

Local 25 S.E.I.U. Welfare Fund

111 East Wacker Drive, 25th Floor, Chicago, IL 60601-4205

October, 2012

FUND NEWS AND NOTES

Greetings from the SEIU Local 25 Fund Office,

This year (10/1/12 – 9/30/13) the federal government has created a new form called the Summary of Benefits Coverage (SBC). This document must be issued by all insurance plans in the same format to help individuals compare various plans.

Included with the SBC is a Glossary of Health Coverage and Medical Terms (Glossary). This glossary has many commonly used terms and definitions and is intended to be educational and help you to better understand the SBC.

As an eligible participant in the Local 25 SEIU Welfare Fund (the Plan), you do not have an option for alternative plans.

The SBC for this Plan does, however, describe how good the benefits are and you can be proud to have this medical coverage with:

1. No co-insurance
2. No co-payments
3. No deductibles if you use Union Health Service (UHS)

See also the **examples** on page 7 of the SBC that describe how your plan pays for two typical health care services that you may encounter.

We do not have enrollment periods like many plans, so the SBC is being sent to all participants now and to newly eligible participants as they become eligible.

Please take time to review the enclosed Summary of Benefits Coverage and the accompanying Glossary of Health Coverage and Medical Terms as well as the routine annual notices on the following pages.

ANNUAL NOTICE OF WAIVER APPROVAL FOR ANNUAL LIMITS

The Affordable Care Act prohibits health plans from applying dollar limits below a specific amount on coverage for certain benefits. This year, if a plan applies a dollar limit on the coverage it provides for certain benefits in a year, that limit must be at least \$2 million.

Your health coverage, provided by Local 25 SEIU Welfare Fund, does not meet the minimum standards required by the Affordable Care Act described above. Your coverage has an annual limit of \$400,000 on all covered benefits in Plans 1, 3 and 4, and \$200,000 on all covered benefits in Plan 2.

This means that your health coverage might not pay for all of the health care expenses you incur. For example, a stay in a hospital costs around \$1,853 per day. At this cost, your insurance would only pay for 215 days for Plans 1, 3 and 4, or 107 days for Plan 2.

Your health plan has requested that the U.S. Department of Health and Human Services waive the requirement to provide coverage for certain key benefits of at least \$2 million this year. Your health plan has stated that meeting this minimum dollar limit this year would result in a significant increase in your premiums or a significant decrease in your access to benefits. Based on this representation, the U.S. Department of Health and Human Services has waived the requirement for your plan until September 30, 2013.

If you are concerned about your plan's lower dollar limits on key benefits, you and your family may have other options for health care coverage. For more information, go to: www.HealthCare.gov.

If you have any questions or concerns about this notice, contact the Member Services Department at the fund office:

**Local 25 SEIU Fund Office
Member Services Department
111 East Wacker Drive, Suite 2500
Chicago, IL 60601-4200
(312) 233-8888**

NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN HAVE ACCESS TO THIS INFORMATION.

In the course of providing welfare benefits, the Welfare Fund receives and maintains information that constitutes "protected health information" as defined in Federal privacy rules. This notice describes the Welfare Fund's policies that protect you from the unnecessary disclosure of your health information and give you certain rights regarding your health information.

In this Notice, "you" means any person whose health information is received by the Welfare Fund. This Notice applies to you whether you are the Plan participant or an eligible dependent. Privacy rights can be exercised either by you or your Personal Representative (defined below). For a minor child, the parent is the Personal Representative.

