

**SUMMARY OF MATERIAL MODIFICATIONS
TO THE
MEDICAL PLAN
OF THE CITY OF MATTOON**

To: All Plan Participants and Beneficiaries of the CITY OF MATTOON

This notice, called a "Summary of Material Modifications", advises you of changes to your coverage under the Plan listed above. Please read this notice carefully and, if you have any questions, please contact the Plan Administrator.

Keep this notice with your Plan Document (PD) / Summary Plan Description (SPD) and make a note in your PD/SPD as to what sections have been changed so that, when you go to look up information, you will be reminded that certain information has changed.

Effective January 1, 2015

Summary Plan Document Amendment

To

CITY OF MATTOON

1. Deductibles, Co-payments and coinsurance all apply to the Out-of-Pocket Maximum, therefore, paragraph number two of Section entitled "FAMILY OUT-OF-POCKET MAXIMUM," is hereby amended to read as followed:

Expenses Related To Satisfaction Of Charges In Excess Of Benefit Maximum, Charges In Excess Of Reasonable And Customary Fees, And Non-Compliance Penalties Do Not Accumulate Toward The Out-Of-Pocket Maximum.

2. The Section entitled "HIPAA PRIVACY" is hereby deleted in its entirety and replaced to read as followed:

Your Privacy Matters

In compliance with the Health Insurance Portability and Accountability Act (HIPAA), City of Mattoon ("the Plan") is sending You important information about how Your medical and personal information may be used and about how You can access this information. Please review the Notice of Privacy Practices carefully. If You have any question, please call the Member Services number on the back of Your Membership identification card.

NOTICE OF PRIVACY PRACTICES

Effective 4/14/2003 (Revised 4/22/2013)

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

A. Our Commitment to Your Privacy

We understand the importance of keeping Your personal and health information secure and private. We are required by law to provide You with this notice. This notice informs You of Your rights about the privacy of Your personal information and how we may use and share Your personal information. We will make sure that Your personal information is only used and shared in the manner described. We may, at times, update this notice. Changes to this notice will apply to the information that we already have about You as well as any information that we may receive or create in the future. You may request a copy of this notice at any time. Throughout this notice, examples are provided. Please note that all of these examples may not apply to the services the Plan provides to Your particular health benefit plan.

B. What Types of Personal Information Do We Collect?

To best service Your benefits, we need information about You. This information may come from You, Your Employer, or other payors or health benefits plan sponsors, and our affiliates. Examples include Your name, address, phone number, Social Security number, date of birth, marital status, employment information, or medical history. We also receive information from health care Providers and others about You. Examples include the health care services You receive. This information may be in the form of health care claims and encounters, medical information, or a service request. We may receive Your information in writing, by telephone, or electronically. In some instances, we may ask You about your race/ethnicity or language, however providing this information is entirely voluntary.

C. How Do We Protect the Privacy of Your Personal Information?

Keeping Your information safe is one of our most important duties. We limit access to Your personal information, including race/ethnicity and language, to those who need it. We maintain appropriate safeguards to protect it. For example, we protect access to our buildings and computer systems. Our privacy office also assures the training of our staff on our privacy and security policies.

D. How Do We Use and Share Your Information for Treatment, Payment, and Health Care Operations?

To properly service Your benefits, we may use and share Your personal information for “treatment,” “payment,” and “health care operations.” Below we provide examples of each. We may limit the amount of information we share about You as required by law. For example, HIV/AIDS, Substance Abuse, and Genetic Information may be further protected by law. Our privacy policies will always reflect the most protective laws that apply.

- (1) **Treatment:** We may use and share Your personal information with health care Providers for coordination and management of Your care. Providers include Physicians, Hospitals, and other caregivers who provide services to You.
- (2) **Payment:** We may use and share Your personal information to determine Your eligibility, coordinate care, review Medical Necessity, pay claims, obtain external review, and respond to Complaints. For example, we may use information from Your health care Provider to help process Your claims. We may also use and share Your personal information to obtain payment from others that may be responsible for such costs.
- (3) **Health care operations:** We may use and share Your personal information, including race/ethnicity and language, as part of our operations in servicing Your benefits. Operations include credentialing of Providers; quality improvement activities such as assessing health care disparities; accreditation by independent organizations; responses to Your questions, or Grievance or external review programs; and disease management, case management, and care coordination, including designing intervention programs and designing and directing outreach materials. We may also use and share information for our general administrative activities such as pharmacy benefits administration; detection and investigation of fraud; auditing; underwriting and rate-making; securing and servicing reinsurance policies; or in the sale, transfer, or merger of all or a part of the Plan with another entity. For example,

