Internet and I can have access to them at any time at my convenience. I understand that the policies are located at: <http://www.sevier.org>. I also understand that hard copies of the policies are available from the Human Resources department and I can obtain a hard copy at any time if I prefer to do so. I hereby certify that I have read and am familiar with the policies.

I understand that all policies are subject to change at any time and for any reason, at the discretion of the School System.

I understand that it is my responsibility to complete the necessary forms and documents in a timely manner in order to take advantage of any benefit programs described in the policies. It is also my responsibility to notify the School System in the event in the change of family status, address, or telephone number, that will necessitate changes in my benefits coverage.

I understand that nothing in the policies is intended to give rise to contractual rights between me and the School System and detailed provisions of any employee compensation or benefit program can only be determined from the program's specific documentation.

EMPLOYEE'S SIGNATURE: _____

Date: _____

Section I – Policies

The purpose of this handbook is to acquaint you with the policies and benefits that affect your day-to-day employment.

The Sevier County Board of Education (hereinafter referred to as the “School System”) believes that all of our employees should be well informed. If at any time you have questions that are not covered in this handbook, just ask payroll and benefits personnel at the Central Office. It’s important to know that these individuals are your best source of information and are always willing to take time to help you.

This handbook is not intended to state the terms and conditions of your employment, but rather to provide a guide to some of our most important policies and benefits. The information in this handbook supersedes and replaces all previously published handbook information and is current as of the date of publication. These policies may be modified or supplemented as the need arises. Such changes to these policies will be applicable to you as soon as they are made and will supersede those in this handbook. A particular policy may be applied differently in different situations, as the circumstances require.

If any statement or information contained in this handbook conflicts with the terms of any employee benefit plan, the terms and conditions of such employee benefit plan will control. All descriptions of employee benefit programs contained in this handbook are provided solely for the purpose of giving you a convenient overview of programs presently maintained. The actual terms and conditions of any benefit program can only be determined by reference to the appropriate employee benefit plan documentation and related written materials including any relevant insurance policies or other formal documentation. If any conflict arises between the descriptions contained in this handbook and the documentation or other materials applicable to a particular benefit program, the plan or program documentation will control.

Equal Employment Opportunity

It is our policy to provide equal employment opportunity to all qualified employees and applicants for employment without regard to race, color, sex, age, religion, national origin, handicap, disability, sexual orientation or marital status. It is our intent and desire that equal employment opportunities be provided in employee recruitment, selection, compensation, benefits, promotion, demotion, layoff, termination and all other terms and conditions of employment.

Harassment Prohibited

The School System will not tolerate harassment or intimidation of our employees on any basis, including race, color, sex, sexual orientation, age, religion, national origin, handicap, disability or marital status.

It is our policy that any harassment, including acts creating a hostile work environment or any other discriminatory acts directed against our employees, will result in discipline, up to and including discharge.

If you become aware of any discriminatory behavior or any activity that might be considered to be harassment in violation of this policy, it is your responsibility to immediately report such conduct to your supervisor or to the Sevier County Schools Central Office, Dr. John Enloe or Karen King, Directors of Employee and Student Relations, 226 Cedar Street, Sevierville, TN 37862, 865-453-4671. All such claims will be thoroughly and promptly investigated. The School System cannot promise complete privacy as total and complete privacy are often impossible; however, we will make every effort to keep the investigation as confidential as possible under the circumstances.

Any employee who retaliates against another employee who has reported workplace harassment or discrimination will be subject to immediate disciplinary action, up to and including discharge.

Sexual Harassment Prohibited

The School System prohibits any form of sexual harassment of its employees. Because sexual harassment may interfere with work performance; create an intimidating, hostile, or offensive work environment; or influence or tends to affect the productivity, salary, working conditions, responsibilities, duties or other aspects of development of an employee or prospective employee; or may create an explicit or implicit term or condition of an individual's employment, it will not be tolerated. This type of behavior will lead to progressive discipline or may result in a decision to terminate employment.

What is Harassment?

Sexually harassing conduct includes repeated, offensive, sexual flirtations, advances, or propositions; continual or repeated verbal abuse of a sexual nature; graphic verbal commentaries about an individual's body; sexually degrading words used to describe an individual; any display of sexually suggestive objects or pictures; or any other unwelcome physical or verbal conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment. Sexual Harassment is a violation of both state and federal law, and will not be tolerated by the School System. It is our policy that all personnel have the opportunity to work in an environment free from sexual harassment. We will actively investigate any allegation of sexual harassment, and if it is determined that sexual harassment has occurred, we will take appropriate disciplinary action, which may include discharge of the offending School System employee. In cases involving outside individuals, the School System will take appropriate action with the offending individual, or their employer.

Reporting Complaints

If you believe that you have been subjected to sexual harassment at work by anyone, including managers, co-workers, clients, or any outside party dealing with the School System, you should first bring the problem to the attention of your manager or supervisor. If you are uncomfortable raising your complaint with someone to whom you report, or if your complaint involves one of these individuals, then you are urged to bring it to the attention of to the Sevier County Schools Central Office, Curtis Henry or Karen King, Directors of Employee and Student Relations, 226 Cedar Street, Sevierville, TN 37862, 865-453-4671.

Investigation

All complaints will be promptly and thoroughly investigated. The School System cannot promise complete privacy as total and complete privacy are often impossible; however, we will make every effort to keep the investigation as confidential as possible under the circumstances.

No adverse employment action will be taken against any employee making a report of sexual harassment.

Open Door Policy

Management's door is always open to you. If you have a problem you need to discuss with us, please first discuss the matter with your immediate supervisor. If the matter remains unresolved, we maintain an "open door policy" for you to discuss your problem with anyone in management.

Substance Abuse/Drug-Free Workplace Policy

Illegal and excessive use of drugs has become an epidemic in our nation. Any abuse and use at the workplace are subjects of immediate concern in our society. From a safety perspective, the users of drugs may impair the well being of all employees, the public at large, and result in damage to public property. Drug use may also seriously impair an employee's ability to perform his or her job; therefore, it is the policy of the board of Education that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the workplace is prohibited. Violations of this policy will result in disciplinary action, up to and including termination. The specifics of this policy are as follows:

1. The unlawful manufacture, distribution, possession or use of a controlled substance is prohibited in or on the workplace. Such manufacture, distribution, possession or use while on the job or state property will subject the violator to discipline up to and including termination.
2. The term "controlled substance" means any drug listed in 21. U.S.C. 812 and other federal regulations. Generally, these are the drugs that have a high potential for abuse. Such drugs include but are not limited to Heroin, Marijuana, Cocaine, PCP, and "Crack". They also include "legal drugs" which are not prescribed by a licensed physician to an alleged violator.
3. Each employee is required by law to inform this Board within five (5) days after he or she is convicted for violation of any federal or state criminal drug statute where such violation occurred on state property. A conviction means a finding of guilt by a judge or a jury in any federal or state court.
4. If an employee is convicted of violating any criminal drug statute while on the workplace, he or she will be subject to discipline up to and including termination. Alternatively, the Board may require the employee to successfully finish a drug abuse program sponsored by an approved private or governmental institution.
5. As a condition of employment or continued employment on any federal government grant, this law requires all employees to abide by this policy.
6. It is a violation of company policy for any employee to report to work under the influence of or while possessing in his or her body, blood or urine, illegal drugs in any detectable amount.
7. It is a violation of company policy for any employee to report to work under the influence of or impaired by alcohol.
8. It is a violation of the company policy for any employee to use prescription drugs illegally, i.e. to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. However, nothing in this policy precludes the appropriate use of a legally prescribed medication.

