

ANNUAL NOTICES

Important Information You Receive Every Year

Each year the Maine Municipal Employees Health Trust (MMEHT) sends you important information regarding your rights and benefits while participating in the benefit program. Please take a moment to review the following notices included in this newsletter.

- **HIPAA - Summary Notice of Privacy Practices**

The use and disclosure of Protected Health Information is regulated by a federal law known as HIPAA (the Health Insurance Portability and Accountability Act). This notice describes how information about you may be used and disclosed, and how you can get access to this information with regard to your benefits. We keep the health and financial information of our current and former members private, as required by law. This notice explains your rights and our legal duties and privacy practices.

- **MEDICARE PART D - Notice of Creditable Coverage**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 requires group health plans that provide prescription drug coverage to disclose to individuals eligible for Medicare Part D whether their coverage is “creditable,” i.e., whether it is at least actuarially equivalent to the Medicare Part D coverage. Medicare Part D notices of creditable or non-creditable coverage must be provided to Medicare-eligible individuals prior to November 15 of each year.

- **WHCRA - Women’s Health and Cancer Rights Act Notice**

This annual notice is required under the provisions of the Women’s Health and Cancer Rights Act of 1998. The notice provides information regarding mastectomy coverage.

- **CHIP - Children’s Health Insurance Program Notice**

The Children’s Health Insurance Program Reauthorization Act of 2009 (CHIPRA), requires that that employers maintaining group health plans notify their employees of potential opportunities for group health plan premium assistance through Medicaid and the Children’s Health Insurance Program (CHIP) in the States in which the employees reside. This annual notice provides information about how an employee may contact the State in which he or she resides for additional information regarding potential opportunities for premium assistance, including how to apply for such assistance.

- **SAR - Summary Annual Report**

The MMEHT is required by law to furnish each participant with a copy of a summary of the annual report outlining the annual financial report of the Plan for the prior year.

Please contact the MMEHT at 1-800-852-8300 or htservice@memun.org with any questions.

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

60 Community Drive Augusta, ME 04330 ▲ www.mmeht.org ▲ Phone (800) 852-8300

HIPAA Summary Notice of Privacy Practices

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

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

The use and disclosure of Protected Health Information is regulated by a federal law known as HIPAA (the Health Insurance Portability and Accountability Act). You may find the HIPAA regulations at 45 Code of Federal Regulations Parts 160 and 164. This notice is a brief summary of the federal regulations. Should there be any inadvertent discrepancy between the information contained in this Notice, and the regulations, the regulations will govern.

This Summary Notice describes the medical information practices of the Maine Municipal Employees Health Trust (MMEHT) group health plan (the "Plan"), as well as the practices of its Business Associates (such as contract administrators and insurance carriers for medical, dental, and vision) that administer Plan claim payments. All of the provisions in this Notice are effective as of April 14, 2003.

This is a summary of the complete HIPAA Privacy Notice is available on the MMEHT website at www.mmeht.org. Click on Brochures and Forms and then HIPAA Privacy Notice (<http://mmeht.org/forms/privacy.htm>) You may also contact a MMEHT Member Service Representative by phone at 1-800-852-8300 or by e-mail at htservice@memun.org to obtain the full notice. Please contact us for assistance.

The MMEHT understands that medical information about you and your dependents, and about your health, is personal. We are committed to protecting your medical information, and that of your dependents. We will not disclose confidential information without your authorization, unless it is necessary to provide your health benefits, administer your benefit plan, or as otherwise required or permitted by law. The Health Trust makes sure that access to your confidential information is restricted to those employees who need to know that information to conduct our business. Health Trust employees have been trained on policies and procedures to protect your privacy.

Under Federal law, the Plan is required to take reasonable steps to ensure the privacy of your Protected Health Information, or PHI. PHI includes all individually identifiable health information which is transmitted or maintained by the Plan, whether the information is transmitted or maintained orally, electronically, or in written form.

