

## SACHEM CENTRAL SCHOOL DISTRICT

**TO: Sachem Central Full-Time Benefits-Eligible Employees that work 30 hours or more/week**  
**FROM: Department of the Superintendent**  
**DATE: November 2015**  
**SUBJECT: Important Information about Your Medical Benefits Effective 1/1/2016**

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January 1<sup>st</sup> marks our official effective date for a new HIP Prime HMO medical benefit being offered, which means Open Enrollment begins now and you may make an annual election at this time for yourself and dependents.

### Medical

Sachem Central School District will now be offering a Medical plan to all employees meeting the minimum-hours requirement. We will be offering a medical plan through HIP HMO, an Emblem Health Company. We have found that the benefit option provides comprehensive coverage that meets both Minimum Essential Coverage and Minimum Value standards.

The plan will be offered as either a pre-tax salary deduction or post-tax deduction. The rates and cost of the benefit is included on the attached Master Election form.

To enroll in the HIP Prime HMO plan, please complete the employee enrollment form and the master election form and return the forms to Personnel upon completion. The open enrollment period will be from November 30<sup>th</sup> to December 10<sup>th</sup>. Please complete and submit your form no later than December 10<sup>th</sup>.

**ALL EMPLOYEES MUST COMPLETE THE ATTACHED MASTER ELECTION FORM EVEN IF YOU ARE NOT MAKING AN ELECTION TO ENROLL.**

### Open Enrollment Process

Open Enrollment is your only opportunity to make this plan election, unless you experience a Qualifying Event such as loss of other coverage (other than voluntary or failure to pay), birth, marriage, divorce, death, etc.\* *It is important that you carefully consider your elections during Open Enrollment since the law prevents us from allowing you to make changes to your elections after the Open Enrollment period ends.*

You may join the Medical plan without any medical questions or pre-existing condition limitations.

*\*If you experience a qualifying event or your dependent loses eligibility, you will have 30 days from the event to request a change in coverage. Please contact Personnel to make sure this is completed within a timely manner since you ONLY have this 30 day window to make the request.*

### **PLEASE TAKE TIME TO REVIEW ALL OF YOUR HEALTH CARE OPTIONS WHEN MAKING ELECTIONS TO DETERMINE IF YOUR CHOICE MEETS THE NEEDS OF YOU AND/OR YOUR FAMILY.**

All benefit elections will remain in force at the contribution levels exhibited in the Master election form (exhibited in both Monthly and Weekly calculation for your convenience) for the 2016 calendar year. If you wish to elect the HIP Prime HMO, you will be required to complete the HIP Enrollment / Transaction form.

Your first payroll deduction for the new Plan Year beginning on January 1<sup>st</sup> will be deducted from your first pay period in 2016. It will be based on the election amount you request.

For a description of the HIP Prime HMO plan, please review the attached enrollment packet.

### Next Steps

1. Evaluate your options (ie. HIP, spousal coverage, Marketplace exchange)
2. Make your election (complete HIP enrollment form and Master election or only Master election if waiving coverage)
3. Submit documentation to Personnel
4. Receive your HIP welcome packet and ID card (for those electing HIP HMO benefits)

### Summary of Benefits & Coverage (SBC)

The formal document will be prepared by December 15<sup>th</sup>, 2015. In the interim, the HIP HMO Enrollment Guide Kit includes a detailed plan summary and enrollment form. To receive a copy of our medical and pharmacy plan summary of benefits & coverage, contact Personnel after December 15<sup>th</sup>.

Please see the back of this memo for additional important information.

## **SOME IMPORTANT NOTICES:**

### **Newborns' and Mothers' Health Protection Act of 1996 (Newborn's Act)**

The Newborns' Act was signed into law on September 26, 1996 and includes important protections for mothers and their newborn children with regard to the length of the hospital stay following childbirth. For more information, contact Personnel.

### **Women's Health and Cancer Rights Act of 1998**

Do you know that your plan provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema? For more information, contact Personnel.

### **Special Enrollment Notice**

If you are declining enrollment for yourself or your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if the employer stops contributing toward your or your dependents' other coverage). To request special enrollment or obtain more information about the timing for special enrollment, contact Personnel.

