

PLAN AMENDMENT

ARTICLE I PREAMBLE

1.1 Adoption and effective date of amendment. The Employer adopts this Amendment to the Shaker Heights City Schools Health Plan (enter name of plan) ("Plan") to reflect changes to Internal Revenue Code (IRC) Section 125, as amended by the Internal Revenue Service (IRS) Notice 2014-55. The Employer and Plan Sponsor intends this Amendment as good faith compliance with the requirements of this Notice. This Amendment shall be effective on the date the Employer elects in Section 2.1 below.

1.2 Election of additional election revocation events. Employer shall provide Participants the additional revocation rights described in 2.2 below.

1.3 Supersession of inconsistent provisions. This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.

ARTICLE II REVOCATION OF ELECTION EVENTS

2.1 Effective Date. This Amendment is entered into as of the date outlined below and shall be effective for the 2014 Plan year and beyond, or the 2015 Plan year and beyond.

2.2 Revocation Events. In addition to the election revocation and change events provided in the Plan Document, the Plan shall permit a Participant to revoke their Cafeteria Plan elections in the following two circumstances:

2.2.1 Reduction in Hours of Service. In order for a Participant to revoke their election due to a reduction in hours of service, two (2) criteria must be satisfied: (1) The Participant has been in an employment status under which the Participant was reasonably expected to average at least thirty (30) hours of service per week and there is a change in that Participant's status so that the Participant will reasonably be expected to average less than thirty (30) hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under the group health plan; and (2) the revocation of the election corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later

than the first day of the second month following the month that includes the date the original coverage is revoked.

2.2.2 Enrollment in a Marketplace Qualified Health Plan. In order for a Participant to revoke their election due to enrollment in a Marketplace Qualified Health Plan, two (2) criteria must be satisfied: (1) The Participant is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period; and (2) the revocation of the election of coverage corresponds to the intended enrollment of the P and any related individuals who cease coverage due to the revocation in a Qualified Health Plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last of day of the original coverage that is revoked.

2.3 Revocation Rights Not Applicable to Flexible Spending Accounts. Pursuant to IRS Notice 2014-55, the additional revocation rights provided in Section 2.2 shall not be applicable to Flexible Spending Accounts.

2.4 No Retroactive Benefit Revocations Will Be Permitted. Regardless of the effective date of this Amendment, no election to revoke coverage on a retroactive basis shall be allowed.

This Amendment has been executed this 12th day of February, 2015.

Name of Employer:

Shaker Heights City School District

By: Bryan C. Chatman, Treasurer
EMPLOYER