

HEALTHCARE SEVERANCE INCENTIVE PLAN

Rationale/Purpose

In order to reduce the operating budget of Sweetwater County School District Number One, State of Wyoming (“the District”) for fiscal year 2003-2004 without involuntary termination of certified and /or classified staff, the Board of Trustees (“Board”) deems it in the best interests of the District to encourage voluntary retirement of higher salaried employees by offering to provide health care coverage for such employees as provided in this Health Care Severance Incentive Plan (“the Plan”).

Participation in the Plan is entirely voluntary and is open to all employees who qualify under its terms. The selection from the applicants for participation in the Plan will be made by the Board of Trustees in accordance with the provisions set forth below, within the sole discretion of the Board of Trustees, taking into account the needs and best interests of the District.

Participation in this Plan is considered a privilege and not a right, and the Board of Trustees is entitled to permit or to limit participation in its sole discretion, in accordance with the needs and best interests of the District and in accordance with applicable law.

The benefits provided by this Plan are not intended to, and do not, constitute a retirement system or a replacement of benefits from the Wyoming Retirement System. The benefits provided for under this Plan are in consideration of the individual employee’s waiver of continued employment with the District, and shall apply only to those eligible employees who elect to terminate employment under the Plan, including employees who are regularly retiring. The benefits provided under this Plan shall not be retroactively available to employees who have previously terminated employment, whether or not such termination was induced by another retirement plan, early retirement plan, severance incentive or other similar policy or plan of the District. Furthermore, any benefits offered under future plans shall not be retroactively available to employees already receiving benefits under this Plan.

REQUEST FOR HEALTH CARE BENEFITS

An eligible employee wishing to terminate employment with full health care benefits as provided in this Plan shall apply to the Superintendent of Schools in writing on or before twenty-one days after receipt of the application forms from the Office of Human Resources. Upon the submission of the application by the employee, the Board will act and notify the employee of its decision. The final decision of the Board shall be made after December 18, 2002 and prior to January 15, 2003.

The Board, in its sole discretion, may accept or deny any application for health care benefits provided herein.

ELIGIBILITY FOR HEALTH CARE BENEFITS

An employee may apply for health care benefits if the employee meets all the following eligibility requirements:

- A. The employee will be at least 50 years of age before September 1, 2003, the beginning of the next health care plan year.
- B. The employee must have completed ten years of continuous credited service immediately prior to the effective date of severance.

A year of service for certified staff is defined and equal to 175 student contact days plus District required Inservice, Parent/Teacher Conferences or a combination thereof.

HEALTH CARE BENEFITS FOR SELECTED APPLICANTS

If approved by the Board, an eligible employee who voluntarily terminates employment under the Plan shall be allowed to remain under the District's Health Plan (Medical, Dental and Vision) at no cost to the employee until the employee dies or qualifies for Medicare coverage, whichever first occurs. If the employee is subsequently employed by an employer who provides health insurance benefits for its employees, then the health care provided by this Plan shall be secondary to the primary coverage provided by the new employer. During the period of coverage, the employee, his spouse and eligible dependents, shall be entitled to the same health care benefits which the District provides for its professional staff at that time.

WAIVER

Any employee who is approved for health care benefits shall be required to sign a Waiver and Release on a form approved by the Board, and which complies with the requirements of federal and state laws, as a condition to receiving the benefits.

LIMITATIONS

If the District's Health Plan is discontinued for all employees, the health care benefit would also be discontinued for employees who voluntarily terminated their employment with the District under the Plan and were granted health care severance benefits at that time.