### **Premium Assistance Under Medicaid and the Children's Health Insurance Program (CHIP)**

If you or your children are eligible for Medicaid or CHIP and you're eligible for health coverage from your employer, your state may have a premium assistance program that can help pay for coverage, using funds from their Medicaid or CHIP programs. If you or your children aren't eligible for Medicaid or CHIP, you won't be eligible for these premium assistance programs but you may be able to buy individual insurance coverage through the Health Insurance Marketplace. For more information on the Health Insurance Marketplace, visit [www.healthcare.gov](http://www.healthcare.gov). To find out if any of your dependents might be eligible for Medicaid, visit [www.insurekidsnow.gov](http://www.insurekidsnow.gov) or dial 877-KIDS NOW.

### **The Health Insurance Marketplace**

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options but it doesn't capture health insurance options that might be available to you as an employee at our company. New employees are provided with a copy of the required Health Insurance Marketplace Notice. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and any employment based health coverage offered by our company. If you have any questions about the Health Insurance Marketplace, contact Personnel.

### **Medicare**

When you or your spouse becomes eligible to enroll in a Medicare Prescription Drug Plan, you may be required to provide a Notice of Creditable/Non-Creditable Coverage if electing Medicare Drug Coverage after your initial Medicare eligibility date. HIP has deemed the HMO Prime RX plan as non-creditable. Contact Personnel if you need more information about the creditable status of our prescription drug coverage.

### **Privacy**

We are committed to ensuring the privacy of your personally identifiable health information in accordance with HIPAA's Privacy Rule. If you wish to obtain a copy of the Group Health Plans' Notice of Privacy Practices please be advised that they are available. You may contact Personnel and a copy of the Notice will be provided to you.

### **COBRA Rights**

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator. A copy of our initial rights notice will be mailed to you upon enrollment.

**SACHEM CENTRAL SCHOOL DISTRICT**  
**January 1, 2016 - December 31, 2016 Plan Year**

If Electing MEDICAL Coverage, select one:\*

pg 1

**MONTHLY CALCULATIONS**

**CORE Plan - Medical Insurance-HIP Health (Prime HMO Plan)**

<input type="checkbox"/> Employee Only	\$ 654.14 per month	\$ 150.96 per week
<input type="checkbox"/> Employee + Spouse	\$ 1,308.26 per month	\$ 301.91 per week
<input type="checkbox"/> Employee + Child(ren)	\$ 1,216.72 per month	\$ 280.78 per week
<input type="checkbox"/> Employee + Family	\$ 2,001.00 per month	\$ 461.77 per week

**Please check the box indicating you have read the message below regarding Affordable Care Act compliance, and then select one of the three (3) Medical Coverage/Declination options below:**

☐ I acknowledge I have read the following message regarding the medical benefits as offered by my employer Sachem Central School District. The HIP Prime HMO plan does meet the quality standards of a "Minimum Value Plan", providing all Minimum Essential Coverage elements, however the Employee contributions noted above do not meet the "Affordability" assessment of the ACA requirement.

**\*Select One below:\***

- ☐ I wish to have my medical premium contributions paid with **pre-tax** dollars.
- ☐ I wish to have my medical premium contributions paid with **after-tax** dollars. Tax my full salary then deduct my contributions.
- ☐ **I Decline Medical Coverage\***

\*I have decided to waive the medical coverage at this time. **I understand that should I decide in the future to obtain the medical coverage I must wait until the next Open Enrollment Period (expected to occur in November 2016) for an effective date of January 1, 2017.** (See special enrollment rights noted below for exceptions).

**Notes:**

1) **Special Enrollment Rights:** If you are declining enrollment for yourself or your dependents because of other health insurance coverage, you may in the future be able to enroll yourself and/or your dependents in these plans provided that you request enrollment within 30 days after your other coverage ends.

In addition, if you have a **Qualified Change of Life Status Event** you may be able to change your enrollment election(s) provided that you notify Human Resources within 30 days of the Event. Examples of Life Event Changes are, but are not limited to, marriage , divorce, legal separation, annulment, death of a spouse or dependent, birth, adoption or placement for adoption of your child, and change in employment status of you or your spouse. For further details regarding Eligible Events, refer to your plan documents or contact Human Resources.

2) **Social Security Retirement Benefits** are based on your average earnings during a lifetime of work; all employees should consult their accountant or tax advisor to discuss whether or not it is in their best financial interest to have their contribution deducted on a pre-tax or post-tax basis.

**Employee PRINTED NAME:** \_\_\_\_\_

**Employee SIGNATURE:** \_\_\_\_\_

**Date** \_\_\_\_\_