

**LINCOLN UNIVERSITY
OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

PREMIUM CONVERSION PLAN

SUMMARY PLAN DESCRIPTION

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OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

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SUMMARY PLAN DESCRIPTION INFORMATION

Name of Plan

Lincoln University of the Commonwealth System of Higher Education Premium Conversion Plan

Name, Address and telephone number of the Plan Administrator

Lincoln University of the Commonwealth System of Higher Education
1570 Old Baltimore Pike
P.O. Box 179
Lincoln University, PA 19352
484-365-7594

Name and Address of the Person Designated as the Agent for Service of Legal Process

Lincoln University of the Commonwealth System of Higher Education
1570 Old Baltimore Pike
P.O. Box 179
Lincoln University, PA 19352
484-365-7594
Sharon Houston

Employer Identification Number (EIN)

23-1352655

Plan Number

599

Type of Plan

Premium Expense Conversion

Initial Effective Date of the Plan

July 1, 2008

Plan Year

The twelve (12) month period beginning July 1 and ending June 30.

ARTICLE I

INTRODUCTION

This booklet explains the important provisions of the Lincoln University of the Commonwealth System of Higher Education Premium Conversion Plan (the “Plan”) as in effect as of July 1, 2008. In addition, it provides technical information concerning administration of the *Plan*.

The *Plan*, and all amendments to the *Plan*, together with other documents and records pertaining to the *Plan*, may be examined by *participants* and their legal representatives during regular business hours or by appointment at a mutually convenient time in the office of the *Plan* Administrator.

The *Plan* may be amended from time to time to comply with the requirements of applicable law or to reflect changes in your *employer’s* benefits program. If the *Plan* is amended, you will be advised of any important changes.

ARTICLE II

DEFINITIONS

Wherever used in the text of this plan document, the following italicized terms have the following meanings, unless a different meaning is clearly required by the context. Words in the singular form shall connote the plural form in all cases where they would so apply and vice versa.

2.1 Annual Enrollment Period

Annual Enrollment Period means the period during which *employees* are permitted to make their elections in accordance with Article IV for each *plan year*, and which shall be the period preceding the start of such *plan year* as shall be established by the *plan administrator*.

2.2 Change in Family Status

A Change in Family Status means an event permissible under Section 125 of the *code* and the regulations promulgated thereunder as allowing a *participant* to change his or her election under that *Plan*, A Change in Family Status means the following events:

- a) Marriage or divorce of the *employee*
- b) Birth of the *employee 's* child
- c) Adoption of a child by the *employee*
- d) Death of the *employee 's* Spouse or Dependent
- e) Spouse's commencement or termination of employment
- f) *Employee 's* or Spouse's employment status changing from part-time to full-time or vice versa
- g) *Employee* or Spouse taking an unpaid leave of absence
- h) Other events that are permissible under Section 125 of the *code*, and the regulations promulgated thereunder, and are approved by the *plan administrator*
- i) Loss of health coverage under another health plan due to exhaustion of COBRA coverage or cessation of eligibility for the other coverage.

2.3 **Code**

Code means the Internal Revenue *code* of 1986 as amended from time to time. Reference to any section or any subdivision of a section of the code shall include a reference to any comparable or succeeding provision of any legislation which amends, supplements, or replaces such section or subdivision.

2.4 **Compensation**

Compensation means the regular pay of an *employee* as reported on Form W-2.

2.5 **Compensation Reduction Agreement**

Compensation Reduction Agreement means an agreement whereby an *employee* authorizes the *employer* to reduce his or her *compensation* by the amount equal to the *participant's* share of the cost of each optional benefit elected by the *employee* under this *Plan*.

2.6 **Effective Date**

Effective Date means July 1, 2008.

2.7 **Employee**

Employee means an individual who is employed by the *employer* and who is regularly scheduled to work at least twenty (20) hours per week, except as otherwise stated elsewhere in this *Plan*.

2.8 **Employer**

Employer means Lincoln University of the Commonwealth System of Higher Education.

