

## Important Plan Information for NAPEBT Participants

Updated February 2023

*This document contains important employee benefit program notices of interest to you and your family. Please share this information with your family members. Some of the notices in this document are required by law and other notices contain helpful information. These notices are updated from time to time and some of the federal notices are updated each year. Be sure you are reviewing an updated version of this important notices document.*

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### MEDICARE NOTICE OF CREDITABLE COVERAGE REMINDER

If you or your eligible dependents are currently Medicare eligible or will become Medicare eligible during the next 12 months, you need to be sure that you understand whether the prescription drug coverage that you elect under the NAPEBT Medical Plan options available to you is or is not creditable with (as valuable as) Medicare's prescription drug coverage.

To find out whether the prescription drug coverage under the plan options offered by NAPEBT are or are not creditable, you should review the Plan's Medicare Part D Notice of Creditable Coverage (on page 16 of this packet) or available from your Human Resources Department or on the NAPEBT website at [www.napebt.com](http://www.napebt.com).

### IMPORTANT REMINDER TO PROVIDE THE PLAN WITH THE TAXPAYER IDENTIFICATION NUMBER (TIN) OR SOCIAL SECURITY NUMBER (SSN) OF EACH ENROLLEE IN A HEALTH PLAN

Employers are required by law to collect the taxpayer identification number (TIN) or social security number (SSN) of each medical plan participant and provide that number on reports that will be provided to the IRS each year. Employers are required to make at least two consecutive attempts to gather missing TINs/SSNs.

If a dependent does not yet have a social security number, you can go to this website to complete a form to request a SSN: <http://www.socialsecurity.gov/online/ss-5.pdf>. Applying for a social security number is FREE.

The SSN will also be used to help fulfill mandatory reporting requirements to the Centers for Medicare and Medicaid (CMS) for the purposes of permitting Medicare to coordinate benefits for individuals enrolled in both an employer- sponsored medical plan and Medicare.

If you have not yet provided the social security number (or other TIN) for each of your dependents that you have enrolled in the health plan, please contact your Human Resources Department.

### MID-YEAR CHANGES TO YOUR MEDICAL PLAN ELECTIONS

**IMPORTANT:** Once you make a benefit election, generally you **will not** be allowed to change your benefit election or add/delete dependents until next years' open enrollment, unless you have a Special Enrollment event or a Mid-year Change in Status.

#### Special Enrollment Event:

- **Loss of Other Coverage Event:** If you are declining enrollment for your dependents (including your spouse) because of other health insurance or group health plan coverage, you may be able to enroll your dependents in this plan if your dependents lose eligibility for that other coverage (or if your employer stops contributing toward your dependents' other coverage). However, you **must request enrollment within 31 days** after your dependents' other coverage ends (or after the employer stops contributing towards the other coverage).
- **Marriage, Birth, Adoption Event:** In addition, if you have a new dependent as a result of marriage, birth, adoption, or

placement for adoption, you may be able to enroll yourself and your dependents. However, you **must request enrollment within 31 days** after the marriage, birth, adoption, or placement for adoption.

- **Medicaid/CHIP Event:** You and your dependents may also enroll in this plan if you (or your dependents):
  - have coverage through **Medicaid or a State Children's Health Insurance Program (CHIP)** and you (or your dependents) lose eligibility for that coverage. However, you must request enrollment within **60 days** after the Medicaid or CHIP coverage ends.
  - become eligible for a premium assistance program through Medicaid or CHIP. However, you must request enrollment within **60 days** after you (or your dependents) are determined to be eligible for such assistance.

To request special enrollment or obtain more information, contact your Human Resources Department.

### **Mid-year Change in Status Event:**

Because your employer pre-taxes benefits, NAPEBT and your employer are required to follow Internal Revenue Service (IRS) regulations on if and when benefits can be changed in the middle of a plan year. The following events **may** allow certain changes in benefits mid-year, **if** permitted by the Internal Revenue Service (IRS):

- Change in legal marital status (e.g., marriage, divorce/legal separation, death).
- Change in number or status of dependents (e.g., birth, adoption, death).
- Change in employee/spouse/dependent's employment status, work schedule, or residence that affects their eligibility for benefits.
- Coverage of a child due to a QMCSO.
- Entitlement or loss of entitlement to Medicare or Medicaid.
- Certain changes in the cost of coverage, composition of coverage or curtailment of coverage of the employee or spouse's plan.
- Changes consistent with Special Enrollment rights and FMLA leaves.
- If an employee is covered by a NAPEBT-sponsored medical plan and the employee's work hours are reduced so that the employee is expected to average less than 30 hours of service per month, the employee can request to be dropped from the medical plan to go enroll in the Health Insurance Marketplace or to enroll in their spouse's group medical plan.

You must notify the plan in writing within **31 days** of the mid-year change in status event by contacting your Human Resources Department. The Plan will determine if your change request is permitted and if so, will notify you of the date the change will be effective prospectively, generally the first day of the month following the date of the mid-year change event. Note that for timely notification of the addition of a newborn or adopted child, coverage is effective back to the date of birth, adoption, or placement for adoption.

### **HIPAA PRIVACY NOTICE REMINDER**

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires health plans like NAPEBT to comply with privacy rules. These rules are intended to protect your personal health information from being inappropriately used and disclosed. The rules also give you additional rights concerning control of your own healthcare information.

This Plan's HIPAA Privacy Notice explains how the group health plan uses and discloses your personal health information. You are provided a copy of this Notice when you enroll in the plan. You can get another copy of this Notice from your Human Resources Department or [www.napebt.com](http://www.napebt.com).

### **WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1998 (WHCRA) ANNUAL REMINDER**

You or your dependents may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles, copayments, and coinsurance applicable to other medical and surgical benefits provided under the various medical plans offered by NAPEBT. For more information on WHCRA benefits, contact the medical plan claims administrator or your Human Resources Department.

## **PATIENT PROTECTION RIGHTS OF THE AFFORDABLE CARE ACT: PRIMARY CARE PHYSICIAN (PCP) AND OB-GYN PROVIDERS**

It is important that individuals enrolled in a plan or health insurance coverage know of their rights to (1) choose a primary care provider or a pediatrician when a plan or issuer requires/allows designation of a primary care physician; or (2) obtain obstetrical or gynecological care with prior authorization.

The medical plans offered by NAPEBT through Blue Cross Blue Shield of Arizona (BCBSAZ) generally allow the designation of a primary care provider (PCP). You have the right to designate any primary care provider who participates in the BCBSAZ network and who is available to accept you or your family members. For children, you may designate a pediatrician as the primary care provider. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact BCBSAZ member services at (800) 423-6484.

You do not need prior authorization from NAPEBT or BCBSAZ or from any other person (including a primary care provider) in order to obtain access to obstetrical or gynecological (OB-GYN) care from a health care professional in the BCBSAZ network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals.

**For a list of participating health care professionals who specialize in obstetrics or gynecology, visit [www.azblue.com/chsnetwork](http://www.azblue.com/chsnetwork) or call the BCBSAZ member services at (800) 423-6484.**

## **AVAILABILITY OF SUMMARY HEALTH INFORMATION: THE SUMMARY OF BENEFIT AND COVERAGE (SBC) DOCUMENT(S)**

The health benefits available to you represent a significant component of your compensation package. They also provide important protection for you and your family in the case of illness or injury. As required by law, across the US, insurance companies and group health plans like ours are providing plan participants with a consumer-friendly **Summary of Benefits and Coverage (SBC)** as a way to help understand and compare medical plan benefits. Choosing a health coverage option is an important decision. To help you make an informed choice, the SBC summarizes and compares important information in a standard format.

Each SBC contains concise medical plan information, in plain language, about benefits and coverage, including, what is covered, what you need to pay for various benefits, what is not covered and where to go for more information or to get answers to questions. SBC documents are updated when there is a change to the benefits information displayed on an SBC.

Government regulations are very specific about the information that can and cannot be included in each SBC. Plans are not allowed to customize very much of the SBC documents. There are detailed instructions the Plan had to follow about how the SBCs look, how many pages the SBC should be (maximum 4-pages, 2-sided), the font size, the colors used when printing the SBC and even which words were to be bold and underlined.

A Uniform Glossary that defines many of the terms used in the SBC is available at <https://www.dol.gov/sites/default/files/ebsa/laws-and-regulations/laws/affordable-care-act/for-employers-and-advisers/sbc-uniform-glossary-of-coverage-and-medical-terms-final.pdf>.

