

**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 Mental Health Parity Act of 1996 (MHPA). On October 3, 2008, the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) was enacted to keep the provisions of the 1996 Mental Health Parity Act intact, remove day and visit limitations and further expand it to include substance abuse disorder benefits to provide true parity between mental health and substance abuse benefits and medical/surgical benefits.

After consulting our health actuaries, it was determined that a major redesign of the Southeast Polk Community School District's medical, surgical and behavioral health benefits would be required to meet the Act's technical requirements. Therefore, the plan has elected to officially "opt out" of compliance with the federal requirements. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) permits state and local governmental employers that are self-funded to exempt their plan from the requirements. However, Southeast Polk Community School District will continue to comply with Iowa state mandates.

Full details on benefits for expenses incurred in connection with mental health and substance use disorders can be found in the plan participant benefit booklets. The above exemptions and enhancements will be in effect for the 2011 Plan Year beginning July 1, 2011 and ending June 30, 2012, and will be re-evaluated on an annual basis.

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. 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, or if you wish to purchase an individual health insurance policy.

If you have any questions regarding this information, please contact Sandy Ely at 515-957-3430.