2.9 **Highly Compensated Employee**

Highly Compensated Employee means any *employee* who meets the definition of highly compensated individual in Section 125(e) of the *code*.

2.10 **Key Employee**

Key Employee means any *employee* who meets the definition of key employee in Section 416(i)(1) of the *code*.

2.11 Participant

Participant means any *employee* who has elected to participate in the *Plan* in accordance with the provisions of Article IV and whose participation has not terminated in accordance with Section 3.3 of Article III.

2.12 Plan

Plan means the Lincoln University of the Commonwealth System of Higher Education Premium Conversion Plan, which is set forth in this document.

2.13 Plan Administrator

Plan Administrator means the *employer* or such other person, committee, or entity as may be appointed from time to time by the *employer* pursuant to Section 6.2 of Article VI to supervise the administration of the *Plan*.

2.14 Plan Year

The twelve (12) month period beginning July 1 and ending June 30.

2.15 Special Enrollee

Special Enrollee means an *employee* or Dependent who is entitled to and requests special enrollment:

- a) within thirty (30) days of losing other health coverage either because his or her COBRA coverage is exhausted, he or she ceases to be eligible for other coverage, or *employer* contributions are terminated, or
- b) for a newly acquired Dependent, within thirty (30) days of the marriage, birth, adoption or placement for adoption.

ARTICLE III
PARTICIPATION

3.1 Eligibility to Participate

Each *employee* of the *employer* is eligible to participate in the *Plan*.

3.2 Commencement of Participation

An *employee* becomes a *participant* in the *Plan* by filing an election form with the *plan administrator* in accordance with the terms of Article IV. The participation of any such *employee* shall commence according to the following schedule:

- a) **Initial Plan Year Of The Restated Plan Document:** Each *employee* who is employed by the *employer* before the first day of the *plan year* beginning July 1, 2008 and who files an election form during the 2008 *annual enrollment period* or who is deemed to have filed pursuant to the terms of Section 4.2 of Article IV shall become a *participant* on the *effective date*.
- b) **New and Returning Former Employees:** Each *employee* who is first employed by the *employer* on or after the *effective date* and who files an election form with the *plan administrator* during the 30-day period beginning on the date such employment begins shall become a *participant* in the *Plan* on the first day of the month following the date of hire or as designated by the relevant Collective Bargaining Agreement.

3.3 Termination of Participation

A *participant*'s participation in the *Plan* shall terminate as of the earliest of:

- a) The date such *participant* ceases to be an *employee*; or
- b) The date on which the *Plan* terminates.

Although a *participant's* participation under this *Plan* terminates on the earlier of the above dates, coverage or benefits under one or more of the benefit options available under this *Plan* may continue if and to the extent provided elsewhere under this *Plan*.

ARTICLE IV

ELECTIONS

4.1 Election Procedure

a) Annual Enrollment

- i) At the beginning of each *annual enrollment period*, the *plan administrator* shall provide each *employee* one or more written election forms, which shall include one or more *compensation reduction agreements*. Each *employee* who desires one or more of the benefit options available under this *Plan* during the next succeeding *plan year* shall so specify on the election form(s). Each *employee* who does not desire any of such benefit options shall specify on the election form(s) that his or her full *compensation* shall be paid in cash.
- ii) An amount equal to the required reduction will be contributed by the *employer* to the *Plan* under the appropriate benefit option(s).
- iii) Each election form and *compensation reduction agreements* must be completed and returned to the *plan administrator* on or before the last day of the *annual enrollment period*, which date shall be no later than the day prior to the first day of the *plan year* for which the *participant's compensation reduction agreements*, if any, will apply.

b) Change in Family Status

- i) When the *plan administrator* is notified by an *employee* that he or she has experienced a *change in family status* and, as a result, wishes to change the election for that *plan year* pursuant to the terms of Section 4.3 of this Article, the *plan administrator* shall provide the *employee* with one or more written election forms, which shall include one or more *compensation reduction agreements*. Such *employee* shall, pursuant to the terms of the option under which the benefits are to be provided and in accordance with the policies established by the *plan administrator*, specify on the election form(s) which prior elections are to be revoked and which benefits are being elected for the balance of the *plan year*.
- ii) An amount equal to the new reduction will be contributed by the *employer* to the *Plan* under the appropriate benefit option(s).