This complete HIPAA Notice will let provide details regarding the following topics and are outlined below in this summary notice:

- 1. How we use and disclose your Protected Health Information (PHI):**
- 2. What your privacy rights are with respect to your PHI;**
- 3. What the Plan's duties are with respect to your PHI;**
- 4. When and how to file a complaint with the Plan, and with the Secretary of the U.S. Department of Health and Human Services; and**
- 5. Who to contact for further information about the Plan's privacy policies and practices.**

1. How the Plan Uses and Discloses your Protected Health Information (PHI). The Health Trust and/or its Business Associates may use or disclose your confidential information (also known as your Protected Health Information, or PHI), without your authorization, in the following circumstances:

- a. Treatment.**
- b. Payment.**

- c. Health Care Operations.
- d. As Required By Law.
- e. Workers' Compensation.

Except as described above, no disclosure of PHI or use of PHI will be made without your prior written authorization and consent. Furthermore, once you have given your consent, you may revoke your authorization and consent at any time.

2. Your Privacy Rights with Respect to your Protected Health Information (PHI). You have several rights with regard to the Protected Health Information (PHI) that the Plan maintains about you. These rights include:

- a. The Right to Request Additional Restrictions.
- b. Right to Receive Confidential Communications.
- c. Right to Inspect and Copy Your Confidential Information.
- d. Right to Amend Your Records.
- e. Right to Receive Paper Copy of Privacy Notice.
- f. Right to Receive an Accounting of Disclosures.

3. The Plan's Duties with Respect to your Protected Health Information (PHI). The Health Trust is required by law to maintain the privacy of your Protected Health Information (PHI), and to provide you with notice of our legal duties and privacy practices.

This Notice is effective beginning April 14, 2003, and we are required to comply with the terms of this Notice. However, the Health Trust reserves the right to change its privacy practices and to apply the changes to any PHI received or maintained by the Plan, even if received by the Plan prior to the change. If a privacy practice is changed, we will notify all participants for whom the Plan still maintains PHI, via a notice in the MMEHT quarterly "Wellness Works" newsletter and a notice posted on the MMEHT's website, at www.mmeht.org. Such notice will be given within 60 days of the effective date of any material change to the Plan's privacy procedures.

When using or disclosing PHI or when requesting PHI from another covered entity, the Health Trust will endeavor 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.

However, this "minimum necessary" standard will not apply in the following situations: a. uses or disclosures made to the individual patient; b. disclosures made to the Secretary of the U.S. Department of Health and Human Services; c. uses or disclosures that are required by law; and d. uses or disclosures that are required for the Plan's compliance with legal regulations.

4. When and How to file a Complaint with the Plan or the HHS Secretary. If you believe that your privacy rights have been violated, you may file a complaint with the Plan, or with the Secretary of the United States Department of Health and Human Services. To file a complaint with the Plan, please contact the MMEHT Member Service Manager by phone 1-800-852-8300; email htservice@memun.org; or mail to 60 Community Drive, Augusta, ME 04330. To file a complaint with the Secretary of HHS, write to: Secretary of the U.S. Department of Health and Human Services, Hubert H. Humphrey Building, 200 Independence Avenue S.W., Washington, D.C. 20201. All complaints must be made in writing. You will not be penalized for filing a complaint.

5. Who to Contact for Further Information about the Plan's Privacy Policies and Practices. If you have any questions about this Summary Notice or about any of the subjects addressed in it, please contact, the MMEHT Member Service Manager by phone 1-800-852-8300; or email htservice@memun.org; or mail to 60 Community Drive, Augusta, ME 04330.

MEDICARE PART D Notice of Creditable Coverage

IMPORTANT NOTICE FROM MAINE MUNICIPAL EMPLOYEES HEALTH TRUST ABOUT YOUR PRESCRIPTION DRUG COVERAGE AND MEDICARE

Medicare D Certificate of Creditable Coverage

PLEASE NOTE: THIS CERTIFICATE OF CREDITABLE COVERAGE ONLY APPLIES TO YOU IF YOU HAVE HEALTH INSURANCE COVERAGE THROUGH THE MAINE MUNICIPAL EMPLOYEES HEALTH TRUST.

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Maine Municipal Employees Health Trust, as well as other types of prescription drug coverage available to people with Medicare. It also tells you where to find more information to help you make decisions about your prescription drug coverage. (Please note: If you and your covered family members are not eligible for Medicare, this notice will not affect you.)

