

SUMMARY PLAN DESCRIPTION
OF THE
MEDICAL EXPENSE REIMBURSEMENT PLAN
OF THE
SOUTHERN CALIFORNIA PUBLIC SAFETY
RETIREE MEDICAL TRUST

ISSUED: JULY 2018

COBRA General Notice
and
HIPAA Privacy Practices Notice Attached

Based on Medical Expense Reimbursement Plan, restated July 1, 2018

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(Dr. 6/15/18, Incl. Plan Am. Nos. 1-9)

**SOUTHERN CALIFORNIA PUBLIC SAFETY
RETIREE MEDICAL TRUST**

Dear Participants of the Southern California Public Safety Retiree Medical Trust:

The Southern California Public Safety Retiree Medical Trust (the “Trust”) was established by the Alhambra Police Officers’ Association. The Trust is an employee benefits trust designed to provide financial support during your retirement, in the form of payment toward retiree medical costs. Your Association has negotiated an employer contribution into this Trust; specific language can be found in your Memorandum of Understanding. By negotiating a contribution to the Medical Expense Reimbursement Plan of the Southern California Public Safety Retiree Medical Trust, your Association is proactively planning for your retirement by pre-funding the continually increasing expense of retiree medical.

The Trust is highly tax-favored: The contributions are made with pre-tax dollars; the Trust earnings are not taxable; and when you begin receiving benefits in the future, they will not be taxed (unlike pension payments, which are taxed).

We, the Board of Trustees, are fellow police officers, selected by the membership of Alhambra POA. We are very pleased to distribute to you this “Summary Plan Description” booklet, which gives general information regarding the operation of the Medical Expense Reimbursement Plan in a Paragraph-and-answer format, a brief summary of the Plan, as well as rights and protections to which you are entitled under federal law.

The Board of Trustees is totally committed to the successful operation of this Plan, with a goal of helping police officers and their families lessen the burden of retiree health costs. We welcome your input and comments.

Best Regards,
Board of Trustees
Southern California Public Safety Retiree Medical Trust
July 2018

HIGHLIGHTS OF THE PLAN

Eligibility. Generally, current employees will need seven (7) years in the Plan to achieve eligibility for full retirement benefits from the Trust. A minimum benefit level is available to employees employed on July 1, 2005, who did not participate in the Plan for seven (7) years prior to retirement.

Benefits. Your retirement benefits from this Trust come in the form of reimbursement for certain medical costs, which are considered Covered Expenses¹ incurred after you retire. Your reimbursement is limited to the amount of your monthly Benefit Level, which will vary by employee and depends on your years of Active Service. Note that your monthly Benefit Level is reduced by 50% upon Medicare eligibility. Contact the Trust Office to find out your Benefit Level.

Claims. You must present your claims to the Trust Office with your proof of Covered Expense payment, on a form approved by the Trustees, within 90 days from the end of the plan year in which you paid for the Covered Expense. The plan year ends on January 31st; so, claims for payments made during the prior plan year are due no later than May 1st each year. However, you are encouraged to submit your claims throughout the plan year.

Change of Address, Spouse or Children. If you move or have a change in mailing address, it is your responsibility to update the mailing address on file with the Trust Office. It is also your responsibility to update the information on file with the Trust Office if you have a change in spouse or children. Failure to notify the Trust Office may result in loss or delay of benefit payments.

Trust Office (Administrator). The Trust Office provides important services to the Trust. For example, to find out your Benefit Level, submit benefit claims, request a copy of the Plan or notify the Trust of a change in address, you may contact the NEW Trust Office (as of 2/2/18) at:

Southern California Public Safety Retiree Medical Trust
c/o Benefit Programs Administration
1200 Wilshire Blvd. 5th Floor
Los Angeles, CA 90017
Phone: (833) 504-3967
Email: scpublicsafety@bpabenefits.com
Website: www.scpublicsafety.com

Important Information; Please Read:

This Summary Plan Description (“SPD”) has been designed to provide you with key information about the Southern California Public Safety Retiree Medical Trust, but it does not provide all the details and limitations of the Plan. Exact specifications are provided in the “Medical Expense Reimbursement Plan of the Southern California Public Safety Retiree Medical Trust, restated effective July 1, 2018,” (Dr. 3/23/18) and as amended from time to time thereafter. If there is a conflict between the Plan and what is contained in this Summary Plan Description or any other description, the terms of the Plan will prevail. Note that capitalized terms contained herein are defined in the Plan.

