



UTAH STATE RETIREMENT BOARD

BOARD ACTIONS AND RESOLUTIONS

2016

Board Actions and Resolutions

2016

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**Action 2016-01 URS Staff Employees Retiree Health Care Plan (“OPEB”)
Actuarial Valuation Report
January 14, 2016**

The Board voted to approve the Actuarial Assumptions and a \$0 Contribution Rate for the URS Staff Employees Retiree Health Care Plan as discussed.

**Action 2016-02 Findings of Fact, Conclusions of Law, and Order 14-13H
January 14, 2016**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 14-13H as submitted by the Adjudicative Hearing Officer.

**Action 2016-03 Scope of Deloitte Audit
January 21, 2016**

The Board voted to approve increasing the budget by \$52,000 for the Deloitte audit opinion on each system.

**Action 2016-04 Internal Audit Four Year Plan
February 18, 2016**

The Board voted to approve the Internal Audit Four Year Plan as discussed in the Audit/Budget Committee Meeting on February 16, 2016.

**Action 2016-05 Default Judgment on Request and Counter-Request for Board
Action 11-20D
February 18, 2016**

The Board voted to approve the Default Judgment on Request and Counter-Request for Board Action 11-20D as submitted by the Adjudicative Hearing Officer.

**Action 2016-06 Findings of Fact, Conclusions of Law, and Order 14-21H
February 18, 2016**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 14-21H as submitted by the Adjudicative Hearing Officer.

**Action 2016-07 Final Order 13-40R
February 18, 2016**

The Board voted to approve the Final Order 13-40R as submitted by the Adjudicative Hearing Officer.

**Action 2016-08 Default Judgment on Notice of Board Action 15-03S
February 18, 2016**

The Board voted to approve the Default Judgment on Notice of Board Action 15-03S as submitted by the Adjudicative Hearing Officer.

**Action 2016-09 Default Judgment on Notice of Board Action 15-04S
February 18, 2016**

The Board voted to approve the Default Judgment on Notice of Board Action 15-04S as submitted by the Adjudicative Hearing Officer.

**Action 2016-10 New Employer
March 10, 2016**

The Board voted to approve Kaysville City Corporation as a participating employer in the Firefighters' Retirement System.

**Action 2016-11 Order of Dismissal 12-35H
March 17, 2016**

The Board voted to approve the Order of Dismissal 12-35H as submitted by the Adjudicative Hearing Officer.

**Action 2016-12 Order of Dismissal 2016-04R
April 21, 2016**

The Board voted to approve the Order of Dismissal 2016-04R as submitted by the Adjudicative Hearing Officer.

**Action 2016-13 Order of Dismissal 15-23H
April 21, 2016**

The Board voted to approve the Order of Dismissal 15-23H as submitted by the

Adjudicative Hearing Officer.

**Action 2016-14 Order of Dismissal 15-38H
April 21, 2016**

The Board voted to approve the Order of Dismissal 15-38H as submitted by the Adjudicative Hearing Officer.

**Action 2016-15 New Employer – Snyderville Basin Special Recreation Service District
April 21, 2016**

The Board voted to approve Snyderville Basin Special Recreation Service District as a participating employer in the Public Employees' Retirement System from this date forward, with a potential of retroactive effective date to be determined pending appeal of retroactive contribution payments.

**Action 2016-16 New Employer – North Park Police Agency
April 21, 2016**

The Board voted to approve North Park Police Agency as a participating employer in the Public Safety Retirement System.

**Action 2016-17 PEHP Rate Approvals
April 21, 2016**

The Board voted to approve the following Medical and Dental Insurance Rate Renewals:

- LGRP – Medical 6.2% increase
- State of Utah – Medical 6.6% increase
- Salt Lake City – Medical 7.3% increase
- LGRP – Dental 1.9% increase
- State of Utah – Dental rate hold
- Salt Lake City – Dental 6.8% increase

**Action 2016-18 FTE Requests
April 21, 2016**

The Board voted to approve additional FTEs and associated budget as follows:

- Retirement Division – 7
- Investment Department – 3
- Shared Services Division – 1
- Legal Department – 1

**Action 2016-19 Findings of Fact, Conclusions of Law, and Order 15-16H
May 12, 2016**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 15-16H as submitted by the Adjudicative Hearing Officer.

**Action 2016-20 Order of Dismissal 2016-08L
May 12, 2016**

The Board voted to approve the Order of Dismissal 2016-08L as submitted by the Adjudicative Hearing Officer.

**Action 2016-21 Order of Dismissal 15-13R
May 12, 2016**

The Board voted to approve the Order of Dismissal 15-13R as submitted by the Adjudicative Hearing Officer.

**Action 2016-22 Order of Dismissal 2016-03R
May 12, 2016**

The Board voted to approve the Order of Dismissal 2016-03R as submitted by the Adjudicative Hearing Officer.

**Action 2016-23 Order of Dismissal 14-25R
May 12, 2016**

The Board voted to approve the Order of Dismissal 14-25R as submitted by the Adjudicative Hearing Officer.

**Action 2016-24 URS/PEHP Employee Medical and Dental Budget 2016-2017
May 12, 2016**

The Board voted to approve the 2016-2017 URS/PEHP Employee Medical and Dental Budget increase of 6.82%.

**Action 2016-25 Investment Beliefs Statement
May 12, 2016**

The Board voted to adopt the Investment Beliefs Statement as written and discussed.

**Action 2016-26 RFP Discussion – External Auditor
May 12, 2016**

The Board voted to approve extending the current external auditors' contracts for two years.

**Action 2016-27 PEHP HRA Plan
June 9, 2016**

The Board voted to approve the PEHP HRA Plan to implement H.B. 81.

**Action 2016-28 Default Judgment on Notice of Board Action 2016-09S
June 9, 2016**

The Board voted to approve the Default Judgment on Notice of Board Action 2016-09S as submitted by the Adjudicative Hearing Officer.

**Action 2016-29 Order of Dismissal 15-34D
June 9, 2016**

The Board voted to approve the Order of Dismissal 15-34D as submitted by the Adjudicative Hearing Officer.

**Action 2016-30 Order of Dismissal 15-39R
June 9, 2016**

The Board voted to approve the Order of Dismissal 15-39R as submitted by the Adjudicative Hearing Officer.

**Action 2016-31 Findings of Fact, Conclusions of Law, and Order 14-24D
June 9, 2016**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 14-24D as submitted by the Adjudicative Hearing Officer.

