

SUMMARY PLAN DESCRIPTION
FOR
ADELPHI UNIVERSITY
HEALTH REIMBURSEMENT ACCOUNT (HRA) PLAN
January 1, 2017

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Introduction

Adelphi University (the "Employer") is pleased to sponsor an employee benefit program known as The Health Reimbursement Account Plan (the "HRA Plan"). This document is the Summary Plan Description (the "SPD") for the HRA Plan. The SPD describes the basic features of the HRA Plan, how it operates, and how you can use it to reimburse Eligible Medical Expenses. You are encouraged to read the SPD to understand the HRA Plan.

The HRA Plan is established pursuant to an official plan document, and this SPD is part of that plan document. If there is a conflict between the official plan document and the SPD, the plan document will govern. Terms that are capitalized in the SPD are terms that are specifically defined in the SPD or the official plan document. You may obtain a copy of the official plan document from the Plan Administrator.

The SPD is divided into six parts:

- Part I – General Information about the HRA Plan
- Part II – Enrolling in the HRA Plan
- Part III – How the HRA Plan Works
- Part IV – Claims and Appeal Procedures
- Part V – ERISA Rights Information
- Part VI – Information Appendix

The first three parts of the SPD are in question and answer format. Please refer to the Table of Contents for a complete list of the questions and answers.

The fourth part of the SPD describes the claims and appeal procedures that apply if a claim is denied. The fifth part of the SPD includes ERISA rights information – if your Employer is an entity other than a governmental unit or a church, then you are protected by ERISA and you should read this information.

The last part of the SPD is the Information Appendix. This part of the SPD provides details about provisions your Employer has adopted as part of the HRA Plan. When the SPD refers to the Information Appendix, you should consult this part of the SPD for details.

If you have any questions regarding the terms of the HRA Plan or this SPD, please contact the Plan Administrator identified in the Information Appendix.

Part I - General Information about the HRA Plan

Q-1. What is the HRA Plan?

The HRA Plan allows Eligible Employees to receive reimbursement for Eligible Medical Expenses that are not reimbursed by another health plan. If you are an Eligible Employee and decide to enroll in the HRA Plan, you should review these questions and answers, and refer to the Information Appendix for additional details.

Q-2. Who administers the HRA Plan?

The HRA Plan is administered by a Plan Administrator selected by your Employer. The Plan Administrator has sole discretion to interpret the HRA Plan, and its decisions are final and binding. The Plan Administrator may delegate certain tasks to other people, including a Third Party Administrator and/or a COBRA Administrator. The Plan Administrator and other relevant administrators are described in the Information Appendix.

Q-3. Who can participate in the HRA Plan?

Each Eligible Employee of Adelphi University who satisfies the eligibility requirements will be eligible to participate in the HRA Plan beginning on the applicable Entry Date. Your Employer requires you to participate in the self-insured health plan as a condition of participation in the HRA Plan. The eligibility requirements and the Entry Date are described in the Information Appendix. Eligible Employees who actually participate in the HRA Plan are called Participants.

Q-4. How does the HRA Plan work?

When you enroll in the self-insured health plan, you become a Participant in the HRA Plan and the Plan Administrator will establish a non-interest bearing bookkeeping account on your behalf. This account is known as the Reimbursement Account. Adelphi University provides Employer Credits to the Reimbursement Account, you submit claims for Eligible healthcare Expenses and, if approved, your claims are reimbursed from the Reimbursement Account. You can also use an electronic payment card to pay for expenses at the time they are incurred.

Q-5. Does the HRA Plan cover other people in my family?

Yes, your HRA Plan will cover other people in your family should you elect Family coverage.

Q-6. Who is an Eligible Dependent?

Your Eligible Dependents are your Spouse (determined in accordance with the federal Defense of Marriage Act) and any other person who qualifies as your dependent under

Code Section 105(b). An individual is a “dependent” for purposes of Code Section 105(b) if the individual satisfies any of the following criteria:

- the individual is a dependent for federal income tax purposes under Code Section 152 (i.e., qualifies you for a personal exemption), or
- the individual would qualify as your dependent under Code Section 152 but for the fact that (A) the individual has income in excess of the exemption amount (applicable to “Qualifying Relatives” as defined in Code Section 152), (B) the individual is a dependent of another taxpayer, (C) the individual is married and files a joint return with his or her spouse, or (D) the individual is a “child” as defined in Code Section 152(f)(1) who will not turn age 27 during the year. An individual qualifies as a child as defined by Code Section 152(f)(1) if he/she is any of the following: (i) natural child, (ii) adopted child or child “placed with you for adoption,” (iii) step child, or (iv) child placed with you by an authorized placement agency or by judgment, decree or other order of a court of competent jurisdiction. In addition, a child to whom Code Section 152(e) applies (i.e., a child of divorced or separated parents) is considered a dependent of both parents without regard to who claims the child as a dependent on his or her tax return.