we may use or share Your personal information in order to evaluate the quality of health care delivered, to remind You about preventive care, or to inform You about a disease management program. We cannot use or disclose your genetic, race/ethnicity or language information for underwriting purposes, to set rates, or to deny Coverage or benefits. We may also share Your personal information with Providers and other health plans for their treatment, payment, and certain health care operation purposes. For example, we may share personal information with other health plans identified by You or Your Plan Sponsor when those plans may be responsible to pay for certain health care benefits or we may share language data with health care practitioners and Providers to inform them about Your communication needs.

E. What Other Ways Do We Use or Share Your Information?

We may also use or share Your personal information for the following:

- (1) **Medical Home/Accountable Care Organizations:** Coventry may work with your primary care physician, hospitals and other health care providers to help coordinate your treatment and care. Your information may be shared with your health care providers to assist in a team-based approach to your health.
- (2) **Health care oversight and law enforcement:** To comply with federal or state oversight agencies. These may include, but are not limited to, Your state department of insurance or the U.S. Department of Labor.
- (3) **Legal proceedings:** To comply with a court order or other lawful process.
- (4) **Treatment options:** To inform You about treatment options or health-related benefits or services.
- (5) **Plan sponsors:** To permit the sponsor of Your health benefit plan to service the benefit plan and Your benefits. Please see Your employer's plan documents for more information.
- (6) **Research:** To researchers so long as all procedures required by law have been taken to protect the privacy of the data.
- (7) **Others involved in Your health care:** We may share certain personal information with a relative, such as Your spouse, close personal friend, or others You have identified as being involved in Your care or payment for that care. For example, to those individuals with knowledge of a specific claim, we may confirm certain information about it. Also, we may mail an explanation of benefits to the Subscriber. Your family may also have access to such information on our website. If You do not want this information to be shared, please tell us in writing.
- (8) **Personal representatives:** We may share personal information with those having a relationship that gives them the right to act on Your behalf. Examples include parents of an unemancipated minor or those having a Power of Attorney.
- (9) **Business associates:** To persons providing services to us and who assure us that they will protect the information. Examples may include those companies providing Your pharmacy or Behavioral Health benefits.
- (10) **Other situations:** We also may share personal information in certain public interest situations. Examples include protecting victims of abuse or neglect; preventing a serious threat to health or safety; tracking diseases or medical devices; or informing military or veteran authorities if You are an armed forces member. We may also share Your information with coroners; for workers' compensation; for national security; and as required by law.

F. What About Other Sharing of Information and What Happens If You Are No Longer Enrolled?

We will obtain Your written permission to use or share Your health information for reasons not identified by this notice and not otherwise permitted or required by law. For example, we will not share your psychotherapy notes, use or share Your health information for marketing purposes or sell Your health information unless You give written permission or applicable law permits the use or disclosure. If You withdraw Your permission, we will no longer use or share Your health information for those reasons.

We do not destroy Your information when Your Coverage ends. It is necessary to use and share Your information, for many of the purposes described above, even after Your Coverage ends. However, we will continue to protect Your information regardless of your Coverage status, as required by law.

However, we will continue to protect Your information regardless of Your Coverage status.

