

ATTACHMENT E

PLAN DOCUMENT
for the
SACRAMENTO COUNTY RETIREE MEDICAL AND DENTAL EXPENSE
REIMBURSEMENT PLAN

**PLAN DOCUMENT SACRAMENTO COUNTY RETIREE MEDICAL AND DENTAL
EXPENSE REIMBURSEMENT PLAN**

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ARTICLE I

Preamble

THIS PLAN DOCUMENT made and published by County of Sacramento (hereinafter called “Employer”) on the ____ day of _____, 2006, creates the Sacramento County Retiree Medical and Dental Expense Reimbursement Plan, as follows:

1.01 Establishment of Plan

The Employer named above hereby establishes the Sacramento County Retiree Medical and Dental Expense Reimbursement Plan (the “Plan”) as of the _____ day of _____, 2006, consisting of the Adoption Agreement (as defined in Article II, below) and this Plan document.

1.02 Purpose of Plan

The Plan has been established to reimburse the eligible Participants, their Spouses and Dependents for Eligible Medical and Dental Expenses incurred by them pursuant to this Plan and the Adoption Agreement and to the extent permitted by applicable governing law.

1.03 Adoption Agreement

The Adoption Agreement shall be an integral part of the Plan, and the Plan document and Adoption Agreement together shall provide the rules governing this Plan.

ARTICLE II

Definitions

The following words and phrases as used herein shall have the following meanings, unless a different meaning is plainly required by the context:

2.01 “Account” means the individual recordkeeping account maintained under the Plan to record the interest of a Participant or his/her surviving Spouse or Dependents in the Plan. Each Account shall be credited with contributions thereto and investment earnings (if any) on the contributions, and shall be reduced by Benefits paid, investment losses (if any) and expenses allocated to the Account. Credits and reductions and allocations to Accounts shall be made, and Accounts shall be valued, as determined by the Plan Administrator in its discretion.

2.02 “Adoption Agreement” means the VantageCare Retirement Health Savings Plan Adoption Agreement, effective as of _____, 2006, between the Employer and Vantagepoint Transfer Agents, LLC.

2.03 “Benefits” means any amounts paid or payable to a Participant, Spouse or Dependent in accordance with the Plan as reimbursement for Eligible Medical and Dental Expenses incurred by the Participant, Spouse or Dependent for his or her health care. The only Benefits or other amounts that may be paid under this Plan to any individual are described in Section X of the Adoption Agreement. (Reasonable administrative expenses may also be paid under the Plan.)

2.04 “Code” means the Internal Revenue Code of 1986, as amended.

2.05 “Dependent” means any individual who is a dependent of the Participant within the meaning of Code section 152 (determined without regard to Code sections 152(b)(1), (b)(2) and (d)(1)(B)).

2.06 “Eligible Employee” means an Employee who is a member of one or more of the groups of Employees designated by the Employer as eligible to participate in the Plan in Section V.A of the Adoption Agreement.

2.07 “Eligible Medical or Dental Expenses” means those expenses designated by the Employer as eligible for reimbursement in Section X of the Adoption Agreement.

2.08 “Employee” has the meaning set forth in Section V.A of the Adoption Agreement.

2.09 “Employer” means the County of Sacramento, State of California.

2.10 “Entry Date” means the first day the Employee meets the eligibility requirements of Article III below.

2.11 “Participant” means (a) for purposes of eligibility for having contributions credited to his/her Account under the Plan, any Eligible Employee who is a Participant under the conditions set out below and in the Adoption Agreement, and (b) for purposes of receiving Benefits under the Plan, any person who has met the eligibility requirements for Benefits set out below and in the Adoption Agreement.

2.12 “Plan” means the Sacramento County Retiree Medical and Dental Expense Reimbursement Plan.

2.13 “Plan Administrator” means the Employer and any other person appointed by the Employer to have the authority and responsibility to manage and direct the operation and administration of the Plan.

2.14 “Plan Year” means the annual accounting period of the Plan, which begins on the _____ day of _____, 2006, and ends on the _____ day of _____, 20____. with respect to the first Plan Year, and thereafter the period that begins on _____, and ends on _____.

