

Office of

HUMAN RESOURCES

Memorandum

To: To the Faculty and Staff of Elon University

From: The Office of Human Resources

Re: Important Health Notices

Date: November 2, 2009

You are receiving the following notices because you and/or your family are covered under the Group Health Plan for the Faculty and Staff of Elon University. Elon University wants to ensure that you are aware of your rights and obligations under the Group Health plan. The following notices are included.

- HIPAA Privacy Notice
- Medicare Part D Credible Coverage Notice
- Women's Health and Cancer Rights Act

Please take a moment to read over this important information and if you should have any questions, please contact the Office of Human Resources at (336) 278-5560.

Office of
HUMAN RESOURCES

Memorandum

TO: Faculty and Staff Employees
FROM: The Office of Human Resources
RE: Notice of Privacy Practices

The Health Insurance Portability and Accountability Act (“HIPAA”) requires Elon University to comply with requirements related to the use and disclosure of protected health information (PHI). “Protected health information” is defined as information about past, present or future physical or mental health, health care treatment, or payment for health care for an individual, where such information either identifies the individual or could reasonably be used to identify the individual.

The attached Notice of Privacy Practices describes how medical information about you may be used and disclosed and how you can obtain access to this information. Please review the enclosed notice.

If you have any questions, please contact Stephanie Page ext. 5560.

NOTICE OF PRIVACY PRACTICES

THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND HOW YOU CAN OBTAIN ACCESS TO THIS INFORMATION. PLEASE REVIEW IT CAREFULLY.

To persons enrolled in Elon University's Welfare Benefit Plan, Dental Insurance Plan, Life Insurance Plan, Long-term Disability Plan, Flexible Spending Arrangement under the Section 125 Cafeteria Plan, and Vision Care Plan (collectively, the "Plans"):

The Plans are required by law to maintain the privacy of your protected health information and to provide you with notice of the Plans' legal duties and privacy practices with respect to protected health information.

The Plans are required to abide by the terms of this notice until it is amended. The Plans reserve the right to change the terms of this notice and to make the new notice provisions effective for all protected health information that it maintains. All individuals covered under the Plans will receive a revised notice within 60 days of a material revision to the notice.

In order for the Plans to pay for your covered medical expenses, the Plans and those administering the Plans may be required to use or disclose certain health information about you. This information may involve:

- **Payment activities**, such as billing and collection activities, eligibility determinations, adjudication of claims, precertification and utilization review, and coordination of benefits, or
- **Health care operation activities**, such as quality assessment, case management, business management and general administrative activities, or
- **Treatment activities** by your health care provider, such as providing information relating to other treatments you have received.

The Plans and their administrators may use or disclose your health information to perform these duties without your authorization or opportunity to object or agree. The performance of these duties might include contacting you to provide information about treatment alternatives or other health-related benefits and services that may be of interest to you and for disclosing health information to the Plans' Sponsor, Elon University ("Elon"). The Plans may also disclose health information about you without your authorization or opportunity to agree or object to business associates of the Plans, such as actuaries who price the cost of coverage, the claims administrator who pays the claims or other professionals who perform services on behalf of the Plans. All disclosures made by the Plans of health information for payment, health care operation and treatment activities will be the minimum necessary to accomplish the intended purpose of the disclosure, and any business associate who receives the information must agree to keep it confidential.

The Plans may be required to make available to the Department of Health and Human Services all books and records regarding the health information of covered persons if this information is requested for audit purposes. You will not have to authorize this disclosure.

The Plans may disclose information about your medical records to a medical professional treating you. No authorization is necessary for this disclosure.

The law requires the Plans to make certain disclosures. These include disclosures:

- Subject to certain restrictions, as necessary in the course of judicial or administrative proceedings.
- Subject to certain restrictions, as necessary for law enforcement purposes.
- Subject to certain restrictions, to a government authority for purposes of reporting abuse, neglect or domestic violence.
- As necessary if disclosure is required by another law.

Notwithstanding anything to the contrary in this notice, the use or disclosure of protected health information may be prohibited or materially limited by other applicable law, such as a state law that is not preempted by the federal privacy rules.

The Plans may also be permitted or required to disclose medical information without your authorization under the following circumstances:

- To the proper authorities for purposes of reporting child abuse or neglect.
- To a public health authority (or an official of a foreign government agency that is acting in collaboration with a public health authority) authorized by law to collect or receive such information for the purpose of preventing or controlling disease, injury or disability.
- To people working for or with the Food and Drug Administration. These disclosures may be necessary to report adverse events with respect to food or dietary supplements, product defects (including use or labeling defects), or biological product deviations; for product tracking; to enable product recalls, repairs or replacements; or to conduct post marketing surveillance.
- To a coroner or medical examiner for the purpose of identifying a deceased person, determining a cause of death, or other duties are authorized by law, and to a funeral director as necessary to carry out their duties with respect to a decedent.
- To organ procurement organizations or other entities engaged in the procurement, banking, or transplantation of cadaveric organs, eyes, or tissue for the purpose of facilitating organ, eye or tissue donation and transplantation.
- Under certain circumstances, for research purposes.
- To prevent or lessen a serious and imminent threat to the health or safety of a person or the public if the disclosure is to a person reasonably able to prevent or lessen the threat.
- Under certain circumstances, if such disclosure is necessary for law enforcement authorities to identify or apprehend an individual.
- For specialized governmental functions that are authorized by law, such as in connection with military matters or matters of national security and intelligence.
- To a person who may have been exposed to a communicable disease or may otherwise be at risk of contracting or spreading a disease or condition.
- To a health oversight agency for oversight activities authorized by law.
- As necessary to comply with workers compensation or other similar programs.