- iii) Each new election form and *compensation reduction agreements* must be completed and returned to the *plan administrator* on or before such date as the *plan administrator* shall specify, which date shall be no later than the day prior to the first day of the first pay period for which the *participant's* new *compensation reduction agreements*, if any, will apply.

c) **New Employees**

As soon as practicable after a new *employee* is employed, the *plan administrator* shall provide the written election forms described in Section 4.1 (a)(i) of this Article to such *employee*. If the *employee* desires one or more of the benefit options available under this *Plan* for the balance of the then-current *plan year*, the *employee* shall so specify on the election form and shall agree to a reduction in *compensation* as provided in Section 4.1 (a)(i) of this Article. Each *employee* who does not desire any of such benefit options shall specify on the election form that his or her full *compensation* shall be paid in cash. The election form and *compensation reduction agreements* must be completed and returned to the *plan administrator* on or before such date as the *plan administrator* shall specify, which date shall be no later than the day prior to the first day of the first pay period for which the *employee's* *compensation reduction agreements*, if any, will apply.

d) **Special Enrollees**

A *special enrollee* who requests enrollment in the *Plan* pursuant to Section 2.15 shall receive an election form from the *plan administrator* and shall specify on the election form(s) which prior elections are to be revoked and which benefits are being elected for the balance of the *plan year*. An amount equal to the new reduction will be contributed by the *employer* to the *Plan* under the appropriate benefit option(s).

4.2 **Deemed Election**

An *employee* who fails to return a completed election form to the *plan administrator* on or before the specified due date for:

- a) the initial *plan year*, or
- b) the 30-day enrollment period for the *plan year* during which the *employee* was first employed shall be deemed to have elected no coverage under any of the benefit options available under this *Plan*.

An *employee* who is a *participant* at the time the election form for any *plan year* is due and who fails to return the completed election form to the *plan administrator* on or before its specified due date shall be deemed to continued the previous year's coverage election under this *Plan*.

4.3 **Changes in Elections**

Elections made under the *Plan* shall be irrevocable by the *participant* during the *Plan* Year, except following the occurrence of a Change in Family Status. If a *participant* experiences a *change in family status*, the *participant* may revoke the applicable benefit election for the balance of the *plan year* and file a new election in accordance with the policies established by the *plan administrator*. The new election shall be filed with the *plan administrator* in accordance with the provisions of Section 4.1 of this Article.

4.4 **Automatic Termination of Election**

Elections made under this *Plan* shall automatically terminate on the date on which the *participant* ceases to be a *participant* in the *Plan* as determined in Section 3.3 of Article III, although coverage or benefits under the benefit option(s) may continue if and to the extent provided elsewhere under this *Plan*.

ARTICLE V

BENEFITS

5.1 Form of Benefits

Under this *Plan*, a *participant* may elect to receive his or her full *compensation* for any *plan year* in cash or to have a portion of such *compensation* applied toward the cost of one or more of the benefits options available under this *Plan*.

5.2 Benefit Options

A *participant* may elect in accordance with Section 4.1 to receive either cash or Premium conversion for contributions required under the *employer-sponsored* health benefits plan(s)

5.3 Limitations on Contributions

The maximum amount by which a *participant* may reduce his or her *compensation* under this *Plan* shall not exceed the sum of the greatest *participant* contributions required by the *employer-sponsored* health benefits plan(s).

ARTICLE VI

ADMINISTRATION OF PLAN

6.1 Appointment of Plan Administrator

Should the *employer* desire to appoint another person or entity other than itself from time to time as the *plan administrator*, it shall do so pursuant to instruments filed with the minutes of the *employer's* board of directors. The details of the appointment and the acceptance by the appointed person of the responsibilities of the *plan administrator* as set forth in the *Plan* shall be recorded in such instruments.