2.15 “Retiree” means any person who is defined in Section VII.D of the Adoption Agreement.

2.16 “Spouse” means the Participant’s lawful spouse as determined under the laws of the State of California.

2.17 “Trust” means the trust established by the Declaration of Trust, between the Employer and _____ to fund the Benefits provided under this Plan.

All other defined terms and terms that have initial capitalizations in this Plan document shall have the meanings specified in the various sections of the Plan document or the Adoption Agreement in which they appear, unless the context clearly indicates otherwise.

ARTICLE III

Eligibility

Each Eligible Employee who meets the eligibility requirements specified in the Adoption Agreement shall participate in this Plan for the purposes of having contributions credited to his/her Account in accordance with the Plan and Adoption Agreement. Any individual who has met the requirements specified in the Plan and Adoption Agreement for nonforfeitability and eligibility to receive Benefits shall be eligible to participate in this Plan for the purposes of receiving Benefits.

ARTICLE IV

Amount of Benefits

4.01 Contributions

Contributions shall be made to the Plan as provided in the Adoption Agreement and shall be credited to the Accounts of Participants for whom the contributions are made. The only contributions made by the Employer shall be those set forth in the Adoption Agreement.

4.02 Benefits Provided by the Plan

Subject to meeting the requirements of this Plan document and the Adoption Agreement for being eligible for Benefits, (i) each Participant shall be entitled to reimbursement for his/her documented Eligible Medical or Dental Expenses (and those of his/her Spouse and Dependents) in an amount not to exceed the nonforfeitable portion of the Account balance of the Participant under the Plan at the time of payment, and (ii) after the death of a Participant, his/her surviving Spouse and eligible Dependents shall be entitled to reimbursement for his/her documented Eligible Medical or Dental Expenses in an amount not to exceed the nonforfeitable portion of the Account balance of the Spouse or Dependents under the Plan at the time of payment. Expenses shall be documented in accordance with requirements established by the Plan Administrator in its discretion.

4.03 Limit on Benefits and Contributions

All Benefits provided under this Plan shall be limited to the nonforfeitable portion of the Account balance of the Participant (or of the surviving Spouse or Dependents, if any, after the Participant's death) under the Plan at the time of payment. No amounts shall be paid to or for any Participant or a Spouse or Dependent except as provided under this Plan.

ARTICLE V

Payment of Benefits

5.01 Eligibility for Benefits

- (a) Subject to the terms of this Plan document and the Adoption Agreement, each Participant in the Plan shall be entitled to a payment hereunder for all Eligible Medical and Dental Expenses incurred or paid by the Participant (or his/her Spouse or Dependents) on or after the date that he/she becomes eligible to receive Benefits hereunder, regardless of whether the mental or physical condition for which Benefits are paid under this Plan was detected, diagnosed, or treated before the Participant, Spouse or Dependent became covered by the Plan.
- (b) In order to be eligible for Benefits, the Participant, Spouse or Dependent must meet all of the requirements in this Plan and the Adoption Agreement for eligibility and for payment, including but not limited to the Nonforfeitability and Benefits Eligibility criteria in the Adoption Agreement.
- (c) A Participant who becomes totally and permanently Disabled (as defined in the Adoption Agreement) shall become immediately eligible to receive Benefits under the Plan upon final determination that he/she is Disabled.
- (d) In accordance with this Plan document and the Adoption Agreement, a surviving Spouse or Dependents shall become immediately eligible to receive or to continue receiving Benefits from the Plan upon the death of the Participant.