To get a free copy of the most current Summary of Benefits and Coverage (SBC) documents for our medical plan options contact your Human Resources Department.

## **NAPEBT OFFERS A HIGH DEDUCTIBLE HEALTH PLAN WITH A HEALTH SAVINGS ACCOUNT. YOU MUST BE QUALIFIED TO CONTRIBUTE TO A HEALTH SAVINGS ACCOUNT. HELPFUL REMINDERS BELOW:**

The eligibility requirements to open and contribute to a Health Savings Account (HSA) are mandated by the Internal Revenue Service (IRS), not by your employer. Individuals who enroll in a Health Savings Account (HSA) but are later determined to be ineligible for that account, are subject to financial penalties from the IRS. **It is an individual's responsibility to ensure that they meet the eligibility requirements to open an HSA account and to have contributions made to that HSA account**, as outlined below:

- To be eligible to open an HSA and have contributions made to the HSA during the year, an individual must be covered by an HSA-qualified health plan (a HDHP) and **must not be covered by other health insurance that is not an HSA-qualified plan**. Certain types of insurance are not considered "health insurance" and will not jeopardize an individual's eligibility for an HSA, including automobile, dental, vision, disability, and long-term care insurance.
- **IMPORTANT:** Individuals enrolled in Medicare aren't eligible to open an HSA or have contributions made to the HSA during the year. If you think you could become eligible for Medicare in the next 12 months you should reconsider whether enrolling in the medical plan that is paired with a health savings account is a wise choice.
- **By law, you are NOT ELIGIBLE for HSA contributions if you:**
  - ✓ are enrolled in Medicare, such as Medicare Part A, B, C or D,
  - ✓ are covered by another health care plan that is not an HDHP,
  - ✓ can be claimed as a dependent on someone else's tax return,
  - ✓ are enrolled in a general Health Care Flexible Spending Account (or covered by a spouse's FSA),
  - ✓ are covered by a non-HDHP such as TRICARE and TRICARE For Life.

Individuals can't open an HSA, and have contributions made to the HSA during the year, if a spouse's health insurance, health flexible spending account (FSA) or health reimbursement arrangement (HRA) can pay for any of an individual's medical expenses before the HSA-qualified plan deductible is met. This means that a standard general purpose health care flexible spending account (FSA) may make you ineligible to open an HSA and have contributions made to the HSA during the year.

The plan administrator does not provide tax advice and no inference may be made that the information contained here constitutes tax advice. The tax information contained in this document is for general guidance only and is subject to change due to changes in IRS rules and regulations. You should consult a qualified tax advisor with regard to any questions you may have about the tax effects of an HSA on your individual circumstances.

## **NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT NOTICE**

**Hospital Length of Stay for Childbirth:** Under federal law, group health plans, like this Plan, generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or the newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, the Plan may pay for a shorter stay if the attending Physician (e.g., Physician, or Health Care Practitioner), after consultation with the mother, discharges the mother or newborn earlier.

Also, under federal law, plans may not set the level of benefits or out-of-pocket costs so that any later portion of the 48-hour (or 96-hour) stay is treated in a manner less favorable to the mother or newborn than any earlier portion of the stay.

In addition, the Plan may not, under federal law, require that a Physician or other Health Care Practitioner obtain authorization for prescribing a length of stay of up to 48 hours (or 96 hours). However, to use certain providers or facilities, or to reduce your out-of-pocket costs, you may be required to obtain precertification. For information on precertification for a length of stay longer than 48 hours for vaginal birth or 96 hours for C-section, contact Blue Cross Blue Shield of Arizona at (800) 423-6484 to precertify the extended stay. If you have questions about this Notice, contact your Human Resource office.

## **IMPORTANT INFORMATION ABOUT THE WELLNESS PROGRAM**

All employees participating in a NAPEBT-sponsored health plan have the opportunity to qualify for wellness program incentives at least once a year. Our NAPEBT Wellness Program is **voluntary** and is designed to **promote health or prevent disease**.

The Wellness Program also offers **incentives** for participation. Only employees enrolled in one of the NAPEBT medical plan options at have the opportunity to qualify for Wellness Program incentives. Incentives can be achieved at least **once a year**. The time commitment required to achieve incentives in our Wellness Program is reasonable. More information about our Wellness Program incentives is available at [www.napebt.com](http://www.napebt.com).

The wellness program incentives have been reviewed and in accordance with law, do not exceed 30% of the total cost of employee-only coverage under the plan (including employee & employer contributions) and the tobacco cessation incentive does not exceed 50% of the total cost of employee-only coverage.

**Reasonable Alternative Standard:** If you think you might be unable to meet a standard for a certain reward under our Wellness Program, you might qualify for an opportunity to earn the same reward by a different means. If it is unreasonably difficult due to a medical condition for you to achieve the standards for the reward under the Wellness program, or if it is medically inadvisable for

you to attempt to achieve the standards of the Wellness Program, then a reasonable alternative standard will be made available upon request. Contact your Human Resources office for information on the wellness program and the need for reasonable alternatives.

### **Protections from Disclosure of Medical Information**

Our group health plan is required by law to maintain the privacy and security of your personally identifiable health information.

Information collected from Wellness Program participants will only be received by your employer in aggregate form. Although the Wellness Program and NAPEBT may use aggregate information it collects to design a program based on identified health risks in the workplace, our group health plan will never disclose any of your personal information either publicly or to the employer, except as necessary to respond to a request from you for a reasonable accommodation needed to participate in the Wellness Program, or as expressly permitted by law. Medical information that personally identifies you that is provided in connection with the Wellness Program will not be provided to your supervisors or managers and may never be used to make decisions regarding your employment.

Your health information will not be sold, exchanged, transferred, or otherwise disclosed except to the extent permitted by law to carry out specific activities related to the Wellness Program, and you will not be asked or required to waive the confidentiality of your health information as a condition of participating in the Wellness Program or receiving an incentive. Anyone who receives your information for purposes of providing you services as part of the Wellness Program will abide by the same confidentiality requirements. The only individual(s) who will receive your personally identifiable health information is (are) health coaches and NAPEBT staff charged with administering the Wellness Program in order to provide you with services under the program.

In addition, all medical information obtained through the Wellness Program will be maintained separate from your personnel records and no information you provide as part of the Wellness Program will be used in making any employment decision. Appropriate precautions will be taken by the group health plan to avoid any data breach, and in the event a data breach occurs involving information you provide in connection with the Wellness Program, we will notify you immediately.

You may not be discriminated against in employment because of the medical information you provide as part of participating in the Wellness Program, nor may you be subjected to retaliation if you choose not to participate. If you have questions or concerns regarding this notice, or about protections against discrimination and retaliation, please contact your Human Resources Department.

### **CAUTION: IF YOU DECLINE MEDICAL PLAN COVERAGE OFFERED THROUGH NAPEBT**

**The medical plan options offered by NAPEBT are considered to be minimum essential coverage (MEC) and meets the government's minimum value standard. Additionally, the cost of medical plan coverage is intended to be affordable to employees, based on employee wages.**

If you are in a benefits-eligible position and choose not to be covered by one of the medical plan options offered through NAPEBT and your employer, remember that you must maintain medical plan coverage elsewhere or you can purchase health insurance through a Marketplace ([www.healthcare.gov](http://www.healthcare.gov)), typically at the Marketplace annual enrollment in the fall each year.

In December 2017 Congress passed a new law (the Tax Cuts and Jobs Act) that reduced the federal Individual Mandate penalty to zero starting in 2019. This means that starting in 2019 there will no longer be a federal Individual Mandate penalty for failure to maintain medical plan coverage.

Note that if you are a resident of the District of Columbia or certain states, such as Massachusetts, New Jersey, Vermont, California, or Rhode Island, you may be subject to a state income tax penalty if you fail to maintain medical plan coverage that meets that state's minimum coverage requirements. Consult with your own state's insurance department for information on whether your state has adopted or will be adopting a state Individual Mandate penalty.

If you choose to not be covered by a medical plan sponsored by NAPEBT and your employer at this enrollment time, your next opportunity to enroll for medical plan coverage is at the next annual open enrollment time, unless you have a mid-year change event that allows you to add coverage in the middle of your employer's plan year.

