Phil Dyer
Mayor

Harry LaRosiliere
Mayor Pro Tem

Lee Dunlap
Deputy Mayor Pro Tem

Pat Miner
Place 1

Ben Harris
Place 2

Mabrie Jackson
Place 3

Lissa Smith
Place 4

Jean Callison
Place 7

Thomas H. Muehlenbeck
City Manager

HIPAA Exemption Election Document

Name of Plan: City of Plano Welfare Benefit Plan
Plan Sponsor: City of Plano Risk Pool

EIN: 75-6000640 **Plan Number:** 704335

Plan Year/Period of Plan coverage: January 1, 2010 through December 31, 2010

Plan Administrator: City Manager of City of Plano

City of Plano Welfare Benefit Plan is not provided through insurance. City of Plano Risk Pool elects under authority of section 2721(b)(2) of the Public Health Service (PHS) Act, and 45 CFR 146.180 of Federal regulations, to exempt City of Plano Welfare Benefit Plan from the following requirements of title XXVII of the PHS Act:

- Parity in the application of certain limits to mental health benefits.

This election has been made in conformity with all rules of the plan sponsor, including any public hearing, if required. I certify that the undersigned is authorized to submit this election on behalf of City of Plano Risk Pool. A copy of the notice to plan enrollees is enclosed. If CMS has any questions regarding this election, please contact Sydney Covey at 972-941-7437.

Bruce Glasscock
Trustee, City of Plano Risk Pool
Deputy City Manager

P.O. Box 860358
Plano, Texas 75086-0358
972-941-7000
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Notice to Enrollees in a Self-Funded Nonfederal Governmental Group Health Plan

Under a federal law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, as amended, group health plans must generally comply with the requirements listed below. However, the law also permits State and local governmental employers that sponsor health plans to elect to exempt a plan from these requirements for any part of the plan that is "self-funded" by the employer, rather than provided through a health insurance policy. City of Plano has elected to exempt City of Plano Welfare Benefits Plan from the following requirements:

> Parity in the application of certain limits to mental health benefits. Group health plans (of employers that employ more than 50 employees) that provide both medical and surgical benefits and mental health or substance use disorder benefits must ensure that financial requirements and treatment limitations applicable to mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements and treatment limitations applicable to substantially all medical and surgical benefits covered by the plan.

The exemption from these Federal requirements will be in effect for the 2010 plan year beginning January 1, 2010 and ending December 31, 2010. The election may be renewed for subsequent plan years.

HIPAA also requires the Plan to provide covered employees and dependents with a "certificate of creditable coverage" when they cease to be covered under the Plan. There is no exemption from this requirement. The certificate provides evidence that you were covered under this Plan, because if you can establish your prior coverage, you may be entitled to certain rights to reduce or eliminate a preexisting condition exclusion if you join another employer's health plan, of if you wish to purchase an individual health insurance policy.

If you have any questions, please call Sydney Covey, 972-941-7437 or Katherine McGuire, 972-941-5109.