

SUMMARY OF FEDERAL AND STATE REGULATIONS IMPACTING EMPLOYEE BENEFITS

Several federal and state regulations impact employee benefit plans. This section highlights information on the regulations that impact health plans.

Health Care Reform

Grandfathered Notice

Under Health Care Reform, there are two types of Health Plans: Grandfathered and Non-Grandfathered Health Plans. Our Capital Health Plan coverage is considered a Non-Grandfathered Plan due to the number of plan design changes that were made effective January 1, 2011. Blue Cross Blue Shield is considered a Non-Grandfathered Plan due to the number of plan design changes that were made effective January 1, 2013. 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. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, 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 the Leon County Human Resources Division at (850) 606-2400.

Notice of Opportunity to Enroll in Connection with Extension of Dependent Coverage to Age 26

Individuals whose coverage ended, or who were denied coverage (or were not eligible for coverage), because the availability of dependent coverage of children ended before attainment of age 26 are eligible to enroll in Capital Health Plan or Blue Cross Blue Shield. **Individuals may request enrollment for such children for 30 days from the date of notice.** For more information contact the Leon County Human Resources Office at (850) 606-2400.

Patient Protection Disclosure

Capital Health Plan generally requires the designation of a primary care provider. You have the right to designate any primary care provider who participates in our network and who is available to accept you or your family members. For children, you may designate a pediatrician as the primary care provider. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact the Capital Health Plan at (850) 383-3311.

You do not need prior authorization from Capital Health Plan or from any other person (including a primary care provider) to obtain access to obstetrical or gynecological care from a healthcare professional in our network who specializes in obstetrics or gynecology. The healthcare professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or

procedures for making referrals. For a list of participating healthcare professionals who specialize in obstetrics or gynecology, contact the Capital Health Plan at (850) 383-3311.

Notice- Lifetime Limit No Longer Applies and Enrollment Opportunity

The lifetime limit on the dollar value of benefits under Capital Health Plan and Blue Cross Blue Shield no longer applies. Individuals whose coverage ended by reason of reaching a lifetime limit under the plan are eligible to enroll in the plan. **Individuals have 30 days from the date of this notice to request enrollment.** For more information contact the Leon County Human Resources Office at (850) 606-2400.

HIPAA Special Enrollment Rights

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance coverage, you may in the future be able to enroll yourself or your dependents in this plan, if you request enrollment **within 30 days** after your other coverage ends. In addition, if you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your dependents, provided that you request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.

Special Enrollment Rights for Loss of Medicaid or CHIP Coverage

There is a special enrollment opportunity as a result of the recently passed Children's Health Insurance Program Reauthorization Act of 2009. Under this new law, states are allowed to subsidize premiums for employer-provided group health plans for eligible children and families. This law also permits employees and their dependents who are eligible for group health coverage but not enrolled in coverage to enroll if they become ineligible for coverage under Medicaid or a State Children's Health Insurance Plan (CHIP).

- ▶ Effective April 1, 2009, the loss of medical coverage under a Medicaid or Children's Health Insurance Plan (CHIP) will be considered a qualifying change in status event that will allow employees to enroll in the Capital Health Plan or Blue Cross/Blue Shield plan for the employee and/or dependent. You must request enrollment in the medical plan within 60 days of the loss of Medicaid or CHIP coverage.
- ▶ Additionally, you have special enrollment rights if you or your dependent becomes eligible for the optional State premium assistance program, if available in your State. You must request enrollment in the group health plan within 60 days of the date you become eligible for the State premium assistance program.

Newborns' Act Disclosure Requirement

Group health plans and health insurance insurers 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 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). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act of 1998

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998. For individuals receiving mastectomy-related benefits, coverage will be provided 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 of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this plan. If you would like more information on the benefits, call Capital Health Plan or Blue Cross/Blue Shield.

Mental Health Parity

This federal regulation prohibits plans from applying financial requirements (deductibles, co-payments, coinsurance, or limits on out-of-pocket expenses) or treatment limitations (frequency of treatment, number of visits, days of visits) to mental health or substance use disorder benefits that are less favorable than the common financial requirements or treatment limitations applied to substantially all medical and surgical benefits.

Michelle's Law

This federal regulation requires group health plans to continue to cover dependent children between the ages of 19-25 who take a medical leave of absence from a postsecondary educational institution due to a serious illness or injury.

State of Florida-Health Coverage for Over Age Dependents

The State of Florida passed legislation expanding coverage for eligible dependent children, 25 through 30 years of age if they meet certain criteria. The County has made this coverage available effective February 2009. (Please note that the coverage for dependent children between the ages of 19 and 25 remains the same.)

To be eligible for enrollment under this new option, your dependent child must be:

- ▶ Between the ages of 25 and 30, and;
- ▶ Unmarried without dependents of their own, and;
- ▶ A Florida resident or a full-time or part-time student, and

- ▶ Is not covered under any other health plan or policy, and
- ▶ Is not entitled to coverage under Medicare

Adding Your Overage Dependent

Employees will have an opportunity each year to change health plans and/or add or change their enrollment of dependents, during the annual open enrollment process.

Tax Implications

- All premiums for overage-dependent coverage will be deducted on an after-tax basis from employee paychecks on a bi-weekly basis (24 paychecks per year).
- If you are enrolled in the Florida Blue Plan and add an overage dependent, the value of the overage dependent coverage (**\$2,424.68 per month**) for each overage age dependent enrolled) will be added to your taxable gross as imputed earnings for Federal income taxes as well as for Medicare. Federal income taxes will be withheld from your paycheck based on imputed earnings. Capital Health Plan charges an additional (**\$1,011.07 per month**) premium for each overage dependent; therefore, no imputed earning value will be added to your taxable gross.

State of Florida Autism Coverage

The State of Florida passed legislation that required large group health insurance plans to provide coverage for screening, diagnosis, intervention, and treatment of Autism Spectrum Disorder in certain children. Children must be under 18 years of age, or still in high school, and have been diagnosed as having autism spectrum disorder developmental disability at 8 years of age or younger.

State of Florida

Collection of Social Security Numbers on Employment Forms

In compliance with the Florida Statute, this document notifies you of the purpose for the collection and usage of your Social Security number. The Leon County Board of County Commissioners and/or The Supervisor of Elections has requested your social security number for the following specific purposes:

- To process and report wages pursuant to the Social Security Administration Act;
- To report income pursuant to the Federal Department of Internal Revenue Service; for processing the Federal 1-9 (Department of Homeland Security)
- For processing of immigration-related documents, if applicable
- To initiate and process applicant or employee background checks to include consumer reports, educational institutions, government agencies, companies, corporations, and credit reporting agencies in compliance with the Fair Credit Reporting;
- For Drug Screening Test identification;
- To process your employee benefits/retirement, as applicable; to process direct deposit authorization forms
- To process loan employment verifications, garnishment, and child support orders

If you have any questions concerning the use of your social security number, please contact Human Resources at 850-606-2400.