The Sevier County School System reserves the right to conduct drug testing on (1) an applicant for employment as a bus driver; (2) any employee who is involved in an accident on the job; and (3) bus drivers on a random basis.

SECTION II – BENEFITS OVERVIEW

The Sevier County Board of Education is pleased to offer a comprehensive benefits program.

- Employee ID Card
- \$10,000 Life Insurance Policy
- Retirement Benefits
- Long Term Disability
- Leave (Sick/Personal/Bereavement)
- Vacation
- Insurance
 - Medical
 - Dental/Vision
 - Supplemental Life Insurance
 - Optional Insurance Benefits (catastrophic, cancer, accident, short-term disability)
- Sevier County Schools Federal Credit Union

ELIGIBILITY & ENROLLMENT

You are eligible to participate in most benefits if you are a full-time employee working at least 30 hours per week. Your non-contributory benefits are effective on the first day of the month following your first pay period. Contributory benefits are effective on the first day of the month following the first payroll deduction for that benefit.

IMPORTANT EMPLOYEE BENEFIT COVERAGE INFORMATION:

You must contact the payroll and benefits office **if you** have any changes that will affect **your** benefits coverage, beneficiaries or personnel records. Contact the office with details for any of the following changes: Address, telephone number, marital status, birth or adoption of a child, death of a dependent, or change in employment status of your spouse.

There are important deadlines that must be met for coverage changes and it is **your** responsibility to inform the payroll and benefits office in a timely manner. Failure to do so will result in denial of coverage.

IMPORTANT INFORMATION ON TERMS AND CONDITIONS OF COVERAGE:

If any statement or information contained in this handbook conflicts with the terms of any employee benefit plan, the terms and conditions of such employee benefit plan will control. All descriptions of employee benefit programs contained in this handbook are provided solely for the purpose of giving you a convenient overview of programs presently maintained. The actual terms and conditions of any benefit program can only be determined by reference to the appropriate employee benefit plan documentation and related written materials including any relevant insurance policies or other formal documentation. If any conflict arises between the descriptions contained in this handbook and the documentation or other materials applicable to a particular benefit program, the plan or program documentation will control.

Employee ID Card

As a School System employee, you will be issued an ID card **that must be worn at all times while working.** This card entitles you to admission to any regularly scheduled school-sponsored event at any school within the Sevier County system.

In the event that your card is stolen or lost please notify the Central Office immediately of the circumstances. A replacement card will be issued at a cost of \$5.00. Damaged or destroyed cards will also be replaced at a cost of \$5.00.

You will be admitted to free activities such as regular, seasonal scheduled ball games and class plays.

You will not be admitted free of charge to activities or dinners given at or by the schools. Such activities are given for the express purpose of generating income for the schools and thus free admission cannot be granted.

Although there is normally a charge for admission to ball games and plays, and such income is significant; this is not the primary purpose of the events. Therefore, free admission will be granted upon presentation of your ID card.

Life Insurance

Basic Life Insurance

The School System provides a \$10,000 life insurance policy to all full time employees. This benefit is reduced to 50% at age 70, to 30% at age 75, and 20% at age 80.

Accidental Death & Dismemberment

Accidental Death & Dismemberment (AD&D) insurance provides you and your family with financial assistance should you die or suffer a loss as a result of a severe accidental injury. The death benefit under this policy is \$10,000, which is paid in addition to your Basic Life Insurance amount. Please refer to the Policy for information about other covered losses and coverage amounts.

In addition, if you should die as a result of an automobile accident while you are a licensed operator or passenger of a registered automobile and wearing your seat belt, there will be an additional benefit of \$10,000 paid if the Conditions stated in the Policy are met. Those Conditions exclude coverage if you are operating the automobile while legally intoxicated or under the influence of narcotics or other drugs or similar substances unless administered by a physician.

Retirement Benefits

The School System offers two ways for you to reach your retirement goals—the Tennessee Consolidated Retirement System (TCRS) and voluntary tax-sheltered annuities.

Tennessee Consolidated Retirement System (TCRS)

This plan provides monthly income to you at retirement. Your benefit at retirement is based on a formula, which considers your years of service and your income. Normal retirement, with an unreduced benefit, can be taken at age 60 or with 30 years of service. You may qualify for early retirement with reduced benefits after you have at least 25 years of service. Non-certificated employees are eligible after six (6) months of employment. Certified employees are eligible immediately upon employment. Enrollment is mandatory for full-time employees. There is a mandatory contribution of 5% of gross salary, and employees are vested after five (5) years of enrollment.

For More Information on the Tennessee Consolidated Retirement System:

Detailed information including plan provisions and benefit calculator available in the Guide to TCRS Retirement or on the TCRS Retirement website:

www.treasury.state.tn.us/tcrs/index.htm

Employees who are retiring or need more information about retirement benefits should contact the Human Resources department at 865-453-4671.

Tax-Sheltered Annuities

You may increase your financial security at retirement if you wish to participate in a tax-sheltered annuity program. Through this program you contribute a percentage of your pay on a pre-tax basis. You determine which provider to use and how to invest your contributions. Please note that funds invested in these programs are subject to loss, and any such loss is not the responsibility of the School System. The School System does not sponsor these programs and offers them through payroll deduction only as a convenience to you. The School System does not endorse or make any representations in regard to the companies or providers listed on the next page.

TAX SHELTERED ANNUITIES

The Sevier County Board of Education School System” The Board” does not endorse or make any representations concerning the companies, firms, or individuals below. Any return or loss on your investments is NOT the responsibility of the Board. The Board is not involved in the handling of your investment. Funds invested with any of the below is voluntary and at the risk of the investor. The system offers payroll deduction for the following annuities:

American Express Financial Advisor

Elizabeth Urquhart
Person Financial Planner
222 East Main St.
Sevierville, TN 37862
865-428-0744

also

Carrol Hummel
Personal Financial Planner
388 High Street
Maryville, TN 37804
800-862-7919, ext. 68669
612-671-5000, Fax

American Fidelity

P.O. Box 25520
Oklahoma City, OK 73125-0520
800-662-1106, ext. 5129
800-955-2344
615-661-0983, Fax
www.afadvantage.com

American United Life Insurance

P.O. Box 3689
Indianapolis, IN 46206
800-537-6442
www.aul.com

Fidelity Investments (403-b)

Tax Exemption Services
P.O. Box 5000
Cincinnati, OH 45273-8300
800-868-1023
www.fidelity.com

Horace Mann

800-999-1030
800-484-8791, ext. 4191
217-789-2500
www.horacemann.com

Valic

Mark Taylor
Knoxville, TN
865-982-9820; 800-448-2542
www.aigvalic.com

Metropolitan Life Insurance

Larry Fox, agent
507 Dolly Parton Parkway
Sevierville, TN 37862
865-428-1317
800-560-5001
www.metlife.com

