



# City of West Allis Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

File Number	Title	Status
R-2010-0008	Resolution Resolution Relating to Renewal of HIPAA Exemption. Introduced: 1/5/2010	Introduced  Controlling Body: Administration & Finance Committee

**COMMITTEE RECOMMENDATION** *adopt*

ACTION DATE:	MOVER	SECONDER	Name	AYE	NO	PRESENT	EXCUSED
<u>JAN - 5 2010</u>			Barczak				
			Czaplewski				
		X	Kopplin	✓			
			Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Roadt				
			Sengstock				
			Vitale	✓			
		X	Weigel				
		<b>TOTAL</b>		5			

**SIGNATURE OF COMMITTEE MEMBER**

*Kurt Kopplin* \_\_\_\_\_  
 Chair Vice-Chair Member

**COMMON COUNCIL ACTION** **ADOPT**

ACTION DATE:	MOVER	SECONDER	Name	AYE	NO	PRESENT	EXCUSED
<u>JAN - 5 2010</u>			Barczak	✓			
			Czaplewski	✓			
		✓	Kopplin	✓			
			Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Roadt	✓			
			Sengstock	✓			
			Vitale	✓			
			Weigel	✓			
		<b>TOTAL</b>		10			

## HIPAA EXEMPTION ELECTION/RENEWAL DOCUMENT

**NAME OF PLANS:** CITY OF WEST ALLIS SELF-FUNDED STANDARD MEDICAL PLAN  
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.** 3991204 (Standard)  
3997402 (PPO)

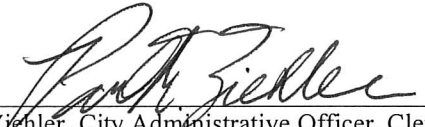
**PLAN YEAR:** TERM OF COLLECTIVE BARGAINING AGREEMENT  
January 1, 2008 through December 31, 2010 (extended through December 31, 2011)

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

The City of West Allis Self-Funded, Standard and PPO medical Plans are not provided through insurance. Because these plans are maintained under collective bargaining agreements they are exempt from the requirements of Title XXVII of the Public Health Service Act (PHS Act) set forth below. At this time, the City of West Allis elects (for new requirements) and reaffirms (for previously existing requirements), under the authority of Section 2721(b)(2) of the PHS Act, and 45 CFR 146.180 of Federal regulations, to exempt City of West Allis Self-Funded, Standard and PPO Medical Plans from the following requirements of Title XXVII of the PHS Act, as amended:

1. Limitations on preexisting condition exclusion periods.
2. Special enrollment periods.
3. Prohibitions against discrimination against individual participants and beneficiaries based on health status.
4. Standards relating to benefits for mothers and newborns.
5. Parity in the application of certain limits to mental health benefits.
6. Required coverage for reconstructive surgery following mastectomies.
7. Coverage of dependent students on medically necessary leave of absence.

This election has been made in conformity with all rules of the plan sponsor, including any public hearing, if required. This election reaffirms the exemption that was in place for the Collective Bargaining term January 1, 2008, through December 31, 2010, extends it to December 31, 2011, and includes exemptions from requirements contained in recent amendments to Title XXVII. I certify that the undersigned is authorized to submit this election on behalf of the City of West Allis Self-Funded, Standard and PPO Medical Plans. 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).

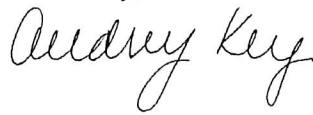
  
\_\_\_\_\_  
Paul M. Ziehler, City Administrative Officer, Clerk/Treasurer

January, 2010

Dear Health Plan Enrollee:

Following is a notice of exemptions per requirement of the Health Insurance Portability and Accountability Act (HIPAA). This document addresses exemptions that have been in place, as well as new exemptions from provisions contained in recently enacted Federal regulations. Federal Law requires notification.

Sincerely,



Audrey Key  
Human Resources Manager

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**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 generally comply with the requirements listed below. However, the law also permits local government employers that sponsor self-funded health plans to elect to exempt a plan from these requirements. The City of West Allis has elected to be exempt from the following requirements:

1. Limitations on preexisting condition exclusion periods. A preexisting condition exclusion period generally may not exceed 12 months, and generally must be reduced by prior health coverage an individual has had. Also, a plan may not impose any preexisting condition exclusion relating to pregnancy as a preexisting condition, nor, under certain conditions, with respect to newborns or children adopted or placed for adoption.
2. Special enrollment periods. Group health plans are required to provide special enrollment periods for individuals who do not enroll in the plan because they have other coverage, but subsequently lose that coverage. Also, if a plan provides dependent coverage, the plan must provide a special enrollment period for new dependents (and the employee if not already enrolled) within 30 days after a marriage, birth, adoption or placement for adoption. A 60-day special enrollment period applies to eligible individuals who lose eligibility for Medicaid coverage or coverage under a State child health plan, or who become eligible under Medicaid or a State child health plan for group health plan premium assistance.
3. Prohibitions against discrimination against individual participants and beneficiaries based on health status. A group health plan may not discriminate in enrollment rules or in the amount of premiums or contributions it requires an individual to pay based on certain health status-related factors: health status, medical condition (physical and mental



illnesses), claims experience, receipt of health care, medical history, genetic information, evidence of insurability, and disability.

4. 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.
5. 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.
6. 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.
7. 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 plans provide a preexisting condition exclusion period of up to nine months if enrollment does not occur during the eligibility period. The City of West Allis plans provide special enrollment periods similar to some of those set forth in requirement 2 above. The City of West Allis plans also voluntarily provide similar protections to those set forth in requirements 3 and 6 above. The City of West Allis plans are 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 Collective Bargaining Agreements with the City that commenced on January 1, 2008, and includes those Agreements that were extended through December 31, 2011. 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.



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2010-0008**

**Final Action:**

**JAN - 5 2010**

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 2721(b)(2) of the PHS Act and 45 CFR 146.80 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,

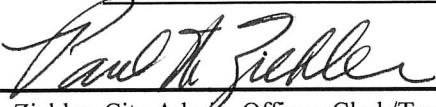
WHEREAS, pursuant to the regulations referenced above, the City of West Allis (the "City") is, at this time, electing to be exempted from new requirements and reaffirming its election to be exempted from previous requirements, all of which are include: 1) limitations on preexisting condition exclusion periods, 2) special enrollment periods, 3) prohibitions against discrimination against individual participants and beneficiaries based on health status, 4) standards relating to benefits for mothers and newborns, 5) parity in the application of certain limits to mental health benefits, 6) required coverage for reconstructive surgery following mastectomies, and 7) coverage of dependent students on medically necessary leave of absence; and,

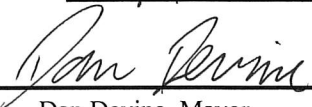
WHEREAS, such exemption will avoid the need to modify the present health insurance plan and may avoid potential significant increases in benefit costs and is, therefore, in the best interest of the City.

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 seven Title XXVII requirements: 1) limitations on preexisting condition exclusion periods, 2) special enrollment periods, 3) prohibitions against discrimination against individual participants and beneficiaries based on health status, 4) standards relating to benefits for mothers and newborns, 5) parity in the application of certain limits to mental health benefits, 6) required coverage for reconstructive surgery following mastectomies, and 7) 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 Election/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-Resolution-HIPAA Exemption Resolution for 2010

ADOPTED JAN - 5 2010  
  
\_\_\_\_\_  
Paul M. Ziehler, City Admn. Officer, Clerk/Treas.

APPROVED 1/8/10  
  
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Dan Devine, Mayor