

RESOLUTION 10-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO AMENDING THE VISION HRA PLAN DOCUMENTS.

WHEREAS, the City of Ketchum has previously adopted Resolution No. 07-085 entering into a HRA Plan Service Agreement to obtain services associated with preparing and maintaining the City of Ketchum Vision HRA Plan, as well as all other administration services required for such Vision HRA Plan; and

WHEREAS, certain changes are now required to the plan documents;

NOW THEREFORE BE IT RESOLVED, that the Ketchum City Council authorizes amending the Vision HRA Plan to include the SCHIP and COBRA Amendment and authorizes the Mayor to sign the Vision HRA Plan Documents; and

FURTHER, the effective date of this amendment is January 1, 2009.

SCHIP AND COBRA AMENDMENT

ARTICLE I PREAMBLE

1.1 Adoption and effective date of amendment. The Employer adopts this Amendment to City of Ketchum Vision HRA Plan ("Plan") to reflect certain provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (State Children's Health Insurance Program (SCHIP)) and the American Recovery and Reinvestment Act of 2009 (ARRA). The sponsor intends this Amendment as good faith compliance with the requirements of these provisions. This Amendment shall be effective on the date stated in Section 2.1 or 3.1 below.

1.2 Supersession of inconsistent provisions. This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.

ARTICLE II SPECIAL ENROLLMENT RIGHTS

2.1 Effective Date. The SCHIP Amendment is effective as of April 1, 2009.

2.2 Special Enrollment Rights. The Plan is amended to allow for special enrollments rights in the event a Participant or his or her eligible Dependent (1) loses coverage under Medicaid or a state child health program, or (2) becomes eligible for state assistance with respect to paying his or her contributions to the Plan, as follows:

Special enrollment rights. A Participant may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with

the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

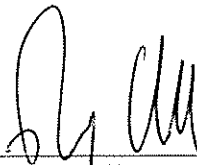
**ARTICLE III
COBRA
(If Applicable)**

3.1 Effective Date. The COBRA provisions under the ARRA Amendment are effective as of March 1, 2009.

3.2 COBRA provisions. The Plan's provisions concerning COBRA are amended as provided below to allow for (1) payment of reduced premiums and the provision of a second election period by certain COBRA qualified beneficiaries, (2) the provision for additional COBRA notices, and (3) an exception to the rules for crediting certain prior coverage. This amendment does not apply to a health flexible spending account.

The COBRA continuation coverage provisions of the Plan shall be administered in accordance with the requirements of ARRA Section 3001 with respect to "assistance eligible individuals," as defined in ARRA Section 3001(a)(3). Notwithstanding any other Plan provision to the contrary, the Plan shall determine whether an individual has had a 63-day break in coverage for purposes of determining creditable coverage under the Health Insurance Portability and Accountability Act (HIPAA), in accordance with the terms of ARRA Section 3001.

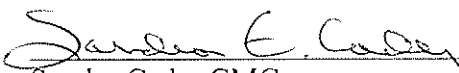
This Resolution will be in full force and effect upon its adoption this Fifteenth (15th) day of March 2010.



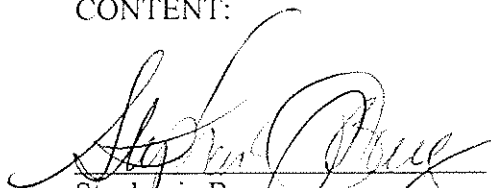
Randy Hall
Mayor

ATTEST:

APPROVED AS TO FORM AND
CONTENT:



Sandra Cady, CMC
City Treasurer/Clerk



Stephanie Bonney
City Attorney