



SUPPLEMENTAL COVERAGE TO THE COMPREHENSIVE HEALTH CARE PORTION OF THE RAILROAD EMPLOYEES NATIONAL HEALTH AND WELFARE PLAN, GA23000

Rules and Regulations

A. DEFINITIONS:

BOARD OF TRUSTEES - The governing body of Health Systems.

CHC PLAN - The Comprehensive Health Care portion, of the Railroad Employees National Health and Welfare Plan, GA23000, including any changes or amendments made to it.

CHC PLAN ADMINISTRATOR - The person or agency designated by the Joint Plan Committee of the Railroad Employees National Health and Welfare Plan to facilitate and fulfill the object and purpose of the CHC Plan. The present administrator is The United Healthcare Insurance Company.

CHC SUPPLEMENTAL PLAN - The plan sponsored by Health Systems to supplement the CHC Plan.

COMPANY - Union Pacific Railroad Company and its subsidiaries and affiliated companies.

EMPLOYEE - Any employee of the Company and its subsidiaries and affiliated companies, including any employees of Health Systems.

GA23000 - The designated Railroad Employees National Health and Welfare Plan and any changes or amendments made to it. Also known as the Comprehensive Health Care plan.

HEALTH SYSTEMS - Union Pacific Railroad Employees Health Systems.

MEMBER - Any person who is paying dues to Health Systems.

PRESIDENT - The President of Health Systems who is responsible for administration of Health Systems.

B. OBJECT AND PURPOSE:

The object and purpose of this CHC Supplemental Plan shall be to provide company employees, their spouses and children with benefits which supplement the CHC portion of the Railroad Employees National Health and Welfare Plan, GA23000.

C. ELIGIBILITY FOR COVERAGE:

Upon payment of dues, as specified by the Board of Trustees, any employee or employee's family members entitled to coverage under the terms of the CHC portion of the Railroad Employees National Health and Welfare Plan, GA23000, shall be entitled to the benefits of the CHC Supplemental Plan.



D. ENROLLMENT:

Coverage begins the first day of the month in which a payroll deduction, the amount of which is specified by the Board of Trustees, is taken from the employees paycheck.

Open enrollment periods will be scheduled from time to time, as specified by the Board of Trustees. Employees who were members of the CHC Supplemental Plan, but who discontinued their membership and wish to re-enroll may be subject to a pick-up fee, the amount of which is specified by the Board of Trustees.

E. SUPPLEMENTAL PLAN BENEFITS:

All benefits will be supplemental to the benefits of the CHC Plan, except as specified under H. Coordination of Benefits. All claims must first be processed by the CHC Plan Administrator (United Healthcare). Upon receipt of an Explanation of Benefits (EOB) from the CHC Plan Administrator, Health Systems will provide supplemental benefits consisting of the following:

1. **Individual or Family Annual Deductibles** - any amounts which are applied to this portion of the CHC Plan by the CHC Plan Administrator will be covered by the CHC Supplemental Plan.
2. **Individual or Family Annual Out-Of-Pocket Maximum** - any amounts which are applied to this portion of the CHC Plan by the CHC Plan Administrator will be covered by the CHC Supplemental Plan. Coinsurance, as determined by the

CHC Plan Administrator relating to mental illness, alcoholic and chemical dependency, skilled nursing facility care, domicile care and hospice care will also be covered by the CHC Supplemental Plan.

F. BENEFIT EXCLUSIONS:

1. All exclusions and non-covered services under the CHC Plan are also excluded under the CHC Supplemental Plan.
2. Benefit reductions because of failure to comply with CHC Plan requirements relating to Patient Advocate and/or Second Surgical Opinions are excluded under the CHC Supplemental Plan.
3. Prescription copayments are excluded from coverage under the CHC Supplemental Plan.

G. CONTINUATION OF BENEFITS:

1. Employees on authorized leave of absence from the Company due to personal business, illness, injury or suspension shall, upon payment of monthly premiums as determined by the Board of Trustees, be entitled to continue benefits under the CHC Supplemental Plan provided CHC Plan benefits are still in force and have not been terminated.
2. Employees entitled to COBRA benefits shall, upon payment of monthly premiums as determined by the Board of Trustees, be entitled to continue benefits under the CHC Supplemental Plan provided CHC Plan benefits are still in force and have not been terminated.

H. COORDINATION OF BENEFITS:

1. When the Comprehensive Health Care Plan (United Healthcare) is the *secondary* plan, and the primary plan *reimbursement level is the same as or greater than* the Comprehensive Health Care Plan (United Healthcare) reimbursement level, then the **CHC Supplemental Plan** (Health Systems) will supplement the payments of the primary plan to the extent provided in these Rules

and Regulations. In no event will the sum of any plan payment(s) and supplemental payment(s) exceed 100% of the allowed plan charges.

I. TERMINATION OF BENEFITS:

1. CHC Supplemental Plan benefits will terminate upon:
 - a. Discontinuance of dues payments as specified by the Board of Trustees; or
 - b. Termination of coverage under the Comprehensive Health Care Plan; or
 - c. Written request, by the member, for discontinuance of CHC Supplemental plan coverage.

J. FILING OF CLAIMS:

1. The time limit for filing claims under the CHC Supplemental Plan is **one year** from the date the claim was processed by the CHC Plan Administrator.
2. To file a claim, forward the Explanation of Benefits (EOB), or a copy of it, which the "CHC Plan Administrator" (United Healthcare) has provided, to:
Union Pacific Railroad Employees Health Systems
CHC Supplemental Plan Claim Office
PO Box 161020
Salt Lake City, Utah 84116-1020
Phone: 1-800-877-0618

K. APPEALS

When a CHC Supplemental Plan member wishes to appeal a decision, written request for appeal must be made at least 90 days prior to the date of any meeting of the Board of Trustees. No later than 60 days prior to the meeting the employee will send to the President a statement outlining the facts and setting forth the employee's position. The President will, in turn, cite the rules or other factors upon which the decision was based. The President will then prepare the appeal for consideration of the Board of Trustees and will forward a copy of the completed docket to each member of the Board of Trustees no later than 30 days prior to the date of the meeting. The President will also notify the employee of the date on which the appeal will be heard before the Board of Trustees. No appeal will be considered by the Board of Trustees if written request for the appeal is not made within one year from the date of the decision upon which the appeal is based.

L. AMENDMENTS:

These rules and regulations may be amended as deemed necessary by the Board of Trustees.