5.02 Claims for Benefits

No Benefits shall be paid hereunder unless a Participant, his Spouse or Dependent has first submitted a written claim for Benefits to the Plan Administrator at the time, on a form and in the manner specified by the Plan Administrator. All claims for Benefits must be filed no later than two (2) years after the date on which the Participant (or his eligible Spouse or Dependent, if applicable) has incurred an Eligible Medical or Dental Expense. Upon receipt of a properly documented claim for Eligible Medical or Dental Expenses, and on determination by the Plan Administrator in its sole discretion that (i) the claimant is entitled to Benefits under this Plan document and the Adoption Agreement and (ii) that there are sufficient nonforfeitable amounts credited to the Account of the Participant (or of the surviving Spouse or Dependent, if applicable) to pay the claim, and that (iii) all conditions required to receive Benefits have been met including but not limited to documentation required by the Plan Administrator, the Plan Administrator shall pay the Participant, (or the surviving Spouse or Dependent, if applicable) the Benefits provided under this Plan. Payment shall be made as soon as is administratively feasible.

ARTICLE VI

Plan Administration

6.01 Allocation of Authority

The Employer shall control and manage the operation and administration of the Plan. The Employer shall have the exclusive right to interpret the Plan and to decide all matters arising thereunder, including the right to remedy possible ambiguities, inconsistencies, or omissions. All determinations of the Employer with respect to any matter hereunder shall be conclusive and binding on all persons.

Without limiting the generality of the foregoing, the Employer shall have the following powers and duties and shall exercise them in its sole discretion:

- (a) To decide on questions concerning the Plan and the eligibility of any Employee to participate in the Plan, in accordance with the provisions of the Plan;
- (b) To determine the amount of Benefits that shall be payable to any person in accordance with the provisions of the Plan, to inform the Plan Administrator, as appropriate, of the amount of such Benefits, and to provide a full and fair review to any Participant whose claim for Benefits has been denied in whole or in part;
- (c) To designate other persons to carry out any duty or power of the Employer or of the Plan Administrator established under the Plan;
- (d) To require any person to furnish such reasonable information as it may request for the purpose of the proper administration of the Plan as a condition to receiving any Benefits under the Plan;
- (e) To make and enforce such rules and regulations and prescribe the use of such forms as it shall deem necessary or appropriate for the efficient administration of the Plan; and,
- (f) To correct any errors in Plan administration including but not limited to taking any and all actions necessary or appropriate to collect amounts paid in error.

6.02 Provision for Third-Party Plan Service Providers

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with operation of the Plan. The Plan Administrator, the Employer (and any person to whom the Employer may delegate any duty or power in connection with the administration of the Plan), and all persons connected therewith may reasonably rely upon all tables, valuations, certificates, reports and opinions furnished by any duly appointed actuary, accountant (including Employees who are actuaries or accountants), consultant, third party administration service provider, legal counsel, or other specialist, and to the extent permitted by governing law they shall be fully protected in respect to any action taken

or permitted in good faith in reliance thereon. All actions so taken or permitted shall be conclusive and binding as to all persons.

6.03 Limit on Liability

To the extent permitted by law, neither the Plan Administrator nor any other person authorized to take action under the terms of this Plan shall incur any liability for any acts or for failure to act except for his own negligence, willful misconduct or willful breach of the Plan. The Employer shall be fully protected by governing California or other applicable law, without limitation, from any liability for any acts or for failure to act.

6.04 Compensation of Plan Administrator

Unless otherwise agreed to by the Employer, the Plan Administrator shall serve without compensation for services rendered in such capacity.

6.05 Bonding

Unless otherwise determined by the Employer, or unless required by any federal or state law, the Plan Administrator shall not be required to give any bond or other security in any jurisdiction in connection with the administration of the Plan.

6.06 Payment of Administrative and Investment Expenses

All reasonable expenses incurred in administering the Plan, including but not limited to administrative fees and expenses owing to any third party administrative service provider, actuary, consultant, accountant, attorney, specialist, or other person or organization that may be employed by the Plan Administrator in connection with the administration thereof, may be paid by the Employer or the Plan; provided, however that each Participant (and surviving Spouse or Dependent, if applicable) shall bear the monthly cost (if any) charged by a third party administrator for maintenance of his Account unless otherwise paid by the Employer and all investment management fees shall be charged to the Account of each Participant (and surviving Spouse or Dependent, if applicable).

6.07 Timeliness of Payment for Benefits

Payment for Benefits shall be made as soon as administratively feasible as provided in Section 5.02 above.