**Action 2016-32 IPS (DC) Update
June 9, 2016**

The Board voted to approve the changes to the Defined Contribution IPS.

**Action 2016-33 New Employer Approval
August 11, 2016**

The Board voted to approve Bluffdale City as a participating employer in the Firefighters' Retirement System.

**Action 2016-34 GRS Actuarial Report
August 11, 2016**

The Board voted to accept Alternative 1 of Exhibit 1 in the Board meeting materials and the underlying assumptions as contained in the Utah Retirement Systems Actuarial Valuation Report as of January 1, 2016.

**Action 2016-35 GRS Actuarial Report
August 11, 2016**

The Board voted to approve the proposed contribution rates as contained in Alternative 1 of Exhibit 1 in the Board meeting materials subject to legislation in the 2017 General Session.

**Action 2016-36 Order of Dismissal 15-11D
August 11, 2016**

The Board voted to approve the Order of Dismissal 15-11D as submitted by the Adjudicative Hearing Officer.

**Action 2016-37 Order of Dismissal 14-14H
August 11, 2016**

The Board voted to approve the Order of Dismissal 14-14H as submitted by the Adjudicative Hearing Officer.

**Action 2016-38 Default Judgment on Notice of Board Action 15-21S
August 11, 2016**

The Board voted to approve the Default Judgment on Notice of Board Action 15-21S as submitted by the Adjudicative Hearing Officer.

**Action 2016-39 Order of Dismissal 15-18H
August 11, 2016**

The Board voted to approve the Order of Dismissal 15-18H as submitted by the Adjudicative Hearing Officer.

**Action 2016-40 Order of Dismissal 16-24H
August 11, 2016**

The Board voted to approve the Order of Dismissal 16-24H as submitted by the Adjudicative Hearing Officer.

**Action 2016-41 PEHP Rate Renewals
August 11, 2016**

The Board voted to ratify the Jordan School District Medical Program 0.00% Rate Hold.

**Action 2016-42 PEHP Rate Renewals
August 11, 2016**

The Board voted to ratify the Utah School Board Association (USBA) Medical/Rx 6.00% Increase.

**Action 2016-43 Employee Compensation Package
August 11, 2016**

The Board voted to approve the Employee Compensation Package of 1.9% COLA and 1.0% Merit for a total increase of 2.9%.

**Action 2016-44 URS Budgets
September 8, 2016**

The Board voted to approve the 2015-2016 Actual Budget Expenses as

presented.

**Action 2016-45 URS Budgets
September 8, 2016**

The Board voted to approve the 2016-2017 Budget as presented.

**Action 2016-46 URS Budgets
September 8, 2016**

The Board voted to approve the 2017-2018 Preliminary Budget as presented.

**Action 2016-47 URS Budgets
September 8, 2016**

The Board voted to approve the 2015-2016 Actual Expenditures for the Capital Asset Fund as presented.

**Action 2016-48 URS Budgets
September 8, 2016**

The Board voted to approve the 2016-2017 Capital Asset Fund Budget as presented.

**Action 2016-49 Order of Dismissal 15-10D
September 8, 2016**

The Board voted to approve the Order of Dismissal 15-10D as submitted by the Adjudicative Hearing Officer.

**Action 2016-50 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-01 - Master Resolution Amendments and Repealer as presented.

**Action 2016-51 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-02 - Domestic Relations Orders as presented.

**Action 2016-52 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-03 - Medical Reinsurance Coverage as presented.

**Action 2016-53 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-04 - Health and Dental Services Bid Process as presented.

**Action 2016-54 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-05 - Insurance Risk Pool Reserves Pursuant to Section 49-20-402 as presented.

**Action 2016-55 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-06 - Employer Membership in the Local Governments' Risk Pool (LGRP) with the technical amendment in the first 'Whereas' clause changing the U.C.A. Section 49-8-201 to 49-20-103.

**Action 2016-56 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to adopt Resolution 2016-07 - Long Term Disability – Cost of Health Coverage Benefit as presented.

**Action 2016-57 Board Resolutions and Board Governance Policies
October 13, 2016**

The Board voted to accept the Board Governance Policies as amended.

**Action 2016-58 New Employer Approval
October 13, 2016**

The Board voted to approve Morgan County as a participating employer in the Firefighters' Retirement System.

**Action 2016-59 Order of Judgment 16-22D
October 13, 2016**

The Board voted to approve the Order of Judgment 16-22D as submitted by the Adjudicative Hearing Officer.

**Action 2016-60 Order of Dismissal 15-09D
October 13, 2016**

The Board voted to approve the Order of Dismissal 15-09H as submitted by the Adjudicative Hearing Officer.

**Action 2016-61 Order of Dismissal 2016-05H
October 13, 2016**

The Board voted to approve the Order of Dismissal 2016-05H as submitted by the Adjudicative Hearing Officer.

**Action 2016-62 Order of Dismissal 16-27H
October 13, 2016**

The Board voted to approve the Order of Dismissal 16-27H as submitted by the Adjudicative Hearing Officer.

**Action 2016-63 PEHP Rate Renewals
October 13, 2016**

The Board voted to approve the LGRP Medical rate increase of 11.9% and the Dental rate increase of 1.7%, effective January 1, 2017.

**Action 2016-64 PEHP Rate Renewals
October 13, 2016**

The Board voted to approve the Medicare Supplemental Medical rate increase of 23.4% and the Dental rate increase of 4.5%, effective January 1, 2017.

**Action 2016-65 Findings of Fact, Conclusions of Law, and Order 15-06R
November 17, 2016**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 15-06R as submitted by the Adjudicative Hearing Officer.

**Action 2016-66 Order of Dismissal 15-17H
November 17, 2016**

The Board voted to approve the Order of Dismissal 15-17H as submitted by the Adjudicative Hearing Officer.

**Action 2016-67 Order of Dismissal 15-31H
November 17, 2016**

The Board voted to approve the Order of Dismissal 15-31H as submitted by the Adjudicative Hearing Officer.

**Action 2016-68 LGRP Refund
November 17, 2016**

The Board voted to approve the refund of \$1.1 million to the LGRP employers and employees as discussed.

**Action 2016-69 Defined Benefit IPS Changes
November 17, 2016**

The Board voted to approve the Defined Benefit IPS changes as discussed.

**Action 2016-70 Defined Contribution IPS Changes
November 17, 2016**

The Board voted to approve the Defined Contribution IPS changes as discussed.