Q-7. Will the HRA Plan keep my health information confidential?

Under the Health Insurance Portability and Accountability Act (“HIPAA”), group health plans such as the HRA Plan and its third-party service providers are required to take steps to ensure that certain “protected health information” is kept confidential. You may receive a separate privacy notice that outlines Adelphi University health privacy policies.

Q-8. Is the HRA Plan funded with a Trust?

No, the HRA Plan is not funded with a Trust – no actual monies are contributed or deposited. The HRA Plan is funded using the general assets of Adelphi University.

Q-9. How long will the HRA Plan remain in effect?

Although Adelphi University expects to maintain the HRA Plan indefinitely, Adelphi University has the right to modify or terminate the HRA Plan at any time for any reason. It is also possible that future changes in state or federal laws may require the HRA Plan to be amended or terminated.

Q-10. Does HRA Plan participation effect Social Security and other benefits?

HRA Plan participation does not increase or reduce the amount of your taxable compensation. Accordingly, participation in the HRA plan should have no effect on the calculation of your Social Security benefits and/or other benefits based on taxable compensation (e.g., pension, disability and life insurance benefits).

Part II – Enrolling in the HRA Plan

Q-11. How do I become a Participant?

You become a Participant in the HRA Plan by meeting the eligibility requirements and enrolling in the self-insured health plan offered by Adelphi University.

Q-12. When does participation in the HRA Plan begin?

Your participation in the HRA Plan begins on the Entry Date. The Entry Date is described in the Information Appendix. Coverage of your Eligible Dependents begins when your coverage begins, assuming you enroll them by selecting family coverage in the self-insured health plan.

Q-13. When does participation in the HRA Plan end?

If you decide to participate in the HRA Plan, your participation will continue until the earlier of the date that (i) you revoke your enrollment in the self insured health plan during an Annual Enrollment Period or a HIPAA Special Enrollment Period; (ii) you no longer satisfy the eligibility requirements; or (iii) the HRA Plan is terminated or amended to exclude you or the class of employees of which you are a member. Coverage of your Eligible Dependents ends when your coverage ends.

Q-14. What is the Initial Enrollment Period?

When you are first hired, you will be enrolled in the HRA Plan during the Initial Enrollment Period for the self-insured health plan. The enrollment material provided by Adelphi University will identify the beginning and end dates of the Initial Enrollment Period. If you enroll during the Initial Enrollment Period, your participation in the HRA Plan will begin on the later of the Effective Date of the Plan or your Entry Date. The enrollment decision you make during the Initial Enrollment Period will remain effective until you change your enrollment decision, or until your participation in the self-insured health plan ends.

Q-15. What is the Annual Enrollment Period?

If you do not enroll in the self-insured health plan (which includes the HRA Plan) during the Initial Enrollment Period, you may enroll during the Annual Enrollment Period. If you did enroll during the Initial Enrollment Period, you may also change your enrollment for the next Plan Year during the Annual Enrollment Period. You will be notified each year of the beginning and end dates of the Annual Enrollment Period. The enrollment decision you make during the Annual Enrollment Period is effective the first day of the following Plan Year and will remain effective until you change your enrollment decision, or until your participation in the self-insured health plan ends.

Q-16. What is a HIPAA Special Enrollment Period?

If you do not enroll in the self insured health plan during the Initial Enrollment Period or an Annual Enrollment Period, and you or one of your Eligible Dependents is entitled to special enrollment rights under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), you may enroll yourself (and your Eligible Dependents) in the self insured health plan during a HIPAA Special Enrollment Period. You are entitled to HIPAA special enrollment rights if:

You declined enrollment for yourself or your Eligible Dependents because of other medical coverage and eligibility for the other coverage is subsequently lost due to certain reasons (e.g., due to legal separation, divorce, death, termination of employment, reduction in hours, or exhaustion of COBRA period). In this case, you may enroll yourself and your Eligible Dependents by submitting a completed enrollment form in the self-insured medical plan within 30 days of the loss of other coverage. The enrollment will be effective prospectively.