6.2 Duties of Plan Administrator

The administration of the *Plan* shall be under the supervision of the *plan administrator*. The *plan administrator* shall have full power to administer the *Plan* in all of its details, subject to applicable requirements of law.

It shall be a principal duty of the *plan administrator* to see that the *Plan* is carried out in accordance with its terms for the exclusive benefit of persons entitled to participate in the *Plan*. For this purpose, the Administrator's powers will include, but will not be limited to, the following authority, in addition to all other powers provided by this *Plan* or by law:

- a) To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the *Plan*, including the establishment of any procedures that may be required by applicable provisions of law;
- b) To interpret the *Plan*, its interpretation thereof in good faith to be final and conclusive on all persons claiming benefits under the *Plan*;
- c) To decide all questions concerning the *Plan* and the eligibility of any person to participate in the *Plan*;
- d) To appoint such agents, counsels, accountants, consultants, and other persons as may be required to assist in the administration of the *Plan*; and
- e) To allocate and delegate its responsibilities under the *Plan* and to designate other persons to carry out any of its responsibilities under the *Plan*, any such allocation, delegation, or designation to be in writing.

Notwithstanding the foregoing, any claim which arises under any one of the Constituent *Plans* shall not be subject to review under this *Plan*, and the *plan administrator's* authority under this Section shall not extend to any matter as to which a *plan administrator* under any such Constituent plan is empowered to make determinations under such plan.

6.3 **Reliance by Plan Administrator**

In administering the *Plan*, the *plan administrator* shall be entitled to the extent permitted by law to rely conclusively on all tables, valuations, certificates, opinions, and reports which are furnished by, or in accordance with the instructions of, the administrators of the Constituent Plans or by accountants, counsels, or other experts employed or engaged by, the *plan administrator*.

6.4 **Notification**

The *plan administrator* shall ensure that all *employees* receive reasonable notification of their eligibility to become *participants* under this *Plan* and of the availability and terms of the *Plan*. The *plan administrator* shall notify *employees* of any changes in the terms of the *Plan* before the beginning of the *plan year* for which such changes are effective.

6.5 **Nondiscrimination**

This *Plan* is intended not to discriminate in favor of *highly compensated employees* as to eligibility to participate or as to contributions and benefits, as required by Section 125(b)(1) of the *code*, or in favor of *key employees* as to utilization, as required by Section 125(b)(2) of the *code*. If necessary, in the judgment of the *Plan Administrator*, the *plan administrator* shall impose conditions on the benefit elections of all *highly compensated employees* or *key employees*, as appropriate, sufficient to ensure compliance with such requirements or limitations.

6.6 **Fiscal Records**

The fiscal records of the *Plan* are to be maintained on the basis of the *plan year*. The *Plan Administrator* shall make available to any *employee* such records for the *Plan* as pertain to the *employee* for examination at reasonable times during normal business hours.

6.7 **Discretionary Authority**

Any discretion or judgment to be exercised by the *plan administrator* or other fiduciary shall be exercised in the *plan administrator* 's or fiduciary's sole and absolute discretion.

Whenever, in the administration of the *Plan*, any discretionary action by the *Plan Administrator* is required, the *plan administrator* shall exercise its authority in a nondiscriminatory manner so that all persons similarly situated will receive substantially the same treatment.

6.8 **Indemnification of Plan Administrator**

The *employer* agrees to indemnify and to defend to the fullest extent permitted by law any *employee* who serves as the *plan administrator* or as a member of a committee designated as *plan administrator*, including any *employee* or former *employee* who formerly served as *plan administrator* or as a member of such committee, against all liabilities, damages, costs, and expenses, including attorneys' fees and amounts paid in settlement of any claims approved by the *employer*, occasioned by any act or omission to act in connection with the *Plan*, if such act or omission was in good faith.

6.9 **Government Reporting**

The *plan administrator* shall timely file with proper governmental authorities any and all forms and documents regarding the *Plan* that may be required under the *code* or other relevant laws and regulations.