Effective January 1, 2006, prescription drug coverage became available to everyone with Medicare, through the new Medicare Part D prescription drug plan. This plan is being made available through several different insurance companies throughout the state; you may have received materials in the mail advertising these programs. The annual open enrollment period for the Medicare Part D prescription drug plan runs from November 15 through December 31 of each year.

As a participant in the Health Trust health insurance plan, you have prescription drug coverage provided through Anthem Prescription Management. It is important for you to know that your coverage through the Maine Municipal Employees Health Trust (your Anthem prescription card) is “creditable” prescription coverage. This means that, on average, the Health Trust expects to pay as much as the standard Medicare prescription drug coverage, and potentially more, for prescription drug coverage for its covered participants.

Because your Health Trust coverage is equal to, or better than, the basic Medicare Part D plan, you do not have to enroll in Medicare Part D coverage. You can keep your Health Trust coverage and you can choose not to enroll in Medicare Part D. This is part of the reason why it is so important to continue the “creditable coverage” that you have with the Health Trust.

Here’s a summary of your current Health Trust prescription drug coverage: When you purchase a 30-day prescription at the pharmacy, you pay a \$10 copay for Tier 1 drugs, a \$25 copay for Tier 2 drugs, and a \$40 copay for Tier 3 drugs. You can also purchase up to a 90-day prescription, at either the pharmacy or via mail order, for two copays: \$20 for Tier 1, \$50 for Tier 2, and \$80 for Tier 3 drugs.

The basic Medicare Part D plan, on the other hand, calls for participants to pay a calendar year deductible, coinsurance, and as much as \$3,600 in out-of-pocket costs in a calendar year. At that point, the basic Medicare Part D plan will start paying benefits at 95%.

If you choose to keep your Health Trust coverage, and not to enroll in Medicare Part D, you do not need to do anything. Your Health Trust coverage will continue on as it has been.

If you keep your Health Trust coverage, and you do not enroll in Medicare Part D, you may choose to enroll in Medicare Part D at a later date, with no penalty, as long as such enrollment takes place within 63 days from the date you lose your Health Trust coverage. If you wait longer than 63 days without coverage, however, you could be subject to a penalty when you do enroll in Medicare Part D. This penalty could add as much as 1% to your Medicare Part D premium, for every month that you had no equivalent coverage. Each year, you will have the opportunity to enroll in a Medicare Part D prescription drug plan during the Medicare open enrollment period, from November 15 to December 31. **But remember: as long as you maintain your Health Trust coverage, you do not need to enroll in Medicare Part D, since your Health Trust coverage provides better benefits than the basic Medicare Part D benefit.**

If, on the other hand, you choose to enroll in Medicare Part D and terminate your Health Trust coverage, you will lose your Health Trust coverage, and you will not be able to get it back. This is very important for you to know, and to take into account when making any decision about your health insurance coverage.

Once a retiree is on Medicare, his/her Health Trust coverage includes a Companion Plan from Anthem, Major Medical coverage including a prescription drug card, and a \$2,000 life insurance benefit. **All of this coverage will be lost, with no chance for re-enrollment, once a retiree terminates his or her coverage with the Health Trust.**

If you have any questions about this notice, or about your prescription drug benefits with the Health Trust, please contact a Health Trust Service Representative at 1-800-852-8300 or htservice@memun.org. You will receive a copy of this notice each year, prior to the Medicare Part D open enrollment period. You can also request that a copy be mailed to you, by calling the Health Trust at the number listed above.

If you have questions about the Medicare Part D prescription drug benefit, you can call Medicare at 1-800-MEDICARE (1-800-633-4227). You can also visit Medicare's Website at www.medicare.gov. If you are already on Medicare, you should have received a handbook entitled "Medicare and You", which explains the Medicare Part D prescription drug benefit (and any possible penalties for not enrolling) in more detail. **Remember: as long as you keep your Health Trust coverage, you do not have to enroll in Medicare Part D.**

For people with limited income and resources, extra help paying for a Medicare prescription drug plan is available from the Social Security Administration (SSA). For information about this extra help, visit SSA online at www.socialsecurity.gov, call them at 1-800-772-1213 (TTY 1-800-325-0778), or contact your local Social Security office.