### **FAMILY AND MEDICAL LEAVE ACT (FMLA) REMINDER**

The FMLA entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave. Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles. Eligible employees are

entitled to twelve (12) workweeks of leave in a 12-month period for:

- the birth of a child and to care for the newborn child within one year of birth;
- the placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
- to care for the employee's spouse, child, or parent who has a serious health condition;
- a serious health condition that makes the employee unable to perform the essential functions of his other job;
- any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" or

Twenty-six (26) workweeks of leave during a single 12-month period to care for a covered servicemember with a serious injury or illness if the eligible employee is the servicemember's spouse, son, daughter, parent, or next of kin (military caregiver leave). All covered employers are required to display and keep displayed a poster prepared by the Department of Labor summarizing the major provisions of The Family and Medical Leave Act (FMLA) and telling employees about their rights and responsibilities and how to file a complaint. Employers display the FMLA poster at their worksite. More information on FMLA is available at: <http://www.dol.gov/whd/fmla/> or contact your Human Resources Department.

**Certain Employee Responsibilities Related to FMLA:** Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When a 30-day notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave.

Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

## **KEEP THE PLAN NOTIFIED OF CHANGES IN ELIGIBILITY FOR BENEFITS**

### **YOU ARE REQUIRED TO PROVIDE TIMELY NOTICE**

You or your Dependents must promptly furnish to your Human Resources Department information regarding change of name, address, marriage, divorce or legal separation, death of any covered family member, birth or change in status of a Dependent Child, Medicare enrollment or disenrollment, an individual no longer meeting eligibility provisions of the Plan, or the existence of other coverage. Proof of legal documentation will be required for certain changes.

Notify the Plan of any of these changes within 31 days. Note that for certain changes, like divorce or a child reaching the limiting age, if you do not notify the Plan within 60 days of that change, the opportunity to elect COBRA will not apply.

#### **Failure to give your Human Resources Department a timely notice of the above noted events may:**

- a. cause you, your Spouse and/or Dependent Child(ren) to lose the right to obtain COBRA Continuation Coverage,
- b. cause the coverage of a Dependent Child to end when it otherwise might continue because of a disability,
- c. cause claims to not be able to be considered for payment until eligibility issues have been resolved,
- d. result in your liability to repay the Plan if any benefits are paid to, or on behalf of, an ineligible person. The Plan has the right to offset the amounts paid against the participant's future health care benefits.

In accordance with the requirements in the Affordable Care Act, your employer will not retroactively cancel coverage (a rescission) except when premiums are not timely paid, or in cases when an individual performs an act, practice or omission that constitutes fraud, or makes an intentional misrepresentation of material fact that is prohibited by the terms of the Plan. Keeping an ineligible dependent enrolled (for example, an ex-spouse, overage dependent child, etc.) is considered fraud. If you have questions about eligibility contact your Human Resources Department.

## **COBRA COVERAGE REMINDER**

In compliance with a federal law referred to as COBRA Continuation Coverage, this plan offers its eligible employees and their covered dependents (known as qualified beneficiaries) the opportunity to elect temporary continuation of their group health coverage when that coverage would otherwise end because of certain events (called qualifying events).

Qualified beneficiaries are entitled to elect COBRA when certain events occur, and, as a result of the event, coverage of that qualified beneficiary ends (together, the event and the loss of coverage are called a qualifying event). Qualified beneficiaries who elect COBRA Continuation Coverage must pay for it at their own expense.

Qualifying events may include termination of employment, reduction in hours of work making the employee ineligible for coverage, death of the employee, divorce/legal separation, or a child ceasing to be an eligible dependent child under the terms of the Plan, if a loss of coverage results.

In addition to considering COBRA as a way to continue coverage, there may be other coverage options for you and your family. **You may want to look for coverage through the Health Care Marketplace.** See <https://www.healthcare.gov/>. In the Marketplace, you could be eligible for a tax credit that lowers your monthly premiums for Marketplace coverage, and you can see what your premium, deductibles, and out-of-pocket costs will be before you make a decision to enroll. Being eligible for COBRA does not limit your eligibility for coverage for Marketplace coverage or for a tax credit. Additionally, you may qualify for a special enrollment opportunity for another group health plan for which you are eligible (such as a spouse's plan) if you request enrollment within 30 days, even if the plan generally does not accept late enrollees.

The maximum period of COBRA coverage is generally either 18 months or 36 months, depending on which qualifying event occurred.

In order to have the chance to elect COBRA coverage after a divorce/legal separation or a child ceasing to be a dependent child under the plan, **you and/or a family member must inform the plan in writing of that event no later than 60 days after that event occurs.** That notice must be sent to your Human Resources Department via first class mail and is to include the employee's name, the qualifying event, the date of the event, and the appropriate documentation in support of the qualifying event (such as divorce documents). If you have questions about COBRA, contact your Human Resources Department.

## **TEMPORARY EXTENSION OF CERTAIN COBRA DEADLINES ENDS JULY 10, 2023**

In light of the ongoing COVID-19 national emergency coming to an end, you will no longer have additional time to submit the Election Form, and to make your first premium payment after July 10, 2023. For the exact dates that will apply to your rights under COBRA, please contact your Human Resources Department.

The extension of the above deadlines does not extend the maximum period of COBRA coverage to which you are entitled.

If you elect COBRA, claims for covered expenses will be paid retroactive to the first date your coverage terminated, for every month for which you have paid the full premium due.

## **IMPORTANT NOTICES ATTACHED**

The following pages include important notices for you and your family:

HIPAA Privacy Notice

Medicare Part D Notice of Creditable Coverage

Notice about Premium Assistance with Medicaid and CHIP

# Northern Arizona Public Employees Benefit Trust (NAPEBT)

## HIPAA Notice of Privacy Practices

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Esta noticia es disponible en español si usted lo pide. Si usted debe ayudar la comprensión de esta nota, contacta por favor el Departamento de Beneficios.

### Purpose of This Privacy Notice

**This Notice describes how medical information about you may be used and disclosed and how you may get access to this information.  
Please review this information carefully.**

This Notice is required by law.

The NAPEBT group health plan including the self-funded Medical plan options that include outpatient prescription drug benefits and Health Savings Account Administration, Independent Review Organizations for External Reviews related to the self-funded medical plan options, the Wellness Program, the City of Flagstaff's Employee Assistance Program (EAP), the Health Flexible Spending Account (Health FSA), and the COBRA Administration (hereafter referred to as the "Plan"), is required by law to take reasonable steps to maintain the privacy of your personally identifiable health information (called **Protected Health Information or PHI**) and to inform you about the Plan's legal duties and privacy practices with respect to protected health information including:

- Your rights to privacy with respect to your PHI,
- The Plan's duties with respect to your PHI,
- Your right to file a complaint with the Plan and with the Secretary of the U.S. Department of Health and Human Services (HHS),
- The person or office you should contact for further information about the Plan's privacy practices, and
- To notify affected individuals following a breach of unsecured protected health information.

The Plan Sponsor has amended its Plan documents to protect your PHI as required by Federal law.

PHI use and disclosure by the Plan is regulated by the Health Insurance Portability and Accountability Act (HIPAA). You may find these rules in Section 45 of the Code of Federal Regulations, Parts 160 and 164. The regulations will supersede this Notice if there is any discrepancy between the information in this Notice and the regulations. The Plan will abide by the terms of the Notice currently in effect. The Plan reserves the right to change the terms of this Notice and to make the new Notice provisions effective for all PHI it maintains.

You may receive a Privacy Notice from a variety of the insured group health benefit plans offered by NAPEBT such as the dental plans or vision plans. Each of these notices will describe your rights as it pertains to that plan and in compliance with the federal regulation, HIPAA. This Privacy Notice however, pertains to your protected health information related to NAPEBT's group health plan (the "Plan") and outside companies contracted to help administer Plan benefits, also called "business associates."

### Effective Date

The effective date of this Notice is March 20, 2023.

### Privacy Officer

The Plan has designated a Privacy Officer to oversee the administration of privacy by the Plan and to receive complaints. There is a NAPEBT Privacy Officer located in the Human Resource Department of each of the employers who participate in NAPEBT.



