

NOTICE TO PLAN PARTICIPANTS IN
DENTON ISD EMPLOYEE HEALTH BENEFIT PLAN

Under a Federal Law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, as amended, group health plans must generally comply with the requirements listed below. However, the law also permits State and local governmental employers that sponsor health plans to elect to exempt a plan from these requirements for any part of the plan that is “self-funded” by the employer, rather than provided through a health insurance policy. Denton ISD has elected to exempt the Denton ISD Employee Health Benefit Plan from all of the following requirements:

1. Limitations on pre-existing condition exclusion periods.
2. Special enrollment periods for individuals (and dependents) losing other coverage.
3. Prohibitions against discriminating against individual participants and beneficiaries based on health status.
4. Standards relating to benefits for mother and newborns.
5. Parity in the application of certain limits to mental health benefits.
6. Treatment or reduction of the non-affected breast following a mastectomy.
7. Coverage of dependent students on medically necessary leave of absence.

The exemption from these Federal requirements will be in effect for the 2010 Plan Year beginning January 1, 2010 and ending at December 31, 2010. The election may be renewed for subsequent plan years.

HIPAA also requires the Plan to provide covered employees and dependents with a “certificate of credible coverage” when they cease to be covered under the Plan. There is no exemption from this requirement. The certificate provides evidence that you were covered under this Plan, because if you can establish your prior coverage, you may be entitled to certain rights to reduce or eliminate a pre-existing condition exclusion if you join another employer’s health plan, or if you wish to purchase an individual health insurance policy. If you should have any questions, please contact the Insurance Department.