

**University of Idaho  
Health Benefits Trust  
Description and Purpose of Trust**

The University of Idaho Health Benefits Trust (the "Trust") was established on June 26, 2007 as part of University of Idaho's decision to provide a self-funded health insurance plan (the "Plan") for its faculty, staff, eligible dependents, and retirees (the "Participants"). The Trust was established in accordance with State of Idaho laws and regulations, and ensures that the University maintains adequate reserves in order to meet its self-insurance obligations under the Plan. Four Trustees (the "Trustees") independently administer the Trust on a voluntary, non-compensated basis. Funds deposited by the University into the Trust are irrevocable and may only be expended in accordance with the purposes of the Trust, which are as follows:

- 1) To receive University, employee and retiree contributions to the Plan;
- 2) To hold, manage, and invest contributions deposited to the Trust and;
- 3) To pay ongoing Plan claims, Plan administrative costs and Trust administrative costs from the Trust.

The Trustees' responsibilities are as follows:

- 1) To review, approve and pay all ongoing Trust administration costs;
- 2) To meet periodically to review and approve the financial status and operations of the Trust;
- 3) To ensure the Trust is audited on an annual basis by an independent auditor;
- 4) To ensure the balance of funds within the Trust is sufficient to meet the State of Idaho Department of Insurance requirements of coverage of the actuarially-determined liability for incurred-but-not-paid Plan claims and Plan administrative costs (the "IBNP") as well as a minimum surplus funding of 30% of the IBNP, and;
- 5) To ensure the Trust is in compliance with all federal and state rules, regulations and requirements applicable to the Trust and its operation.

Neither the Trust nor the Trustees are responsible for the following, which are responsibilities of the University of Idaho:

- 1) The structure and scope of benefits provided by the Plan;
- 2) The establishment of premiums for the Plan;
- 3) Actuarial valuations and analyses of the Plan;
- 4) Administration, review and processing of Plan claims and Plan administrative costs, other than the payment of such claims and administrative costs;
- 5) Communications regarding the Plan's structure, benefits and cost;
- 6) Ensuring the solvency of the Plan.

A copy of the complete University of Idaho Health Benefits Trust Agreement can be found on the University of Idaho's website at [http://www.uidaho.\(to be determined\).edu](http://www.uidaho.(to be determined).edu).