6.10 **Availability of Plan Document**

A copy of the *Plan* document is available for inspection during normal business hours at the offices of the *Plan Administrator*.

ARTICLE VII

GENERAL PROVISIONS

7.1 Information to Be Furnished

participants shall provide the *employer* and the *Plan Administrator* with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the *Plan*.

7.2 No Vested Interest

Except for the right to receive any benefit payable under a Constituent Plan, no person shall have any right, title, or interest in or to the assets of the *employer* because of the *Plan*.

7.3 Nonalienation of Benefits

Except as otherwise provided by law, the benefits provided under the *Plan* shall not be subject to assignment, anticipation, alienation, attachment, levy, or transfer, and any attempt to do so shall not be recognized.

7.4 Not a Contract of Employment

Participation hereunder shall not grant any *participant* the right to be retained in the service of the *employer* or any other right or interest except as specifically set forth in the Constituent Plans or herein.

7.5 Limitation of Rights

Neither the establishment of the *Plan* nor any amendment thereof, nor the payment of any benefits under the Constituent Plans, shall be construed as giving to any *participant* or any other person any legal or equitable right against the *employer* or *plan administrator*, except as provided herein.

7.6 Amendment and Termination

The *employer* has established this *Plan* with the intention and expectation that it will be continued for an indefinite period of time. The *employer* shall, however, have no obligation to maintain the *Plan* for any given length of time and may alter, amend, or terminate this *Plan*, in whole or in part, at any time without liability provided, however, that the *employer* shall not alter, amend, or terminate this *Plan* so as to affect benefits to which *participants* are entitled before the date of such alteration, amendment, or termination.

7.7 **Invalid Provisions**

In the event any provisions of this *Plan* shall be held illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining Sections of this *Plan*, and this *Plan* shall be construed and enforced as if said illegal or invalid provision had never been inserted herein.

7.8 **No Guarantee of Tax Consequences**

Neither the *Plan Administrator* nor the *employer* makes any commitment or guarantee that any amounts paid to or for the benefit of a *participant* under this *Plan* will be excludable from the *participant's* gross income for federal, state, or local income tax purposes or that any other federal, state, or local tax treatment will apply to or be available to any *participant*. It shall be the obligation of each *participant* to determine whether such payments are excludable from his or her gross income for federal, state, or local income tax purpose and to notify the *employer* if the *participant* has reason to believe that any such payment is not so excludable.

7.9 **Governing Law**

This *Plan* shall be governed by and construed in accordance with applicable federal laws and state laws.

ARTICLE VIII

PROTECTED HEALTH INFORMATION

8.1 Protected Health Information

This *employee Benefit Plan* collects and maintains a great deal of personal health information about you and your dependents. Federal HIPAA regulations on privacy and confidentiality limit how an *employee Benefit Plan* and its *plan administrator* may use and disclose this information. This Article describes provisions that protect the privacy and confidentiality of your personal health information and complies with applicable federal law.

8.2 Definitions

For purposes of this Article, the following terms shall have the meaning set forth below unless otherwise provided by the *Plan*:

- a) “Electronic Protected Health Information” means Protected Health Information that is transmitted or maintained in any electronic media.
- b) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996.
- c) “Member” means a covered *employee* or the covered dependents of a covered *employee*.
- d) “Plan Documents” means the Plan’s governing documents and instruments (i.e., the documents under which the Plan was established and is maintained), including but not limited to the Lincoln University of the Commonwealth System of Higher Education Premium Conversion Plan.
- e) “*Plan Sponsor*” is Lincoln University of the Commonwealth System of Higher Education.
- f) “Protected Health Information” means information that is created or received by the *Plan* and relates to the past, present, or future physical or mental health or condition of a member; the provision of health care to a member; or the past, present, or future payment for the provision of health care to a member; and that identifies the member or for which there is a reasonable basis to believe the information can be used to identify a member. Personal health information includes information of persons living or deceased. The following components of a member's information also are considered personal health information:
 - i) Names;
 - ii) Street address, city, county, precinct, zip code;