6.08 Annual Statements

The Plan Administrator shall furnish each Participant (and surviving Spouse or Dependent, if applicable) with an annual statement of his/her Account within 90 days after the close of each Plan Year.

ARTICLE VII

Claims Process

7.01 Process if Benefits are Denied Under the Plan

Any Participant, Spouse, or Dependent, or his/her duly authorized representative may file a claim for a Benefits to which the claimant believes that he/she is entitled. Such a claim must be in writing on a form provided by the Plan Administrator and delivered to the Plan Administrator, in person or by mail, postage paid. Within 30 days after receipt of such claim, the Plan Administrator shall send to the claimant, by mail, postage prepaid, notice of the granting or denying, in whole or in part, of such claim, unless special circumstances require an extension of time for processing the claim. In no event may the extension exceed 90 days from the end of the initial period. If such extension is necessary, the claimant shall be given a written notice to this effect prior to the expiration of the initial 30-day period. The Plan Administrator shall have full discretion to deny or grant a claim in whole or in part. If notice of the denial of a claim is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to review pursuant to Sections 7.03 and 7.04.

7.02 Requirement for Written Notice of Claim Denial

The Plan Administrator shall provide, to every claimant who is denied a claim for Benefits, written notice setting forth in a manner calculated to be understood by the claimant:

- (a) The specific reason or reasons for the denial;
- (b) Specific reference to pertinent Plan provisions on which the denial is based;
- (c) A description of any additional material of information necessary for the claimant to perfect the claim and an explanation of why such material is necessary; and,
- (d) An explanation of the Plan's claim review procedure.

7.03 Right to Request Hearing on Benefit Denial

Within 60 days after the receipt by the claimant of written notification of the denial (in whole or in part) of his claim, the claimant or his/her duly authorized representative, upon written application to the Plan Administrator, in person or by certified mail, postage prepaid, may request a review of such denial, may review pertinent documents, and may submit issues and comments in writing.

7.04 Disposition of Disputed Claims

Upon its receipt of notice of a request for review, the Plan Administrator shall make a prompt decision on the review. The decision on review shall be written in a manner calculated to be understood by the claimant and shall include specific reasons for the decision and specific references to the pertinent Plan provisions on which the decision is based. The decision on

review shall be made not later than 60 days after the Plan Administrator's receipt of a request for a review, unless special circumstances require an extension of time for processing, in which case a decision shall be rendered not later than 120 days after receipt of a request for review. If an extension is necessary, the claimant shall be given written notice of the extension prior to the expiration of the initial 60 day period. If notice of the decision on the review is not furnished in accordance with this Section, the claim shall be deemed denied and the claimant shall be permitted to exercise his right to legal remedy pursuant to Section 7.05.

7.05 Preservation of Other Remedies

After exhaustion of the claims procedures provided under this Plan, nothing shall prevent any person from pursuing any other legal or equitable remedy otherwise available, including, but not limited to, any and all action required for the Plan Administrator to collect any erroneous overpayment of Benefits. Provided, however, that any litigation to enforce any claim under this Plan shall (i) be filed with the appropriate court no later than one year after denial or deemed denial of a claim under Section 7.04, and (ii) such litigation may only be brought in the County of Sacramento.

ARTICLE VIII

Amendment or Termination of Plan

8.01 Life of the Plan

The Employer has no present intention to amend or terminate the Plan; however, as provided in Sections 8.02 and 8.03, below, the Employer may in the future amend or terminate the Plan for any reason and in its sole discretion and without limitation.

8.02 Employer's Right to Amend

The Employer reserves the right to amend any or all provisions of the Plan in whole or in part at any time and from time-to-time for any reason, in its sole discretion and without limitation, and retroactively if deemed necessary or appropriate to meet the requirements of the Code, or any similar provisions of subsequent revenue or other laws, or the rules and regulations in effect under any of such laws or to conform with governmental regulations or other policies.

8.03 Employer's Right to Terminate

The Employer reserves the right to discontinue contributions to the Plan and Trust, or to completely terminate, the Plan and Trust at any time for any reason, in its sole discretion and without limitation.