¹ See Q&A #4 for a detailed description of the type of expenses for which you may be reimbursed.

SUMMARY PLAN DESCRIPTION

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SUMMARY PLAN DESCRIPTION

1. What employees participate in the Plan?

All full time Employees, employed on or after July 1, 2005, who are represented by the Alhambra Police Officers Association (“APOA”), and for whom the Trust received mandatory Contributions pursuant to an MOU during the Employee’s employment, participate in the Plan. Employees who promoted out of the APOA after July 1, 2005, and on whom the Trust has received mandatory Contributions following promotion, also participate in the Plan and receive Active Service for each month of Contributions received.

2. Who is eligible for benefits?

An Employee described in Q&A #1 above becomes eligible for benefits under the Plan, generally, after the Employee meets all the following requirements:

- Earns seven (7) years of Active Service (i.e., seven (7) years of Contributions to the Trust during employment)
- Contributions are made to the Trust for all years of Active Service
- Attains age 50, if hired before July 1, 2013; or age 57, if hired on or after July 1, 2013
- Separates from employment with the City of Alhambra

Special Eligibility Provisions:

- ***Employee and represented by the Alhambra POA on July 1, 2005.*** An individual who was both an Employee and represented by the Alhambra Police Officers’ Association on July 1, 2005, and had contributions made to the Trust on his or her behalf pursuant to a MOU in effect on that date, shall be an Eligible Retiree when he or she attains the applicable eligibility age (currently 50) and separates from employment with the City of Alhambra (regardless of whether he or she earned seven (7) years of Active Service).
- ***Calculating Active Service for Initial Plan Participants.*** The City started making contributions for the Trust on July 1, 2005, and transferred those contributions to the Trust upon its establishment on February 1, 2006. So, individuals employed on July 1, 2005, started earning Active Service on July 1, 2005, prior to the Trust effective date.
- ***Employees permanently disabled in the line of duty.*** If an Employee becomes permanently disabled in the line of duty and submits written proof to the Trust Office from the State of California Division of Workers’ Compensation of a work-related, permanent disability rating of 40% or more, then that Employee shall be an Eligible Retiree without meeting the above eligibility requirements. However, these early benefits are limited in amount and duration until the Eligible Retiree meets the

applicable eligibility age. For more information about individuals disabled in the line of duty, please see Q&A #6.

3. What are the medical reimbursement benefits?

After meeting the eligibility requirements, Beneficiaries are entitled to reimbursement toward the payment of Covered Expenses, which consists of insurance premiums and medical expenses incurred on or after attaining eligibility. Reimbursement payments are subject to proper and timely submission of benefit claims. The amount of the reimbursement payment is limited to the Eligible Retiree's Benefit Level (See Q&A #5).

Cost Sharing. It is important to remember that the Plan reimburses toward the cost of Covered Expenses, but your Benefit Level may not cover the entire Covered Expense amount. If your Benefit Level does not cover the entire cost of your Covered Expense, you will be responsible for the balance of any Covered Expense amounts you owe in excess your Benefit Level. Further, your reimbursement amount cannot exceed the actual amount of your out-of-pocket expense.

4. What type of medical expenses will be reimbursed by the Plan?

The following medical expenses are considered Covered Expenses and will be reimbursed by the Plan:

- Premium or contribution payments to health, dental, or vision insurance plans, for coverage in effect while the Beneficiary is eligible for benefits and for types of medical expenses excludible from gross income under Internal Revenue Service Code ("Code") Section 105(b).
- Medical expenses excludable from gross income under Code Section 213(d), i.e., costs for diagnosis, cure, mitigation, treatment, or prevention of disease or injury, for medical services or supplies, including insulin but excluding all other non-prescribed drugs, provided while the Beneficiary is eligible for benefits.