Modern Woodmen

Larry Shessler
2043 Arch Rock
Sevierville, TN 37862
865-429-5396
423-475-7184
800-447-9811
www.modern-woodmen.org

Nationwide (PebSCO)

Allen Sheets
1114 W. Clinch Ave.
Knoxville, TN 37916
865-546-5490
865-523-4641, Fax
800-545-4730; 877-677-3678
www.nrsforu.com; or
sheetsri@nationwide.com – e-mail

Raymond James

Andrew R. Wallace, CSA Financial Advisor
865-577-0166
865-470-4237, Fax
Andy@AdvisorForLife.com – e-mail
www.myadvisorforlife.com

Reassure American Life Insurance
1275 Sandusky Rd.
Jacksonville, IL 62650
800-637-4475; or 217-291-2000

Neil Cubberley, agent
P.O. Box 5109
113 S. Boulevard Way
Sevierville, TN 37864-5109
865-453-6600; 800-525-9054
www.cubberleyagency.com

Questar Capital

Disability Benefits

Long-Term Disability

Long-term disability (LTD) coverage is provided at no cost to you by the School System. LTD provides a partial salary continuation for extended illness and injury. If you are out of work in excess of 90 days, and have exhausted all available leave including sick leave bank, and your documented disability is approved by the carrier, you are eligible to receive 60% of your base monthly earnings up to a maximum of \$6,000 per month. Active employees working 30 hours or more per week are eligible for this benefit.

Short-Term Disability

Sevier County Schools offer short-term disability policies through payroll deduction. During the annual enrollment period, you may start a policy that covers 40% or more of your salary if you were to become disabled for a period of up to two years. An agent can discuss various amounts of coverage and elimination periods with you.

For more information, please contact a Human Resources Representative at 865-453-4671, or go to one of the links below:

AFLAC Insurance:

www.aflac.com

Colonial Insurance:

www.coloniallife.com

You may use pre-tax dollars to purchase coverage. Any contribution amounts that you are responsible for will be deducted from your pay on a pre-tax basis before federal income taxes are withheld.

Coverage may only be cancelled during the annual benefit election time unless there is a change in family status.

Sick Leave

Full-time employees earn one day of sick leave per month worked. Sick days are cumulative and carry forward from year to year. Part-time employees earn sick leave on a pro-rated basis.

Cumulative sick leave can be used for service credit for retirement calculations. The Sevier County School System does not pay for accumulated sick leave upon cessation of employment.

Personal Leave

Full-time employees earn two personal leave days per year. Personal leave days are non-cumulative, but up to two (2) unused days will be converted to sick leave days.

The first personal leave day is earned after 100 days, and the second personal leave day is earned after 150 days.

You will earn an additional personal leave day per year for each ten (10) years of service in Sevier County. These additional personal leave days are also non-cumulative and cannot be converted to sick leave.

After 25 years of service, an additional personal leave day is earned every five (5) years.

Part-time employees earn personal leave days on a pro-rated basis.

Bereavement Leave

Up to three days of bereavement will be granted on the occasion of the death of an employee's spouse, child, grandparent, grandchild, parent, sister, brother, parent-in-law, brother-in-law, sister-in-law, daughter-in-law, or son-in-law. Two additional days of bereavement leave may be granted upon the death of an immediate family member (defined as spouse, child, or parent) should the employee so request and be approved by the Director or designee.

The Family and Medical Leave Act

The School System recognizes our employees' needs for family and medical leave. The School System provides family and medical leave in accordance with applicable federal and state law. Tennessee law currently provides 12 weeks of unpaid leave in a 12-month period.

Eligibility

You are eligible for family and medical leave if you have been employed by the School System for at least 12 months and you have actually worked at least 1,250 hours during the 12-month period immediately preceding the date the leave is scheduled to begin.

Leave Entitlement

Eligible employees may take unpaid, job-protected leave for:

The care of a child, spouse or parent who has a serious health condition, the serious health condition of the employee which renders such employee unable to perform the functions of his or her job, the birth of a child of the employee in order to care for the child, or the placement of a child with the employee for adoption or foster care.

A serious health condition is defined as (1) inpatient care at the hospital, hospice, or residential medical care facilities, or (2) continuing care by a licensed health care provider. Any period of incapacity due to pregnancy or prenatal care is treated as a serious health condition. If you take paid sick leave for a condition and you request unpaid leave as provided under this policy, the School System may designate all or some portion of the related leave already taken as leave under the policy provided the earlier leave could be covered by this policy. If you have questions about what illnesses are covered under this policy or under the sick and short-term disability policies, please see your supervisor.

Length of Leave

Eligible employees may take up to a total of 12 work weeks of unpaid leave in a 12-month period, which is measured backward, from the starting date of the requested leave. The 12-month period changes daily under this method. For example, as each new day is added to the 12-month period, one day from 12 months ago is eliminated.

A female employee who has been employed for at least 12 consecutive months as a full-time employee may be absent from employment for up to (4) four months for pregnancy, childbirth and nursing infants.

Leave for the birth, adoption or foster care of a child must be taken within one year of the birth or adoption of the child.

Employee must return to work when the conditions of leave no longer exist since failure to return may result in termination.

Intermittent Leave or Reduced Work Schedule

Leaves due to the serious health condition of an employee or the employee's immediate family member may be taken on an intermittent basis or reduced work schedule, when medically necessary, as supported by medical certification. Leaves due to birth, adoption, or foster care of a child may be taken on an intermittent basis only upon the School System's agreement except where leave is required due to a serious health condition. As an employee taking an intermittent leave, you may be temporarily transferred to an alternative position, with equivalent pay and benefits, which better accommodates the recurring periods of leave.

Substitution of Leaves

Your family and medical leave will run simultaneously with other approved leaves such as vacation leave, and personal or disability leaves. Sick leave will be substituted for unpaid leave taken for the serious health conditions of you or your child, spouse, or parent. If you have accrued paid leave time, then leave available to you under this policy will be reduced by your paid leave entitlement. Additionally, if you are on workers' compensation leave, your family and medical leave will be run concurrently. Since workers' compensation benefits are paid, any other paid accrued benefits will not be substituted during your family and medical leave period which runs concurrently with worker's compensation leave.

Advance Notification

You must provide 30 days notice where the need for leave is foreseeable. Failure to request a foreseeable leave may result in the delay of such leave until at least 30 days after you provide actual notice. If providing advance notification is impossible, you must provide notice as soon as feasible within two days of learning of the need for the leave.

Medical and Other Paid Benefits

Health care coverage will be continued during family and medical leaves. Your health benefits during your leave period and upon your return to work will be at the same level and conditions as if you had continued to work. While you are on paid leave, we will continue to make payroll deductions for your health coverage and other paid benefits. While you are on unpaid leave, you must continue to make payment(s), either in person or by mail by the 15th of each month.

If you choose not to return to work for reasons other than a continued serious health condition or circumstances beyond your control, you will be required to reimburse the amount the School System paid for your insurance premiums during your leave period.

During the unpaid portion of leaves, employees will not accumulate vacation, holidays, and personal days.