- iii) Dates directly related to a member, including birth date, health facility admission and discharge date, and date of death;
 - iv) Telephone numbers, fax numbers, and electronic mail addresses;
 - v) Social Security numbers;
 - vi) Medical record numbers;
 - vii) Health plan beneficiary numbers;
 - viii) Account numbers;
 - ix) Certificate/license numbers;
 - x) Vehicle identifiers and serial numbers, including license plate numbers;
 - xi) Device identifiers and serial numbers;
 - xii) Web universal resource locators (URLs);
 - xiii) Biometric identifiers, including finger and voice prints;
 - xiv) Full face photographic images and any comparable images; and
 - xv) Any other unique identifying number, characteristic, or code.
- g) “Regulation” means the Health Insurance Portability and Accountability Act of 1996, as amended.
- h) “Summary Health Information” means information that may be individually identifiable health information, and:
- i) that summarizes the claims history, claims expenses, or type of claims experienced by individuals for whom a plan sponsor has provided benefits under a group plan; and
 - ii) from which the information described in the regulation has been deleted, except that the geographic information need only be aggregated to the level of a five digit zip code.
- i) “Security Incidents” means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. The Plan Sponsor will report a successful

Security Incident to the *Plan* within a reasonable period of time after learning of the successful security incident. Data relating to an unsuccessful attempt may be aggregated and reported to the *Plan* on a less frequent basis.

8.3 **Permitted and Required Uses and Disclosure of Protected Health Information**

Subject to obtaining written certification this Plan may disclose Protected Health Information to the Plan Sponsor, provided the Plan Sponsor does not use or disclose such Protected Health Information except for the following purposes:

- a) Performing *Plan* administrative functions which the *Plan* Sponsor performs for the *Plan*.
- b) Obtaining bids for providing *employee* coverage under this *Plan*; or
- c) Modifying, amending, or terminating the *Plan*.

Notwithstanding the provisions of this *Plan* to the contrary, in no event shall the *Plan* Sponsor be permitted to use or disclose Protected Health Information in a manner that is inconsistent with the regulation.

8.4 **Conditions of Disclosure**

The *Plan* or any *employee* coverage with respect to the *Plan*, shall not disclose Protected Health Information to the *Plan* Sponsor unless the *Plan* Sponsor agrees to:

- a) Not use or further disclose the Protected Health Information other than as permitted or required by the *Plan* or as required by law.
- b) Ensure that any agents, including a subcontractor, to whom it provides Protected Health Information received from the *Plan*, agree to the same restrictions and conditions that apply to the *Plan* Sponsor with respect to Protected Health Information.
- c) Not use or disclose the Protected Health Information for employment-related actions and decisions or in connection with any other benefit or *employee* benefit plan of the *Plan* Sponsor.
- d) Report to the *Plan* any use or disclosure of the information that is inconsistent with the uses or disclosures provided for of which it becomes aware.
- e) Make available to a *Plan* participant who requests access the *plan* participant's Protected Health Information in accordance with the Regulation.

- f) Make available to a *plan participant* who requests an amendment to the *participant's* Protected Health Information and incorporate any amendments to the *participant's* Protected Health Information in accordance with the Regulation.
- g) Make available to a *plan participant* who request an accounting of disclosures of the *participant's* Protected Health Information the information required to provide an accounting of disclosures in accordance with the Regulation.
- h) Make its internal practices, books, and records relating to the use and disclosure of Protected Health Information received from the *Plan* available to the Secretary of Health and Human Services for purposes of determining compliance by the *Plan* with the Regulation.
- i) If feasible, return or destroy all Protected Health Information received from the *Plan* that the *Plan* Sponsor still maintains in any form and retain no copies of such information when no longer needed for the purpose for which the disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information feasible.
- j) Ensure that the adequate separation between the *Plan* and the *Plan* Sponsor required in the Regulation is satisfied.

