

2017 Employee Benefits

Annual Required Notices



King County

Every year, King County provides you with important benefit notices so you are aware of your rights under federal law. Please carefully review the following notices for 2017. If you have questions or would like more information about these notices, contact Benefits, Payroll and Retirement Operations at 206-684-1556 or kc.benefits@kingcounty.gov.

HIPAA Privacy Notice

This notice describes how medical information about you may be used and disclosed by King County and how you can get access to this information. For a copy of this notice, go to kingcounty.gov/benefits.

Our obligations

We treat all personal information you provide us to administer your health benefits as confidential and, under the Health Insurance Portability and Accountability Act (HIPAA), we must:

- Maintain the privacy of any protected health information (individually identifiable health information) you provide us when you enroll for benefit coverage, change coverage or ask for our assistance with a health benefit claim, except as indicated below
- Provide you with this notice advising you on how we handle your protected health information and informing you of our legal obligations and your rights regarding the information
- Notify you if there is a breach of your protected health information
- Abide by the terms of this notice

How we may use and disclose protected health information

When you enroll for benefit coverage, change coverage or ask for our assistance with a health benefit claim, you provide us with confidential information. For example, when you ask for our assistance with a claim, you may also provide us with details about the health treatments you've received and payments you've made for services. This information becomes protected health information when used and disclosed in the transactions required to administer your health benefits and facilitate payment of health claims.

Pursuant to this notice, we may use and disclose this protected health information to:

- Our employees authorized to assist in the administration of King County benefit plans
- Representatives of the plans or any third-party administrators with whom we have agreements to provide your benefit services

In addition, we may use or disclose protected health information as follows:

- To the extent required or allowed by law
- For purposes of workers' compensation or similar programs
- When necessary to prevent a serious threat to the health and safety of you or the public or to respond to a disaster
- To report suspected abuse or neglect as required by law
- For law enforcement purposes as required or allowed by law
- For specialized governmental functions, including to correctional institutions if you are in jail or prison, as necessary for your health and the health and safety of others
- To business associates who provide services to us and assure us that they will protect the information from any unauthorized use or disclosure
- To researchers, provided measures are taken to protect your privacy
- To a coroner, medical examiner or funeral director consistent with applicable state law as necessary to carry out their duties with respect to the decedent
- For public health and safety purposes as allowed or required by law including to public health authorities charged with preventing or controlling disease

- In the course of judicial/administrative proceedings in response to a court order or other lawful process
- To an oversight agency that is conducting an investigation of us as authorized by law

Most uses and disclosures of psychotherapy notes, uses and disclosures of protected health information for marketing purposes, and disclosures that constitute a sale of protected health information require your authorization. Other uses and disclosures not described in this notice will be made only with your written authorization.

Your rights

For any protected health information provided to and maintained by us, you have the right to:

- Inspect and copy it
- Request amendments to it if it's incorrect or incomplete (we may deny amendment requests for specific reasons; for example, we deny requests to amend information we didn't create)
- Request to know to whom it's been disclosed in the past six years
- Request restrictions on what is disclosed and to whom (we try to honor restriction requests, but are not required to)
- Request it be communicated to you in a certain way (for instance, that we only contact you by mail or at work; we will accommodate all reasonable requests)
- Cancel prior authorizations to use or disclose protected health information by providing us with written notice
- Receive a paper copy of this notice upon request.

To exercise any of these rights, contact us in writing. Mail your request to King County Benefits, Payroll and Retirement Operations, The Chinook Building CNK-ES-0240, 401 Fifth Avenue, Seattle, WA 98104, or email it to kc.benefits@kingcounty.gov.

Changes to our privacy practices

We reserve the right to change our privacy practices and to apply the new practices to protected health information we already have as well as to any information we receive in the future. We will announce or notify you if we make changes and when the changes become effective.

Complaints

If you believe your privacy rights have been violated, you may file a complaint in writing with Benefits, Payroll and Retirement Operations or the Secretary of the U.S. Department of Health and Human Services. To file a complaint with Benefits, Payroll and Retirement Operations, call the Privacy Officer at 206-263-2506 or mail your complaint to the Privacy Officer at The Chinook Building CNK-ES-0240, 401 Fifth Avenue, Seattle, WA 98104. You won't be penalized for filing a complaint.

HIPAA Special Enrollment Rights Notice

Special enrollment rights under the Health Insurance Portability and Accountability Act (HIPAA) allow you and your eligible dependents to change to another medical plan benefit option at the time of a qualifying event, provided you are receiving your medical coverage as an active employee or under COBRA or retiree medical.

Upon the occurrence of a qualifying event, you and all of your eligible dependents may either:

- Remain in your current medical plan, or
- Enroll in any medical plan benefit option for which you and your dependents are eligible.