Please keep this Certificate of Creditable Coverage. If you decide to enroll in one of the new plans approved by Medicare that offer prescription drug coverage, you may need to give a copy of this notice when you join that plan to show that you are not required to pay a higher premium amount.

Date: January 1, 2010
From: Maine Municipal Employees Health Trust
Contact: MMEHT Service Representatives
Address: 60 Community Drive, Augusta, ME 04330
Phone/email: 1-800-852-8300 or htservice@memun.org

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

60 Community Drive Augusta, ME 04330 ◀ www.mmeht.org ▶ Phone (800) 852-8300

WHCRA Women's Health and Cancer Rights Act

****Important Notification****

Maine Municipal Employees Health Trust Mastectomy and Reconstructive Breast Surgery Benefits

If you have had or are going to have a mastectomy, you 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 and coinsurance applicable to other medical and surgical benefits provided under this plan. If you would like more information on WHCRA benefits, please call the MMEHT at htservice@memun.org or 1-800-852-8300.

CHIP Children's Health Insurance Program and Medicaid

Offer Free Or Low-Cost Health Coverage To Children And Families

If you are eligible for health coverage from your employer, but are unable to afford the premiums, some States (including Maine) have premium assistance programs that can help pay for coverage. These States use funds from their Medicaid or CHIP programs to help people who are eligible for employer-sponsored health coverage, but need assistance in paying their health premiums.

If you or your dependents are already enrolled in Medicaid (MaineCare) or CHIP, you can 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, you can contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, you can ask the State** if it has a program that might help you pay the premiums for an employer-sponsored plan. Some State resources are detailed below.

MAINE-Medicaid: Website: <http://www.maine.gov/dhhs/oms/>
Phone: Phone: 1-800-321-5557

NEW HAMPSHIRE – Medicaid Website: <http://www.dhhs.state.nh.us/DHHS/MEDICAIDPROGRAM/default.htm>
Phone: Phone: 1-800-852-3345 x 5254

Once it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, the MMEHT is required to permit you and your dependents to enroll in your employer-sponsored health plan – as long as you and your dependents are eligible, but not already enrolled in the plan. This is called a “special enrollment” opportunity, and **you must request coverage by submitting a MMEHT Health Application for Enrollment/Change within 60 days of being determined eligible for premium assistance.** Enrollment forms are available through your Employer or by contacting the MMEHT at www.mmeht.org or htbilling@memun.org or 1-800-852-8300. Completed forms should be returned to your employer and then forwarded to the MMEHT no later than 60 days from the date of eligibility. Otherwise, general annual enrollment provisions will apply with enrollment in December for January effective date.

**Other State information can be obtained from the following websites. You should contact the State where you live for further information on eligibility. To see if any more States have added a premium assistance program since April 16, 2010, or for more information on special enrollment rights, you can contact either:

US Department of Labor
Employee Benefits Security Administration
www.dol.gov/ebsa
1-866-444-EBDA (3272)

U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
www.cms.hhs.gov
1-877-267-2323, Ext. 61565

SUMMARY ANNUAL REPORT for Maine Municipal Employees Health Trust

This is a summary of the annual report of the Maine Municipal Employees Health Trust, EIN 01-0382676, Plan No. 501, for the period January 1, 2009 through December 31, 2009. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has a contract with Prudential Financial to pay Life Insurance claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2009 were \$1,100,567.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$51,471,716 as of December 31, 2009, compared to \$56,054,577 as of January 1, 2009. During the plan year the plan experienced a decrease in its net assets of \$4,582,861. This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$101,033,569 including employer contributions of \$82,347,529, employee contributions of \$17,593,277, and earnings from investments of \$1,092,763.

Plan expenses were \$105,616,430. These expenses included \$6,170,033 in administrative and claims service expenses and \$99,446,397 in benefits and expenses paid to or for participants and their beneficiaries.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment; and
4. Insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write Employees of Municipal & Other Public Employers of Maine Health Trust, 60 Community Drive, Augusta, ME 04330-9486, (207) 621-2645.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at either the main office of the plan (Employees of Municipal & Other Public Employers of Maine Health Trust, 60 Community Drive, Augusta, ME 04330-9486) or at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.