Medical Certification

If your leave is foreseeable, you should provide certification of a serious health condition before your leave begins. If this is not possible, certification should be provided as soon as possible unless there is a reasonable explanation for the delay.

Certification of the serious health condition will include the date the condition began, expected duration, diagnosis, and a brief statement of treatment. For leave due to your own serious health condition, certification should include a statement that you are unable to perform work of any kind or at least the essential functions of your position. For a seriously ill family member, certification should include a statement that the patient requires assistance and your presence would be beneficial or desirable.

If you plan to take intermittent leave or request a reduced work schedule, certification should include dates and duration of the treatment and a statement of medical necessity for taking intermittent leave or working a reduced schedule.

The School System has the right to ask for a second opinion and, if requested, will pay for you to get a certification from a second doctor of its choice. If it is necessary to resolve a conflict between the original certification and the second opinion, the School System may require the opinion of a third doctor. The School System and the employee will jointly select the third doctor, and the School System will pay for the opinion, which will be considered final.

Before returning to work following a leave due to a serious health condition, you will be required to obtain a health care provider's certification that you are able to return to work and perform the essential functions of your job.

If you are on workers' compensation leave and your treating physician certifies that you may return to a light duty job which is not your same or equivalent job, you may reject the light duty and choose to remain on family and medical leave for the remaining portion of the leave period.

Job Restoration

Upon return from the family and medical leave, you will be restored to your same position or an equivalent position if your position has been eliminated. If a physician determines you are medically unable to perform your original job, you will be provided other suitable work if available. If you are a key employee who is highly compensated, you may be notified before or during your leave that your position may not be held open due to economic injury to the School System. Upon such notification, you will be given a reasonable time to elect to return to work.

Military Leave

Employees who are members of any reserve component of the Armed Forces of the United States will be granted leave of absence for all periods of military service during which they are engaged in the performance of duty or training in the service of the state or the United States. While performing such duty or training, the employee will be paid his/her regular salary up to a maximum of fifteen (15) days working days in any one (1) calendar year, plus such additional days as may result from any call to active state duty. Employees returning from military service shall be restored to employment with seniority, status and rate of pay as if continuously employed. An employee called to active duty by the governor to enforce the laws of the state will be paid his/her regular salary for such time as he/she is engaged in the performance of his/her duty, and any time spent in active state duty will not count against the fifteen-day period of leave allowed for military service.

The employee will supply a copy of the order for duty upon the request of the Director of Schools.

Jury Duty

When an employee is summoned for jury duty he/she may serve as the court directs. The employee will be entitled to the usual compensation but shall turn over to the Board the amount paid the court for jury duty.

Legislative Leave

Employees who have been elected to state or local lawmaking bodies will be granted personal leave as earned in board policy, vacation as earned in board policy or leave without pay for the time those lawmaking bodies are in official sessions or attending official meetings outside of session.

Sick Leave Bank

Sevier County School System has a sick leave bank. If an employee is interested in becoming a member contact the Human Resource department or Sick Leave Benefit Coordinator at 865-453-4671.

Vacation – 12 Month Employees Only

Full-time employees earn vacation at one (1) day per month. Part-time employees earn vacation on a pro-rated basis. Vacation must be taken from July 1 – June 30 of each fiscal year. Vacation is non-cumulative – unused days do not carry forward from year to year.

Insurance

Medical Insurance

Sevier County School System offers four contributory medical insurance plans. New hires must complete and return an enrollment form within 30 days of their date of hire although eligibility for health and welfare benefits is the first of the month following your first pay period.

Full-time employees working more than 30 hours per week may select from:

Health Maintenance Organization (HMO)
Point of Service (POS)
Preferred Provider Organization (PPO)

For specific insurance information you may visit the websites listed below:

State of Tennessee Division of Insurance Administration

Insurance Handbook:

Insurance Website:

www.state.tn.us/finance/ins/le.pdf www.state.tn.us/finance/ins/ins.html

BlueCross BlueShield of Tennessee (PPO)

Office Hours: 8:00-5:00 eastern time, Monday-Friday
1-800-558-6213
www.bcbst.com

CIGNA (POS)

Office Hours: 8:00-6:00, Monday-Friday
1-800-564-7642 (enrollment information line)
1-800-244-6224 (member services)
<http://www.cigna.com/>

United Healthcare (HMO)

Office Hours: 9:00-6:00 M-T 9:00-5:00, Friday; 10:00-2:00, Saturday
1.877.366.0011
<https://www.uhcrivervalley.com/employer/tennstate/>

Bus Driver Health Insurance

Full-time bus drivers are eligible for Sevier County employee health insurance plan. Bus Drivers **must** contact Sue Smith at the County Mayors Office – 865-453-6136, Sevier County Courthouse, within 30 days of employment in order to enroll in health insurance.

COBRA Notice

The Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) requires employer – sponsored group health plans to allow covered employees and dependents to elect to have their current coverage continued, at group rates, following a qualifying loss of coverage. This notice is intended to apprise employees and their eligible dependents of their rights and obligations under the law.

Eligibility for Continuation of Benefits

An employee is eligible to continue his group medical and/or dental insurance when such insurance would otherwise terminate due to a reduction of work hours or termination of employment, other than termination due to gross misconduct. An employee's spouse and dependant children will also be permitted to continue coverage when they lose eligibility under the group plan as a result of:

- The employee's death, entitlement to Medicare, termination of employment or reduction of work hours;
- Divorce or legal separation; or
- Loss of dependent child status due to age or marriage.

Continuation coverage is also available to dependents born or adopted during the period of COBRA coverage. Continuation is not available to anyone who (1) is entitled to Medicare or (2) becomes covered under another group plan which does not contain an exclusion or limitation with respect to a preexisting condition of that person.

Length of Continued Benefits

An employee or eligible dependants may continue coverage for up to 18 months when group insurance terminates due to a reduction of work hours or termination of employment, other than termination due to gross misconduct.

An individual determined to be disabled under Title II (OASDI) or Title XVI (SSI) of the Social Security Act within the 60-day period beginning on the date of a reduction in work hours (or termination of employment) may have their continuation of coverage extended from 18 to 29 months, if the determination is provided before the end of the 18 month period. When it is determined under the social Security Act that the individual is no longer disabled, continuation of coverage beyond 18 months will end in the month that begins more than 30 days after the determination. This 29-month coverage is also available to the Qualified Beneficiary (dependent) of the employee if the disability existed at any time during the first 60 days of continuation coverage.

Continuation of coverage for a spouse and/or dependant children is available for up to 36 months in all other cases. If a spouse or child is receiving 18 months of continued coverage because of an employee's termination of employment or reduction of work hours, and a second qualifying event occurs, continuation may be extended to 36 months from the date of the first qualifying loss of coverage.

It is the employee's responsibility to notify Human Resources of the qualifying event.