You acquire a new Eligible Dependent as a result of marriage, birth, adoption or placement for adoption. In this case, you may enroll yourself and your Eligible Dependents by submitting a completed enrollment form in the self-insured health plan within 30 days of the date of the marriage, birth, adoption or placement for adoption. Enrollments based on marriage will be effective prospectively. Enrollments based on birth, adoption or placement for adoption will be effective retroactively to the date of birth, adoption or placement for adoption.

You or your Eligible Dependents gain or lose eligibility for Medicaid or premium assistance under a State Children’s Health Insurance Plan. In this case, you may enroll yourself and your Eligible Dependents by submitting a completed enrollment form in the self-insured medical plan within 60 days of the date eligibility was gained or lost. The enrollment will be effective prospectively.

Q-17. What happens if I take an Approved Leave of Absence?

If you take an approved leave of absence under the Family and Medical Leave Act of 1993 (FMLA), your participation in the HRA Plan is subject to the following:

- While on FMLA leave, your participation in the HRA Plan will continue automatically, on the same terms and conditions as though you were still active. If you do not return from FMLA leave, your participation in the HRA Plan will end. You will have the right to submit claims for Eligible Medical Expenses incurred after your participation ends only if you elect COBRA continuation coverage.

Part III – How the HRA Plan Works

Q-18. How are Employer Credits determined?

Adelphi University will fund the HRA accounts as follows: If you elect individual coverage under the self-insured health plan then Adelphi University will fund \$350 and if you elect family coverage under the self-insured health plan then Adelphi University will fund \$700 per year.

Q-19. Is money deposited in the Reimbursement Account?

The Reimbursement Account is only a bookkeeping account, and no actual monies are deposited. The Reimbursement Account balance is increased by the amount of Employer Credits, and is decreased by the amount of reimbursements for Eligible Medical Expenses.

Q-20. Am I vested in the Reimbursement Account?

You are not vested in the Reimbursement Account. Participants do not have an ownership interest in the Reimbursement Account, and no amount of the Reimbursement Account may be distributed in any form other than as a reimbursement of an Eligible Medical Expense. Your ability to access the Reimbursement Account will end when your eligibility for the HRA Plan ends.

Q-21. Can I make contributions to the HRA Plan?

Under IRS rules, the HRA Plan cannot accept either pre-tax or after-tax employee contributions.

Q-22. Do Reimbursement Account balances carry over to future Plan Years?

Any balance of the HRA can be carried over for up to two calendar years. Participants must submit claims for Eligible Medical Expenses no later than the last day of the 3rd month following the end of the carry over period.

Q-23. What amounts are available for reimbursement at any particular time?

The Reimbursement Account will only reimburse claims for Eligible Medical Expenses if there is a positive account balance.

Q-24. How does the HRA Plan interact with a Health Care FSA sponsored by my Employer?

Unused FSA elections from the prior plan year subject to the Annual Grace Period will pay for Eligible Medical Expenses first until the end of the Annual Grace Period, followed by Health Care FSA elections for the current plan year followed by Employer Credits to the HRA Plan until exhausted.

Q-25. What is an Eligible Medical Expense?

An Eligible Medical Expense is an expense that has been incurred by you and/or your Eligible Dependents that satisfies the following conditions:

- The expense is for "medical care" as defined by Code Section 213(d); and
- The expense has not been reimbursed by any other source and you will not seek reimbursement for the expense from any other source.

The Code generally defines medical care as any amounts incurred to diagnose, treat or prevent a specific medical condition or for purposes of affecting any function or structure of the body. This includes, but is not limited to, medical care, both prescription and prescribed over-the-counter drugs (and over-the-counter products and devices), dental care, and vision care. The Plan Administrator has sole discretion to determine whether an expense is for medical care as defined under the Code.

The Plan Administrator or the Third Party Administrator may require you to provide documentation from a health care provider showing that you or an Eligible Dependent have a medical condition and/or that a particular item or service is necessary to treat a medical condition.

Q-26. Are any medical expenses not reimbursable by the HRA Plan?

Not every health-related expense incurred by you or your Eligible Dependents constitutes an expense for medical care. For example, an expense is not for medical care, as that term is defined by the Code, if it is merely for the beneficial health of you and/or your Eligible Dependents (e.g., vitamins or nutritional supplements that are not taken to treat a specific medical condition) or for cosmetic purposes, unless determined to be medically necessary to correct a deformity arising from illness, injury, or birth defect. In addition, expenses incurred for qualified long term care services are not reimbursable under IRS rules.

Q-27. When must Eligible Medical Expenses be incurred?

Eligible Medical Expenses must be incurred while you are a Participant. An expense is incurred when the service or treatment giving rise to the expense has been performed and not in advance of the services. You may not be reimbursed for any expenses arising before the HRA Plan becomes effective, before you become a participant in the HRA Plan, or after your participation in the HRA Plan ends.