**Action 2016-71 Findings of Fact, Conclusions of Law, and Order 15-30D
December 15, 2016**

The Board voted to approve the Findings of Fact, Conclusions of Law, and Order 15-30D as submitted by the Adjudicative Hearing Officer.

**Action 2016-72 Order of Dismissal 15-32R
December 15, 2016**

The Board voted to approve the Order of Dismissal 15-32R as submitted by the Adjudicative Hearing Officer.

**Action 2016-73 Target Percentages for Real Assets and Absolute Return
December 15, 2016**

The Board voted to approve the changes to the asset allocation target percentages for Real Assets and Absolute Return as discussed.

**Action 2016-74 Private Equity Benchmark – Defined Benefit IPS Changes
December 15, 2016**

The Board voted to approve the new Private Equity Policy Benchmark and associated changes to the Defined Benefit IPS as discussed.

RESOLUTION #2016-01 MASTER RESOLUTION AMENDMENTS AND REPEALER

October 13, 2016

WHEREAS, a comprehensive review of Board Resolutions (Resolutions) has been performed by the Utah State Retirement Office (Office), under the direction of the Board, for the purpose of bringing the library of Resolutions up to date, including determining needed amendments and identifying Resolutions to be repealed that have been superseded by subsequent Resolutions, plan documents and policies, amendments to Utah Code Annotated Title 49, or changes to other law; and

WHEREAS, the Board desires that current Resolutions be made available to members, employers, stakeholders, and other interested parties online via the newsroom.

NOW, THEREFORE, BE IT RESOLVED that the Board approves the Resolution amendments and repealers described below;

BE IT FURTHER RESOLVED, that Resolutions amended by this Resolution shall retain

their original numbers, but shall have the amendments documented in a note, and Resolutions repealed by this Resolution shall have the repealer documented in a note and shall be maintained in a separate Office archive; and

BE IT FURTHER RESOLVED, that changes to Resolutions made in this Resolution have no retrospective operation and do not alter or invalidate any previous actions, clarifications, benefits, rights, or obligations made pursuant to the Resolutions or provisions in any Resolutions that were in effect at the applicable time.

I. RESOLUTION AMENDMENTS

The following resolutions are amended as follows:

1. 1983-02, Transfer of Retirement Credits Resolution:
Delete "Section 49-9-8" and insert "§ 49-11-401"
2. 1990-31, Adjudicative Hearings for Members of the Public Safety Retirement System:
Delete "Sections 49-4-203(3)(b) and 49-48-203(5)(b)" and insert "§ 49-14-201 and § 49-15-201"
3. 1994-07, Commercial and Self Insurance
After "Annotated" insert "§ 49-11-305, previously"
4. 1995-01, Implementation of Self-funded Insurance Program for Retirees and Spouses:
Delete "§49-8-102" and insert "§49-20-105"
5. 1996-01, Electronic Scanning:
Delete "§49-1-616(2)(1993)" and insert "§ 49-11-617" and delete "§49-1-616" and insert "§ 49-11-617"
6. 1998-01, Official Document Signing Protocol:
Delete "§ 49-1-204" and insert "§ 49-11-204"
7. 1998-06, Retirement Allowance Calculation - Public Employees:
 - 1). Delete "§ 49-1-203(1)(g)" and insert "§ 49-11-203"
 - 2). Delete "§ 49-1-203(1)(m)" and insert "§ 49-11-203"
 - 3). Delete "§ 49-1-203(j), the Board has the responsibility to "develop broad policy for the long-term operation of the various retirement systems, plans, and programs and is granted broad discretion and power to perform its policy making functions, including the specific authority to interpret and define any provision or term under this title when the board provides written documentation which demonstrates that the interpretation or definition promotes uniformity in the administration of the systems or maintains the actuarial soundness of the system,"" and insert "§ 49-11-203, the Board has the responsibility to "develop broad policy for the long-term operation of the various systems, plans, and programs under broad discretion and power to perform the board's policymaking functions, including the specific authority to interpret and define any provision or term under this title when the board or office provides written documentation which demonstrates that the interpretation or definition promotes uniformity in the administration of the systems or maintains the actuarial soundness of the systems, plans, or

- programs;”
- 4). Delete “(five years under Chapter 2, three years under Chapters 3, 4, 4a, and 5, and two years under Chapters 6 and 6a)” and insert “(five years under Chapters 12, 22, and 23; three years under Chapters 13, 14, 15, and 15; and two years under Chapters 17 and 18)
8. 1998-08, Sabbatical Leave Policy:
Delete “§ 49-2-103(10) and Utah Code Annotated § 49-3-103(11) define regular full-time employee as follows:
1). “Regular full-time employee,” in qualifying for membership in the system, means an employee whose employment normally requires an average of 20 hours or more per week, except as modified by the Board, and who receives benefits normally provided by the employing unit.
2). “Regular full-time employee” includes a teacher who teaches half-time or more, or a classified school employee who works an average of 20 hours per week or more, regardless of benefits provided; and,”
and insert “§ 49-2-103, § 49-3-103, and § 49-22-103 define regular full-time employee; and” and delete § 49-1-601 grants the Board specific rule-making authority to make rules governing employer contributions” and insert “§ 49-11-203 grants the Board authority to take action or make rules governing employer contributions”
9. 1998-12, Health Benefits for Legislators:
1). Delete each reference to “§ 49-8-403” or “§ 49-8-403(2) or (3)” and for each insert
“§ 49-20-404”
2). Delete “§ 49-1-203” and insert “§ 49-11-203”
10. 2000-06, Interest Payable by Office:
Delete “§ 49-1-603 requires the administrator” and insert “§ 49-11-607 requires the office” and delete “**WHEREAS**, U.C.A. § 49-1-603 requires that the administrator, insofar as practicable, and on an actuarially equivalent basis, pay the benefit to which the member or beneficiary was entitled; and” and delete “§ 49-1-103(3),” and insert “§ 49-11-102”
11. 2001-04, Transfer of 457 and 403(b) Monies to the Defined Benefit Plan:
Delete “§49-1-203(1)(m) allows the Board to “adopt rules consistent with this title for the management” and insert “§ 49-11-203(1) requires the Board to “take action consistent with this title for the administration of”
12. 2002-04, Salary Credit on Dual Employment:
Delete “§ 49-12-102(2) and § 49-13-102(2)” and insert “§ 49-12-102 and § 49-13-102” and delete “§ 49-12-102(1)(a) and § 49-13-102(1)(a)” and insert “§ 49-12-102 and § 49-13-102”
13. 2002-05 Discretionary and Cashout Payments:
Delete “§ 49-12-102 (1), § 49-13-102 (1), § 49-14-102(1), § 49-15-102(1), § 49-16-102(1), § 49-17-102(1), § 49-18-102(1)” and insert “§ 49-12-102, § 49-13-102, § 49-14-102, § 49-15-102, § 49-16-102, § 49-17-102, § 49-18-102, § 49-22-102, § 49-23-102”
14. 2003-02, Adoption of “Refund Interest” Rates:

- Delete "Section 49-11-103(33)" and insert "§ 49-11-103"
15. 2004-12, Change in Structure of Participating Employers:
Delete "from a participating employer and then is hired by the same participating employer that has merged, consolidated or restructured"
16. 2006-05, Self Insurance Reserve:
Delete "BE IT FURTHER RESOLVED, that the PEHP Medical Reinsurance Plan shall be used to pay for liabilities as set forth in Resolutions #2000-08 and #2004-07 and not for claims or liabilities that are covered by the Self Insurance Reserve."
17. 2011-03, Definition of Exchange Employee:
Delete "Retirement Act, sections 49-12-203(1)(c), 49-13-203(1)(c) and 49-22-203(3)" and insert "Code, § 49-12-203, § 49-13-203, and § 49-22-203"
18. 2011-06, Defining External Forces and Violence Under the Long-Term Disability Program:
Delete "§49-21-105(2)" and insert "§ 49-21-105"
19. 2011-14, Employer Admitted After July 1, 2011 - Purchase of Prior Service Credit:
1). Delete each reference to "§49-22-202(4) and §49-23-202(3)" and insert "§ 49-22-202 and § 49-23-202" for each
2). After "purchases service credit on behalf of" delete "regular full-time" and "current and former" delete "regular full-time"

II. RESOLUTION REPEALER

The following Resolutions are repealed and rescinded:

1. 1980-05, Purchase Authorization by the Board Management Committee
2. 1980-13, Resolution for Basis of Determining Retirement Eligibility
3. 1981-03, Purchase of Other Utah Public Service by Educational Employees
4. 1981-11, Clarification of Membership Qualifications Resolution
5. 1981-12, Reapplication of Hospitals into the Retirement System
6. 1982-11, Modification of Retirement Benefits Resolution
7. 1982-12, Membership Eligibility of Employing Units Resolution
8. 1982-13, Employee Transfers and Refund of Contributions
9. 1983-04, Out of State or Military Purchase When Member is Disability Applicant
10. 1983-06, Public Safety Redeposit Resolution
11. 1983-12, Dual Employment with Same Employer Resolution
12. 1983-15, Designation of Quorum to Conduct Board Business Resolution:
13. 1983-17, Resolution to Preclude the need for a Board Hearing for Units Seeking Withdrawal
14. 1984-01, Service Credit Accumulation Amendment
15. 1984-02, Earnings Restriction on Full-Time Students and Their Spouses
16. 1984-06, Public Safety Disability Retirement
17. 1984-07, Long-term Disability Program Coordinator with Various Retirement Systems

18. 1984-10, Earnings Restrictions on Full-time Students and Their Spouses
19. 1984-15, Payment of Back Contributions Resolution
20. 1984-16, Individual Employee Exemption Resolution
21. 1984-17, Dual Service Resolution
22. 1984-18, Publication Resolution
23. 1985-01, Firemen's Redeposit
24. 1985-05, Implementation of Compensation Definition
25. 1985-08, Employment Resolution
26. 1986-01, Long-term Disability
27. 1986-11, Administration of Noncontributory Plan
28. 1986-12, Clarification of Long-term disabilitant Options
29. 1986-13, Death Benefit Administration
30. 1986-14, Exempted Officials Forfeited Service
31. 1986-15, Employment Changes During and After the Election Period
32. 1986-25, Entry of New Unit Into the Noncontributory Retirement System
33. 1986-26, Exempt Employees
34. 1986-28, Exempt Employees Amendment
35. 1987-09, HB 142 Extension Period Resolution
36. 1987-17, Lump-sum Death Benefit Resolution
37. 1987-18, Cancellation of Retirement Application Resolution
38. 1987-19, Employer Membership in Group Insurance Program
39. 1987-20, Retirement Board Rules for Adjudicative Procedures
40. 1988-06, Refund of Public Safety Member Contributions
41. 1988-07, Employment of Window Retirees
42. 1988-12, Definition of Full-Time Employee
43. 1988-16, Employment of Window Retirees Resolution
44. 1989-01, Determining Qualification of Service for Leaves of Absence Resolution
45. 1989-02, Minimum Service for Membership Qualification Resolution
46. 1989-08, Implementation of SB 49 Resolution
47. 1989-09, Benefit Formula Enhancement Resolution
48. 1989-10, Noncontributory Public Safety Retirement Window Resolution
49. 1989-14, Amendment to Adjudicative Procedures Resolution
50. 1989-18, Section 415 Limitation Resolution
51. 1990-01, Retention Incentive Policy Termination
52. 1990-02, Basis for Determining Retirement Eligibility
53. 1990-05, Exemption Status of Elected Officials
54. 1990-06, Amendment to Verification of Termination Policy
55. 1990-07, Benefit Formula Enhancement
56. 1990-08, 457 Deferred Compensation Plan Amendment
57. 1990-13, Public Employees Noncontributory Retirement Window