Dental/Vision Benefits

The School System offers a voluntary dental reimbursement plan. This is a self-insured benefit plan provided by the School System. The plan allows you to choose your own dentist – there are no preferred providers or provider networks. You may choose from four levels of coverage:

- *Employee only* – coverage for you
- *Employee + one dependent child* – coverage for you and one other dependent child
- *Employee + spouse* – coverage for you and your spouse
- *Family* – coverage for you, your spouse and/or your eligible dependents

Enrollment

You must complete the dental/vision enrollment form and return it to your local school benefit representative. Your coverage election is irrevocable and will continue for the plan year unless there is a significant change in family status (such as marriage, divorce, death, birth or change in employment status of your spouse).

If you do not enroll when first eligible and elect benefits at a later time (other than during an Open Enrollment period), your benefits will be reduced for the first year to a maximum reimbursement of \$100.

Benefits

The plan allows for \$1,000 per covered person each year for benefits. The plan reimburses you (after services have been provided) according to the following schedule:

Option I - Dental

100% of the first \$125 of eligible expenses, then 50% of the next \$1,750 of eligible expenses to a maximum of \$1,000 per person, Orthodontia included

Option II – Dental & Vision

100% of the first \$125 of eligible expenses, then 50% of the next \$1,750 of eligible expenses to a maximum of \$1,000 per Person, Orthodontia included. Includes a \$300 annual maximum per Person for Vision Care (included in \$1,000 maximum) Vision covers frames, lenses, contacts, and eye exams.

Orthodontic services are covered at up to a maximum of 25% of the estimated total treatment charge when the treatment plan begins and the balance is reimbursed monthly as services are rendered.

You are responsible for mailing an itemized bill to the claims administrator. The claims administrator will then issue a reimbursement check within 10 days, including mail time.

All claims for dental/vision expenses must be submitted no later than March 31 after the end of the Plan Year in which the expense was incurred.

Mail benefit claims to: Direct Reimbursement Benefit Plans, Inc.
P.O. Box 71549
Newnan, GA 30271
888-745-3274

Supplemental Life Insurance

Supplemental Life and AD&D

You may purchase policies for your spouse and children, and/or purchase additional amounts of coverage beyond \$10,000. Additional coverage in excess of \$10,000 requires proof of good health.

This additional coverage also reduces for the employee to 50% at age 70, to 30% at age 75, and 20% at age 80. Coverage for dependents terminates at age 70. Dependent children are eligible until age 19 unless they are a full-time Student.

Also, if you do not apply when first eligible, you must provide proof of good health.

Other Optional Payroll Deductions:

Sevier County Federal Credit Union

The Sevier County Schools Federal Credit Union is a non-profit, cooperative savings and lending institution. It is owned and controlled by its members, who have joined together to help each other in sound management of their financial affairs. Payroll deduction is available.

Qualifications for Membership

- Employees of the Sevier County Board of Education
- Employees of the Credit Union
- Retirees from the Sevier County Board of Education
- Members of the immediate families of Credit Union members (must reside in the same household as the member)
- Un-remarried spouses of Credit Union members
- Organizations of the Sevier County Board of Education

Persons leaving eligible membership status who desire to retain their membership must petition the Board of Directors, in writing, within 60 days of termination of membership status. Unless the Board gives approval, membership will be terminated. This is in accordance with our Federal Credit Union by-laws.

The credit union is located at the following address:

164 N. Henderson Ave., Suite B
(Located in the Business Park)
Sevierville, TN 37862
Phone: (865) 428-4426

Professional Dues

A. Authorization

Any employee who is a member of the Association or who has applied for membership may sign for the Association to deliver to the Board an assignment authorizing payroll deduction of professional dues. The form for the assignment shall be the United Teaching Profession membership enrollment form for the current school year.

B. Regular Deduction

Pursuant to the deduction authorization, the Board shall deduct one-ninth (1/9) of total dues from the regular salary checks of the professional employees and affiliates who wish to join the Association. Deductions will be made each month for nine (9) months, beginning with the October check.

C. Pro-rated Deductions

Deductions for professional employees who authorize dues deduction after the commencement date in October will be appropriately pro-rated to complete payments in June.

D. Duration

Any professional employees who wish to have dues deducted from their payroll checks must renew their authorization each year. This authorization must be delivered to the Central Office by October 1. Once such authorization is presented to the Central Office, the entire dues deduction will be taken from the professional employees' payroll checks.

E. Termination of Employee

Any employee who authorized payroll deduction of dues and subsequently terminates employment prior to the final deduction will have the remaining balance deducted from his/her final paycheck. The authorization form will state this final deduction policy.

F. The Board will compile a list of professionals and non-professionals who wish to have dues deducted. This list will be compiled from the authorizations presented to the Central Office.

G. Contributions

The Association will present an alphabetical list of all professional members of the Sevier County Education Association (SCEA) to the Central Office by October 1. The Association will notify the Central Office in writing of all changes in membership within the SCEA when changes occur or upon request of the Director of Schools.

Workers' Compensation Notice

Notice to Employees

The Sevier County School System provides Workman's Compensation insurance in compliance with the laws of the state of Tennessee.

In the event that you are injured on the job you should report the injury to your supervisor immediately.

**Sevier County Board of Education
Direct Reimbursement Plan**

Summary Plan Description

7/04

SEVIER COUNTY BOARD OF EDUCATION

Direct Reimbursement Plan **Summary Plan Description**

This is the official Summary Plan Description for the **Sevier County Board of Education Direct Reimbursement Plan** (the "Plan"). The Plan is a self-funded benefit plan that reimburses eligible employees and their eligible dependents for covered expenses. The Plan is available to the employees of **Sevier County Board of Education** (the "Company"), and its affiliates that participate in the Plan ("Participating Companies"). It does not involve an insurance company. **Sevier County Board of Education** is the Plan's Administrator and Direct Reimbursement Benefit Plans is the Plan's Claims Administrator.

If you elect to participate in the Plan, your pay will be reduced on a pre-tax basis (unless you state in writing to the Plan Administrator that you want your reduction to be on an after-tax basis) by the amount required to pay for the type of coverage you elected. You may elect to cover only yourself or you may elect to cover yourself and all of your dependents. As you incur expenses, you may submit claims for reimbursement. If your expenses are eligible for reimbursement under the terms of the Plan, you will receive a check for all or a portion of the reimbursable expenses (as payable under the Plan).

This Summary Plan Description will explain in more detail how the Plan works. However, if you have any questions concerning your benefits, ask your local Human Resources representative. Other people (like your co-workers, your supervisor or even your dentist) are not authorized to answer your questions about the Plan.

Sevier County Board of Education reserves the right to amend or terminate this Plan at any time. Nothing in this Summary Plan Description is intended to provide vested or nonchangeable benefits. Sevier County Board of Education can also change the benefits or contributions under the Plan or any other aspect of the Plan at any time and for any reason. The changes will apply to all covered persons, unless otherwise specified by Sevier County Board of Education. Generally, these amendments will not apply to expenses incurred prior to the date of enactment of the amendments.

Benefit Plan Year

The plan year will be from January 1st to December 31st of each year.

Who Is Eligible?

All employees, school bus drivers and Board Members who have met the required waiting period and their eligible dependents may participate in the Plan. You are a full time employee if you routinely work at least 30 hours per week. Eligible dependents include your spouse and unmarried children under 19 years of age. Unmarried children between the ages of 19 and 25 may be included if they are full-time students. It is the employee's responsibility to provide proof of full-time student status.

