

AMENDMENT

to the Plan Documents of the

SEATTLE POLICE RELIEF ASSOCIATION SUPPLEMENTAL MEDICAL PLANS

The Plan Documents are to be amended as follows:

MANDATORY CHANGES

APPEALING A CLAIM

Initiating A Claim

All medical claims must first be submitted to the City of Seattle Plan or any other insurance carrier you may have (your primary insurance). After your primary insurance carrier processes your claim, you (except for dependents of active LEOFF I officers) will be sent an Explanation of Benefits form (EOB). EOBs for active LEOFF I officers are automatically sent directly to SPRA for processing. To receive payment from the SPRA Supplemental Medical Plans, you must submit your EOB to:

Seattle Police Relief Association
Supplemental Medical Plan
2517 Eastlake Avenue East #101
Seattle WA 98102
(206) 726-9095 or fax (206) 726-8767

Your primary insurance does not reimburse co-pays. To obtain reimbursement, submit your co-pay receipts to one of the addresses listed above.

If your claim is denied in whole or in part, you will receive an Explanation of Benefits from HMA showing the calculation of the total amount payable (if any), charges not payable, the reason for the determination, and if applicable, a description of any additional information needed. If additional information is needed, you may be asked to provide the information prior to payment of your claim.

The following information describes the formal procedure for appealing denied claims. The procedure is mandated by law and establishes the amount of time you have to file an appeal and the amount of time HMA or SPRA has to respond to your appeal. The formal procedure does not mean you are no longer able to call HMA or SPRA to ask questions about claims or to ask that an improperly handled claim be reprocessed. If you have questions about a denied claim, lost checks or believe your claim was improperly processed, you may still call HMA customer service at (425) 462-1000 or SPRA member services at (206) 726-9095 for assistance.

Appealing a Denied Claim

First Level: You may request a review **within 180 days** by filing a written appeal with the SPRA. The written appeal must clearly state that it is an appeal, and clearly state the reason for the appeal. You must supply any additional information to support the reason for your appeal. The plan administrator will make a decision **within 30 days**. This decision will be delivered to you in writing setting forth specific references to the pertinent Plan provision rule, protocol or guidelines upon which the decision is based. You will also be given a description of any additional information needed to overturn the decision. The review will be conducted by someone other than the individual who made the initial decision who is not a subordinate of that individual. If you are dissatisfied with the result of the first level review, you may request a second level review

Second Level: You may request a review **within 180 days** by filing a second written appeal with SPRA. The written appeal must clearly state that it is an appeal, and clearly state the reason for your appeal. You must supply any additional information to support the reason for your appeal. The Plan Administrator will present your appeal to the Hospital Plan Committee, and the Committee will present it to the Trustees at the next monthly Board meeting. The

Trustees will make a decision **within 30 days**. This decision will be delivered to you in writing setting forth specific references to the pertinent Plan provision rule, protocol or guidelines upon which the decision is based. You will also be given a description of any additional information needed to overturn the decision. The review will be conducted by someone other than the individual who made the initial decision on your claim and the adverse decision at the first level review. The person or committee conducting the second level review will not be subordinate to the person making the initial claim decision or the first level review.

Subsequent Action: Upon exhaustion of the full member appeals process, you may have a right to pursue voluntary appeals procedures, and for most group coverage, may bring action under section 502(a) of ERISA.

HIPAA PRIVACY (Effective April 14, 2004)

Use and Disclosure of Protected Health Information

Under the HIPAA privacy rules **effective April 14, 2004**, the Plan Sponsor must establish the permitted and required uses of Protected Health Information (PHI).

Plan Sponsor's Certification of Compliance

Neither the Plan nor any health insurance issuer or business associate servicing the Plan will disclose Plan Enrollees' Protected Health Information to SPRA unless SPRA certifies its compliance with 45 Code of Federal Regulations §164.504(f)(2) (collectively referred to as The Privacy Rule) as set forth in this Article, and agrees to abide by any revisions to The Privacy Rules.

Restrictions on Disclosure of Protected Health Information to SPRA (Plan Sponsor)

The Plan and any health insurance issuer or business associate servicing the Plan will disclose Plan Enrollees' Protected Health Information to SPRA (Plan Sponsor) only to permit SPRA to carry out plan administration functions for the Plan consistent with the requirements of the Privacy Rule. Any disclosure to and use by SPRA of Plan Enrollees' Protected Health Information will be subject to and consistent with the provisions of paragraphs on **SPRA Obligations Regarding Protecting Health Information** and **Adequate Separation Between SPRA and the Plan** of this Article.

Neither the Plan nor any health insurance issuer or business associate servicing the Plan will disclose Plan Enrollees' Protected Health Information to SPRA unless the disclosures are explained in the Notice of Privacy Practices distributed to the Plan Enrollees.

Neither the Plan nor any health insurance issuer or business associate servicing the Plan will disclose Plan Enrollees' Protected Health Information to SPRA for the purpose of employment-related actions or decisions or in connection with any other benefit or employee benefit plan of SPRA.