Q-28. How do I submit a paper claim for reimbursement?

When you incur an Eligible Medical Expense, you file a claim with the Third Party Administrator by completing and submitting a Request for Reimbursement Form. You may obtain a Request for Reimbursement Form by visiting your account online @myspendingaccount.adp.com. You must include with your Request for Reimbursement Form a written statement from the service provider (e.g., a receipt, explanation of benefits or "EOB") associated with each expense that indicates the following:

- Name of person receiving service;
- Date service(s) incurred (e.g. the date the prescription was filled, the date a medical procedure was performed, or the date an orthodontia adjustment was performed, etc. This is not necessarily the date that the service was paid for.);
- Name of doctor or provider of service(s) (e.g. the name of the doctor who performed the medical procedure, the store from where the prescription or over-the-counter item was purchased). If the expense is for an over-the-counter drug or medicine (other than insulin), a copy of the prescription must be provided or, alternatively, you may submit a receipt from the pharmacy with the RX number;
- Nature of expense (e.g., what type of service or treatment was provided); and
- The amount of the expense

You may be required to provide additional substantiation to the extent determined necessary to support your claim. The Third Party Administrator will process the claim once it receives the Request for Reimbursement Form from you. Reimbursement for expenses that are determined to be Eligible Medical Expenses will be made as soon as possible after receiving the claim and processing it. If the expense is determined not to be an Eligible Medical Expense you will receive notification of this determination.

Q-29. May I use an electronic payment card to pay claims?

Yes. Adelphi University will provide you with an Electronic Payment Card feature that permits you to pay Eligible Medical Expenses at the time they are incurred. The terms of the electronic payment card are described in the Information Appendix.

Q-30. When must claims be submitted?

Claims for Eligible Medical Expenses must be submitted before the end of the applicable Run-Out Period. Except as otherwise set forth in the Information Appendix, any Reimbursement Account balance that has not been applied to reimburse Eligible Medical Expenses by the end of any applicable Run-Out Period will be forfeited.

Q-31. What is the Run-Out Period?

Any balance of the HRA can be carried over for up to two calendar years. Participants

must submit claims for Eligible Medical Expenses no later than the last day of the 3rd month following the end of the carry over period.

Q-32. What happens if a reimbursement claim is denied?

If the HRA Plan denies a reimbursement claim, you (or your authorized representative) should proceed in accordance with the claims and appeal procedures set forth in Part IV of this SPD.

Q-33. What is COBRA continuation coverage?

Federal law requires most employers sponsoring group health plans to offer employees and their families the opportunity for a temporary extension of health care coverage (called "continuation coverage") at group rates in certain instances where coverage under the plans would otherwise end.

When Coverage May Be Continued

If you are a Participant in the HRA Plan, then you generally have a right to choose continuation coverage under the HRA Plan if you lose your coverage because of:

- A reduction in your hours of employment; or
- A voluntary or involuntary termination of your employment (for reasons other than gross misconduct).

If you are the spouse of a Participant, then you generally have the right to choose continuation coverage for yourself if you lose coverage for any of the following reasons:

- The death of the Participant;
- A voluntary or involuntary termination of the Participant's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment; or
- The divorce or legal separation from the Participant.

In the case of a dependent child of a Participant, he or she has the right to choose continuation coverage if coverage is lost for any of the following reasons:

- The death of the Participant;
- A voluntary or involuntary termination of the Participant's employment (for reasons other than gross misconduct) or reduction in the Participant's hours of employment;
- His or her parents' divorce or legal separation; or
- He or she ceases to be a dependent child.

Those events that entitle you to elect coverage are called "Qualifying Events." Those covered individuals who are entitled to continue coverage under COBRA are called "Qualified Beneficiaries." A child who is born to, or placed for adoption with, the

Participant during a period of continuation coverage is also entitled to continuation coverage under COBRA as a Qualified Beneficiary.

Type of Continuation Coverage

If you choose continuation coverage, you may continue the level of coverage you had in effect immediately preceding the Qualifying Event. The level of coverage under the HRA Plan will be determined in the sole discretion of the Plan Administrator in accordance with IRS rules. If HRA Plan benefits are modified for similarly situated active employees, then they will be modified for you and other Qualified Beneficiaries as well. You will be eligible to make a change in your HRA Plan enrollment upon the occurrence of any event that permits a similarly situated active employee to make an HRA Plan enrollment change during a Plan Year (for example, during the Annual Open Enrollment Period or during a HIPAA Special Enrollment Period).