5. How is my individual Benefit Level calculated?

The Benefit Amount is the monthly maximum amount available for the reimbursement of Covered Expenses, as determined by the Trustees from time to time. Your Benefit Level is a percentage of the Benefit Amount based on the number of Active Service years you have earned. The individual Benefit Level for an Eligible Retiree is determined by multiplying the current Benefit Amount (\$1075 on the date of this publication) by the "Benefit Amount Percentage" for your years of Active Service (see table below). An individual's Benefit Level will be calculated according to the schedule below:

YEARS OF ACTIVE SERVICE	PERCENTAGE OF BENEFIT AMOUNT
Less than 7	0.0%
7	58.3%
8	66.7%

9	75.0%
10	83.3%
11	91.7%
12	100.0%

For example, at the current Benefit Amount of \$1075. If an Employee retires in 2018 after earning nine (9) years of Active Service and meeting all eligibility requirements, that Employee would be entitled to 75% of the Benefit Amount, and his/her individual monthly Benefit Level would equal \$806.25 (i.e., \$1075 x 0.75).

- **Minimum Benefit Amount** Appendix A to the Plan provides the current Minimum Benefit Amount. The Minimum Benefit Amount is used to calculate a beneficiary's Benefit Level in the following circumstances:

- 1) **Eligible Retiree Employed on July 1, 2005, without 7 Years of Active Service.** If an Employee was employed by the City and a member of the APOA on July 1, 2005, and the City made contributions to the Trust on the Employee's behalf, then the Employee is an Eligible Retiree regardless of whether he or she had 7 years of Active Service in the Trust. If the Employee did not have 7 years of Active Service, then he or she will have a Benefit Level equal to the Minimum Benefit Amount (currently \$626.73). If the Employee had 7 or more years of Active Service, then he or she will have a Benefit Level calculated as explained above using the chart.
- 2) **Disabled Eligible Retiree without 7 Years of Active Service.** An Employee who meets the Plan requirements for a disabled Eligible Retiree (see Q&A #2 for qualification requirements) will be an Eligible Retiree regardless of whether he or she had 7 years of Active Service in the Trust. If the disabled Eligible Retiree did not have 7 years of Active Service, then he or she will have a Benefit Level equal to the Minimum Benefit Amount (currently \$626.73). If the disabled Eligible Retiree had 7 or more years of Active Service, then he or she will have a Benefit Level calculated as explained above using the chart. This Benefit Level will be reduced by 50% before attaining the eligibility age. See Q&A #6 for more details on the benefit payment period for these benefits.
- 3) **Survivors of Employees Who Die in the Line of Duty.** If an Employee dies in the line of duty (see Q&A # 7 for qualification requirements for death in line of duty) and does not have 7 years of Active Service, then the Surviving Spouse and Children will have a Benefit Level calculated based upon the Minimum Benefit Amount (currently \$626.73). If the Employee had 7 or more years of Active Service at the time of his or her death, then survivors will have a Benefit Level calculated based upon the chart above. The Survivor Benefit Level is a percentage of the Benefit Level. See Q&A #7 for details on survivor benefit levels.

- **Adjustments to the Benefit Amount and Benefit Levels.** The Trustees reserve the right and power to adjust the Benefit Amount and/or Benefit Levels up or down. Such adjustments, or termination of benefits, may apply to some or all current as well as future Beneficiaries. This could occur, generally, for two reasons:
 - 1) **Change in Employer Contribution Rate.** If the Association is able to negotiate a change in the contribution rate to the Trust, then that will usually translate into a change in the Benefit Amount, e.g., if the Association negotiates an increase, then typically it would result in an upward adjustment of the Benefit Amount.
 - 2) **Demographic/Investment Experience.** The second reason for a change in the Benefit Amount is based on a periodic review by the Trustees (with the help of a professional actuary) of the investment and demographic experience of the retiree medical trust. If the investment returns or the demographic experience (e.g., life span, retirement age, etc.) are significantly different than projected, then the Benefit Amount will be adjusted (up or down).
- **Benefit Level Reduction at Medicare Eligibility.** The Eligible Retiree's Benefit Level is reduced by 50% when he or she becomes eligible for Medicare. The Trust Office assumes that the Eligible Retiree is Medicare eligible when he or she reaches the Medicare eligibility age. If you are not eligible for Medicare, you must submit proof of ineligibility to the Trust Office in order to continue receiving your full Benefit Level without reduction after Medicare eligibility age (currently age 65). See Plan Section 3.2(e).