An unmarried child with a mental or physical handicap or developmental disability, who can't support himself/herself may stay eligible for dependent coverage beyond the Plan's age limit if: (a) the condition started before he/she reached this Plan's age limit; (b) he/she became covered by this Plan before he/she reached the age limit and stayed continuously covered until he/she reached such limit; and (c) he/she depends on you for most of his/her support and maintenance. To do this, it is the employee's responsibility to send written proof that the child is handicapped and depends on you for most of his/her support and maintenance within 31 days from the date the child reaches the age limit. The employee may be asked for periodic proof that the child's condition continues. The child's coverage ends when yours does.

You can elect individual coverage (which only covers you), or you can elect individual + spouse coverage (which covers you and your eligible spouse) or you can elect individual + children coverage (which covers you and your eligible children) or you can elect family coverage (which covers you and all of your eligible dependents). However, if you are divorced or separated from your spouse, you may be required under the terms of a "Qualified Medical Child Support Order" to provide coverage under the Plan to any of your children named in such order. A Qualified Medical Child Support Order ("QMCSO") is an order satisfying the requirements of ERISA and requiring a health (or dental) plan to recognize the child of a parent-employee as a plan participant. If the Plan Administrator receives a QMCSO for an employee who is not presently enrolled in the Plan, the employee will be enrolled in family coverage.

The Plan's QMCSO procedures are available from the Plan Administrator upon request at no charge to you.

What Must I Pay For Coverage?

The coverage under this Plan is contributory, meaning the employee pays all or a portion of the cost.

How Do I Enroll For Coverage?

If you want to cover yourself or your dependents under the Plan, you must:

- (1) apply for the coverage on the proper form; and
- (2) agree in writing to make the required contributions.

Prior to the first day of each Plan Year the Company will provide an annual enrollment period during which you may elect to be covered under the Plan or, if you are already covered, to change the type of coverage (for example, from individual to family coverage).

The coverage that you elect during the annual enrollment period will become effective on the first day of the plan year following the annual enrollment period. If you become employed during the Plan Year and you elect coverage during a period other than the open enrollment period, your coverage will be effective on the first day of the month following payroll deduction.

Can I Change My Election During The Year?

Your election to receive coverage under the Plan will remain in effect for the Plan Year. If you are a new employee and elected coverage during a period other than the open enrollment period, your initial election will remain in effect from the date your election became effective until the following end of that Plan Year if you do not complete a new election form for coverage during the next annual enrollment period, your election automatically will remain in effect for the next Plan Year.

You may change or revoke your election during the middle of a Plan Year only if you experience a "change in family status", and the change in coverage is on account of and consistent with the change in family status. Examples of changes in family status include: (1) your marriage, divorce or legal separation; (2) the birth or adoption of a child; (3) the death of a dependent; (4) a dependent who either becomes eligible for coverage or is no longer eligible; (5) a change in your spouse's employment; (6) a significant change in your or your spouse's health coverage attributable to your spouse's employment; (7) the receipt of a qualified medical child support order; (8) a "special enrollment period," as required under the Internal Revenue Code; or (9) any other event deemed a change in family status by the Plan Administrator, in accordance with applicable law.

What Happens If I Don't Enroll When I First Become Eligible?

If you (or your dependents) do not enroll in the Plan when you (or your dependents) first become eligible to participate in the Plan, you may enroll yourself (or your dependents) during the annual enrollment period for the next Plan Year or a later Plan Year.

What Expenses Can I Get Reimbursed?

You will be reimbursed for all properly submitted expenses incurred by you or your covered dependents while you are covered under the Plan, except for those expenses discussed below that are not covered under the terms of the Plan. Covered expenses include treatment by any licensed provider.

Are There Any Expenses Not Covered?

You will not be reimbursed for the following expenses:

- Expenses incurred for injuries or conditions, which are payable through workers' compensation;
- Expenses incurred for services, which are covered by a governmental agency;
- Expenses incurred for services, which are covered by a company-sponsored medical plan;
- Expenses incurred for elective, cosmetic dentistry and/or expenses incurred for elective eye surgery, i.e., Radial Keratotomy, if applicable.

What Amount Of Expenses Does The Plan Pay?

Each person covered by the Plan is eligible to be reimbursed for the percentage of his or her expenses in the amount indicated below. The Plan Year in which the treatment was provided is the year used to determine the reimbursement.

The Plan will pay:

High Option

100% of the first \$125 of expenses, then

50% of the next \$1,750 of expenses

Maximum Annual Benefit of \$1,000 per person.

Orthodontia is included.

Vision is included up to \$300 per year.

Low Option

100% of the first \$125 of expenses, then

50% of the next \$1,750 of expenses

Maximum Annual Benefit of \$1,000 per person.

Orthodontia is included.

Vision is not included.

Orthodontia Claims

Payment for orthodontic treatment is made in installments. The first payment (downpayment) is payable on the date your braces are placed. The downpayment may be up to a maximum of 25% of the estimated total treatment charge and will be processed according to your schedule of benefits. The balance of the estimated total treatment charge is prorated and paid on a monthly basis during the anticipated duration of the treatment. It is the responsibility of the employee to provide proof of continuation of treatment in order to receive reimbursement.

A one page "orthodontic questionnaire" must be completed by the orthodontist and submitted with the initial charges. This form is available from your Human Resources Representative, or by calling Direct Reimbursement Benefit Plans.

How Does The Plan Determine When a Service is Incurred?

The charge for service, supply, or treatment is considered incurred on the date the service is provided.

How Does The Plan Handle Expenses For Treatment In Process When Coverage Begins?

We will exclude from coverage all procedures, which began prior to the effective date of coverage with the exception of orthodontic care where we will allow expenses for monthly maintenance, incurred after the effective date. Expenses for any procedure performed on or after the effective date are covered even if it is a continuation of care begun before the effective date.

Are There Any Deductibles?

No, there are no deductibles to satisfy before expenses are reimbursed under the Plan. This means that there will be no amount of expenses that you must pay before you are entitled to be reimbursed for your expenses.

How Do I File My Claim?

When you incur expenses, you should obtain a written statement from your provider that describes the dates of service, the type of treatment and the charge. A request for claim payment should be made on claim forms that are obtained from the Human Resources Department. Properly completed claim forms should be sent directly to the Claims Administrator (the address for the Claims Administrator is at the end of this Summary Plan Description) within a reasonable period following occurrence of the treatment or expense.

All claims for expenses must be submitted no later than March 31st after the end of the Plan Year in which the expenses were incurred. The Company reserves the right to verify all reimbursement requests. A fraudulent claim is grounds for termination of benefits and other disciplinary actions (including termination of employment) determined within the discretion of the Company.

What Do I Do If My Claims Are Denied?

If your claim is denied (all or in part), you will be informed of the reason(s) for denial, and you may initiate a review of the claim by contacting the Plan Administrator for further instructions. Under the review procedure, you or your duly authorized representative have the right to: (a) request the review by making written application to the Plan Administrator, no later than 60 days after the claim denial, (b) review pertinent Plan documents, and (c) submit issues and comments in writing in support of the claim. You will be notified in writing of the results of the claim review and the reason for any denial no later than 60 days following receipt of the properly completed request for review, unless it is necessary to seek additional information, in which case the determination will be made within 120 days. Any requests for review not responded to within this period shall be deemed denied.

