

September 2018

To: All Active and Retired Employees Eligible for Benefits under the Fresno Unified School District's Employee Health Care Plan

Re: Required Legal Notices

WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1998

Under federal law, group health plans, insurers, and HMOs that provide medical and surgical benefits in connection with a mastectomy must provide benefits for certain reconstructive surgery, effective for the first plan year beginning on or after October 21, 1998.

In the case of a participant or beneficiary who is receiving benefits under the plan in connection with a mastectomy and who elects breast reconstruction, federal law requires coverage in a manner determined in consultation with the attending physician and the patient, for all stages of reconstruction of the breast on which the mastectomy was performed, surgery and reconstruction of the other breast to produce a symmetrical appearance, prostheses, and treatment of physical complications at all stages of the mastectomy, including lymphedemas.

Each of the medical plan options available through the Fresno Unified School District Health Plan currently covers mastectomies and reconstructive surgery. Coverage is subject to each plan's deductibles, coinsurance and benefit provisions. These provisions are generally described in the Plan Booklet or Explanation of Coverage.

NEWBORN MOTHERS HEALTH PROTECTION ACT

Under the Newborn and Mothers Health Protection Act, the following language is now included in the Health Plan:

Group health plans and health insurance issuers generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours for the eligible mother and newborn child following a vaginal delivery, or less than 96 hours—following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). The time periods outlined above begin at the birth of the child. The law also prohibits a plan from requiring a health care practitioner to obtain authorization from the Plan for prescribing a length of stay not in excess of those periods.

HIPAA SPECIAL ENROLLMENT RIGHTS

If you are declining enrollment for your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll your dependents in this Plan if you dependents lose eligibility for that other coverage (because of separation/divorce, termination of employment or reduction in hours, death or cessation of employer contribution), or if your dependents were receiving COBRA coverage and their eligibility for COBRA has expired. However, you must request enrollment within 30 days after your dependents' other coverage ends.

In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may enroll your new dependents. However, you must request enrollment within 30 days after the marriage, birth, adoption or placement of adoption. If you are enrolling a new dependent as a result of birth, adoption, or placement for adoption, you can also enroll your Spouse or State Registered Domestic Partner if he or she was not previously enrolled in the Plan, but only if he or she is otherwise eligible to participate in the Plan.

To request Special Enrollment or to obtain more information, contact the District's Benefit Department at (559) 457-3520.

AVAILABILITY OF NOTICE OF PRIVACY PRACTICES FOR PROTECTED HEALTH INFORMATION

The Joint Health Management Board (“JHMB”), as the sponsor of the Fresno Unified School District Employee Health Care Plan (the “Plan”), is required by law to inform you of how you can obtain a copy of the Plan’s **NOTICE OF PRIVACY PRACTICES FOR PROTECTED HEALTH INFORMATION** (“Notice”). This Notice has previously been provided to all Plan participants.

The Notice informs you about your rights and the Plan’s legal duties and privacy practices with respect to your protected health information, and to notify you if there is a breach of your unsecured protected health information.

A copy of the full Notice can be obtained at any time by writing or calling the Fresno Unified School District Benefit Office and requesting a copy. It can also be viewed or downloaded from the JHMB HealthConnect website at: <http://www.jhmbhealthconnect.com>.

2018 CERTIFICATE OF CREDITABLE PRESCRIPTION DRUG COVERAGE

Important Notice from the Fresno Unified School District About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with the Fresno Unified School District and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice. **If you or your dependents are enrolled in the Fresno Unified School District EnvisionRx Plus or Kaiser Permanente Senior Advantage Medicare Prescription Plan, this notice does not currently apply to you/your dependents.**

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. The Fresno Unified School District has determined that the prescription drug coverage offered by the Fresno Unified School District Employee Health Care Plan is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th to December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Fresno Unified School District **medical** coverage will not be affected. You may keep this coverage if you elect Part D, *however*, this plan will not coordinate with Part D coverage; will not reimburse you for Part D premiums; nor will it be responsible for any "income-related" monthly adjustment amount (IRMAA) imposed by Medicare (unless you are enrolled in the Fresno Unified School District EnvisionRx Plus Medicare Part D prescription plan).

*If you do decide to join a Medicare drug plan and drop your current Fresno Unified School District **prescription** coverage, be aware that you and your dependents will not be able to get this **prescription** coverage back.*

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with the Fresno Unified School District and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

Do I need to do anything now?

No, you can keep using the Fresno Unified School District prescription drug coverage the same as you always have. Your copayments will not change, nor will any pharmacy network.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the Fresno Unified School District Benefit Office listed on page 4 for further information. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through the Fresno Unified School District changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans. For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help. In California, it is the "Health Insurance Counseling and Advocacy Program" (HICAP) and can be reached (by non-cell phones only) at 1-800-434-0222.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date: September 15, 2018
Plan Sponsor: Fresno Unified School District
Contact: Fresno Unified School District Benefit Office
Address: 2309 East Tulare Street, Fresno, CA 93721
Telephone: (559) 457-3520