For the appropriate Privacy Officer, refer to the chart below:

Privacy Officer	Contact Information
<b>Coconino County Privacy Officer</b>	<b>Coconino County</b> 420 N. San Francisco Flagstaff, AZ 86001 Phone: 928-213-2090 Fax: 928-213-2089
<b>City of Flagstaff Privacy Officer</b>	<b>City of Flagstaff</b> 211 West Aspen Avenue Flagstaff, AZ 86001 Phone: 928-213-2090 Fax: 928-213-2089
<b>Flagstaff Unified School District #1 (FUSD) Privacy Officer</b>	<b>Flagstaff Unified School District #1 (FUSD)</b> 3285 E. Sparrow Ave. Flagstaff, AZ 86004 Phone: 928-527-6071 Fax: 928-527-6078
<b>Coconino Community College Privacy Officer</b>	<b>Coconino Community College</b> 2800 S. Lonetree Flagstaff, AZ 86001 Phone: 928-226-4268 Fax: 928-226-4114
<b>Mountain Line Transit Privacy Officer</b>	<b>Mountain Line Transit</b> 3773 N. Kaspar Drive Flagstaff, AZ 86004 Phone: 928-679-8926 Fax: 928-779-6868
<b>Coconino County Regional Accommodation School District Privacy Officer</b>	<b>Coconino County Regional Accommodation School District</b> 2384 N. Steves Blvd. Flagstaff, AZ 86004 Phone: 928-679-8075 Fax: 928-679-8077

## Your Protected Health Information

The term “**Protected Health Information**” (PHI) includes all information related to your past, present or future health condition(s) that individually identifies you or could reasonably be used to identify you and is transferred to another entity or maintained by the Plan in oral, written, electronic or any other form.

**PHI does not include** health information contained in employment records held by your employer in its role as an employer, including but not limited to health information on disability, work-related illness/injury, sick leave, Family or Medical leave (FMLA), life insurance, dependent care flexible spending account, drug testing, etc.

PHI also does not include health information that has been de-identified. **De-identified information** is information that does not identify you and there is no reasonable basis to believe that the information can be used to identify you.

## When the Plan May Disclose Your PHI

Under the law, the Plan may disclose your PHI without your written authorization in the following cases:

- **At your request.** If you request it, the Plan is required to give you access to your PHI in order to inspect it and copy it.
- **As required by an agency of the government.** The Secretary of the Department of Health and Human Services may require the disclosure of your PHI to investigate or determine the Plan’s compliance with the privacy regulations.

- **For treatment, payment, or health care operations.** The Plan and its business associates will use your PHI (except psychotherapy notes in certain instances as described below) without your consent, authorization, or opportunity to agree or object in order to carry out treatment, payment, or health care operations.

The Plan may disclose PHI to the Plan Sponsor for purposes of treatment, payment, and health care operations in accordance with the Plan amendment. The Plan may disclose PHI to the Plan Sponsor for review of your appeal of a benefit or for other reasons related to the administration of the Plan.

### Definitions and Examples of Treatment, Payment and Health Care Operations

<p><b>Treatment</b> is health care.</p>	<p>Treatment is the provision, coordination, or management of health care and related services. It also includes but is not limited to coordination of benefits with a third party and consultations and referrals between one or more of your health care providers. <b>For example:</b> The Plan discloses to a treating specialist the name of your treating primary care physician so the two can confer regarding your treatment plan.</p>
<p><b>Payment</b> is paying claims for health care and related activities.</p>	<p>Payment includes but is not limited to making payment for the provision of health care, determination of eligibility, claims management, and utilization review activities such as the assessment of medical necessity and appropriateness of care. <b>For example:</b> The Plan tells your doctor whether you are eligible for coverage or what percentage of the bill will be paid by the Plan. If we contract with third parties to help us with payment, such as a claims payer, we will disclose pertinent information to them. These third parties are known as “business associates.”</p>
<p><b>Health Care Operations</b> keep the Plan operating soundly.</p>	<p>Health care operations includes but is not limited to quality assessment and improvement, patient safety activities, business planning and development, reviewing competence or qualifications of health care professionals, underwriting, enrollment, premium rating and other insurance activities relating to creating or renewing insurance contracts. It also includes disease management, case management, conducting or arranging for medical review, legal services and auditing functions including fraud and abuse compliance programs and general administrative activities. <b>For example:</b> The Plan uses information from your medical claims to refer you to a health care management program, to project future benefit costs or to audit the accuracy of its claims processing functions.</p>

In addition, the Plan may use or disclose “summary health information” to the Plan Sponsor for obtaining premium bids or modifying, amending, or terminating the group health Plan. **Summary health information** is information that summarizes claims history, claims expenses or type of claims experienced by individuals for whom the Plan Sponsor has provided health benefits under a group health plan. Identifying information will be deleted from summary health information, in accordance with HIPAA. The Plan may not (and does not) use your genetic information that is PHI for underwriting purposes.

Although the Plan does not routinely obtain psychotherapy notes, generally, an authorization will be required by the Plan before the Plan will use or disclose psychotherapy notes about you. Psychotherapy notes are separately filed notes about your conversations with your mental health professional during a counseling session. They do not include summary information about your mental health treatment. However, the Plan may use and disclose such notes when needed by the Plan to defend itself against litigation filed by you.

The Plan generally will require an authorization form for uses and disclosure of your PHI for sales or marketing purposes if the Plan receives direct or indirect payment from the entity whose product or service is being marketed or sold. You have the right to revoke an authorization at any time.

### Use or Disclosure of Your PHI Where You Will Be Given an Opportunity to Agree or Disagree Before the Use or Release

Disclosure of your PHI to family members, other relatives and your close personal friends without your written consent or authorization is allowed if:

- The information is directly relevant to the family or friend’s involvement with your care or payment for that care, and
- You have either agreed to the disclosure or have been given an opportunity to object and have not objected.

**Note that PHI obtained by the Plan Sponsor's employees through Plan administration activities will NOT be used for employment related decisions.**

## **Use or Disclosure of Your PHI Where Consent, Authorization or Opportunity to Object Is Not Required**

In general, the Plan does not need your written authorization to release your PHI if required by law or for public health and safety purposes. The Plan and its business associates are allowed to use and disclose your PHI **without** your written authorization under the following circumstances:

1. When **required by law**.
2. When permitted for **purposes of public health activities**. This includes reporting product defects, permitting product recalls and conducting post-marketing surveillance. PHI may also be used or disclosed if you have been exposed to a communicable disease or are at risk of spreading a disease or condition, if authorized by law.
3. To a school about an individual who is a student or prospective student of the school if the protected health information this is disclosed is limited to **proof of immunization**, the school is required by State or other law to have such proof of immunization prior to admitting the individual and the covered entity obtains and documents the agreements to this disclosure from either a parent, guardian or other person acting in loco parentis of the individual, if the individual is an unemancipated minor; or the individual, if the individual is an adult or emancipated.
4. When authorized by law to report information about **abuse, neglect, or domestic violence** to public authorities if a reasonable belief exists that you may be a victim of abuse, neglect, or domestic violence. In such case, the Plan will promptly inform you that such a disclosure has been or will be made unless that notice would cause a risk of serious harm. For the purpose of reporting child abuse or neglect, it is not necessary to inform the minor that such a disclosure has been or will be made. Disclosure may generally be made to the minor's parents or other representatives, although there may be circumstances under federal or state law when the parents or other representatives may not be given access to the minor's PHI.
5. To a **public health oversight agency for oversight activities authorized by law**. These activities include civil, administrative, or criminal investigations, inspections, licensure, or disciplinary actions (for example, to investigate complaints against providers) and other activities necessary for appropriate oversight of government benefit programs (for example, to investigate Medicare or Medicaid fraud).
6. When required **for judicial or administrative proceedings**. For example, your PHI may be disclosed in response to a subpoena or discovery request, provided certain conditions are met, including that:
  - the requesting party must give the Plan satisfactory assurances that a good faith attempt has been made to provide you with a written Notice, and
  - the Notice provided sufficient information about the proceeding to permit you to raise an objection, and
  - no objections were raised or were resolved in favor of disclosure by the court or tribunal.
7. When required for **law enforcement health purposes** (for example, to report certain types of wounds).
8. For **law enforcement purposes** if the law enforcement official represents that the information is not intended to be used against the individual, the immediate law enforcement activity would be materially and adversely affected by waiting to obtain the individual's agreement and the Plan, in its best judgment, determines that disclosure is in the best interest of the individual. Law enforcement purposes include:
  - identifying or locating a suspect, fugitive, material witness or missing person, and
  - disclosing information about an individual who is or is suspected to be a victim of a crime.
9. When required to be given **to a coroner or medical examiner** to identify a deceased person, determine a cause of death or other authorized duties. When required to be given **to funeral directors** to carry out their duties with respect to the decedent, for use and disclosures for cadaveric **organ, eye, or tissue donation** purposes.
10. For **research**, subject to certain conditions.
11. When, consistent with applicable law and standards of ethical conduct, the Plan in good faith believes the use or disclosure is necessary to prevent or lessen a serious and **imminent threat to the health or safety** of a person or the public and the

disclosure is to a person reasonably able to prevent or lessen the threat, including the target of the threat.