Plan Sponsor Obligations Regarding Protecting Health Information

SPRA will:

- Neither use nor further disclose Plan Enrollees' Protected Health Information, except as permitted or required by the Plan Documents, as amended, or required by law.
- Ensure that any agent, including any subcontractor, to whom it provides Plan Enrollees' Protected Health Information agrees to the restrictions and conditions of the Plan Documents, including this Article, with respect to Plan Enrollees' Protected Health Information.
- Not use or disclose Plan Enrollees' Protected Health Information for employment-related actions or decisions or in connection with any other benefit or employee benefit plan of SPRA.
- Report to the Plan any use or disclosure of Plan Enrollees' Protected Health Information that is inconsistent with the uses and disclosures allowed under this Article promptly upon learning of such inconsistent use or disclosure.

- Make Protected Health Information available to the Plan Enrollee who is the subject of the information in accordance with 45 Code of Federal Regulations § 164.524.
- Make Plan Enrollees' Protected Health Information available for amendment, and will on notice amend Plan Enrollees' Protected Health Information, in accordance with 45 Code of Federal Regulations § 164.526.
- Track disclosures it may make of Plan Enrollees' Protected Health Information so that it can make available the information required for the Plan to provide an accounting of disclosures in accordance with 45 Code of Federal Regulations § 164.528.
- Make available its internal practices, books, and records, relating to its use and disclosure of Plan Enrollees' Protected Health Information, to the Plan and to the U.S. Department of Health and Human Services to determine compliance with 45 Code of Federal Regulations Parts 160-64.
- If feasible, return or destroy all Plan Enrollee Protected Health Information, in whatever form or medium (including in any electronic medium under SPRA's custody or control), received from the Plan, including all copies of and any data or compilations derived from and allowing identification of any Enrollee who is the subject of the Protected Health Information, when the Plan Enrollees' Protected Health Information is no longer needed for the plan administration functions for which the disclosure was made. If it is not feasible to return or destroy all Plan Enrollee Protected Health Information, SPRA will limit the use or disclosure of any Plan Enrollee Protected Health Information it cannot feasibly return or destroy to those purposes that make the return or destruction of the information infeasible.

Adequate Separation Between SPRA and the Plan

The following classes of employees or other workforce members under the control of SPRA may be given access to Plan Enrollees' Protected Health Information received from the Plan or a health insurance issuer or business associate servicing the Plan:

- **President**
- **Financial Officer**
- **Hospital Plan Chair and Committee**
- **Plan Administrator**
- **Member Services Coordinator**

This list includes every class of employees or other workforce members under the control of SPRA who may receive Plan Enrollees' Protected Health Information relating to payment under, health care operations of, or other matters pertaining to the Plan in the ordinary course of business. The identified classes of employees or other workforce members will have access to Plan Enrollees' Protected Health Information only to perform the plan administration functions that SPRA provides for the Plan.

The identified classes of employees or other workforce members will be subject to disciplinary action and sanctions, including termination of employment or affiliation with SPRA, for any use or disclosure of Plan Enrollees' Protected Health Information in breach or violation of or noncompliance with the provisions of this Article to the Plan Documents. SPRA will promptly report such breach, violation or noncompliance to the Plan, and will cooperate with the Plan to correct the breach, violation or noncompliance, to impose appropriate disciplinary action or sanctions on each employee or other workforce member causing the breach, violation or noncompliance, and to mitigate any deleterious effect of the breach, violation or noncompliance on any Enrollee, the privacy of whose Protected Health Information may have been compromised by the breach, violation or noncompliance.

MANDATORY CHANGES TO GENERAL DEFINITIONS

The Plan Document will add language to comply with HIPAA privacy rules and as such it will need an additional definition.

PROTECTED HEALTH INFORMATION (PHI) – Individually Identifiable Health Information, as defined in HIPAA §164.501 (see §164.514(2)(b)(i) for individual identifiers), whether it is in electronic, paper or oral form that is created or received by or on behalf of the Plan Sponsor or the Plan Supervisor.

PLAN - Shall mean the Benefits described in the Plan Document. The Plan is the Covered Entity as defined in HIPAA (§160.103).

PLAN ADMINISTRATOR/PLAN SPONSOR - The individual, group or organization responsible for the day-to-day functions and management of the Plan. The Plan Administrator/Plan Sponsor may employ individuals or firms to process claims and perform other Plan connected services. The Plan Administrator/Plan Sponsor is as shown in the Plan Specifications.

Plan Document Amendment Approval Notification

It is agreed by, **SEATTLE POLICE RELIEF ASSOCIATION** that the provisions in the Plan Document are amended and that these amendments are acceptable and will be the basis for the administration of the Plan as described herein.

The effective date of this plan amendment will be no earlier than the first of the month following the date of signature below.

Signed at **Seattle**, Washington, this 14th day of April 2004, for an effective date of April 14, 2004.

SEATTLE POLICE RELIEF ASSOCIATION

Lynn Swindlehurst
Signature

Administrator
Title

same
Print Name