If you do not choose continuation coverage, your coverage under the HRA Plan will end with the date you would otherwise lose coverage.

Notice Requirements

You or your covered dependents (including your spouse) must notify the COBRA Administrator identified in the Information Appendix in writing of a divorce, legal separation, or a child losing dependent status under the HRA Plan within 60 days of the later of the date of the event or the date on which coverage is lost under the HRA Plan because of the event. When the COBRA Administrator is notified that one of these events has occurred, the COBRA Administrator will in turn notify you that you have the right to choose continuation coverage by sending you the appropriate COBRA election forms. Notice to an employee's spouse is treated as notice to any covered dependents who reside with the spouse.

An employee or covered dependent is responsible for notifying the COBRA Administrator if he or she becomes covered under another group health plan or entitled to Medicare.

Election Procedures and Deadlines

Each Qualified Beneficiary is entitled to make a separate election for continuation coverage under the self insured medical plan if they are not otherwise covered as a result of another Qualified Beneficiary's election. In order to elect continuation coverage, you must complete the Election Form(s) within 60 days from the date you would lose coverage as a result of a Qualifying Event or the date you are sent notice of your right to elect continuation coverage, whichever is later and send it to the COBRA Administrator identified in the Information Appendix of this SPD. Failure to return the election form within the 60-day period will be considered a waiver of your continuation coverage rights.

Cost

You will have to pay the entire cost of your continuation coverage. The cost of your continuation coverage will not exceed 102% of the applicable premium for the period of

continuation coverage. The first premium payment after electing continuation coverage will be due 45 days after making your election. Subsequent premiums must be paid within a 30-day grace period following the due date. Failure to pay premiums within this time period will result in automatic termination of your continuation coverage. Claims incurred during any period will not be paid until your premium payment is received for that period. If you timely elect continuation coverage and pay the applicable premium, however, then continuation coverage will relate back to the first day on which you would have lost regular coverage.

When Continuation Coverage Ends

COBRA continuation coverage is temporary. When the qualifying event is the death of the employee, a divorce or legal separation or a dependent child losing eligibility, COBRA continuation coverage may last for up to a total of 36 months. When the qualifying event is the end of employment or reduction in the employee's hours of employment, COBRA continuation coverage may last for up to a total of 18 months. There are two ways an 18-month period of COBRA continuation coverage can be extended:

Disability extension. If you or someone in your family covered by the HRA Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability must start before the 60th day of COBRA continuation coverage and last at least until the end of the 18-month period of coverage.

Second qualifying event extension. If your family experiences another qualifying event while receiving 18 months of COBRA continuation coverage and you notify the Plan Administrator in a timely fashion, the spouse and dependent children in your family can get up to an additional 18 months of COBRA continuation coverage for a total maximum of 36 months. For example, this extension may be available to a spouse and any dependent children if the former employee dies, gets divorced or legally separated, or if a dependent child ceases to be a dependent child under the HRA Plan.

The law does not guarantee that you, or another qualified beneficiary, will be entitled to receive the maximum period of COBRA continuation coverage (18 months, 29 months or 36 months, as applicable). COBRA continuation coverage may end earlier for any of the following reasons on the dates indicated:

- The first day of the month following the month for which you made a timely and complete premium payment (Note if your payment is insufficient by the lesser of 10% of the required COBRA premium, or \$50, you will be given 30 days to cure the shortfall);
- The date that you first become covered under another group health plan under which you are not subject to a pre-existing condition exclusion limitation *after you have elected COBRA continuation coverage*;
- The date that you first become entitled to Medicare *after you have elected*

- COBRA continuation coverage; or*
- The date Adelphi University no longer provides group health coverage to any of its employees.

Part IV – Claims and Appeal Procedures

If a claim for reimbursement is denied under this HRA Plan, then you (or your authorized representative) should proceed in accordance with the following claims and appeal procedures.

Step 1: The Third Party Administrator will send you a notice. If your claim is denied, you will receive written notice from the Third Party Administrator that your claim is denied as soon as reasonably possible, but no later than 30 days after receipt of the claim. For reasons beyond the control of the Third Party Administrator, the Third Party Administrator may take up to an additional 15 days to review your claim. You will be provided written notice of the need for additional time prior to the end of the 30-day period. If the reason for the additional time is that you need to provide additional information, you will have 45 days from the notice of the extension to obtain that information. The time period during which the Third Party Administrator must make a decision will be suspended until the earlier of the date that you provide the information or the end of the 45-day period.