Circumstances in Which the Welfare Fund Uses or Discloses Health Information

- To Process and Pay Your Claims. The Welfare Fund may use or disclose your health information to process and pay your benefit claims. Claim processing includes all aspects of the process including, for example:
 - Determining benefit eligibility or Plan coverage.
 - Reviewing health care services for medical necessity and reasonableness of charges and duration of hospital stays.
 - Providing information regarding your coverage or health care treatment to another health plan to coordinate payment of benefits.
 - Processing claim appeals.
 - Telephoning you or in your absence, a member of your household (to the extent permitted by law) to obtain information needed to process your claim.
 - Answering questions from you or a member of your household (to the extent permitted by law) regarding your benefit claim that is pending or has already been processed.
- To Collect Contributions for Coverage. The Welfare Fund may use or disclose your health information in the process of collecting any payments, such as the cost of COBRA coverage [or the charge for dependent coverage].
- For Administrative Purposes. The Welfare Fund may use or disclose health information for its own operations. Some examples are:
 - Quality assessment and improvement activities.
 - Activities designed to improve health or reduce health care costs.
 - Underwriting, premium rating or related functions to create, renew or replace Plan benefits.
 - Review and auditing, including compliance reviews, medical reviews, legal services and compliance programs.
 - Business planning and development including cost management and planning related analyses.
 - General administrative activities of the Welfare Fund, including customer service and resolution of internal grievances.
- To Provide You with Health-Related Information. The Welfare Fund may use and disclose your health information to tell you about or recommend possible treatment options or alternatives, or to advise you of health-related benefits and services that may be of interest to you.
- When Legally Required. The Welfare Fund will disclose your health information when it is required to do so by any Federal, state or local law. Examples include:
 - When the Welfare Fund receives an order, issued by a court or a state agency, to disclose your health information.
 - When the Welfare Fund receives a subpoena or a discovery request in a lawsuit or a workers' compensation case. In the case of a subpoena or discovery request that has not been issued under a court order, the party requesting the information should notify you of the request so that you will have an opportunity to obtain a court order protecting your health information.

To Conduct Health Oversight Activities. The Welfare Fund may disclose your health information to a health oversight agency for authorized activities including audits, civil administrative or criminal investigations, inspections, licensing or disciplinary action.

- For Law Enforcement Purposes. As permitted or required by state law, the Welfare Fund may disclose your health information to a law enforcement official for certain law enforcement purposes, including, but not limited to, reporting a crime in an emergency or if the Fund has reason to believe that your death was the result of criminal conduct.
- For Specified Government Functions. In certain circumstances, Federal regulations require the Welfare Fund to use or disclose your health information to facilitate specified government functions, for example those related to the military and veterans, national security and intelligence activities, protective services for the president and others, and correctional institutions and inmates.
- In the Event of a Serious Threat to Health or Safety. The Welfare Fund may, consistent with applicable law and ethical standards of conduct, disclose your health information if the Welfare Fund, in good faith, believes that disclosure is necessary to prevent or lessen a serious and imminent threat to your health or safety or to the health and safety of the public.

Persons Who Will Use Your Health Information

Claims adjusters and other employees in the Fund Office will use your health information to process your benefit claims. The Fund Manager and other supervisory personnel may use your health information for claim payment, training and administrative purposes, among others. The Board of Trustees, in its capacity as administrator of the Welfare Fund, may have access to your health information for appeals or other administrative or supervisory purposes.

Releasing Health Information with Your Authorization

The categories above ("Circumstances in Which the Welfare Fund Uses or Discloses Health Information") describe when the Welfare Fund will use or disclose your health information without your authorization. Other than as stated above, the Welfare Fund will not disclose your health information, except with your written authorization. The following rules apply to authorizations to release health information:

- Authorizations will be in writing, signed by you or your Personal Representative.
- You or your Personal Representative will receive a copy of the authorization form.
- Authorizations have an expiration date that is stated on the authorization form.
- You or your Personal Representative can revoke the authorization at any time. The revocation must be in writing, delivered to the Welfare Fund at the address given below.

