ELIGIBILITY PROVISIONS

EMPLOYEE ELIGIBILITY

An Employee becomes eligible under this Plan for each classification of Employee as follows:

1. Class I - Is classified as a regular full-time Employee and is employed by the County on a continuing and regular basis for at least one hundred thirty (130) hours per month; or

2. Class II - Is employed by the County as a Variable Hour Employee and completes a Measurement Period of twelve (12) consecutive months, during which the Variable Hour Employee averages one hundred thirty (130) hours per month of actual work and/or paid leave, FMLA leave or jury duty whether paid or not, for twelve (12) months.

   "Variable Hour Employee" means a seasonal Employee, temporary Employee, or any Employee not classified as a Class I Employee.

   "Measurement Period" is the period of time adopted by the Plan for Variable Hour Employees during which such Employees' work hours and applicable leave are measured to determine whether such Employees are eligible for coverage.

3. Class III - Is an Elected Official. An eligible Elected Official includes a person whose service with Rosebud County is as a result of election to an official governmental office as required by Montana law, or as a result of appointment to such an official governmental office to serve out the remainder of an unexpired term of an elected official who has resigned or been removed from an official governmental office, as allowed by Montana law. A person will be considered an Elected Official only during the legal term of office for any such official governmental office.

An Employee is not eligible while on active military duty if that duty exceeds a period of thirty-one (31) consecutive days.

WAITING PERIOD

With respect to an eligible Employee not covered under the Plan, coverage under the Plan will not start until the Employee completes the applicable Waiting Period. The Waiting Period commences with the date the Employee becomes eligible (Enrollment Date) and ends for each classification of Employee as follows:

1. Class I and Class III- For full-time Employees or an Elected Official, the last day of the month immediately following the eligible person's Enrollment Date.

2. Class II - For Variable Hour Employees, the last day of the month following the end of the Measurement Period defined in "Employee Eligibility" subsection above. If elected, coverage under this section shall continue for a period of not more than twelve (12) months provided the Participant remains employed by the Employer regardless of the number of hours worked during that time period. This period of time is the Coverage Period.

DEPENDENT ELIGIBILITY

An eligible Dependent includes any person who is a citizen, resident alien, or is otherwise legally present in the United States or in any other jurisdiction that the related Participant has been assigned by the Employer, and who is either:

1. The Participant's or Retiree's legal spouse according to the marriage laws of the state where the marriage was first solemnized or established. Proof of common-law marriage must be furnished to the Plan Administrator upon request, including a copy of the Participant's or Retiree's most recent Federal tax return and signed Affidavit.

   An eligible Dependent does not include a spouse who is legally separated or divorced from the Participant or Retiree and has a court order or decree stating such from a court of competent jurisdiction.

2. The Participant's or Retiree's Dependent child who meets all of the following "Required Eligibility Conditions":

   A. Is a natural child; step-child; legally adopted child; a child who has been Placed for Adoption with the Participant or Retiree and for whom as part of such placement the Participant has a legal obligation for the partial or full support of such child, including providing coverage under the Plan pursuant to a written agreement; a person for whom the Participant has been appointed the legal guardian by a court of competent jurisdiction prior to the person attaining nineteen (19) years of age; and

   B. Is less than twenty-six (26) years of age. This requirement is waived if the Participant's or Retiree's child is mentally handicapped/challenged or physically handicapped/challenged, provided that the child is incapable of self-supporting employment and is chiefly dependent upon the Participant for support and maintenance. Proof of incapacity must be furnished to the Plan Administrator upon request, and additional proof may be required from time to time.

   An eligible Dependent does not include a spouse of the Dependent child or a child of the Dependent child.

PARTICIPANT ELIGIBILITY FOR DEPENDENT COVERAGE

Each Employee will become eligible for Dependent Coverage on the latest of:

1. The date the Employee becomes eligible for Participant coverage; or

2. The date on which the Employee first acquires a Dependent.

DECLINING COVERAGE

If an eligible person declines coverage under this Plan, he/she will state his/her reason(s) for declining, in writing. Failure to provide those reasons in writing may result in the Plan refusing enrollment at a later date.

RETIREE ELIGIBILITY

A Retiree is considered eligible for coverage under this Plan only if the Retiree was covered under this Plan as a Participant on his or her last day of Active Service for the Employer prior to retirement, and subject to the terms of 2-18-704 MCA. A Retiree's Dependents and surviving Dependents upon the death of the Retiree is also eligible if the Retiree was eligible for coverage and covered under this Plan, subject to the terms of 2-18-704, MCA.