Step 2: Review your notice carefully. Once you have received your notice from the Third Party Administrator, review it carefully. The notice will contain:

- The reason(s) for the denial and the HRA Plan provisions on which the denial is based;
- A description of any additional information necessary for you to perfect your claim, why the information is necessary, and your time limit for submitting the information;
- A description of the HRA Plan's appeal procedures and the time limits applicable to such procedures; and
- A right to request all documentation relevant to your claim.

Step 3: If you disagree with the decision, file an appeal. If you do not agree with the decision of the Third Party Administrator, you may file a written appeal. You should file your appeal with the Third Party Administrator no later than 180 days after receipt of the notice described in Step 1. You should submit all information identified in the notice of denial as necessary to perfect your claim and any additional information that you believe would support your claim.

Step 4: The claims reviewer will send you a notice. If the claim is again denied, you will be notified in writing no later than 30 days after receipt of the appeal by the Third Party Administrator.

Step 5: Review your notice carefully. You should take the same action that you take in Step 2 described above. The notice will contain the same type of information that is provided in the first notice of denial provided by the Third Party Administrator.

Step 6: If you still disagree with the Third Party Administrator's decision, file a 2nd Level Appeal with the Plan Administrator. If you still do not agree with the Third Party

Administrator's decision, you may file a written appeal with the Plan Administrator within 60 days after receiving the first level appeal denial notice from the Third Party Administrator. You should gather any additional information that is identified in the notice as necessary to perfect your claim and any other information that you believe would support your claim. If the Plan Administrator denies your 2nd Level Appeal, you will receive notice within 30 days after the Plan Administrator receives your claim. The notice will contain the same type of information that was referenced in Step 1 above.

Important Information

Other important information regarding your appeals:

- Each level of appeal will be independent from the previous level (i.e., the same person(s) or subordinates of the same person(s) involved in a prior level of appeal would not be involved in the appeal).
- On each level of appeal, the claims reviewer will review relevant information that you submit even if it is new information.
- The Plan Administrator is required to give the claimant notice of any internal rules, guidelines, protocols or similar criteria used as a basis for the adverse determination.
- You cannot file suit in federal court until you have exhausted these appeals procedures, however, you have the right to file suit under ERISA Section 502 following an adverse appeal decision.
- Each claimant has the right to request and obtain documents, records and other information relating to their claim under the HRA Plan.
- In rare cases, you may be entitled to have a final adverse decision on your 2nd Level Appeal reviewed by an independent review organization. This external review process is voluntary and is currently available only for adverse decisions based on medical necessity or retroactive termination of coverage. If you are entitled to external review, you will receive details in the written denial notice for your 2nd Level Appeal.

Part V – ERISA Rights Information

If Adelphi University is subject to the Employee Retirement Income Security Act of 1974 (“ERISA”), then the HRA Plan is an ERISA employee welfare benefit plan. If you are a participant in an ERISA plan, you are entitled to certain rights and protections. ERISA provides that all Participants in the HRA are entitled to:

- Receive information about your HRA Plan and benefits.
- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work-sites and union halls, all documents governing the HRA Plan, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 series) filed by the HRA Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the Plan Administrator, copies of all documents governing the operation of the HRA Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 series) and updated SPD. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the HRA Plan's annual financial report (if any). The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.
- Continue Group Health HRA Plan Coverage. You may continue health care coverage for yourself, spouse or dependent children if there is a loss of coverage under the HRA Plan as a result of a Qualifying Event. You or your eligible dependents will have to pay for such coverage. You should review the COBRA section of this HRA Plan appendix for more information concerning your COBRA continuation coverage rights.

To the extent the HRA Plan is subject to HIPAA's portability rules, you may be eligible for a reduction or elimination of exclusionary periods of coverage for pre-existing conditions if you move to another group health plan and you have creditable coverage from this HRA Plan. You will be provided a certificate of creditable coverage, free of charge, from the HRA Plan when you lose coverage under the HRA Plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to a pre-existing condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage in another plan.