When Does My Coverage End?

Your coverage, as well as that of your dependents, ends on the earliest of the following dates, subject to your right to elect COBRA coverage:

- The date this Plan terminates or is amended to exclude you or your dependents from the class of employees or dependents, as applicable, eligible for coverage;
- The date you are no longer in an eligible class of employees or, with respect to a dependent's coverage, the date the dependent is no longer an eligible dependent;
- The last day of your employment;
- The date of your death; or
- The date you fail timely to pay employee-required contributions;
- The date you withdraw from the Plan.
- If you take a leave of absence pursuant to the Family and Medical Leave Act, ("FMLA"), your elected coverage will be continued by the Company for the authorized period of leave. You will have the option of paying for your coverage while on leave or upon return to active employment.

Any expenses that you incur during your period of coverage will be eligible for reimbursement, subject to the terms of the Plan.

What Are My Rights Under COBRA?

COBRA continuation of Plan benefits is available to those individuals who, for a variety of reasons, would normally lose coverage. Individuals who wish to continue coverage must elect to do so within certain time limits and must pay the entire cost of coverage plus an administrative charge on a regular timely basis.

Who Is Eligible For COBRA

You and your dependents ("Qualified Beneficiaries") are eligible for COBRA continuation coverage if you and your dependents are actually covered under the Plan at the time of your "qualifying event," as described below. In addition, a child born to or adopted by an individual covered under COBRA is also considered a Qualified Beneficiary.

A "qualifying event" includes your termination of employment or reduction of hours of employment with the Company or a Participating Company. This excludes your discharge due to gross misconduct. The Plan Administrator will determine what constitutes gross misconduct. Bankruptcy of the Company is also considered a qualifying event.

In addition to the above events, your spouse and dependent children are eligible for COBRA continuation coverage if they are actually covered under the Plan at the time of any of the following qualifying events:

- Your divorce or legal separation;
- Your death; or
- Your becoming entitled to benefits under Medicare.

In addition to the above events, your dependent children will be eligible for COBRA continuation coverage if they are actually covered under the Plan at the time they lose coverage under the Plan due to loss of dependent status.

What Notice Do I Have To Give For COBRA To Take Effect?

The Plan Administrator has no way of knowing when you are divorced or when a dependent child loses eligibility. Therefore, it is your responsibility and the responsibility of affected dependents to notify the Plan Administrator within 60 days of a divorce, legal separation or loss of a child's dependent status under the Plan. If this notice is not received within 60 days, the dependent will permanently lose eligibility for COBRA continuation coverage.

How Long Does COBRA Coverage Last?

COBRA continuation coverage may extend for 18 months in the case of your termination of employment or reduction of hours, and otherwise for 36 months, provided that a covered dependent lost coverage under the Plan as a result of the qualifying event. If coverage under the Plan continues beyond the occurrence of a qualifying event, the 18 or 36-month period will not begin until loss of coverage. The 18-month period may be extended if a second qualifying event causing loss of coverage (for example, death, divorce or legal separation) occurs during that period. Coverage will never last more than 36 months from the date of the original qualifying event (*i.e.*, the date you terminated employment with a participating company or your hours were reduced). However, if you (the covered employee) separate from service or reduce your hours less than 18 months after the date you became entitled to Medicare, then the coverage for your dependents may be extended to a maximum of 36 months from the date you became entitled to benefits under Medicare.

What Are My Rights Under COBRA If I Am Disabled?

Qualified Beneficiaries deemed disabled for Social Security purposes (and their covered family members) can extend coverage up to 29 months if:

- The Qualified Beneficiary is determined, under the Social Security Act, to have been disabled within 60 days of the date COBRA coverage commenced for the Qualified Beneficiary;
- The determination of disability is made before the end of the initial 18-month continuation period; and
- A copy of the disability award is provided to the Plan Administrator within 60 days of the date of determination and before the end of the 18-month continuation period.

In the case of COBRA continuation coverage that is extended beyond the 18-month continuation period due to a Qualified Beneficiary's disability, COBRA continuation coverage will terminate on the first day of the month that begins more than 30 days after it is determined that the Qualified Beneficiary is no longer disabled, unless coverage is terminated earlier for any of the reasons described below for the termination of COBRA coverage.

Can COBRA Coverage Terminate Earlier Than Described Above?

Yes, although COBRA will generally continue for either the 18-, 29-, or 36-month period described above, it can be terminated earlier for any of the following reasons.

- The Qualified Beneficiary fails to pay the premium in a timely manner, defined initially as within 45 days of the date of the election and thereafter within 30 days of each due date;
- The Qualified Beneficiary becomes covered under another group plan (unless the Qualified Beneficiary is subject to pre-existing condition exclusions under that plan);
- The Qualified Beneficiary becomes entitled to Medicare benefits. However, your covered dependents may still continue their coverage if you become eligible for Medicare; or
- The Plan is terminated in its entirety and neither the Company nor its affiliates maintain any type of group plan.

If COBRA coverage terminates, it cannot be reinstated.

How Do I Elect COBRA Coverage?

Qualified Beneficiaries will be notified in writing of their eligibility for COBRA continuation coverage and of the election procedures. In order to obtain COBRA continuation coverage, Qualified Beneficiaries must follow all instructions sent with the notice of eligibility. Generally, Qualified Beneficiaries will have 60 days from the date of notice to elect COBRA coverage. During this 60-day election period, the Qualified Beneficiaries must decide if they intend to continue their coverage by agreeing to pay the premiums on a monthly basis.

How Do I Pay For COBRA Coverage?

Payments for COBRA continuation coverage are payable monthly to the Plan Administrator and are due by the first of each month. COBRA continuation coverage will terminate if payments (other than the first payment) have not been received within 30 days of the first of each month. The first payment for COBRA continuation coverage is due within 45 days after you make your election to receive COBRA continuation coverage and the election is received by the Plan Administrator. If the payment is not made within the 45 days for the first payment, COBRA continuation coverage will terminate. The Plan Administrator is not required to send you payment reminders or overdue notices.

HOW PROTECTED HEALTH INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN OBTAIN ACCESS TO THIS INFORMATION

To persons enrolled in the Sevier County Board of Education's Health Plan, as administered by Direct Reimbursement Benefit Plans:

The Plan is required by law to maintain the privacy of protected health information and to provide covered individuals with notice of its legal duties and privacy practices with respect to protected health information. However, the Plan is permitted to use and disclose this information under the circumstances described in this notice.

The Plan is required to abide by the terms of this notice until it is amended. The Plan reserves the right to change the terms of this notice and to make the new notice provisions effective for all protected health information that it maintains. All individuals covered under the Plan will receive a revised notice within 60 days of a material revision to the notice.

In order for the Sevier County Board of Education's Health Plan to pay for your covered protected health expenses, the Plan and those administering the Plan must create or receive certain protected health information about you. This information may involve:

Payment activities such as billing and collection activities, eligibility determinations, adjudication of claims, pre-certification and utilization review, and coordination of benefits, or
Health care operation activities such as quality assessment, case management, subrogation or business management and general administrative activities, or
Treatment activities by your health care provider, such as providing information about other treatments you have received.

