RESOLUTION OF THE BOARD OF DIRECTORS APPROVING ADDITIONAL CONTRIBUTION FOR MEDICARE ELIGIBLE RETIREES WHO HAVE NON-MEDICARE ELIGIBLE DEPENDENTS/SPOUSES AND WHO ELECT A PPO HEALTH CARE PLAN BEGINNING JANUARY 2017

WHEREAS, the Board of Directors of the California State University, Dominguez Hills Foundation ("Foundation") approved the selection of Wells Fargo Insurance Services, under the AOA Benefits Program, as the health benefits provider for active employees and retirees of the Foundation effective January 1, 2016; and

WHEREAS, the Board of Directors of the Foundation approved the active employee and retiree employer contribution rates to be effective with the health benefits program transition; and

WHEREAS, the Foundation carefully analyzed all plans and costs and determined that the costs for Medicare eligible retirees who have non-Medicare eligible dependents/spouses and who elect a PPO health plan beginning January 2017 presents a financial hardship to those specific retirees and is of greater cost to these retirees than the Board of Directors desires it to be, specifically in consideration of the 2016 CalPERS PPO plan options previously available and the 2017 Wells Fargo Insurance Services PPO option now available for these retirees; and

WHEREAS, the Board of Directors finds it prudent to approve an additional contribution set forth in this resolution for Medicare eligible retirees who have non-Medicare eligible dependents/spouses and who elect a PPO health plan effective January 1, 2017 in order to ease the transition between CalPERS and Wells Fargo Insurance Services.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, BE IT:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors approves the additional contribution outlined in Attachment A for the specific group of Medicare eligible retirees listed in Attachment A who have non-Medicare eligible dependents/spouses and who elect a PPO health plan as of January 1, 2017; and

RESOLVED, that the Board of Directors, in enacting this resolution, exclusively authorizes the additional contribution for those retirees included in the group in the attachment as of January 1, 2017, and in doing so shall not provide additional contributions to future retirees that may, from time to time, otherwise become part of this group after January 1, 2017; and

RESOLVED, that Board of Directors prescribes that should a retiree in the group referenced in the attachment either a) elect any plan other than a PPO effective January 1, 2017 or b) switch to any non-PPO plan at any point in the future, the retiree shall become permanently ineligible for the additional contribution approved in this resolution; and

RESOLVED, that Board of Directors prescribes that the additional contribution included in the attachment shall cease on a) the age of 26 for dependents eligible for the $100 per dependent additional contribution, b) the age of 65 for spouses eligible for the $400 per spouse additional contribution, and/or c) the death or legal separation of any of the dependents/spouses referenced in the attachment; and

RESOLVED, that the Chief Operating Officer/Chief Financial Officer is authorized and directed to contact the retirees in the group referenced and provide notice of this action of the Board of Directors, to provide the members of the affected group of retirees the opportunity to modify their open enrollment elections to a PPO plan beginning January 2017, to apply the additional contribution to the accounts of those retirees as specified in the attachment (but not to disburse any funds in excess of actual premium costs), and to take any and all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Adopted this 15th day of December, 2016.

Phil D'Amato, Chair
Board of Directors
CSUDH Foundation

Attest: _____

Roger von Ting, Vice Chair
Board of Directors
CSUDH Foundation