58. 1990-23, Payment of Final Benefit
59. 1990-24, 401(K) Plan Amendment Resolution
60. 1990-29, State of Utah Departments as One Employer
61. 1990-30, POST Certification
62. 1991-01, Investment Earnings on 401(K) 457 Plans
63. 1991-06, Plan to Plan Transfer Resolution
64. 1991-09, Investment Resolution
65. 1991-17, Amendment to Resolution 1989-08
66. 1992-03, Amendments to Resolutions 1989-08 and 1991-17 Implementation of SB 49
67. 1993-17, Direct Rollovers and Transfers
68. 1993-18, Semester System Service Credit
69. 1993-20, Guidelines for Purchase of Qualifying Public Service Credit
70. 1993-21, Establishing a Code Governing Ethics Conflict of Interest for Board Members and Fiduciary Staff
71. 1993-23, PEHP and Reform
72. 1994-01, Implementation of SB 49 (1989) Resolution and Federal Compliance
73. 1994-02, Use of Investment Advisors
74. 1994-03, Calculation of Qualifying and Actual Service Credit
75. 1994-04, 401(K) Plan Amendment for Domestic Relations Order
76. 1994-05, 457 Plan Amendment for Domestic Relations Order
77. 1994-06, Long-term Disability Plan Modifications
78. 1994-11, Employee Contributions to the 401(k) and 457 Plans
79. 1995-02, Implementation of HB 107 - Post-retirement Employment
80. 1995-03, Service Credit Under Benefit Protection Contracts
81. 1996-02, LTD Rehabilitation Programs
82. 1996-03, Uniform Rules Governing Purchase of Service Credit in All Systems
83. 1996-04, Years of Service
84. 1997-01, Implementation of Self Funded, Self Administered Death Benefit Program
85. 1997-02, Compensation Procedures for Retirement Systems Fiduciary Positions
86. 1998-02, Spousal Benefits
87. 1998-05, LTD Benefit Calculation
88. 1998-07, Career Service Benefit Eligibility
89. 1998-09, Creation of Insurance Advisory Council
90. 1998-10, Board Travel Policy
91. 1998-11, Amendment to Resolution 1994-01 and 1994-11 Plan to Plan Transfers
92. 1999-01, Tax Liabilities Under Domestic Relations Orders
93. 1999-02, Tax Liabilities Under Domestic Relations Orders
94. 1999-03, Health and Dental Services Bid Process

95. 1999-04, Expression of Commendation and Gratitude to M. Dee Williams upon His Retirement
96. 1999-05, Dual Service Employment Amendments
97. 1999-06, Access to Data
98. 1999-07, Amendment to Board Resolution 1997-01 Increasing the Death Benefit
99. 1999-09, Creation of Insurance Advisory Council
100. 1999-10, Legislative and Governor Pension Plan Increase
101. 2000-01, 401K Loan Program - Repeal of Policy 1997-11
102. 2000-02, Domestic Relations Order Processing Procedure
103. 2000-03, Interest Charges
104. 2000-04, Clarification of HB 197 Covering Private Hospitals
105. 2000-05, Clarification of Record Keeping Obligations on Post-Retirement Earnings Limitations
106. 2000-07, Interpretation of Utah Code 49-5-502(5)
107. 2000-08, Amendment to Medical Reinsurance Coverage
108. 2001-01, Creation of Insurance Advisory Council
109. 2001-02, Domestic Relations Order Processing Procedure
110. 2001-03, Recalculation of the Retirement Allowance For Members in Post-Retirement Employment
111. 2002-01, Retirement of Elected and Appointed Officials
112. 2002-02, Confidentiality of Retirement and Defined Contribution Information
113. 2002-03, Prohibition of Discretionary Payments
114. 2002-06, Confidentiality of Benefits and Insurance Information
115. 2002-07, Confidentiality of Retirement and Defined Contribution Information
116. 2002-08, Adoption of Refund Interest Rates
117. 2002-09, Adoption of Redeposit Interest Formula
118. 2002-10, Default Investment Vehicle for 401(k) and 457 Funds When Participant Has Not Made an Investment Election
119. 2003-01, Confidentiality of Benefits and Insurance Information
120. 2003-04, Prohibition of Outside Investment Advisor Businesses
121. 2003-05, URS Consideration of Indemnification and Advancement of Fees-Costs by the CIO
122. 2003-06, Amendments to the Code Governing Ethics and Conflict of Interest
123. 2003-07, Interest on Delinquent Non-Elective Contributions
124. 2003-08, Accrual of Service Credit
125. 2003-09, Adjudicative Hearing Procedures
126. 2003-10, Change in Structure of Participating Employers

- 127. 2003-11, Model Domestic Relations Order Resolution
- 128. 2003-12, Code Governing Ethics and Conflict of Interest
- 129. 2003-13, Code Governing Ethics and Conflict of Interest
- 130. 2003-14, Creation of Insurance Advisory Council
- 131. 2003-15, Limitations on Trading Frequency in Defined Contribution Accounts
- 132. 2003-17, Signing Authority of Utah Retirement Office - Banking Transactions
- 133. 2003-19, Termination and Post-Retirement Restrictions
- 134. 2003-20, Adoption of Interest Rate Formula Pursuant to Section 49-11-503(1)
- 135. 2004-02, Calculations of Service Credit Purchases
- 136. 2004-03, Purchases of Future Service Credit in the PE Contributory Retirement System
- 137. 2004-04, Definition of Benefits Normally Provided
- 138. 2004-05, Calculation of Service Credit Purchases
- 139. 2004-07, Amendment to Medical Reinsurance Coverage
- 140. 2004-08, Health and Dental Services Bid Process
- 141. 2004-10, Confidentiality of Retirement and Defined Contribution Information
- 142. 2005-01, Definition of Benefits Normally Provided
- 143. 2006-01, Confidentiality of Benefits and Insurance Information
- 144. 2006-03, Confidentiality of Retirement and Defined Contribution Information
- 145. 2006-04, Code Governing Ethics and Conflict of Interest
- 146. 2006-07, Model Domestic Relations Order Resolution
- 147. 2007-01, Rescission of Resolution 2003-14 Creation of Insurance Advisory Council
- 148. 2007-02, Confidentiality of Benefits and Insurance Information
- 149. 2007-03, Termination and Post-Retirement Restrictions
- 150. 2008-01, Implementation of Substitute HB 202
- 151. 2008-02, Change in Structure of Participating Employers
- 152. 2008-03, Adjudicative Hearing Procedures
- 153. 2008-04, Calculation of Qualifying and Actual Service Credit
- 154. 2008-05, Code Governing Ethics and Conflict of Interest
- 155. 2008-07, Confidentiality of Retirement and Defined Contribution Information
- 156. 2008-08, Adoption Factors for Determining Actuarial Equivalent Forms of Benefits
- 157. 2008-11, Confidentiality of Benefits and Insurance Information

- 158. 2009-01, Code Governing Ethics and Conflict of Interest
- 159. 2010-01, Rescission of Qualifying Service Credit
- 160. 2010-02, Elected Positions and Post-Retirement Restrictions
- 161. 2010-03, Calculations of Service Credit Purchases
- 162. 2010-04, Adjudicative Hearing Procedures
- 163. 2010-05, Amendment to the Utah State Retirement Board 401(k) Plan