In addition, the Plans may disclose health information to Elon, under the following conditions:

- Elon may not use any such information for employment-related decisions or in connection with any other benefit or employee benefit plan of Elon.
- Elon may receive such information to carry out the Plans' administration functions as the Plans' documents allow.

Finally, the Plans may use or disclose your health information, subject to certain restrictions, if necessary for the involvement of your care or for certain notification purposes, as long as you are given the opportunity to agree or object to the use or disclosure.

Other uses and disclosures of your health information will be made only with your written authorization and you generally may revoke the authorization at any time, upon request.

You have the right:

- To request restrictions on certain uses and disclosures of your health information. The Plans do not have to agree with a requested restriction, but if the Plans do agree, then the Plans must generally abide by that restriction.
- To receive your own confidential health information by alternative means or at alternative locations, if receipt of the information in the usual manner could endanger you. You should contact Elon's Privacy Officer to request the alternative delivery. You must include a statement that disclosure of the information in the usual manner could endanger you.
- To inspect and copy your own health information, but exceptions apply to certain types of information. If you request to see or copy your own health information from the Elon Privacy Officer and one of these exceptions apply, you will be given more information at that time, including the circumstances under which you may challenge the exception.
- To amend your own health information when that information is incorrect.
- To obtain an accounting of any disclosure of your confidential health information made during the six-year period preceding your request, other than disclosures for purposes of payment, health care operations or treatment, or disclosures under certain other circumstances, such as disclosures made in accordance with your written authorization.
- To obtain a paper copy of this notice upon request, if this version is provided electronically.

In each case, you must make your request to the Privacy Officer, in writing. Depending upon the nature of the request, you will be given more information at that time, including any exceptions to the rules that may apply to your case.

You may complain to Elon (acting on behalf of the Plans) and to the Secretary of Health and Human Services if you believe your privacy rights have been violated. If you wish to file such a complaint, please contact Elon's Privacy Officer at (336) 278-5560, and you will be given information on how to proceed. You will not be retaliated against by the Plans or Elon for filing a complaint. The Department of Health and Human Services may be contacted in Washington, DC, or listings may be found in local telephone directories.

For further information contact Stephanie Page, Elon's Privacy Officer at (336) 278-5560.

Effective Date: April 14, 2004

Important Notice from Elon University About Your Prescription Drug Coverage and 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 Elon University and prescription drug coverage available for people with Medicare. It also explains the options you have under Medicare prescription drug coverage and can help you decide whether or not you want to enroll. At the end of this notice is information about where you can get help to make decisions about your prescription drug coverage.

- 1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare through Medicare prescription drug plans and Medicare Advantage Plans 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 coverage for a higher monthly premium.**
- 2. Elon University has determined that the prescription drug coverage offered by the Group Health Plan for Faculty and Staff of Elon University is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay and is considered Creditable Coverage.**

Because your existing coverage is on average at least as good as standard Medicare prescription drug coverage, you can keep this coverage and not pay extra if you later decide to enroll in Medicare prescription drug coverage.

Individuals can enroll in a Medicare prescription drug plan when they first become eligible for Medicare and each year from November 15th through December 31st. Beneficiaries leaving employer/union coverage may be eligible for a Special Enrollment Period to sign up for a Medicare prescription drug plan.

You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

If you do decide to enroll in a Medicare prescription drug plan and drop your Elon University prescription drug coverage, be aware that you and your dependents may not be able to get this coverage back.

You should also know that if you drop or lose your coverage with the Group Health Plan for Faculty and Staff of Elon University and don't enroll in Medicare prescription drug coverage after your current coverage ends, you may pay more (a penalty) to enroll in Medicare prescription drug coverage later.

If you go 63 days or longer without prescription drug coverage that's at least as good as Medicare's prescription drug coverage, your monthly premium will go up at least 1% per month for every month that you did not have that coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what many other people pay. You'll have to pay this higher premium as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following November to enroll.

For more information about your current prescription drug coverage...

Contact our office for further information at (336) 278-5560. NOTE: You will receive this notice annually and at other times in the future such as before the next period you can enroll in Medicare prescription drug coverage, and if this coverage through Elon University changes. You also may request a copy.

For more information about your options under Medicare prescription drug coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare prescription drug plans. For more information about Medicare prescription drug plans:

- Visit 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.

For people with limited income and resources, extra help paying for Medicare prescription drug coverage is available. Information about this extra help is available from the Social Security Administration (SSA) online at www.socialsecurity.gov, or you call them at 1-800-772-1213.

Remember: Keep this notice. If you enroll in one of the new plans approved by Medicare which offer prescription drug coverage, you may be required to provide a copy of this notice when you join to show that you are not required to pay a higher premium amount.

Date:	November 2, 2009
Name of Entity/Sender:	Elon University
Contact--Position/Office:	Office of Human Resources
Address:	2070 Campus Box Elon, NC 27244
Phone Number:	336-278-5560

Women's Health and Cancer Rights Act Notices

Enrollment Notice

Special Rights Following Mastectomy. A group health plan generally must, under federal law, make certain benefits available to participants who have undergone a mastectomy. In particular, a plan must offer mastectomy patients benefits for:

- Reconstruction of the breast on which the mastectomy has been performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of mastectomy.

Our Plan complies with these requirements. Benefits for these items generally are comparable to those provided under our Plan for similar types of medical services and supplies. Of course, the extent to which any of these items is appropriate following mastectomy is a matter to be determined by consultation between the attending physician and the patient. Our Plan neither imposes penalties (for example, reducing or limiting reimbursements) nor provides incentives to induce attending providers to provide care inconsistent with these requirements.

DOL Model Annual Notice

Did you know that your plan, as required by the Women's Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema)? Call your Plan Administrator 336-278-5560 for more information.