G. Rights Established by Law

- (1) **Requesting restrictions:** You can request a restriction on the use or sharing of Your health information for treatment, payment, or health care operations. However, we may not agree to a requested restriction.
- (2) **Confidential communications:** You can request that we communicate with You about Your health and related issues in a certain way, or at a certain location. For example, You may ask that we contact You by mail, rather than by telephone, or at work, rather than at home. We will accommodate reasonable requests.
- (3) **Access and copies:** You can inspect and obtain a copy of certain health information. We may charge a fee for the costs of copying, mailing, labor, and supplies related to Your request. We may deny Your request to inspect or copy in some situations. In some cases denials allow for a review of our decision. We will notify You of any costs pertaining to these requests, and You may withdraw Your request before You incur any costs. You may also request your health information in an alternative format.
- (4) **Amendment:** You may ask us to amend Your health information if You believe it is incorrect or incomplete. You must provide us with a reason that supports Your request. We may deny Your request if the information is accurate, or as otherwise allowed by law. You may send a statement of disagreement.
- (5) **Accounting of disclosures:** You may request a report of certain times we have shared Your information. Examples include sharing Your information in response to court orders or with government agencies that license us. All requests for an accounting of disclosures must state a time period that may not include a date earlier than six (6) years prior to the date of the request and may not include dates before April 14, 2003. We will notify You of any costs pertaining to these requests, and You may withdraw Your request before You incur any costs.
- (6) **Breach notification:** You have a right to receive notice from us if there is a breach of your unsecured health information.

H. To Receive More Information or File a Complaint

Please contact Member Services to find out how to exercise any of Your rights listed in this notice, or if You have any questions about this notice, or to receive a copy in an alternative format or a translated version. Para recibir una copia traducida de este documento, llame al servicio para miembros. The telephone number or address is listed in Your benefit documents or on Your Membership card. If You believe we have not followed the terms of this notice, You may file a Complaint with us or with the Secretary of the Department of Health and Human Services. To file a Complaint with the Secretary, write to 200 Independence Avenue, S.W. Washington, D.C. 20201 or call 1-877-696-6775. You will not be penalized for filing a Complaint. To contact us, please follow the Complaint, Grievance, or Appeal process in Your benefit documents.

ⁱ
For purposes of this notice, the pronouns "we", "us" and "our" and the name "City of Mattoon" refers City of Mattoon, and its licensed affiliated companies.

ⁱⁱ
Under various laws, different requirements can apply to different types of information. Therefore we use the term "health information" to mean information concerning the provision of, or payment for, health care that is individually identifiable. We use the term "personal information" to include both health information and other nonpublic identifiable information that we obtain in providing benefits to you.

SUMMARY OF MATERIAL MODIFICATIONS

TO THE MEDICAL PLAN

OF THE CITY OF MATTOON

To: All Plan Participants and Beneficiaries of The City of Mattoon

This notice, called a "Summary of Material Modifications", advises you of changes to your coverage under the Plan listed above. Please read this notice carefully and, if you have any questions, please contact the Plan Administrator.

Keep this notice with your Plan Document (PD) / Summary Plan Description (SPD) and make a note in your PD/SPD as to what sections have been changed so that, when you go to look up information, you will be reminded that certain information has changed.

Effective January 1, 2014

SECOND AMENDMENT TO THE CITY OF MATTOON

1. The "Eligible Dependents" section beginning on page 20 of your Summary Plan Description is hereby amended to read as follows:

Eligible Dependents

A Dependent is any one (1) of the following persons:

- Your legal spouse--See definition of "Spouse".
- Your children under the age twenty-six (26), without regard to student status, marital status, financial dependency or residency status with the Employee or any other person.--See definition of "Child".
- A child who is under the age twenty-six (26) when he is placed with you for adoption and for whom you have assumed and retained legal obligation for total or partial support in anticipation of adoption of such child.
- Your children older than age twenty-six (26), but under the age of thirty (30) who are (i) Illinois residents, (ii) have served as a member of the active or reserve components of any of the branches of the Armed Forces of the United States, and (iii) have received a release or discharge other than dishonorable discharged. (To be eligible for coverage as a dependent based upon prior military service, the eligible dependent must submit proof of service using a DD2-14 (Member 4 or 6) "Certificate or Release or Discharge from Active Duty" form stating the date on which the dependent was released from the service.)
- A child you must cover due to a Qualified Medical Child Support Order (QMCSO) subject to the conditions and limits of the law.

- Your disabled children over the age twenty-six (26) if the child was disabled prior to attaining age twenty-six (26). You must provide satisfactory proof of the child's incapacity and dependency within thirty-one (31) days after the child's twenty-sixth (26th) birthday. Continuing proof of disability and dependency will be required periodically.