12. When authorized by and to the extent necessary to comply with **workers' compensation** or other similar programs established by law.
13. When required, for **specialized government functions**, to military authorities under certain circumstances, or to authorized federal officials for lawful intelligence, counterintelligence, and other national security activities.

Any other Plan uses and disclosures not described in this Notice will be made only if you provide the Plan with written authorization, subject to your right to revoke your authorization, and information used and disclosed will be made in compliance with the minimum necessary standards of the regulation.

## **Your Individual Privacy Rights**

### ***You May Request Restrictions on PHI Uses and Disclosures***

You may request the Plan to restrict the uses and disclosures of your PHI:

- To carry out treatment, payment, or health care operations, or
- To family members, relatives, friends, or other persons identified by you who are involved in your care.
- The Plan, however, is not required to agree to your request if the Plan Administrator or Privacy Officer determines it to be unreasonable, for example, if it would interfere with the Plan's ability to pay a claim.

The Plan will accommodate an individual's reasonable request to receive communications of PHI by alternative means or at alternative locations where the request includes a statement that disclosure could endanger the individual. You or your personal representative will be required to complete a form to request restrictions on the uses and disclosures of your PHI. To make such a request contact the Privacy Officer listed on the second page of this Notice.

### ***You May Inspect and Copy Your PHI***

You have the right to inspect and obtain a copy (in hard copy or electronic form) of your PHI (except psychotherapy notes and information compiled in reasonable contemplation of an administrative action or proceeding) contained in a "designated record set," for as long as the Plan maintains the PHI. You may request your hard copy or electronic information in a format that is convenient for you, and the Plan will honor that request to the extent possible. You may also request a summary of your PHI.

A **Designated Record Set** includes your medical records and billing records that are maintained by or for a covered health care provider. Records include enrollment, payment, billing, claims adjudication and case or medical management record systems maintained by or for a health plan or other information used in whole or in part by or for the covered entity to make decisions about you. Information used for quality control or peer review analyses and not used to make decisions about you is not included in the designated record set.

The Plan must provide the requested information within 30 days of its receipt of the request if the information is maintained onsite or within 60 days if the information is maintained offsite. A single 30-day extension is allowed if the Plan is unable to comply with the deadline and notifies you in writing in advance of the reasons for the delay and the date by which the Plan will provide the requested information.

You or your personal representative will be required to complete a form to request access to the PHI in your Designated Record Set. Requests for access to your PHI should be made to the Plan's Privacy Officer listed on the second page of this Notice. You may be charged a reasonable cost-based fee for creating or copying the PHI or preparing a summary of your PHI.

If access is denied, you or your personal representative will be provided with a written denial describing the basis for the denial, a description of how you may exercise those review rights and a description of how you may complain to the Plan's Privacy Officer or the Secretary of the U.S. Department of Health and Human Services.

### ***You Have the Right to Amend Your PHI***

You or your Personal Representative have the right to request that the Plan amend your PHI or a record about you in a designated record set for as long as the PHI is maintained in the designated record set. The Plan has 60 days after receiving your request to act on it. The Plan is allowed a single 30-day extension if the Plan is unable to comply with the 60-day deadline (provided that the Plan notifies you in writing in advance of the reasons for the delay and the date by which the Plan will provide the requested information).

If the Plan denied your request in whole or part, the Plan must provide you with a written denial that explains the basis for the decision. You or your personal representative may then submit a written statement disagreeing with the denial and have that statement included with any future disclosures of your PHI. You should make your request to amend PHI to the Privacy Officer listed on the second page of this Notice.

You or your personal representative may be required to complete a form to request amendment of your PHI. Forms are available from the Privacy Officer listed on the second page of this Notice.

### ***You Have the Right to Receive an Accounting of the Plan's PHI Disclosures***

At your request, the Plan will also provide you with an accounting of disclosures by the Plan of your PHI during the six years (or shorter period if requested) before the date of your request. The Plan will not provide you with an accounting of disclosures related to treatment, payment, or health care operations, or disclosures made to you or authorized by you in writing.

The Plan has 60 days after its receipt of your request to provide the accounting. The Plan is allowed an additional 30 days if the Plan gives you a written statement of the reasons for the delay and the date by which the accounting will be provided. If you request more than one accounting within a 12-month period, the Plan may charge a reasonable, cost-based fee for each subsequent accounting.

### ***You have the Right to Request that PHI be Transmitted to You Confidentially***

The Plan will permit and accommodate your reasonable request to have PHI sent to you by alternative means or to an alternative location (such as mailing PHI to a different address or allowing you to personally pick up the PHI that would otherwise be mailed), if you provide a written request to the Plan that the disclosure of PHI to your usual location could endanger you. If you believe you have this situation, you should contact the Plan's Privacy Officer to discuss your request for confidential PHI transmission.

### ***You Have the Right to Receive a Paper or Electronic Copy of This Notice Upon Request***

To obtain a paper or electronic copy of this Notice, contact the Plan's Privacy Officer listed on the second page of this Notice. This right applies even if you have agreed to receive the Notice electronically.

### ***Breach Notification***

If a breach of your unsecured protected health information occurs, the Plan will notify you.

## **Your Personal Representative**

You may exercise your rights to your PHI by designating a personal representative. Your personal representative will be required to produce evidence of the authority to act on your behalf **before** the personal representative will be given access to your PHI or be allowed to take any action for you. Under this Plan, proof of such authority will include (1) a completed, signed and approved "Appoint a Personal Representative" form; (2) a notarized power of attorney for health care purposes; (3) a court-appointed conservator or guardian; or (4) for a Spouse under this Plan, the absence of a Revoke a Personal Representative form. You may obtain this "Appoint a Personal Representative" form by contacting the Privacy Officer listed on the second page of this Notice.

The Plan retains discretion to deny access to your PHI to a personal representative to provide protection to those vulnerable people who depend on others to exercise their rights under these rules and who may be subject to abuse or neglect.

This Plan will recognize certain individuals (spouses) as Personal Representatives **without** you having to complete an "Appoint a Personal Representative" form. This means that **the Plan will automatically consider a Spouse to be the personal representative of an employee/retiree and vice versa**. The recognition of your Spouse as your personal representative (and vice versa) is for the use and disclosure of PHI related to treatment, payment and health care operations purposes under this Plan and is not intended to expand such designation beyond what is necessary for this Plan to comply with HIPAA privacy regulations.

You may however request that the Plan **not automatically** honor the spouse as your Personal Representative by completing a form to "**Revoke a Personal Representative**" available from the Privacy Officer listed on the second page of this Notice.

Because this law gives adults certain rights (and generally children age 18 and older are adults), if you have **dependent children age 18 and older** (e.g. students) covered under the Plan, and the child wants you, as the parent(s), to be able to access their protected health information, that child will need to complete a Personal Representative form to designate you and/or your spouse as their personal representative.

The Plan will consider a parent, guardian, or other person acting *in loco parentis* as the personal representative of an unemancipated minor (a child generally under age 18) unless the applicable law requires otherwise. **In loco parentis** may be further defined by state law, but in general it refers to a person who has been treated as a parent by the child and who has formed a meaningful parental relationship with the child for a substantial period of time.

Spouses and unemancipated minors may, however, request that the Plan restrict PHI that goes to family members as described above under the section titled "Your Individual Privacy Rights."

## The Plan's Duties

The Plan is required by law to maintain the privacy of your PHI and to provide you and your eligible dependents with Notice of its legal duties and privacy practices. The Plan is required to comply with the terms of this Notice. However, the Plan reserves the right to change its privacy practices and the terms of this Notice and to apply the changes to any PHI maintained by the Plan.

**Notice Distribution:** The Notice will be provided to each person when they initially enroll for benefits in the Plan. The Notice is also available on the Plan's website at: [www.napebt.com](http://www.napebt.com). The Notice will also be provided upon request. Once every three years the Plan will notify the individuals then covered by the Plan where to obtain a copy of the Notice. This Plan will satisfy the requirements of the HIPAA regulation by providing the Notice to the named insured (covered employee) of the Plan; however, employees are encouraged to share this Notice with other family members covered under the Plan.

