

GRAYSON RURAL ELECTRIC COOPERATIVE CORPORATION

BOARD POLICY NO. 514

SUBJECT: INSURANCE BENEFITS

I. OBJECTIVE

To provide an attractive package of insurance benefits that will enable the Cooperative to provide for the health care needs of its employees and directors and to attract highly qualified new employees when necessary.

II. POLICY

The following benefits are to be made available to the following groups and are subject to the specific terms and conditions as stated in their applicable policies, agreements or procedures. Premiums or contributions will be paid by GRECC, either in part or in full, except those that are noted, "voluntary and paid by individual".

EMPLOYEE & DEPENDENTS

A Medical & Hospitalization Plan: provided by the Cooperative for the employee and his/her legal dependants. If an enhanced plan is available, employees may choose to upgrade their policy at their own expense.

Term Life Insurance Coverage for the employee, paid for by the Cooperative. Employees may purchase additional family coverage through NRECA with payroll deduction.

EMPLOYEE ONLY

A Short Term Disability Benefit 2/3 weekly salary up to 13 weeks, after sick leave is exhausted

A Long Term Disability Benefit (Employee assumes 100 % of his/her premium 66 2/3 Benefit Level)

Business Travel Insurance Coverage

A Defined Benefit Pension Plan

A Defined Contribution Pension Plan (voluntary & paid by employee)

Contribution made by the Cooperative equal to the employee's LTD premium paid into individual 401K accounts

Limited Use Flex Plan – Covers eligible dependents

RETIRED EMPLOYEES & ELIGIBLE DEPENDENTS

A Medical & Hospitalization Plan and a designated drug plan provided by the Cooperative. Enhanced plans can be purchased by the retired employee or dependent(s).

RETIRED EMPLOYEES

Term Life Insurance (voluntary & paid by employee)

SPOUSES & DEPENDENTS OF A DECEASED EMPLOYEE (ACTIVE)

Medical, Hospitalization, and Prescription Drug Plan: At the death of an active employee, coverage will be provided to the Spouse and eligible Dependents at no cost, until other coverage is available to the Spouse / Dependents through an employer, remarriage, or until the dependent child reaches the age where he/she is no longer eligible for coverage. When the individual becomes eligible for Medicare, it shall be primary and Grayson Rural Electric Cooperative Corporation's coverage shall be secondary.

SPOUSES & DEPENDENTS OF A DECEASED EMPLOYEE (RETIRED)

Medical , Hospitalization and Prescription Drug Plan: At the death of a retired employee, coverage will be provided to the Spouse and eligible dependents at no cost, until other coverage is available to the Spouse / Dependents through an employer, remarriage, or until the Dependent child reaches the age where he/she is no longer eligible for coverage. When the individual becomes eligible for Medicare, it shall be primary and Grayson Rural Electric Cooperative Corporation's coverage shall be secondary (Per Board Action 03/27/98).

ATTORNEY – BY CONTRACT

GENERAL

A. The Effect of Leaves of Absence – Employees / Active

Paid Leave of Absence or qualified Long Term Disability: Benefits will continue to be made available.

Unpaid Leave of Absence in excess of 30 days: Continuation of benefits are voluntary and must be paid by the individual. Unpaid leave of absence is defined in Board Policy 512.

B. When the insurance carrier notifies the Cooperative of any change in insurance rates, a notice will be placed on all Cooperative bulletin boards and sent to the Union Business Manager.

C. Employees and Directors will abide by the Cost Containment Provisions and Coordination of Benefits contained in the Policies.

III. DIRECTORS& DEPENDENTS

See Board Policy 110

IV. RESPONSIBILITY

It shall be the responsibility of the President and CEO to see that this policy is adhered to.


Roger L. Trent, Chairman


Billy E. (Eddie) Martin, Secretary/Treasurer

Date Adopted: 02/21/86
Date Revised: 05/25/90
Minute Book Page: 1955 – 1957
Date Revised: 09/27/90
Minute book Page: 1973 – 1975
Date Revised: 09/23/94
Minute book Page: 2474 – 2475
Date Revised: 12/21/94
Minute Book Page: 2509 – 2510
Date Revised: 10/27/95

GRECC BOARD POLICY NO. 514
PAGE 3

Minute Book Page: 2643 – 2644
Date Revised: 07/25/96
Minute Book Page: 2732–2734
Date Revised: 01/24/97
Minute book Page: 2861 – 2863
Date Revised: 03/27/98
Minute Book Page: 2997 – 2999
Date Revised: 02/25/00
Minute Book Page: 3179 – 3181
Date Reaffirmed: 10/28/04
Minute Book Page: 3674 – 3675
Date Revised: 04/26/07
Minute Book Page: 3975 – 3977
Date Revised: 09/24/10
Minute Book Page: 4364 – 4366
Date Reaffirmed: 01/21/11
Minute Book Page: 4396
Date Revised: 6/22/12
Minute Book Page: 4576 – 4579
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