Examples of events that qualify you for HIPAA special enrollment rights

Here are some examples of when HIPAA special enrollment rights are available to you:

- An employee or the employee's dependent loses coverage under another group health plan.
- A participant in a health maintenance organization (HMO) plan no longer resides in the HMO service area.
- A person becomes a dependent through marriage, birth, adoption or placement for adoption, in which case the participant and dependents may change medical plans. An employee who previously "opted out" of medical coverage may now "opt in" within 30 days of adding dependent(s).

- Employer contributions toward other coverage terminate, in which case the employee and dependent(s) may opt into King County coverage (even if the individual continues the other coverage by paying the amount that used to be paid by the employer).

If you have an event that is not listed above, contact Benefits, Payroll and Retirement Operations at 206-684-1556 or kc.benefits@kingcounty.gov to find out if HIPAA special enrollment rights are available to you.

Special enrollment rights under the 2009 Children’s Health Insurance Program

The Children’s Health Insurance Program (CHIP) allows you and your eligible dependents to enroll in a group health plan when:

- You or your dependents lose Medicaid or CHIP coverage because you are no longer eligible, or
- You or your dependents are eligible for premium assistance under Medicaid or CHIP

Plan notification

If you qualify for special enrollment rights under the Children’s Health Insurance Program and want to enroll in a King County medical plan, you must notify Benefits, Payroll and Retirement Operations at 206-684-1556 within 60 days following the event. For all other special enrollment events, notification must occur within 30 days following the event. Otherwise, you must wait until the next open enrollment period to enroll in coverage.

Coverage begins on the first of the month following the event. If the event occurs on the first of the month, then coverage begins that day. For birth or adoption, coverage is made retroactive to the date of birth or adoption or when a child is placed with you for adoption.

Women’s Health and Cancer Rights Act Notice

As required by the Women’s Health and Cancer Rights Act of 1998, King County’s health plans provide benefits for mastectomy-related services, including all stages of reconstruction; surgery to achieve symmetry between the breasts; prostheses; and complications resulting from a mastectomy, including lymphedema.

Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and are consistent with those established for other benefits under the plan or coverage.

Notice About Your Prescription Drug Coverage and Medicare

This notice explains the options you have under Medicare prescription drug coverage and can help you decide whether you want to enroll.

Medicare prescription drug coverage became available to everyone with Medicare on Jan. 1, 2006. 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 prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium.

King County has determined that prescription drug coverage through our medical plans is, on average for all plan participants, expected to pay out as much as the 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.

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

If you decide to enroll in a Medicare prescription drug plan, you will need to discontinue your King County medical plan, which includes prescription drug coverage. Be aware that you may not be able to get this coverage back.

You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

In addition, your current coverage pays for other health expenses, in addition to prescription drugs, and you will not be eligible to receive all of your current health and prescription drug benefits if you choose to enroll in a

Medicare prescription drug plan. You should also know that if you drop or lose your coverage with King County and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more to enroll in Medicare prescription drug coverage later. If you go 63 days or longer without prescription drug coverage that is at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least one percent per month for every month you did not have that coverage. For example, if you go 19 months without coverage, your premium will always be at least 19 percent higher than what most other people pay. You'll have to pay this higher premium as long as you have Medicare coverage. In addition, you may have to wait until the next November to enroll.

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

- Visit medicare.gov.
- Call your State Health Insurance Assistance Program at the number in your *Medicare & You* handbook.
- Call 800-MEDICARE (800-633-4227). TTY users should call 877-486-2048.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit the Social Security Administration online at socialsecurity.gov or call them at 800-772-1213 (TTY 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).

Notice for Grandfathered Health Plans

King County believes the following plans are "grandfathered" health plans under the Patient Protection and Affordable Care Act (the Affordable Care Act): JLMIC SmartCare Connect, TEA not ratified CBA, Local ATU 587 SmartCare Connect plans.

As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. A grandfathered health plan is not required to include certain consumer protections of the Affordable Care Act that apply to other plans, however, all King County plans include these provisions—for example, preventive health services without cost sharing. Grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to Benefits, Payroll and Retirement Operations at 206-684-1556 or kc.benefits@kingcounty.gov.

Notice of Health Insurance Marketplace Options

King County is required to notify all employees about the Health Insurance Marketplace which was created by the Affordable Care Act. Most employees will likely find that King County health plans will be more cost-effective than coverage through the Health Insurance Marketplace. King County pays the cost of employee health coverage. In contrast, coverage through the Health Insurance Marketplace requires employees to pay 100 percent of the premium using after-tax dollars.

You may have heard about the potential to receive subsidies from the federal government for some individuals and families that elect coverage through the Health Insurance Marketplace. We expect that employees currently eligible for King County benefits will not be eligible for those subsidies because of the design and affordability of King County plan offerings, which meet all requirements of health care reform.

Should you choose to explore the Health Insurance Marketplace options, learn more by visiting healthcare.gov.