Note: Anyone who is eligible for coverage as an employee will not be eligible for coverage as both an employee and as a dependent. Dependent children may not be covered by more than one employee. If both husband and a wife are covered employees and the spouse carrying dependent coverage terminates coverage under the Plan, dependent coverage can be transferred to the spouse who remains covered by the Plan provided the employee continues to be an eligible employee. If both a husband and wife are covered employees and one terminates coverage with the Plan, he or she may be covered as a dependent under the remaining spouse's coverage.

2. The When Dependents Cease to be Eligible section beginning on page 22 of your Summary Plan Description is hereby amended to read as follows:

When Dependents Cease to be Eligible

All Plan coverage will terminate on the earliest of the following dates:

- In the case of all your Dependents, the date your coverage terminates or the Dependent ceases to be a Dependent as defined in this Plan.
- In the case of your Spouse, when you are legally separated or divorced.
- In the case of a Dependent Child, other than those who have served and been released or honorably discharged from the military, attaining age twenty-six (26).
- In the case of a Dependent Child, who has served and been released or honorably discharged from the military, attaining age thirty (30).
- In the case of a Disabled Child, when the Dependent is no longer disabled or dependent upon you for support.
- The date the Dependent Coverage is discontinued under the Plan.
- The date the Dependent becomes covered as an employee.
- If your Dependent materially violates the terms of the Plan.
- If your Dependent participates in fraudulent or criminal behavior.
Examples of fraudulent or criminal behavior include, but are not limited to:
 - Performing an act or practice that constitutes fraud or intentionally misrepresenting material facts including using an identification card to obtain goods or services which are not prescribed or ordered for him/her or to which he/she is otherwise not legally entitled.
 - Allowing any other person to use an identification card to obtain services.
 - Threatening or perpetrating violent acts against the Plan, a Provider, the Claims Administrator, or an employee of the Plan, Provider or Claims Administrator.
- If your Dependent knowingly misrepresents or gives false information on any enrollment application form which the material to the Plan's acceptance of such application.

- The date the Dependent enters the armed forces of any country on a full-active duty basis.
- The end of the period for which you made any required contributions, if you fail to make any further required contributions.

Refer to the section in this Booklet entitled CONTINUATION RIGHTS for information regarding continued coverage after a Dependent ceases to be eligible under the Plan.

Changes to Terms in Definitions of Terms Section

3. The definition “Child” section on page 53 of your Summary Plan Description hereby amended to read as follows:

CHILD- The Employee’s children under age twenty-six (26) years of age. The term “Child” shall include natural children, a step-child, a foster child, a child related to the Employee by blood or marriage and for whom the Employee has assumed legal guardianship, a child whom the Employee must cover due to a Qualified Medical Child Support Order (QMCSO), subject to the conditions and limits of the law, or a legally adopted child (including the period of probation when the child is placed with the adopting parents). The child’s placement with the Employee terminates upon the termination of the legal obligation. A child who is physically or mentally incapable of self support, upon attaining age twenty-six (23), may be covered under the health care benefits, while remaining incapacitated, subject to the covered employee’s own coverage continuing in effect. Such child will be considered a Covered Dependent if he was disabled either prior to his twenty-sixth (26th) birthday. To continue Covered Dependent status of a child under this provision, a proof of incapacity must be received by the City within thirty-one (31) days after coverage would otherwise terminate. A child upon attaining age twenty-six (26), may continue to be covered until age thirty (30) if they are an Illinois resident, have served as a member of the active or reserved components of any of the branches of the Armed Forces of the United States, and have received a release or discharge other than dishonorable discharged. (To be eligible for coverage as a dependent based upon prior military service, the eligible dependent must submit proof of service using a DD2-14 (Member 4 or 6) “Certificate or Release or Discharge from Active Duty” form stating the date on which the dependent was released from the service.) Additional proof may be required from time to time. Evidence satisfactory to the City of dependent eligibility under the Plan may be requested, including, but not limited to, copies of birth or adoption records, Qualified Medical Child Support Orders, guardianship orders or form DD2-14 (Member 4 or 6). An Employee’s Child will be an eligible Dependent until reaching the limiting age of twenty-six (26), without regard to student status, marital status, financial dependency or residency status with the Employee or any other person.