Prudent Actions by HRA Plan Fiduciaries

In addition to creating rights for HRA Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your HRA Plan, called "fiduciaries" of the HRA Plan, have a duty to do so prudently and in the interest of the HRA 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 welfare benefit from the HRA Plan, or from exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit under an ERISA-covered plan 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 HRA Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the HRA Plan and do not receive them within 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 you up to \$110 a 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 that is denied or ignored in whole or in part, you may file suit in a state or federal court after exhausting the HRA Plan's claim procedures. In addition, if you disagree with the HRA Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in federal court. If it should happen that HRA Plan fiduciaries misuse the HRA 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 suit in a 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, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the HRA Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance obtaining documents from the Plan Administrator, you should contact the nearest office of the U.S. Department of Labor, Employee Benefits Security Administration ("EBSA") listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Ave., N.W., Washington, D.C., 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Part VI - Information Appendix

EMPLOYER/PLAN SPONSOR INFORMATION

1. Name, address, and telephone number of the Adelphi University/HRA Plan:	Adelphi University 1 South Avenue Garden City NY 11530
2. Employer's federal tax identification number:	11-1630741
3. Effective Date of the HRA Plan:	January 1, 2017
4. The initial Plan Year:	January 1, 2017 – December 31, 2017
5. Name, address, and telephone number of the Plan Administrator: The Plan Administrator has the exclusive right to interpret the HRA Plan and to decide all matters arising under the HRA Plan, including the right to make determinations of fact, and construe and interpret possible ambiguities, inconsistencies, or omissions in the HRA Plan and this SPD.	Adelphi University 1 South Avenue Garden City NY 11530 Karen Loiacono (516) 877-3229
6. HRA Plan Number:	0010
7. Third-Party Administrator:	ADP Benefit Services 2575 Westside Parkway, Suite 500 Alpharetta, GA 30004-3852

ELIGIBILITY, ENTRY DATE AND COVERAGE

Eligible employees include each employee who is a regular full-time employee of Adelphi University who is scheduled to work at his or her job at least 35 hours per week. Adjunct Faculty and Part Time Local 153 Employees may be eligible as defined in the terms of the applicable collective bargaining agreement. Retirees may be eligible provided they meet the terms and conditions outlined in the University's policies and procedures and any applicable collective bargaining agreement.

Eligibility for participation in the HRA Plan is conditioned on participation in the Adelphi University self-insured health plan. An Eligible Employee may enroll in one of the following coverage tiers: Individual or Family.

CARRYOVER PERIOD

Any balance of the HRA can be carried over for up to two additional plan years. Expenses must be incurred by the end of the third plan year.

RUN-OUT PERIOD

Participants must submit claims for Eligible Medical Expenses no later than the last day of the third month following the end of the carry over period.

HRA/FSA Plan Coordination

If an employee has both Health FSA and HRA plans, ADP will coordinate claim reimbursement between the two accounts as follows:

Unused Health FSA elections from the prior plan year, subject to the Annual Grace Period (March 15), will pay for Eligible Medical Expenses first until the end of the Annual Grace Period, followed by Employee Health FSA elections, followed by Employer Credits to the HRA plan.

Terminated participants can submit expenses for claims incurred prior to termination date up to 60 days after termination date. Once terminated, no new claims will be reimbursed unless COBRA continuation coverage is elected.

EXCLUSIONS

Not every health-related expense incurred by you or your Eligible Dependents constitutes an expense for medical care. For example, an expense is not for medical care, as that term is defined by the Code, if it is merely for the beneficial health of you and/or your Eligible Dependents (e.g., vitamins or nutritional supplements that are not taken to treat a specific medical condition) or for cosmetic purposes, unless determined to be medically necessary to correct a deformity arising from illness, injury, or birth defect.

In addition, expenses incurred for qualified long term care services are not reimbursable under IRS rules.

ELECTRONIC PAYMENT CARD PROGRAM

Participants have two options for reimbursement under the HRA Plan. You may complete and submit a written claim for reimbursement ("Traditional Paper Claims"). Alternatively, you may use an electronic payment card ("Electronic Payment Card" or the "Card") provided by Adelphi University. The Card allows you to pay for Eligible Expenses at the time the expense is incurred. The following summary explains how the Electronic Payment Card Program works.

(a) You must make an election to use the Card. In order to be eligible for the Electronic Payment Card, you must agree to abide by the terms and conditions of the Electronic Payment Card Program (the "Program") as set forth herein and in the Electronic Payment Cardholder Agreement (the "Cardholder Agreement") including any fees applicable to participate in the Program, limitations as to Card usage, the HRA Plan's right to withhold and offset for ineligible claims, etc. A Cardholder Agreement will be provided to you. The Card will be turned off effective the first day of each Plan Year if you do not affirmatively agree to abide by the terms of the Program. The Cardholder Agreement is part of the terms and conditions of your HRA Plan and this SPD.

(b) The Card will be turned off when employment or coverage terminates. The Card will be turned off when you terminate employment or coverage under the HRA Plan. You will have 60 days from termination in the HRA Plan to submit claims incurred prior to termination date.