Your Rights with Respect to Your Health Information

You have the following rights regarding your health information that the Welfare Fund maintains:

- Right to Request Restrictions. You may request restrictions on certain uses and disclosures of your health information. The Welfare Fund is not required to agree to your request but the Welfare Fund will ordinarily honor any request that the Fund communicate only with you (that is, refrain from disclosing information to other members of your household). If you wish to make a request for restrictions, please contact the Welfare Fund's Privacy Officer.
- Right to Receive Confidential Communications. You have the right to request that the Welfare Fund communicate with you in a certain way. The Welfare Fund is not required to honor such requests but the Welfare Fund will do so if it can be done without interfering with the Welfare Fund's normal operations, or if you believe that the disclosure of your health information could endanger you. If you wish to receive confidential communications, please make your request in writing to the Welfare Fund's Privacy Officer. Here are some examples of requests for confidential communications:
 - A request that the Fund communicate only with you (that is, refrain from disclosing information to other members of your household). The Welfare Fund will routinely grant this request.
 - A request that the Welfare Fund only communicate with you at a certain telephone number or send written communications to a P.O. Box instead of your home.

- Right to Inspect and Copy Your Health Information. You have the right to inspect and copy your health information. A request to inspect and copy records containing your health information must be made in writing to the Welfare Fund's Privacy Officer. If you request a copy of your health information, the Welfare Fund will charge you \$0.25 per page for copying, plus actual mailing costs.
- Right to Amend Your Health Information. If you believe that your health information records are inaccurate or incomplete, you may request that the Welfare Fund amend the records. That request may be made as long as the information is maintained by the Welfare Fund. A request for an amendment of records must be made in writing to the Welfare Fund's Privacy Officer. The Welfare Fund may deny the request if it does not include a reason to support the amendment. The request also may be denied if your health information records were not created by the Welfare Fund, if the health information you are requesting to amend is not part of the Welfare Fund's records, if the health information you wish to amend falls within an exception to the health information you are permitted to inspect and copy, or if the Welfare Fund determines the records containing your health information are accurate and complete.
- Right to an Accounting. You have the right to request a list of certain disclosures of your health information that the Welfare Fund is required to keep a record of under the Federal privacy rules, such as disclosures for public purposes, disclosures authorized by law or disclosures that are not in accordance with the Welfare Fund's privacy policies or applicable law. The request must be made in writing to the Welfare Fund's Privacy Officer. The request should specify the time period for which you are requesting the information, but may not start earlier than April 14, 2003. Accounting requests may not be made for periods of time in excess of six years. The Welfare Fund will provide the first accounting you request during any 12-month period without charge. Subsequent accounting requests will be subject to a reasonable cost-based fee. The Welfare Fund will inform you in advance of the fee, if applicable.
- Right to a Copy of this Notice. You have a right to request and receive a copy of this Notice at any time, even if you have received this Notice previously. To obtain a copy, please contact the Welfare Fund's Privacy Officer or any employee at the Fund Office.

Your Personal Representative

If you are of legal age, you can exercise the privacy rights explained in this Notice. Your rights can also be exercised by your Personal Representative. A Personal Representative is:

- The parent of a minor child.
- The person designated in Health Care Power of Attorney (limited to the rights stated in the Power of Attorney).
- The legal guardian of a mentally incompetent adult
- The administrator or executor of your estate, or your next of kin.

Obligations of the Welfare Fund

The Welfare Fund is required by law to maintain the privacy of your health information as described in this Notice and to provide to you this Notice of the Welfare Fund's duties and privacy practices. The Welfare Fund is required to conform to the terms of this Notice. The Welfare Fund reserves the right to change the terms of this Notice at any time. If that happens, the Welfare Fund will revise the Notice and will provide you with a copy of the revised Notice within 60 days of the change. You have the right to submit any complaints regarding privacy issues to the Welfare Fund's Privacy Officer. If you believe that your privacy rights have been violated, you have the right to report any violations to the Secretary of the Department of Health and Human Services. The Welfare Fund encourages you to express any concerns you may have regarding the privacy of your information. Neither the Welfare Fund, your employer nor your Union is permitted to retaliate against you in any way for filing a complaint.

Contact Person

The Welfare Fund has designated Bozenna Urbanska as its Privacy Officer. She is the contact person for all issues regarding patient privacy and your privacy rights. You may contact this person at Local 25 S.E.I.U. Welfare Fund, 111 East Wacker Drive, 25th Floor, Chicago, IL 60601, (312) 233-8801.