**Notice Revisions:** If a privacy practice of this Plan is changed affecting this Notice, a revised version of this Notice will be provided to you and all participants covered by the Plan at the time of the change. Any revised version of the Notice will be distributed within 60 days of the effective date of a material change to the uses and disclosures of PHI, your individual rights, the duties of the Plan or other privacy practices stated in this Notice. Material changes are changes to the uses and disclosures of PHI, an individual's rights, the duties of the Plan or other privacy practices stated in the Privacy Notice. Because our health plan posts its Notice on its web site, we will prominently post the revised Notice on that web site by the effective date of the material change to the Notice. We will also provide the revised notice, or information about the material change and how to obtain the revised Notice, in our next annual mailing to individuals covered by the Plan.

## Disclosing Only the Minimum Necessary Protected Health Information

When using or disclosing PHI or when requesting PHI from another covered entity, the Plan will make reasonable efforts not to use, disclose or request more than the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request, taking into consideration practical and technological limitations.

As described in the amended Plan document, the Plan may share PHI with the Plan Sponsor for limited administrative purposes, such as determining claims and appeals, performing quality assurance functions and auditing and monitoring the Plan. The Plan shares the minimum information necessary to accomplish these purposes.

## Your Right to File a Complaint

**If you believe that your privacy rights have been violated, you may file a complaint with the Plan in care of the Plan's Privacy Officer, listed on the second page of this Notice.** Neither your employer nor the Plan will retaliate against you for filing a complaint.

You may also file a complaint (within 180 days of the date you know or should have known about an act or omission) with the Secretary of the U.S. Department of Health and Human Services by contacting the Office for Civil Rights, U.S. Department of Health & Human Services 90 Seventh St., Suite 4-100 San Francisco, CA 94103 phone: (415) 437-8310 or (415) 437-8311 (TDD) or fax: (415) 437-8329 or this website: <http://www.hhs.gov/ocr/privacy/hipaa/complaints/index.html> or contact the Plan's Privacy Officer for more information about how to file a complaint.

## If You Need More Information

If you have any questions regarding this Notice or the subjects addressed in it, you may contact the Plan's Privacy Officer listed on the second page of this Notice.

## MEDICARE PART D NOTICE

### Important Notice from Northern Arizona Public Employees Benefit Trust (NAPEBT) about Prescription Drug Coverage for People with Medicare

**This notice is for people with Medicare.  
Please read this notice carefully and keep it where you can find it.**

This Notice has information about your current prescription drug coverage with Northern Arizona Public Employees Benefit Trust (NAPEBT) and the prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare's prescription drug coverage and can help you decide whether or not you want to enroll in that Medicare prescription drug coverage.

At the end of this notice is information on where you can get help to make a decision about Medicare's prescription drug coverage.

**If you and/or your family members are not now eligible for Medicare, and will not be eligible during the next 12 months, you may disregard this Notice.**

**If, however, you and/or your family members are now eligible for Medicare or may become eligible for Medicare in the next 12 months, you should read this Notice very carefully.**

This announcement is required by law whether the group health plan's coverage is primary or secondary to Medicare. Because it is not possible for our Plan to always know when a Plan participant or their eligible spouse or children have Medicare coverage or will soon become eligible for Medicare, we have decided to provide this Notice to all plan participants.

Prescription drug coverage for Medicare-eligible people is available through Medicare prescription drug plans (PDPs) and Medicare Advantage Plans (like an HMO or PPO) that offer prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more drug coverage for a higher monthly premium.

**Northern Arizona Public Employees Benefit Trust (NAPEBT) has determined that the prescription drug coverage is "creditable" under the following medical plan options: the Base Plan, the Buy-up Plan, and the High Deductible Health Plan.**

"Creditable" means that the value of this Plan's prescription drug benefit is, on average for all plan participants, expected to pay out as much as or more than the standard Medicare prescription drug coverage will pay.

Because the plan option(s) noted above are, on average, at least as good as the standard Medicare prescription drug coverage, **you can elect or keep prescription drug coverage under the Base Plan, the Buy-Up Plan, and the High Deductible Health Plan and you will not pay extra if you later decide to enroll in Medicare prescription drug coverage.** You may enroll in Medicare prescription drug coverage at a later time, and because you maintain creditable coverage, you will not have to pay a higher premium (a late enrollment fee penalty).

#### **REMEMBER TO KEEP THIS NOTICE**

**If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).**

## WHEN CAN YOU JOIN A MEDICARE DRUG PLAN?

Medicare-eligible people can enroll in a Medicare prescription drug plan at one of the following 3 times:

- when they first become eligible for Medicare; or
- during Medicare's annual election period (from October 15<sup>th</sup> through December 7<sup>th</sup>); or
- for beneficiaries leaving employer/union coverage, you may be eligible for a two-month Special Enrollment Period (SEP) in which to sign up for a Medicare prescription drug plan.

When you make your decision whether to enroll in a Medicare prescription drug plan, you should also compare your current prescription drug coverage, (including which drugs are covered and at what cost) with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

## YOUR RIGHT TO RECEIVE A NOTICE

You will receive this notice at least every 12 months and at other times in the future such as if the creditable/non- creditable status of the prescription drug coverage through this plan changes. You may also request a copy of a Notice at any time from the Human Resources Department or [www.napebt.com](http://www.napebt.com).

## WHY CREDITABLE COVERAGE IS IMPORTANT (When you will pay a higher premium (penalty) to join a Medicare drug plan)

If you do not have creditable prescription drug coverage when you are first eligible to enroll in a Medicare prescription drug plan and you elect or continue prescription drug coverage under a **non-creditable** prescription drug plan, then at a later date when you decide to elect Medicare prescription drug coverage you may pay a higher premium (a penalty) for that Medicare prescription drug coverage for as long as you have that Medicare coverage.

Maintaining creditable prescription drug coverage will help you avoid Medicare's late enrollment penalty. This **late enrollment penalty** is described below:

If you go 63 continuous days or longer without creditable prescription drug coverage (meaning drug coverage that is at least as good as Medicare's prescription drug coverage), your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have either Medicare prescription drug coverage or coverage under a creditable prescription drug plan. You may have to pay this higher premium (the penalty) as long as you have Medicare prescription drug coverage.

For example, if 19 months pass where you do not have creditable prescription drug coverage, when you decide to join Medicare's drug coverage your monthly premium will always be at least 19% higher than the Medicare base beneficiary premium. Additionally, if you go 63 days or longer without prescription drug coverage you may also have to wait until the next Medicare open enrollment period in order to enroll for Medicare prescription drug coverage.



## WHAT ARE MY CHOICES?

You can choose any **one** of the following options:

Your Choices:	What you can do:	What this option means to you:
<b>Option 1</b>	You can select or keep your current medical and prescription drug coverage with the Base Plan, the Buy-up Plan, and the High Deductible Health Plan, and <b><u>you do not have to enroll in a Medicare prescription drug plan.</u></b>	<p>You will continue to be able to use your prescription drug benefits through Northern Arizona Public Employees Benefit Trust (NAPEBT).</p> <p>You may, in the future, enroll in a Medicare prescription drug plan during Medicare's annual enrollment period (during October 15<sup>th</sup> - December 7<sup>th</sup> of each year).</p> <p>As long as you are enrolled in creditable drug coverage you will not have to pay a higher premium (a late enrollment fee) to Medicare when you do choose, at a later date, to sign up for a Medicare prescription drug plan.</p>
<b>Option 2</b>	<p>You can select or keep your current medical and prescription drug coverage with the Base Plan, the Buy-up Plan, and the High Deductible Health Plan <b><u>and also enroll in a Medicare prescription drug plan.</u></b></p> <p>If you enroll in a Medicare prescription drug plan you will need to pay the Medicare Part D premium out of your own pocket.</p>	<p>Your current coverage pays for other health expenses in addition to prescription drugs. If you enroll in a Medicare prescription drug plan, you and your eligible dependents will still be eligible to receive all of your current health and prescription drug benefits.</p> <p>Having dual prescription drug coverage under this Plan and Medicare means that you will still be able to receive all your current health coverage and this Plan will coordinate its drug payments with Medicare, as follows:</p> <p>for Medicare eligible Retirees and their Medicare eligible Dependents, Medicare Part D coverage pays primary and this group health plan pays secondary.</p> <p>for Medicare eligible Active Employees and their Medicare eligible Dependents, this group health plan pays primary and Medicare Part D coverage pays secondary.</p> <p>Note that you may not drop just the prescription drug coverage under the Base Plan, the Buy-up Plan, and the High Deductible Health Plan. That is because prescription drug coverage is part of the entire medical plan.</p> <p>Generally, you may only drop your current medical and prescription drug coverage with NAPEBT at this Plan's Open Enrollment period.</p> <p>Note that each Medicare prescription drug plan (PDP) may differ. Compare coverage, such as:</p> <ul style="list-style-type: none"> <li>PDPs may have different premium amounts;</li> <li>PDPs cover different brand name drugs at different costs to you;</li> <li>PDPs may have different prescription drug deductibles and different drug copayments;</li> <li>PDPs may have different networks for retail pharmacies and mail order services.</li> </ul>
<p><b>IMPORTANT NOTE:</b></p> <p><b>If you are enrolled in the High Deductible Health Plan (HDHP) with the Health Savings Account (HSA) you may not continue to make contributions to your HSA once you are enrolled in Medicare including being enrolled in a Medicare Part D drug plan.</b></p>		

## FOR MORE INFORMATION ABOUT YOUR OPTIONS UNDER MEDICARE'S PRESCRIPTION DRUG COVERAGE

More detailed information about Medicare plans that offer prescription drug coverage is available in the "Medicare & You" handbook. A person enrolled in Medicare (a "beneficiary") will get a copy of this handbook in the mail each year from Medicare. A Medicare beneficiary may also be contacted directly by Medicare-approved prescription drug plans.