6. What will my benefit be if I become disabled in the line of duty?

- **Benefit Level.** The disabled Eligible Retiree is entitled to 50% of his or her Benefit Level as of the date that he or she separated employment.² When the Eligible Retiree reaches the eligibility age (either 50 or 57), the Benefit Level will increase to 100% of his or her Benefit Level as of the date of separation from employment. At Medicare eligibility, the Benefit Level is again reduced by 50%.

If the disabled Eligible Retiree has not earned the minimum Active Service (currently 7 years), then the disabled Eligible Retiree's Benefit Level is equal to the Minimum Benefit Amount (currently \$626.73).

- **Benefit Period.** The disabled Eligible Retiree is eligible for reimbursement benefits at the 50% Benefit Level for 24 months following the date of written proof of disability. The disabled Eligible Retiree can choose any 24 consecutive month period between the date of proof of disability and his/her 50th birthday (or 57th birthday for employees hired on or after July 1, 2013). The 24 consecutive month benefit period

² The date of separated employment is defined in the Plan as the "effective date of this transaction" on the City of Alhambra Personnel Action form.

will start when the disabled Eligible Retiree submits his or her first claim to the Trust Office. **After 24 months of benefit eligibility, the disabled Eligible Retiree's benefits are suspended until he or she reaches the regular eligibility age under Section 2.1(b) of the Plan.** At regular eligibility age, the disabled Eligible Retiree is entitled to reimbursement benefits at the 100% Benefit Level, until Medicare eligibility.

- **Examples.** Employee A has been participating in the Trust for eight (8) years and became permanently disabled in the line of duty and separated from employment on September 1, 2018, at the age of 43. Employee A received a permanent disability rating of 50% from the Division of Workers Compensation, dated December 1, 2018, and submitted that document to the Trust Office. Employee A is eligible for benefits starting on December 1, 2018, at 50% of his Benefit Level as of September 1, 2018 (separation from employment date), which is calculated as follows:

Step 1: Calculate regular Benefit Level for eight years of Active Service on September 1, 2018: 66.7% of \$1075 (Benefit Amount) = \$717.03

Step 2: Calculate early Benefit Level for disabled Eligible Retiree: 50% of \$717.03 = \$358.52.

If the disabled Eligible Retiree chooses to start benefit payments on December 1, 2018,³ then on December 1, 2020, this disabled Eligible Retiree's benefits will be suspended until he reaches age 50 in 2025. When he reaches the regular eligibility age (currently age 50) in 2025, then his benefits will restart at \$717.03 per month (100% of his/her Benefit Level at separation from employment).⁴ At Medicare eligibility, his/her benefits will go back to 50% of his/her Benefit Level, or \$358.52 per month.

See Plan Sections 2.1(f) and 3.2(d) for details or contact the Trust Office.

7. **What will the Benefit Amount be for my spouse and children in the event of my death?**

Benefits for Surviving Spouse may begin the month after the Eligible Retiree would have attained the eligibility age, either 50 or 57, or the month after the Eligible Retiree's death, whichever is later. A Surviving Spouse will receive 50% of the Benefit Level of the deceased Eligible Retiree at the time of his or her death. The Trust Office will request proof of marriage for surviving spouse benefits. If the Eligible Retiree had not yet become eligible for Medicare on the date of his or her death, then the Surviving Spouse's benefits

³ If the disabled Eligible Retiree does not need the benefits right away (e.g., a spouse has coverage for the disabled Eligible Retiree), then he may decide to wait a few years until he has need to start the 24 months of benefit payments.