8.04 No "Vested Rights"

The Employer may, at any time and from time-to-time, for any reason, in its sole discretion and without limitation, terminate or reduce any contributions that may be made to the Plan and Trust. The Employer also may, at any time and without limitation, terminate the Trust and/or Plan and

amend the Trust and/or Plan in any manner whatsoever. No person shall have any “vested rights” under California or federal or other law to have any contributions made to the Trust or under the Plan. No person shall have any “vested rights” under California or federal or other law to have the Trust and/or Plan continued at all or continued in whatever form it takes at any point in time.

ARTICLE IX

General Provisions

9.01 No Employment Rights Conferred

Neither this Plan nor any action taken with respect to it shall confer upon any person the right to be continued in the employment of the Employer.

9.02 Payments After Death of Participant

Any Benefits otherwise payable to a Participant following the date of death of such Participant shall be paid as outlined in the Adoption Agreement and the Plan.

9.03 Nonalienation of Benefits

No Benefits under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt to do so shall be void. No Benefits under the Plan shall in any manner be liable for or subject to the debts, contracts, liabilities, engagements or torts of any person. If any person entitled to Benefits under the Plan becomes bankrupt or attempts to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any Benefits under the Plan, or if any attempt is made to subject any such Benefits to the debts, contracts, liabilities, engagements or torts of the person entitled to any such Benefits, except as specifically provided in the Plan, then such Benefits shall cease and terminate in the sole discretion of the Plan Administrator, and the Plan Administrator may hold or apply the same or any part thereof to the benefit of the Spouse or Dependent of the Participant or, if there is no Spouse or Dependent, may forfeit the Benefits completely.

9.04 Mental or Physical Incompetency

If the Plan Administrator determines that any person entitled to payments under the Plan is incompetent by reason of physical or mental disability, the Plan Administrator may cause all payments thereafter becoming due to such person to be made to any other person for his/her benefit, without responsibility to follow the application of amounts so paid. Payments made pursuant to this Section shall completely discharge the Plan Administrator and the Employer.

9.05 Inability to Locate Payee

If the Plan Administrator is unable to make payment to any Participant, Spouse or Dependent to whom a payment is due under the Plan because the Plan Administrator cannot ascertain the identity or whereabouts of such person after reasonable efforts have been made to identify or

locate such person (including a notice of the payment due mailed to the last known address of such person as shown on the records of the Employer), then after the expiration of four years such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited and used to pay Plan expenses.

9.06 Requirement of Proper Forms

All communications in connection with the Plan made by a Participant, Spouse or Dependent shall become effective only when duly executed on forms provided by and filed with the Plan Administrator.

9.07 Source of Payments

The Sacramento County Integral Part Trust, established by the Employer effective _____, 2006, shall be the sole source of Benefits under the Plan. No person shall have any right to, or interest in, any assets of the Employer with respect to Benefits or any other amounts payable under this Plan, except as provided under the Plan, and then only to the extent of the Benefits payable under the Plan to such person.

9.08 Tax Effects

Neither the Employer nor the Plan Administrator nor any other person makes any warranty or other representation as to whether any contributions made to the Plan or payments made under the Plan shall be treated as includible in gross income for federal or state income tax purposes.

9.09 Multiple Functions

Any person or group of persons may serve in more than one fiduciary capacity with respect to the Plan.

9.10 Gender and Number

Masculine pronouns include the feminine as well as the neuter gender, and the singular shall include the plural, unless indicated otherwise by the context.

9.11 Headings

The Article and Section headings contained herein are for convenience of reference only, and shall not be construed as defining or limiting the matter contained thereunder.

9.12 Applicable laws

The provisions of the Plan shall be construed, administered and enforced according to the laws of the State of California.

9.13 Severability

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder thereof shall be given effect to the maximum extent possible.

IN WITNESS WHEREOF, we have executed this Plan document the date and year first written above.

COUNTY OF SACRAMENTO

(Employer)

By: _____

Title _____