For more information about Medicare prescription drug coverage:

- Visit [www.medicare.gov](http://www.medicare.gov)
- Call your State Health Insurance Assistance Program (see your copy of the Medicare & You handbook for their telephone number), for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

### Para más información sobre sus opciones bajo la cobertura de Medicare para recetas médicas.

Revise el manual "Medicare Y Usted" para información más detallada sobre los planes de Medicare que ofrecen cobertura para recetas médicas. Visite [www.medicare.gov](http://www.medicare.gov) por el Internet o llame GRATIS al 1 800 MEDICARE (1- 800-633-4227). Los usuarios con teléfono de texto (TTY) deben llamar al 1-877-486-2048. Para más información sobre la ayuda adicional, visite la SSA en línea en [www.socialsecurity.gov](http://www.socialsecurity.gov) por Internet, o llámeles al 1-800-772-1213 (Los usuarios con teléfono de texto (TTY) deberán llamar al 1-800-325-0778).

**For people with limited income and resources**, extra help paying for a Medicare prescription drug plan is available. Information about this extra help is available from the Social Security Administration (SSA). For more information about this extra help, visit SSA online at [www.ssa.gov](http://www.ssa.gov), or call them at 1-800-772-1213 (TTY 1- 800-325-0778).

**For more information about this notice or your current prescription drug coverage contact your Human Resources Department at:**

Coconino County	679-7100
City of Flagstaff	213-2090
Coconino Community College	226-4280
Flagstaff Unified School District	527-6046
Mountain Line	679-8908
CCRASD #99	526-5570
Kachina Village Improvement District	525-1775

As in all cases, Northern Arizona Public Employees Trust (NAPEBT) reserves the right to modify benefits at any time, in accordance with applicable law. This document is intended to serve as your Medicare Notice of Creditable Coverage, as required by law.

## 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, visit [www.healthcare.gov](http://www.healthcare.gov).

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or [www.insurekidsnow.gov](http://www.insurekidsnow.gov) to find out how to apply. If you qualify, ask your state if it has a program that might help you pay the premiums for an employer-sponsored plan.

If you or your dependents are eligible for premium assistance under Medicaid or CHIP, as well as eligible under your employer plan, your employer must allow you to enroll in your employer plan if you aren’t already enrolled. This is called a “special enrollment” opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance**. If you have questions about enrolling in your employer plan, contact the Department of Labor at [www.askebsa.dol.gov](http://www.askebsa.dol.gov) or call **1-866-444-EBSA (3272)**.

**If you live in one of the following states, you may be eligible for assistance paying your employer health plan premiums. The following list of states is current as of January 31, 2023. Contact your State for more information on eligibility –**

ALABAMA – Medicaid	ALASKA – Medicaid
Website: <a href="http://myalhipp.com/">http://myalhipp.com/</a> Phone: 1-855-692-5447	The AK Health Insurance Premium Payment Program Website: <a href="http://myakhipp.com/">http://myakhipp.com/</a> Phone: 1-866-251-4861 Email: <a href="mailto:CustomerService@MyAKHIPP.com">CustomerService@MyAKHIPP.com</a> Medicaid Eligibility: <a href="https://health.alaska.gov/dpa/Pages/default.aspx">https://health.alaska.gov/dpa/Pages/default.aspx</a>
ARKANSAS – Medicaid	CALIFORNIA – Medicaid
Website: <a href="http://myarhipp.com/">http://myarhipp.com/</a> Phone: 1-855-MyARHIPP (855-692-7447)	Website: Health Insurance Premium Payment (HIPP) Program <a href="http://dhcs.ca.gov/hipp">http://dhcs.ca.gov/hipp</a> Phone: 916-445-8322 Fax: 916-440-5676 Email: <a href="mailto:hipp@dhcs.ca.gov">hipp@dhcs.ca.gov</a>
COLORADO – Health First Colorado (Colorado’s Medicaid Program) & Child Health Plan Plus (CHP+)	FLORIDA – Medicaid
Health First Colorado Website: <a href="https://www.healthfirstcolorado.com/">https://www.healthfirstcolorado.com/</a> Health First Colorado Member Contact Center: 1-800-221-3943/ State Relay 711 CHP+: <a href="https://hcpf.colorado.gov/child-health-plan-plus">https://hcpf.colorado.gov/child-health-plan-plus</a> CHP+ Customer Service: 1-800-359-1991/ State Relay 711 Health Insurance Buy-In Program (HIBI): <a href="https://www.mycohibi.com/">https://www.mycohibi.com/</a> HIBI Customer Service: 1-855-692-6442	Website: <a href="https://www.flmedicaidtprecovery.com/flmedicaidtprecovery.com/hipp/index.html">https://www.flmedicaidtprecovery.com/flmedicaidtprecovery.com/hipp/index.html</a> Phone: 1-877-357-3268

<b>GEORGIA – Medicaid</b>	<b>INDIANA – Medicaid</b>
<p>GA HIPP Website: <a href="https://medicaid.georgia.gov/health-insurance-premium-payment-program-hipp">https://medicaid.georgia.gov/health-insurance-premium-payment-program-hipp</a>  Phone: 678-564-1162, Press 1  GA CHIPRA Website:  <a href="https://medicaid.georgia.gov/programs/third-party-liability/childrens-health-insurance-program-reauthorization-act-2009-chipra">https://medicaid.georgia.gov/programs/third-party-liability/childrens-health-insurance-program-reauthorization-act-2009-chipra</a>  Phone: (678) 564-1162, Press 2</p>	<p>Healthy Indiana Plan for low-income adults 19-64  Website: <a href="http://www.in.gov/fssa/hip/">http://www.in.gov/fssa/hip/</a>  Phone: 1-877-438-4479  All other Medicaid  Website: <a href="https://www.in.gov/medicaid/">https://www.in.gov/medicaid/</a>  Phone 1-800-457-4584</p>
<b>IOWA – Medicaid and CHIP (Hawki)</b>	<b>KANSAS – Medicaid</b>
<p>Medicaid Website:  <a href="https://dhs.iowa.gov/ime/members">https://dhs.iowa.gov/ime/members</a>  Medicaid Phone: 1-800-338-8366  Hawki Website:  <a href="http://dhs.iowa.gov/Hawki">http://dhs.iowa.gov/Hawki</a>  Hawki Phone: 1-800-257-8563  HIPP Website: <a href="https://dhs.iowa.gov/ime/members/medicaid-a-to-z/hipp">https://dhs.iowa.gov/ime/members/medicaid-a-to-z/hipp</a>  HIPP Phone: 1-888-346-9562</p>	<p>Website: <a href="https://www.kancare.ks.gov/">https://www.kancare.ks.gov/</a>  Phone: 1-800-792-4884  HIPP Phone: 1-800-766-9012</p>
<b>KENTUCKY – Medicaid</b>	<b>LOUISIANA – Medicaid</b>
<p>Kentucky Integrated Health Insurance Premium Payment Program (KI-HIPP) Website:  <a href="https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx">https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx</a>  Phone: 1-855-459-6328  Email: <a href="mailto:KIHIPPPROGRAM@ky.gov">KIHIPPPROGRAM@ky.gov</a>  KCHIP Website: <a href="https://kidshealth.ky.gov/Pages/index.aspx">https://kidshealth.ky.gov/Pages/index.aspx</a>  Phone: 1-877-524-4718  Kentucky Medicaid Website: <a href="https://chfs.ky.gov">https://chfs.ky.gov</a></p>	<p>Website: <a href="http://www.medicaid.la.gov">www.medicaid.la.gov</a> or <a href="http://www.ldh.la.gov/lahipp">www.ldh.la.gov/lahipp</a>  Phone: 1-888-342-6207 (Medicaid hotline) or 1-855-618-5488 (LaHIPP)</p>
<b>MAINE – Medicaid</b>	<b>MASSACHUSETTS – Medicaid and CHIP</b>
<p>Enrollment Website:  <a href="https://www.mymaineconnection.gov/benefits/s/?language=en_US">https://www.mymaineconnection.gov/benefits/s/?language=en_US</a>  Phone: 1-800-442-6003  TTY: Maine relay 711  Private Health Insurance Premium Webpage:  <a href="https://www.maine.gov/dhhs/ofi/applications-forms">https://www.maine.gov/dhhs/ofi/applications-forms</a>  Phone: 1-800-977-6740  TTY: Maine relay 711</p>	<p>Website: <a href="https://www.mass.gov/masshealth/pa">https://www.mass.gov/masshealth/pa</a>  Phone: 1-800-862-4840  TTY: (617) 886-8102</p>
<b>MINNESOTA – Medicaid</b>	<b>MISSOURI – Medicaid</b>
<p>Website:  <a href="https://mn.gov/dhs/people-we-serve/children-and-families/health-care/health-care-programs/programs-and-services/other-insurance.jsp">https://mn.gov/dhs/people-we-serve/children-and-families/health-care/health-care-programs/programs-and-services/other-insurance.jsp</a>  Phone: 1-800-657-3739</p>	<p>Website:  <a href="http://www.dss.mo.gov/mhd/participants/pages/hipp.htm">http://www.dss.mo.gov/mhd/participants/pages/hipp.htm</a>  Phone: 573-751-2005</p>
<b>MONTANA – Medicaid</b>	<b>NEBRASKA – Medicaid</b>

