

FRESNO UNIFIED SCHOOL DISTRICT EMPLOYEE HEALTH CARE PLAN

TO: PARTICIPANTS OF THE FRESNO UNIFIED SCHOOL DISTRICT EMPLOYEE HEALTH CARE PLAN

FROM: JOINT HEALTH MANAGEMENT BOARD

SUBJECT: EMPLOYEE HEALTH CARE PLAN AMENDMENT 2019-2

DATE: AUGUST 1, 2019

This notice defines changes to the Fresno Unified School District Employee Health Care Plan EFFECTIVE JUNE 1, 2019.

The Joint Health Management Board of the Fresno Unified School District has modified the Plan Booklet to add an anti-assignment provision prohibiting members or beneficiaries from assigning their plan rights and/or benefits to health care providers. However, a Plan member or beneficiary may still assign the right to reimbursement to a health care provider.

Under the "GENERAL PLAN PROVISIONS" section, a new sub-section is added at the end of the section, immediately following the "EFFECT OF PLAN BENEFITS FOR PARTICIPANTS ELIGIBLE FOR MEDICARE" subsection, as follows:

GENERAL PLAN PROVISIONS

NON-ASSIGNMENT

The Plan categorically prohibits and will not accept in any circumstance any assignment or attempt to assign any benefits claims, right to coverage, or any other type of claims, regardless of the nature of such claims and any attempt to do so will be void and will not apply. Benefits payable shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge by any person, including the Plan Participant, a Participant's dependent or creditor of the Plan Participant without the express written permission of the Plan Sponsor; however, a Plan Participant may direct that benefits due him/her, be paid to a Health Care Provider in consideration for hospital, medical, dental and/or vision care services rendered, or to be rendered.

The payment of benefits to a healthcare provider shall be done solely as a convenience and does not constitute an assignment of any right under this Plan, is not authority to act on a Participant's behalf in pursuing and appealing a benefit determination under the Plan, is not an assignment of rights respecting anyone's fiduciary duty, is not an assignment of any legal or equitable right to institute any court proceeding against the Plan or the Plan Sponsor, and in no way shall be construed or interpreted as a waiver on the Plan's and Plan Sponsor's prohibition on assignments. The Plan and Plan Sponsor are not responsible for paying healthcare provider invoices that are balance billed to a Plan Participant.

The claim and appeal rights described herein cannot be assigned to any medical provider or other person or entity. Therefore, all benefit claims appeals shall be made by the Claimant, i.e., Participant and/or Beneficiary. A Claimant may authorize a representative, such as a medical provider with knowledge of the Claimant's condition, to participate in the benefit claim process or act on their behalf, however, the authorization must be made by the participant or the beneficiary in writing to the benefit provider or the Administrative Office, as applicable (orally to the benefit provider if it is an urgent care claim unless the Claimant is unable to do so because of medical exigencies) and cannot be made via assignment by the Claimant to a medical provider or by a medical provider to a collection agency, etc.