8.5 **Certification of Plan Sponsor**

The *Plan* shall disclose Protected Health Information to the *Plan* Sponsor only upon the receipt of a Certification by the *Plan* Sponsor that the *Plan* has been amended to incorporate the provisions of the regulation, and that the *Plan* Sponsor agrees to the conditions of disclosure set forth in item 10.4 of this Article.

8.6 **Permitted Uses and Disclosure of Summary Health Information**

The *Plan* may disclose Summary Health Information to the *Plan* Sponsor, provided such Summary Health Information is only used by the *Plan* Sponsor for the purpose of:

- a) Obtaining bids for providing *employee* coverage under this *Plan*; or
- b) Modifying, amending, or terminating the *Plan*.

8.7 Permitted Uses and Disclosure of Enrollment and Disenrollment Information

The *Plan* or a health insurance issuer or HMO with respect to the *Plan*, may disclose enrollment and disenrollment information and information on whether individuals are participating in the *Plan* to the *Plan* Sponsor, provided such enrollment and disenrollment information is only used by the *Plan* Sponsor for the purpose of performing administrative functions that the *Plan* Sponsor performs for the *Plan*.

8.8 Adequate Separation between the Plan and the Plan Sponsor

The *Plan* Sponsor shall limit access to Protected Health Information to only those *employees* authorized by the *Plan* Sponsor. Such *employees* shall only have access to and use such Protected Health Information to the extent necessary to perform the administration functions that the *Plan* Sponsor performs for the *Plan*. In the event that any such *employees* do not comply with the provisions of this Section, the *employee* shall be subject to disciplinary action by the *Plan* Sponsor for non-compliance pursuant to the *Plan* Sponsor's *employee* discipline and termination procedures.

8.9 Security Standards For Electronic Protected Health Information

Where Electronic Protected Health Information will be created, received, maintained, or transmitted to or by the *Plan* Sponsor on behalf of the *Plan*, the *Plan* Sponsor shall reasonably safeguard the Electronic Protected Health Information as follows:

- a) *Plan* Sponsor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that *Plan* Sponsor creates, receives, maintains, or transmits on behalf of the *Plan*;
- b) *Plan* Sponsor shall ensure that the adequate separation that is required by the Regulation is supported by reasonable and appropriate security measures;
- c) *Plan* Sponsor shall ensure that any agent, including a subcontractor, to whom it provides Electronic Protected Health Information agrees to implement reasonable and appropriate security measures to protect such Information; and
- d) *Plan* Sponsor shall report to the *Plan* any Security Incidents of which it becomes aware as described below:
 - i) Sponsor shall report to the *Plan* any other Security Incident on an aggregate basis every month, or more frequently upon the *Plan*'s request.
 - ii) This *Plan* will comply with the requirement of 45 C.F.R. / 164.314 (b)(1) and (2) of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations, 45 C.F.R. parts 160, 162, and 164.

ARTICLE IX

ERISA STATEMENT OF RIGHTS (Employee Retirement Income Security Act of 1974)

As a *participant* in the Lincoln University of the Commonwealth System of Higher Education Premium Conversion Plan, you are entitled to the following rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”). ERISA provides that all *Plan participants* shall be entitled to:

1. Examine, without charge, at the *plan administrator's* office and at other specified locations, all *Plan* documents, collective bargaining agreements and copies of all documents filed by the *Plan* with the U.S. Department of Labor, such as detailed annual reports.
2. Obtain copies of all *Plan* documents and other *Plan* information upon written request to the *Plan Administrator*. The Administrator may make a reasonable charge for the copies.
3. In some cases, the law may require the *plan administrator* to provide you with a summary of the *Plan's* annual financial report.

In addition to creating rights for *Plan participants*, ERISA imposes duties upon the people who operate the *Plan*. These people are called fiduciaries and have a duty to act 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 benefit or exercising your rights under ERISA.

If your claim for a 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 administrator* review and reconsider your claim.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you make a written request for materials from the *Plan* and do not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the *plan administrator* to provide the materials, and pay up to \$110 per 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 a 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 a suit in 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 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 Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210