Website: <a href="http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP">http://dphhs.mt.gov/MontanaHealthcarePrograms/HIPP</a> Phone: 1-800-694-3084 Email: <a href="mailto:HSHIPPProgram@mt.gov">HSHIPPProgram@mt.gov</a>	Website: <a href="http://www.ACCESSNebraska.ne.gov">http://www.ACCESSNebraska.ne.gov</a> Phone: 1-855-632-7633 Lincoln: 402-473-7000 Omaha: 402-595-1178
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<b>NEVADA – Medicaid</b>	<b>NEW HAMPSHIRE – Medicaid</b>
Medicaid Website: <a href="http://dhcfp.nv.gov">http://dhcfp.nv.gov</a> Medicaid Phone: 1-800-992-0900	Website: <a href="https://www.dhhs.nh.gov/programs-services/medicaid/health-insurance-premium-program">https://www.dhhs.nh.gov/programs-services/medicaid/health-insurance-premium-program</a> Phone: 603-271-5218 Toll free number for the HIPP program: 1-800-852-3345, ext. 5218
<b>NEW JERSEY – Medicaid and CHIP</b>	<b>NEW YORK – Medicaid</b>
Medicaid Website: <a href="http://www.state.nj.us/humanservices/dmahs/clients/medicaid/">http://www.state.nj.us/humanservices/dmahs/clients/medicaid/</a> Medicaid Phone: 609-631-2392 CHIP Website: <a href="http://www.nifamilycare.org/index.html">http://www.nifamilycare.org/index.html</a> CHIP Phone: 1-800-701-0710	Website: <a href="https://www.health.ny.gov/health_care/medicaid/">https://www.health.ny.gov/health_care/medicaid/</a> Phone: 1-800-541-2831
<b>NORTH CAROLINA – Medicaid</b>	<b>NORTH DAKOTA – Medicaid</b>
Website: <a href="https://medicaid.ncdhhs.gov/">https://medicaid.ncdhhs.gov/</a> Phone: 919-855-4100	Website: <a href="http://www.nd.gov/dhs/services/medicalsev/medicaid/">http://www.nd.gov/dhs/services/medicalsev/medicaid/</a> Phone: 1-844-854-4825
<b>OKLAHOMA – Medicaid and CHIP</b>	<b>OREGON – Medicaid</b>
Website: <a href="http://www.insureoklahoma.org">http://www.insureoklahoma.org</a> Phone: 1-888-365-3742	Website: <a href="http://healthcare.oregon.gov/Pages/index.aspx">http://healthcare.oregon.gov/Pages/index.aspx</a> <a href="http://www.oregonhealthcare.gov/index-es.html">http://www.oregonhealthcare.gov/index-es.html</a> Phone: 1-800-699-9075
<b>PENNSYLVANIA – Medicaid and CHIP</b>	<b>RHODE ISLAND – Medicaid and CHIP</b>
Website: <a href="https://www.dhs.pa.gov/Services/Assistance/Pages/HIPP-Program.aspx">https://www.dhs.pa.gov/Services/Assistance/Pages/HIPP-Program.aspx</a> Phone: 1-800-692-7462 CHIP Website: <a href="http://www.dhs.pa.gov/ChildrensHealthInsuranceProgram(CHIP).aspx">Children's Health Insurance Program (CHIP) (pa.gov)</a> CHIP Phone: 1-800-986-KIDS (5437)	Website: <a href="http://www.eohhs.ri.gov/">http://www.eohhs.ri.gov/</a> Phone: 1-855-697-4347, or 401-462-0311 (Direct Rlite Share Line)
<b>SOUTH CAROLINA – Medicaid</b>	<b>SOUTH DAKOTA - Medicaid</b>
Website: <a href="https://www.scdhhs.gov">https://www.scdhhs.gov</a> Phone: 1-888-549-0820	Website: <a href="http://dss.sd.gov">http://dss.sd.gov</a> Phone: 1-888-828-0059
<b>TEXAS – Medicaid</b>	<b>UTAH – Medicaid and CHIP</b>
Website: <a href="http://gethipptexas.com/">http://gethipptexas.com/</a> Phone: 1-800-440-0493	Medicaid Website: <a href="https://medicaid.utah.gov/">https://medicaid.utah.gov/</a> CHIP Website: <a href="http://health.utah.gov/chip">http://health.utah.gov/chip</a> Phone: 1-877-543-7669
<b>VERMONT– Medicaid</b>	<b>VIRGINIA – Medicaid and CHIP</b>
Website: <a href="http://www.vermont.gov/health/insurance/hipp">Health Insurance Premium Payment (HIPP) Program   Department of Vermont Health Access</a> Phone: 1-800-250-8427	Website: <a href="https://www.coverva.org/en/famis-select">https://www.coverva.org/en/famis-select</a> <a href="https://www.coverva.org/en/hipp">https://www.coverva.org/en/hipp</a> Medicaid/CHIP Phone: 1-800-432-5924
<b>WASHINGTON – Medicaid</b>	<b>WEST VIRGINIA – Medicaid and CHIP</b>

Website: <a href="https://www.hca.wa.gov/">https://www.hca.wa.gov/</a> Phone: 1-800-562-3022	Website: <a href="https://dhhr.wv.gov/bms/">https://dhhr.wv.gov/bms/</a> <a href="http://mywvhipp.com/">http://mywvhipp.com/</a> Medicaid Phone: 304-558-1700 CHIP Toll-free phone: 1-855-MyWVHIPP (1-855-699-8447)
<b>WISCONSIN – Medicaid and CHIP</b>	<b>WYOMING – Medicaid</b>
Website: <a href="https://www.dhs.wisconsin.gov/badgercareplus/p-10095.htm">https://www.dhs.wisconsin.gov/badgercareplus/p-10095.htm</a> Phone: 1-800-362-3002	Website: <a href="https://health.wyo.gov/healthcarefin/medicaid/programs-and-eligibility/">https://health.wyo.gov/healthcarefin/medicaid/programs-and-eligibility/</a> Phone: 1-800-251-1269

To see if any other states have added a premium assistance program since January 31, 2023, or for more information on special enrollment rights, contact either:

U.S. Department of Labor  
Employee Benefits Security Administration  
[www.dol.gov/agencies/ebsa](http://www.dol.gov/agencies/ebsa)  
1-866-444-EBSA (3272)

U.S. Department of Health and Human Services  
Centers for Medicare & Medicaid Services  
[www.cms.hhs.gov](http://www.cms.hhs.gov)  
1-877-267-2323, Menu Option 4, Ext. 61565

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According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

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OMB Control Number 1210-0137 (expires 1/31/2026)