⁴ Answer assumes Employee A was working at Alhambra and represented by the Alhambra POA before January 1, 2013. If this is not true, then Employee A will receive 100% of his Benefit Level at age 57, rather than at age 50 (and his Benefit Level for calculations above will be the Minimum Benefit Amount because he will have only 5 years of Active Service on September 1, 2018).

will be reduced by 50% on the date that the Eligible Retiree would have attained Medicare eligibility. So, for example, if the Eligible Retiree's Benefit Level was \$1075 at the time of his death at age 57, then the Surviving Spouse will receive \$537.50 per month until the date that the Eligible Retiree would have attained Medicare eligibility. On that date, the Surviving Spouse's benefit will reduce to \$268.75 per month.

If there are only Surviving Children and no Surviving Spouse, they will be entitled to share equally in 100% of the Benefit Level of the deceased Eligible Retiree at the time of his or her death, as long as the Children continue to meet the eligibility requirements, i.e., generally under age 26.

- **Special provision for Spouses of Employees who die in the line of duty.** Beginning immediately upon the Employee's death in the line of duty (as determined by the California Division of Workers' Compensation), the Surviving Spouse and/or Children will receive 50% of the Benefit Level of the deceased Employee (calculated on the date of his or her death), regardless of whether that Employee was eligible for benefits at the time of death. Further, on the date that the deceased Employee would have attained the eligibility age of 50 or 57, the Surviving Spouse and Children will receive 100% of the Benefit Level of the deceased Eligible Retiree, calculated on the date of death. Like all other Surviving Spouse benefits, these Surviving Spouse benefits are reduced by 50% on the date that the deceased Employee would have attained Medicare eligibility.

8. Are there benefits for my Domestic Partner in the event of my death?

No, due to the cost of compliance with federal tax regulations and the required taxation of domestic partner benefits, the Plan does not provide benefits for domestic partners or surviving domestic partners. However, spouse includes any lawful spouse (same or opposite sex). Note that the Trust grants the same rights and benefits to same-sex spouses as it grants to opposite sex spouses. If you are married, please contact the Trust Office to put your spouse's information on file for future benefits.

9. How do I submit my claims for benefits? What are the appeal procedures for denied claims?

To present a claim for benefits under this Plan, Beneficiaries must submit a written claim on a form approved by the Trustees to the Trust Office within 90 calendar days from the end of the plan year in which the Beneficiary paid the Covered Expense at:

Southern California Public Safety Retiree Medical Trust
c/o Benefit Programs Administration
1200 Wilshire Blvd. 5th Floor
Los Angeles, CA 90017
Phone: (833) 504-3967
Email: scpublicsafety@bpabenefits.com

The Trust encourages you to submit claims and receive reimbursements throughout the plan year. However, the plan year ends on January 31st; so, any remaining claims for Covered Expenses that you paid for in the prior 12 months are due to the Trust Office no

later than May 1st each year.

Beneficiaries may also make a written request to the Trust Office for an eligibility determination, clarification of rights under the Plan or enforcement of rights under the Plan. Details for claim submission and appeal of claim denial are set forth in Article III, Section 3.5, and Article IV of the Plan. Note that the appeal procedures apply to any complaint that you may have regarding the Plan, i.e., not just a claim denial.

To appeal a claim denial, eligibility determination or response on clarification or enforcement of Plan rights, a Beneficiary must submit a written request to the Trust Office within 181 calendar days after the date of the Trust Office's notification of denial of benefits or determination. The Board of Trustees will hold a hearing on the appeal, and the Beneficiary will be entitled to present his or her position and any evidence in support of his or her appeal at the hearing. The Board of Trustees will then make a decision affirming, modifying or setting aside the Trust Office decision.

10. What happens if I have an expense that exceeds my monthly Benefit Level or I do not use my full Benefit Level in one month?

If a Beneficiary submits a claim for a Covered Expense that is greater than his/her monthly benefit level, then the excess will be carried over and paid in subsequent months, up to his/her monthly Benefit Level, as long as all payments during a plan year do not exceed his/her annual Benefit Level. However, any unused balance of his/her monthly Benefit Level will not be carried over to the next month. For example, if an Eligible Retiree with a monthly benefit level of \$1075 submits a claim for a Covered Expense of \$900, which was paid in January, the Plan will reimburse him for \$900. There is no carryover of the unclaimed \$175 to February. To receive the remaining \$175 Benefit Level from January, the Eligible Retiree must submit another Covered Expense that he/she paid in January.