(c) You must certify proper use of the Card. As specified in the Cardholder Agreement, you certify during the applicable enrollment period that the amounts in your HRA Plan will only be used for Eligible Expenses, that you have not been reimbursed for the expense, and that you will not seek reimbursement for the expense from any other source. Failure to abide by this certification will result in termination of Card use privileges.

(d) Reimbursement under the Card is limited to certain merchants. Use of the Card for Eligible Expenses is limited to merchants identified by the Plan Administrator or its designee as an eligible merchant. The Card will be administered in accordance with applicable IRS guidance.

(e) You swipe the Card at the merchant like you do any other credit or debit card. When you incur an Eligible Expense at an eligible merchant, such as a co-payment or prescription drug expense, you swipe the Card at the merchant much like you would a typical credit or debit card. The merchant is paid for the expense up to the maximum reimbursement amount available under the HRA Plan. Every time you swipe the Card, you certify to the HRA Plan that the expense for which payment under the HRA Plan is being made is an Eligible Expense, that you have not been reimbursed from any other source and you will not seek reimbursement from another source.

(f) You must obtain and retain a receipt/third party statement each time you swipe the Card. You must obtain a third party statement from the merchant (e.g., receipt or invoice) that includes the following information each time you swipe the Card:

- Name of person receiving service;
- Date service(s) incurred (e.g. the date the prescription was filled, the date a medical procedure was performed. The date an orthodontia adjustment was performed, etc. This is not necessarily the date that the service was paid for.);
- Name of doctor or provider of service(s) (e.g. the name of the doctor who performed the medical procedure, the store from where the prescription or over-the-counter item was purchased). If the expense is for an over-the-counter drug or medicine (other than insulin), a copy of the prescription must be provided or, alternatively, you may submit a receipt from the pharmacy with the RX number and;
- Nature of expense (e.g., what type of service or treatment was provided); and
- The amount of the expense

You should retain this receipt for one year following the close of the Plan Year in which the expense is incurred. Even though payment is made under the Card arrangement, a written third party statement is generally required to be submitted (except as otherwise set forth in the applicable law and/or related guidance). You will receive a letter from the Third Party Administrator that a third party statement is needed. You must provide the third party statement to the Third Party Administrator within 45 days (or such longer period provided in the letter from the Third Party Administrator) of the request. In accordance with applicable guidance, there may be situations in which the Third Party Administrator does not ask for substantiation related to a Card swipe.

Special Rules for Use of Cards to Purchase Over-the-Counter Drugs or Medicines

If you purchase an over-the-counter drug or medicine with your Card from a merchant that utilizes the inventory information approval system (IIAS) or a vendor that utilizes a merchant code, you must provide the prescription for the drug or medicine to the pharmacist prior to purchase.

If you purchase an over-the-counter drug or medicine with your Card from a merchant that does not utilize the IIAS, you may be required to present to the Third Party Administrator:

- a copy of the prescription; or
- a copy of the receipt that has the RX number and the identity of the individual for whom the prescription was issued.

(g) You must pay back any improperly paid claims. If you are unable to provide adequate or timely substantiation as requested by the Third Party Administrator, you must repay the HRA Plan for the unsubstantiated expense. The deadline for repaying the HRA Plan is set forth in the Cardholder Agreement. If you do not repay the HRA Plan

within the applicable time period, the Card will be turned off and an amount equal to the unsubstantiated expense will be offset against future Eligible Expenses. If no claims are submitted prior to the date you terminate coverage in the HRA Plan, or claims are submitted but they are not sufficient to cover the unsubstantiated expense amount, then the amount may be withheld from your pay (as specified in the Cardholder Agreement) or the remaining unpaid amount may be treated by Adelphi University as any other bad debt, which will result in additional gross income for you.

(h) You can use either the Electronic Payment Card or the Traditional Paper Claims approach. You have the choice as to how to submit your eligible claims. If you elect not to use the Electronic Payment Card, you may also submit claims under the Traditional Paper Claims approach discussed above. Claims for which the Electronic Payment Card has been used cannot be submitted as Traditional Paper Claims.

GENERAL ASSETS

Adelphi University will pay all HRA plan costs from Adelphi University's general assets. No contributions will be made to any account, nor will assets be set apart or dedicated for purposes of paying HRA plan costs.

INTERACTION WITH HEALTH FSA

Unused FSA elections from the prior plan year subject to the Annual Grace Period will pay for Eligible Medical Expenses first until the end of the Annual Grace Period, followed by the Health FSA election for the current plan year followed by the Adelphi University HRA Plan until exhausted.