By your enrolling in the plan, you have agreed to allow the Plan and its administrators to create or use your protected health information in order to perform these duties without your express authorization. The Plan may also disclose protected health information about you without your authorization to business associates of the plan, such as actuaries who price the cost of coverage, the claims administrator who pays the claims or other professionals who perform services on behalf of the Plan. All disclosures made by the Plan of protected health information for purposes of payment or health care operation activities shall be the minimum necessary to accomplish the intended purpose of the disclosure, and any business associate who receives the information must agree to keep it confidential.

The Plan may be required to make available to the Department of Health and Human Services all books and records regarding the health information of covered persons if this information is requested for audit purposes. You will not have to authorize this disclosure.

The Plan may disclose information about your medical records to a medical professional treating you. No authorization is necessary for this disclosure.

The law requires the Plan to make certain disclosures. These include disclosures:

As necessary to comply with workers compensation or other similar programs.

As necessary for courts and law enforcement agencies. Disclosures to a law enforcement agency may occur if required by law (such as the occurrence of certain types of wounds) or if required by a court order or other legal process.

The Plan may also disclose protected health information: for the purpose of identifying or locating a suspect, witness, fugitive or missing person; about a crime victim, if the victim agrees or emergency circumstances require disclosure without consent; about a person who has died if the nature of the death suggests that it may be the result of criminal conduct; or if there is evidence to suggest that a crime occurred on the premises.

As necessary for public health research and disclosure, including reporting of communicable diseases to the applicable authorities (who may contact exposed individuals) and workforce protected health investigations.

As necessary to a health oversight agency for oversight activities authorized by law. However, this will generally not include an investigation of a particular individual unless it involves receipt of health care, public health benefits or public benefits contingent on the individual's health.

As necessary if disclosure is required by another law.

The Plan may also be permitted or required to disclose protected health information without your authorization under the following circumstances:

If authorized by law, to the proper authorities for purposes of reporting child abuse or domestic violence. Subject to certain restrictions, the Plan may also report this information to social services, but must generally inform the victim of the abuse that it is making the disclosure.

To people working for or with the Food and Drug Administration. These disclosures may be necessary: to report adverse events with respect to food or dietary supplements, product defects (including use or labeling defects), or biological product deviations; for product tracking; to enable product recalls, repairs or replacements; or to conduct post marketing surveillance.

Upon your death, to a coroner, funeral director or to tissue or organ services, as necessary to permit them to perform their functions.

Under certain circumstances, for research purposes.

To prevent or lessen a serious threat to the health or safety of a person or the public.

If authorized by law, in connection with military matters or matters of national security and intelligence.

In addition, the Plan's administrators may disclose protected health information to the Plan Sponsor, Sevier County Board of Education, under the following conditions:

Sevier County Board of Education may not use any such information for employment-related decisions.

Sevier County Board of Education may receive such information as the Plan documents allow.

You have the right to inspect the Plan documents allowing disclosures.

Other uses and disclosures of your protected health information will be made only with your written authorization and you may revoke the authorization at any time, upon request.

You have the right:

To request restrictions on certain uses and disclosures of your protected health information. The Plan does not have to agree with a requested restriction, but if the Plan does agree, then the Plan will abide by that restriction.

To receive your own confidential health information by alternative means or at alternative locations, if receipt of the information in the usual manner could endanger you. You should contact Sevier County Board of Education's Privacy Officer to request the alternative delivery. You must include a statement that disclosure of the information in the usual manner could endanger you.

To inspect and copy your own health information, but exceptions apply to certain types of information. If you request to see or copy your own health information from Sevier County Board of Education's Privacy Officer and one of these exceptions apply, you will be given more information at that time, including the circumstances under which you may challenge the exception.

To amend your own health information when that information is incorrect.

To obtain an accounting of any disclosure of your confidential health information, other than disclosures for purposes of payment, health care operations or treatment, or disclosures made in accordance with your written authorization.

To obtain a paper copy of this notice upon request.

In each case, you must make your request to the Privacy Officer, in writing. Depending upon the nature of the request, you will be given more information at that time, including any exceptions to the rules that may apply to your case.

Individuals may complain to the Plan Sponsor and/or to the Secretary of Health and Human Services if they believe their privacy rights have been violated. If you wish to file such a complaint, please contact Sevier County Board of Education's Privacy Officer as shown below and you will be given information

on how to proceed. You will not be retaliated against by the Plan, its administrators, or the Plan Sponsor for the complaint. The Department of Health and Human Services may be contacted in Washington, DC or listings may be found in local telephone directories.

For further information contact the Sevier County Board of Education's Privacy Officer.

You may also contact Direct Reimbursement Benefit Plans' Privacy Officer, Cassie Gross, at 1-888-745-3274.

Information Required By The Employee Retirement Income Security Act Of 1974, As Amended ("ERISA")

Name Of Plan:

**Sevier County Board of Education
Direct Reimbursement Plan**

Type Of Plan:

Welfare Benefit Plan

Plan Document:

This Summary Plan Description also constitutes the Plan document for **Sevier County Board of Education Direct Reimbursement Plan.**

Plan Year:

January 1 – December 31

Plan Sponsor/Plan Administrator:

Sevier County Board of Education is the principal employer that maintains the Plan and also is the Plan Administrator of the Plan.

The address of **Sevier County Board of Education** is:

226 Cedar St.
Sevierville, TN 37862

The telephone number of Sevier County Board of Education is:

865-453-4671

The Plan Administrator has the exclusive power and discretionary authority to interpret the Plan. The Plan Administrator is the "Named Fiduciary" under ERISA.

Plan Funding:

Company and Employee contributions cover the cost of the Plan. Company contributions and any Employee pre-tax contributions withheld by way of payroll deduction are held by the Company and used to pay Plan benefits. All Employee contributions to the Plan shall be withheld from the Employee's paycheck on a pre-tax basis unless the Employee requests, in writing to the Plan Administrator, that the required contributions be withheld on an after-tax basis. **Any after-tax Employee contributions may be held in trust by the trustee.** The amount of all such contributions are actuarially determined where necessary.

Employer Identification Number: 62-6000831

Plan Number: 501

Agent For Receiving Service Of Legal Documents:

In the event of legal action involving the Plan, legal papers may be served upon:
Sevier County Board of Education

Claims Administrator:

Claims for benefits under the Plan will be processed by Direct Reimbursement Benefit Plans. The Claims Administrator's address is:

**Direct Reimbursement Benefit Plans
P.O. Box 71549
Newnan, GA 30271
678-762-8842**

ERISA RIGHTS

As a participant in the **Sevier County Board of Education** Employee Benefit Plan you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974, as amended (ERISA). ERISA provides that all plan participants shall be entitled to:

- 4 Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites **and union halls**, all documents governing the plan, **including collective bargaining agreements**, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor.
- 4 Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, **including collective bargaining agreements**, and a copy of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- 4 Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part you must receive a written explanation of the reason for the denial. You have the right to have the plan review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court. If it should happen that the plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S.

Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.