



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2013-0012

Final Action:

Sponsor(s): Administration & Finance Committee

JAN 15 2013

Resolution Relating to Renewal of HIPAA Exemption

WHEREAS, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), added Title XXVII to the Public Health Service (PHS) Act which, along with its amendments, establishes far reaching federal law requirements to improve the availability and portability of health coverage; and,

WHEREAS, under the authority of Section 2722(a)(2) of the PHS Act and 45 CFR 146.180 of Federal regulations, the plan sponsor of a self-funded, non-federal governmental health plan may elect to exempt the plan from various Title XXVII requirements; and,

WHEREAS, pursuant to the regulations referenced above, the City of West Allis (the "City") is, at this time, electing to be exempted from: 1) standards relating to benefits for mothers and newborns, 2) parity in the application of certain limits to mental health benefits, 3) required coverage for reconstructive surgery following mastectomies, and 4) coverage of dependent students on medically necessary leave of absence; and,

WHEREAS, such exemption will avoid the need to modify the present health insurance plan and may avoid potential significant increases in benefit costs and is, therefore, in the best interest of the City.

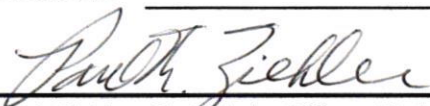
NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that the City hereby exercises its discretion to be exempted from the following four Title XXVII requirements: 1) standards relating to benefits for mothers and newborns, 2) parity in the application of certain limits to mental health benefits, 3) required coverage for reconstructive surgery following mastectomies, and 4) coverage of dependent students on medically necessary leave of absence.

BE IT FURTHER RESOLVED that the City Administrative Officer is hereby authorized and directed to execute the attached HIPAA Exemption Renewal Document and to file said document with the Centers for Medicare & Medicaid Services and to distribute a copy of the attached Notice to all plan enrollees in accordance with 45 CFR 146.180(f).

ATTR-HIPAA Exemption

ADOPTED

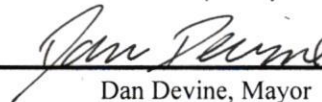
JAN 15 2013



Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED

1/17/13



Dan Devine, Mayor

HIPAA EXEMPTION ELECTION/RENEWAL DOCUMENT

NAME OF PLANS: CITY OF WEST ALLIS SELF-FUNDED PPO MEDICAL PLAN

PLAN SPONSOR: CITY OF WEST ALLIS
7525 WEST GREENFIELD AVENUE
WEST ALLIS, WI 53214

EMPLOYER'S FEDERAL I.D. NO. 39-6005651 **PLAN NO.** 3997402 (PPO)

PLAN YEAR: TERM OF COLLECTIVE BARGAINING AGREEMENT
January 1, 2012 through December 31, 2014

PLAN ADMINISTRATOR: HUMANA
CORPORATE ACCOUNTS
1100 EMPLOYERS BOULEVARD
GREEN BAY, WI 54344

Group health plans sponsored by State and local governmental employers must generally comply with Federal law requirements in title XXVII of the Public Health Service Act. However, these employers are permitted to elect to exempt a plan from the requirements listed below for any part of the plan that is "self-funded" by the employer, rather than provided through a health insurance policy. The City of West Allis Self-Funded PPO Medical Plan is not provided through insurance. The City of West Allis has elected to exempt the Self-Funded PPO Medical Plan from the following requirements:

1. Standards relating to benefits for mothers and newborns.
2. Parity in the application of certain limits to mental health benefits.
3. Required coverage for reconstructive surgery following mastectomies.
4. Coverage of dependent students on medically necessary leave of absence.

This election from these Federal requirements will be in effect for the period beginning on January 1, 2012, and ending on December 31, 2014. This election may be renewed for subsequent plan years. I certify that the undersigned is authorized to submit this election on behalf of the City of West Allis Self-Funded PPO Medical Plan. The enclosed copy of the notice to plan enrollees has been, and will continue to be, provided to them in accordance with 45 CFR 146.180(f).



Paul M. Ziehler, City Administrative Officer, Clerk/Treasurer



January 2013

Dear Health Plan Enrollee:

Following is a notice of exemptions per requirement of the Health Insurance Portability and Accountability Act (HIPAA). Federal Law requires notification.

Sincerely,

Audrey Key
Human Resources Manager

FEDERAL HIPAA NOTICE

SELF-FUNDED HEALTH CARE PARTICIPANTS

Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, as amended, group health plans must comply with a number of benefit and enrollment requirements. However, Federal law permits local government employers that sponsor self-funded health plans to elect to exempt a plan from some of these requirements. Therefore, the City of West Allis has elected to be exempt from the following requirements:

1. Standards relating to benefits for mothers and newborns. Group health plans offering health coverage for hospital stays in connection with the birth of a child generally may not restrict benefits for the stay to less than 48 hours for a vaginal delivery, and 96 hours for a cesarean section.
2. Parity in the application of certain limits to mental health benefits. Group health plans that provide both medical and surgical benefits and mental health or substance use disorder benefits must ensure that financial requirements and treatment limitations applicable to mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements and treatment limitations applicable to substantially all medical and surgical benefits covered by the plan.
3. Required coverage for reconstructive surgery following mastectomies. Group health plans that provide medical and surgical benefits for a mastectomy must provide certain benefits in connection with breast reconstruction as well as certain other related benefits.

Continued

4. Coverage of dependent students on medically necessary leave of absence. Group health plans are required to continue coverage for up to one year for a dependent child, covered as a dependent under the plan based on student status, who takes a medically necessary leave of absence from a postsecondary educational institution.

Presently, the City of West Allis Plan voluntarily provides similar protections to those set forth in requirement 3 above. The City of West Allis Plan is not subject to any minimum or maximum hospital stays in connection with the birth of a child. Such determinations are made by the individual's health care provider.

HIPAA also requires the Plan to provide covered employees and dependents with a "certificate of creditable 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 preexisting condition exclusion if you join another employer's health plan, or if you wish to purchase an individual health insurance policy.

The exemption from these Federal requirements is being renewed and implemented for the remaining term of the last Collective Bargaining Agreement that was entered into with the City, which commenced on January 1, 2012, and will expire on December 31, 2014. The exemption may be renewed for subsequent years as determined by the term of Collective Bargaining Agreements within the City.

Any questions regarding this Notice may be directed to Audrey Key, Human Resources Manager, City of West Allis, at (414) 302-8274.