11. Is there a time limit for filing a lawsuit against the Trust for benefit payments, etc.?

Yes, there is a limitation period for filing a lawsuit against the Trust for benefit payments, etc. The time limit for a Beneficiary to bring action in federal court pursuant to ERISA Section 502(a) is no later than one year after the exhaustion of administrative remedies (i.e., the appeal process above), which means the date of the written decision by the Board of Trustees on an appeal of a denied benefit claim or other complaint.

12. Who pays the costs of evaluating and implementing a Qualified Domestic Relations Order ("QDRO") or Qualified Medical Child Support Order ("QMCSO")?

The Eligible Retiree and ex-spouse pay for the costs of dividing benefits pursuant to a QDRO or QMCSO issued in divorce proceedings. Because these services only benefit the beneficiaries involved, the Trustees have directed the Trust Office to charge the costs of that process to the Eligible Retiree and ex-spouse as a deduction applied to the benefit payments. The costs include, but are not limited to, the following: administrative costs for dividing the benefit level and setting up benefits for the ex-spouse; legal fees for evaluation of the court order and to advise the Trust Office on implementation of a QDRO or QMCSO; and actuarial fees to calculate the benefit level of the ex-spouse. The costs deducted from benefit payments of the Eligible Retiree and ex-spouse may vary

from one divorce situation to another and may be spread amongst several months of benefit payments

13. What is the Plan Year?

The Plan year runs from February 1 to January 31.

14. What should I do if I change my address, spouse, or children?

It is the Participant's responsibility to notify the Trust Office of any change in mailing address, spouse or children. Note that it is important to keep this type of information updated with the Trust Office so that notices related to the Plan and benefit payments may be sent to you and/or your Beneficiaries. **Failure to notify the Trust Office of such changes may result in the loss or delay of benefits under this Plan.**

Please update the Trust Office with any changes to your address or Beneficiaries by contacting the following:

Southern California Public Safety Retiree Medical Trust
c/o Benefit Programs Administration
1200 Wilshire Blvd. 5th Floor
Los Angeles, CA 90017
Phone: (833) 504-3967
Email: scpublicsafety@bpabenefits.com

15. What are the circumstances that may result in ineligibility or denial of benefits; or amendment or termination of the Plan?

Circumstances which may result in disqualification, ineligibility, denial, or the loss of benefits include failure by the Employee or employer to make required contributions, failure to properly submit expense receipts, failure to meet the eligibility requirements, death, or termination of the Plan. Also, note the following events will cause termination of benefits:

- An Eligible Retiree's benefits under this Plan will terminate upon his/her death.
- A disabled Eligible Retiree's benefits under this Plan will be suspended 24 months after the start date of the early 50% disability Benefit Level and then restarted at regular eligibility age.
- A Surviving Spouse's benefits under this Plan will terminate upon his/her death.
- A Surviving Child's benefits under this Plan will terminate upon the loss of Child status. However, if the Child was determined (prior to the death of the Eligible Retiree) to be emotionally, mentally, or physically incapacitated by a court, then the Child is entitled to benefits under this Plan for the duration of his or her lifetime.

The individual Benefit Level and Benefit Amount may be modified or terminated pursuant to Article VI of the Plan and such changes may apply to some or all current and/or future Beneficiaries. In the event of termination of the Plan, assets of the Plan which remain after payment of expenses associated with termination will be allocated and distributed to the Beneficiaries in accordance with Section 501(c)(9) of the Internal Revenue Code.

16. Can I assign my benefits and rights under the Plan to a medical provider or other entity?

No, the Trust Office will pay benefits only to a Beneficiary. As a Beneficiary, you determine what Covered Expenses you will submit to the Plan for payment. The Plan will not honor any attempt to transfer any of your benefits or rights under the Plan to another entity, and the Plan will not approve any claim or request received from an individual or entity who is not a Beneficiary of the Plan. Details of this restriction are in Plan Section 3.6. (There is an exception for incompetent Beneficiaries with a court appointed representative. See Plan Section 3.5(g)).