Document

- 164. 2011-01, Long-Term Disability - Cost of Health Benefit Coverage
- 165. 2011-02, Hiring of Inactive Employees
- 166. 2011-04, Code Governing Ethics and Conflict of Interest for Board

Members

- 167. 2011-05, Change in Structure of Participating Employers
- 168. 2011-07, Confidentiality of Benefits and Insurance Information
- 169. 2011-08, Confidentiality of Benefits and Insurance Information
- 170. 2011-09, Definition of Inactive Employees
- 171. 2011-10, Amendment to Medical Reinsurance Coverage
- 172. 2011-15, Confidentiality of Benefits and Insurance Information
- 173. 2011-16, Confidentiality of Retirement and Defined Contribution

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- 174. 2012-01, Definition of Benefits Normally Provided
- 175. 2012-02, Eligibility for Retirement - Elected Officials Not Eligible for Service Credit

176. 2012-03, Investment of Defined Contribution Funds During First Year of Employment Under Tier 2

- 177. 2012-05, Eligibility for Retirement - Elected Officials PT Appointed Positions Not Eligible for Service Credit

- 178. 2012-07, Implementation of Substitute HB 202 - Transfer of Assets from the DB Plan to the DC Plan

- 179. 2012-09, Definition of Benefits Normally Provided

- 180. 2013-01, Confidentiality of Benefits and Insurance Information

- 181. 2013-03, Confidentiality of Retirement and Defined Contribution

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- 182. 2013-05, Statute of Limitations

- 183. 2014-01, Eligibility for Retirement - Elected Officials PT Appointed Positions Not Eligible for Service Credit

This Resolution is effective on October 13, 2016.

RESOLUTION #2016-02 DOMESTIC RELATIONS ORDERS

(Supersedes Resolution #2006-07)

October 13, 2016

WHEREAS, Utah Code Annotated § 49-11-612 requires the Board to adopt rules governing domestic relations orders that provide for the division of certain benefits arising under Title 49 through an order of a court of competent jurisdiction;

WHEREAS, the Board previously adopted Instruction Sheets and Model Domestic Relations Orders; and

WHEREAS, the Board desires to update the rules governing domestic relations orders and delegate authority to the Utah State Retirement Office (Office) to establish instructions and model orders pursuant to its rules and with the approval of the Executive Director.

NOW, THEREFORE, BE IT RESOLVED, that the Board approves the rules described below.

BE IT FURTHER RESOLVED, that the Board directs the Office to establish and adopt instructions and model orders to ensure that orders for the division of domestic relations order benefits meet the necessary requirements.

BE IT FURTHER RESOLVED, that the Board directs the Office to prepare, maintain, and revise as necessary, instructions and model orders to ensure that orders for the division of domestic relations order benefits meet the necessary requirements to be accepted by the Office, based upon model orders and instructions previously approved by the Board, the rules provided in this resolution, and subject to the approval of the Executive Director.

THEREFORE BE IT FURTHER RESOLVED, the Board authorizes and directs the Executive Director to approve the instructions and models pursuant to the rules provided in this resolution.

THEREFORE BE IT FURTHER RESOLVED, the Board authorizes and directs the Office to provide the approved instructions and model orders online for the public on the Office's website.

A. GENERAL RULES

1. Since the Utah Retirement Systems (URS) is not governed by the Employee Retirement Income Security Act (ERISA), URS cannot accept the same type of order used by ERISA plans as a domestic relations order (DRO).
2. URS does not require benefits or account balances to be divided in a divorce situation.
3. URS does not mediate marital property disputes, nor does URS give legal advice concerning domestic relations law.

4. Each person submitting a DRO to URS is responsible to ensure that their order adequately protects their rights.
5. The defined benefit plan and defined contribution plans have separate model orders and separate DROs shall be filed if benefit plan and defined contributions plans are to be split.
6. Although the court determines how to divide a member's account balance, only URS can deem a DRO approved.
7. The DRO shall be properly issued by a court of competent jurisdiction of the State of Utah. Any DRO issued by another state shall be domesticated in Utah.
8. The DRO submitted to URS shall be a certified copy.
9. All of the information in the model order prepared by URS shall be used and shall be fully provided in order for the DRO to be valid.
10. A DRO will not be approved until all provisions are acceptable to URS.
11. After a Judge has signed an acceptable DRO, URS shall receive a certified copy to be valid.
12. URS will send a letter of acceptance to both the participant and the alternate payee when URS officially determines an order qualifies as a DRO.
13. To be considered a surviving spouse of a member, a valid DRO shall be on file with URS before the member's death date in accordance with U.C.A. § 49-11-612.
14. All of the limitations in the "Limitations of this DRO" section of the model order shall be included within the DRO for it to be valid.
15. The alternate payee shall provide the plan prompt written notification of any changes in the alternate payee's mailing address. URS shall not be liable for failing to make payments to the alternate payee if URS does not have a current mailing address for the alternate payee at the time of payment.
16. Pursuant to U.C.A. § 49-11-1401, an alternate payee will forfeit benefits under a DRO if the member/employee has a forfeiture of retirement benefits due to an employment-related felony conviction.
17. The member and alternate payee shall comply with Internal Revenue Code and any applicable regulations.

B. DEFINED BENEFIT (DB) PLAN RULES

1. For URS to accept a DRO applicable to a defined benefit plan benefit, the DRO shall provide the name and last known address of both the member and the alternate payee. A separate addendum is required and shall accompany a copy of the DRO to be sent to URS with the requisite Social Security numbers and dates of birth.
2. Pursuant to U.C.A. § 49-11-612(4)(c)(i), once an alternate payee begins receiving monthly payments from the DB plan pursuant to the DRO, the amount to be paid or the period for which payments are being made under the original domestic relations order may not be altered.
3. A DRO filed with URS may modify the benefit option chosen at retirement.
4. If a member dies prior to retirement, to be considered a surviving spouse of a member for purposes of a benefit an alternate payee shall have a valid DRO on file with URS before the member's death date in accordance with U.C.A. § 49-11-612.

5. The provisions of a DRO may not apply to long term disability benefits that the member may be entitled to receive.
6. If the alternate payee dies prior to when monthly benefits should have begun based upon the effective date established by URS under a DRO, the member's benefit will not be reduced by a DRO.
7. If the alternate payee dies after monthly benefits should have or have begun based upon the effective date established by URS under a DRO, the alternate payee's portion of the benefit does not revert to the member.
8. An alternate payee may not assign the alternate payee's rights to benefits under a DRO.
9. Nothing contained in a DRO shall be construed to require URS:
 - a. To provide to the alternate payee any type or form of benefit or any option not otherwise available to the member under any plan;
 - b. To provide the alternate payee benefits, as determined on the basis of actuarial value, not available to the member;
 - c. To pay any benefits to the alternate payee which are required to be paid to another alternate payee under another order determined by the plan administrator to be a DRO; or
 - d. To provide the alternate payee a benefit or interest which exceeds the value of the account.
10. If a member or alternative payee receive any distribution that should not have been paid under a DRO, the member or alternate payee is designated a constructive trustee for the amount received and shall immediately notify URS and comply with written instructions as to the distribution of the amount received.
11. Once an alternate payee begins receiving monthly payments from the URS DB plan pursuant to the DRO, the amount to be paid or the period for which payments are being made under the original DRO may not be altered.
12. If URS determines at any time that changes in the law, the administration of the plan, or any other circumstances make it impossible to calculate the portion of a distribution awarded to an alternate payee by a DRO and so notifies the parties, either or both parties shall immediately petition the court for an amended DRO.

C. DEFINED CONTRIBUTION (DC) PLAN RULES

1. A DRO shall specify the savings plan and identify if the participant is a member of the Tier II Defined Contribution plan.
2. A DRO shall give the name and last known address of both the member and the alternate payee. A separate addendum is required and shall accompany a copy of the DRO to be sent to URS with the requisite Social Security numbers and dates of birth.
3. In the event the participant is not 100% vested in the participant's 401(k) account, the alternate payee's rights to the assigned share of such 401(k) account shall not be diminished by this fact. Rather, the alternate payee's vesting status shall be considered identical to the participant's vesting status, and the alternate payee's vesting status shall continue to reflect the vesting status of the participant as it increases over time until both have attained 100% vesting in their respective shares of the account balance set forth herein.

4. URS will accept a new DRO that provides a fixed dollar division of accounts that have been previously divided.
5. Nothing contained in this DRO shall be construed to require the plan, plan administrator and/or URS:
 - a. To provide to the alternate payee any type or form of benefit or any investment option not otherwise available to the participant under the applicable plan;
 - b. To pay any benefits to the alternate payee which are required to be paid to another alternate payee under another order determined by the plan administrator to be a DRO; or
 - c. To provide the alternate payee a benefit or interest which exceeds the value of the account.
6. If a participant or alternate payee receives any distribution that should not have been paid under a DRO, the participant or alternate payee is designated a constructive trustee for the amount received and shall immediately notify URS and comply with written instructions as to the disposition of the amount received.
7. The alternate payee shall report any payments received on any applicable income tax return in accordance with the Internal Revenue Code provisions or regulations in effect at the time any payments are issued by URS. URS shall issue applicable tax forms on any direct payment made to the alternate payee.
8. The court retains jurisdiction to amend a DRO so that it will constitute a Domestic Relations Order under the plan even though all other matters incidental to the action or proceeding have been fully and finally adjudicated.
9. If URS determines at any time that changes in the law, administration of the plan, or any other circumstances make it impractical to calculate the portion of a distribution awarded to an alternate payee by a DRO and so notifies the parties, either or both parties shall immediately petition the court for a reformation of the DRO with fixed dollar amounts only.
10. A DRO with a valuation date requiring market adjustments of more than 7 years shall be in a fixed dollar amount and no market adjustments will be allowed

This Resolution is effective on October 13, 2016.

RESOLUTION #2016-03 MEDICAL REINSURANCE COVERAGE

(Supersedes Resolution #2011-10)

October 13, 2016

WHEREAS, the Board has adopted an internal Medical Reinsurance Plan (the "Reinsurance Plan") which currently consists of specific stop loss coverage and aggregate stop loss coverage; and

WHEREAS, the Board desires the Reinsurance Plan to hold funds for the benefit of all PEHP members; and

WHEREAS, the Specific Stop Loss Coverage protects the risk pool from large dollar individual claimants that have claims dollars that exceed a set level. For example, if the threshold were set at \$100,000 for any member's claims costs, any dollars that exceed that level would be covered by the reinsurance pool; and

WHEREAS, Aggregate Stop Loss Coverage protects the employer/risk pool from total claims costs for a risk pool that exceed the premium rates collected for the year at or between selected percentages. For example, if the aggregate stop loss coverage corridor was between 120% and 135%, all claims dollars between 120% and 135% of collected rates would be paid by reinsurance after the specific stop loss adjustment; and

WHEREAS, participating employers have requested PEHP to guarantee administrative fees and services at an actuarially determined level during a plan year; and

WHEREAS, the Board desires to provide the Reinsurance Plan to participating employers at appropriate coverage and benefits levels;

NOW, THEREFORE, BE IT RESOLVED, that the Board authorizes and approves a Reinsurance Plan for participating employers administered by PEHP.

BE IT FURTHER RESOLVED, that PEHP offer Specific Stop Loss and Aggregate Stop Loss Reinsurance Coverage to participating employers at coverage amounts and rates as actuarially determined by PEHP.

BE IT FURTHER RESOLVED, that in addition to the Specific Stop Loss Coverage and the Aggregate Stop Loss Coverage, that in order to guarantee rates to participating employer's during a plan year, the Reinsurance Plan shall also be used to cover appropriate liability, claims expenses or administrative fees incurred by the other PEHP risk pools. Reserves for administrative fees may be accounted for separately within the Reinsurance Risk Pool. "Appropriate liability" includes, but is not limited to, expenses that would impact all risk pools equally, such as a common disaster or PEHP operations interruption. The Board shall approve any Reinsurance Plan payments for appropriate liability.

BE IT FURTHER RESOLVED, that PEHP shall charge an actuarially determined rate for reinsurance coverage from each participating employer.

BE IT FURTHER RESOLVED, that upon the finding of the Board that the reinsurance plan is actuarially over funded, PEHP may decrease the premium for the reinsurance coverage or may issue appropriate refunds.

This Resolution is effective on October 13, 2016.

RESOLUTION #2016-04 HEALTH AND DENTAL SERVICES BID PROCESS
(Supersedes Resolution #2004-08)

October 13, 2016

WHEREAS, Utah Code Ann. § 49-20-401(1) states:

1. The program shall: . . .

(n) request proposals for provider networks or health and dental benefit plans administered by third party carriers at least once every three years for the purposes of:

- (i) stimulating competition for the benefit of covered individuals;
- (ii) establishing better geographical distribution of medical care services; and
- (iii) providing coverage for both active and retired covered individuals; . . .

WHEREAS, the Board has the ultimate management and fiduciary authority over the operations of the group insurance program; and

WHEREAS, the Board desires to implement rules to govern the health and dental services bid process.

NOW, THEREFORE, BE IT RESOLVED, that the following rules shall govern the health and dental services bid process (“Bid Process”):

1. At least once every three years, PEHP shall conduct a Bid Process using a request for proposals (RFP) process for an out-of-state health network and for dental care services pursuant to Utah Code Ann. § 49-20-401(1)(n).
2. The RFP will be conducted in accordance with URS’ Purchasing Policies.
3. PEHP may include State or local representatives on the bid committee as appropriate.

This Resolution is effective on October 13, 2016.

RESOLUTION #2016-05 INSURANCE RISK POOL RESERVES PURSUANT TO SECTION 49-20-402

(Supersedes Resolution #2011-13)

October 13, 2016

WHEREAS, Utah Code Annotated § 49-20-402 states “The reserves in a risk pool in a given fiscal year shall be maintained at the level recommended by the program’s consulting actuary and approved or ratified by the board. If the reserves drop below that level, covered employers in the risk pool are required to cure any deficiency in the reserve”;

WHEREAS, the program's consulting actuary has provided a range of acceptable reserves for health insurance risk pools; and

WHEREAS, the Board desires to provide a framework under which the program shall manage the reserves of the various health insurance risk pools.

NOW, THEREFORE, BE IT RESOLVED, that the recommendation of the consulting actuary is that medical risk pools maintain reserves between a confidence level 75% and 95% based on annual premium.

BE IT FURTHER RESOLVED, that the program, in conjunction with each of the medical risk pools, shall maintain reserves within the 75% to 95% confidence interval and periodically report on the status of risk pool reserves to the Board.

BE IT FURTHER RESOLVED, that if the reserves of a medical risk pool fall below the 75% confidence level the program shall inform the Board and work with that risk pool to increase the reserves to at least the 75% confidence level. If that risk pool does not make sufficient progress to reach the 75% confidence level, the program may make modifications to the benefits, rates, or other terms of a risk pool's coverage, including the right to suspend payments on behalf of insureds, until that risk pools' reserve position is within the 75% confidence level.

BE IT FURTHER RESOLVED, that if the reserves of a risk pool exceed the 95% confidence level, the program shall take appropriate steps to best handle the excess reserves of that pool and shall return reserves if the Board determines that a refund is appropriate.

This Resolution is effective on October 13, 2016.

**RESOLUTION #2016-06 EMPLOYER MEMBERSHIP IN THE LOCAL
GOVERNMENTS' RISK POOL (LGRP)**

(Supersedes Resolution #1987-19)

October 13, 2016

WHEREAS, Utah Code Annotated § 49-20-103 establishes PEHP as a self-insured group medical program to be administered by the Utah State Retirement Board (Board);

WHEREAS, Utah Code §§ 49-20-101 et seq. permits any public employer to join PEHP;

WHEREAS, that same law does not impose criteria or qualifying standards under which a public employer may join or be precluded from joining;

WHEREAS, many public employers units have requested and are now requesting insurance benefits through PEHP; and

WHEREAS, the size and risk profile of new participating entities may possibly damage the integrity of the Local Governments' Risk Pool.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby establishes the following policies and procedures to protect the integrity and stability of the Local Governments' Risk Pool and establish its responsibility for liabilities that may be incurred by participants in the Pool:

1. The Board shall establish a risk pool for local governments to self-fund their health benefit plans.
2. The risk pool shall be rated on experience.
3. Any public employer making an early withdrawal from the Local Governments' Risk Pool shall be responsible for its own incurred but unreported claims liability to the extent of a deficit, once premiums and administrative costs are accounted for.
4. Early withdrawal is defined as terminating coverage from the Local Government's Risk Pool before the end of a three-year credibility period. Employers may be deemed credible prior to participating with PEHP under standards adopted by PEHP.

This Resolution is effective on October 13, 2016.

RESOLUTION #2016-07 LONG TERM DISABILITY – COST OF HEALTH COVERAGE BENEFIT

(Supersedes Resolution #2011-01)

October 13, 2016

WHEREAS, Utah Code Annotated § 49-20-409 states:

“49-20-409. Long-term disability -- Cost of health coverage benefit.

(1) Under the direction of the board, the program shall provide for health insurance coverage for state employees who receive a monthly disability benefit under Title 49, Chapter 21, Public Employees' Long-Term Disability Act.

(2) A risk pool, other than the state risk pool, may elect to provide a benefit for its employees similar to the benefit provided under Subsection (1).”; and

WHEREAS, Staff and the Board have determined that it is appropriate to clarify how this benefit is to be administered.

NOW, THEREFORE BE IT RESOLVED, that the benefit contained in § 49-20-409 shall be made available to every medical risk pool participating with PEHP at the request of the body which has authority over that risk pool, including the State of Utah Risk pool. The Program shall work with the risk pool to determine the specific provisions of the benefit.

BE IT FURTHER RESOLVED, that as the body with authority over the supplemental Medicare program, the Board hereby adopts the benefit contained in § 49-20-409 under the following rules:

1. If the disabled individual would have been eligible for a subsidy through an employer plan, the individual shall receive a subsidy through the Med Supp plan in accordance with PEHP's policies regarding premium subsidies.
2. If the disabled individual would have been eligible for a premium waiver through an employer plan, the individual would receive a premium waiver as follows:
 - a. During the first year of disability the medical program will pay 90% of the medical insurance premium on behalf of the disabled employee;
 - b. During the second year of disability the medical program will pay 80% of the medical insurance premium on behalf of the disabled employee;
 - c. During the third year of disability, and every year of disability thereafter, the medical program will pay 70% of the medical insurance premium on behalf of the disabled employee.

BE IT FURTHER RESOLVED, that, under a premium waiver, the disabled employee shall pay the portion of the medical premium not covered by the preceding paragraph or they shall forfeit their medical coverage.

BE IT FURTHER RESOLVED, that once a risk pool elects to provide or cease providing this benefit, the change shall be implemented upon the beginning of the risk pool's next plan year.

This Resolution is effective on October 13, 2016.