17. What are the names and addresses of the Trustees?

Trustees: Debbie Gomez (Chairperson)
Benjamin Yang (Vice Chairperson)
John Stone (Secretary)
Russell Rongavilla
Robert Torrance

Police Management Association Liaison: Eddie Elizalde

Address: Board of Trustees
Southern California Public Safety Retiree Medical Trust
c/o Alhambra Police Officers' Association
P.O. Box 7339
Alhambra, CA 91802

18. Is there any other information about this I should know?

A. The name of the Plan and Trust.

This Plan is known as the "Medical Expense Reimbursement Plan of the Southern California Public Safety Retiree Medical Trust, restated February 1, 2014," and as amended from time to time thereafter (the "Plan"). The Plan is funded through the Southern California Public Safety Retiree Medical Trust (the "Trust"), which is governed by the "Trust Agreement Governing the Southern California Public Safety Retiree Medical Trust," effective February 1, 2006, and as amended from time to time thereafter (the "Trust Agreement"). For a copy of the Plan or Trust Agreement, contact the Trust Office.

B. The name and address of the employee organization that established this Plan.

The Plan was established by the Alhambra Police Officers' Association. The address of the Association is:

Alhambra Police Officers' Association
211 First Street
Alhambra, CA 91801

C. The identification numbers of the Trust and Plan.

The Employer Tax Identification Number assigned to the Trust by the Internal Revenue Service is EIN 20-6815931.

The Plan number is 501.

D. The type of plan.

The Plan is a welfare benefit plan providing health insurance premium and medical expense reimbursement benefits to retirees. Beneficiaries may refer to Internal Revenue Service Publication 502, or check with the Trust Office to determine if a premium and/or medical expense is a permissible reimbursement under the Plan.

E. The type of administration/trust office.

The Plan is administered by the Board of Trustees of the Southern California Public Safety Retiree Medical Trust. The Board has retained the services of a contract administrator to assist in recordkeeping, claims payments, etc. The contact information of the Trust Office is:

Southern California Public Safety Retiree Medical Trust
c/o Benefit Programs Administration
1200 Wilshire Blvd. 5th Floor
Los Angeles, CA 90017
Phone: (833) 504-3967
Email: scpublicsafety@bpabenefits.com

F. The identity of the Plan Administrator.

The fiduciary of the Plan (known under federal law as the "Plan Administrator") is the Board of Trustees of Southern California Public Safety Retiree Medical Trust. The Board has retained the services of a contract administrator (the "Trust Office" to assist in recordkeeping, claims payments, etc. You may contact the Board of Trustees in care of the Trust Office.

G. The existence of a bargaining agreement that addresses this Plan and Trust.

The Plan is maintained pursuant to a document entitled: "Memorandum Between the City of Alhambra and the Alhambra Police Officers' Association" ("MOU"), which requires contributions to the Trust, and applicable successor agreements.

Beneficiaries of the Plan (i.e., Employees, Eligible Retirees, Surviving Spouses, and Children), as defined in the Plan and Trust documents, may obtain copies of the MOU upon written request to the Plan Administrator. Further, the MOU is available for examination by Beneficiaries at the Trust Office. The Trustees may impose a reasonable charge to cover the cost of providing copies of the MOUs. Beneficiaries may wish to inquire as to the amount of the charges before requesting copies.

H. Family Medical Leave Act (FMLA).

Please contact the Trust Office and/or your Employer if you would like to take advantage of your right to self-pay contributions under the federal Family and Medical Leave Act (“FMLA”). For example, an Employee may be eligible to self-pay during FMLA leave for one of the following reasons:

- ❖ For the birth and care of a newborn child of the Employee;
- ❖ Placement with the Employee of a child for adoption or foster care;
- ❖ To care for an immediate family member (spouse, child, or parent) with a serious health condition; and
- ❖ To take medical leave when the Employee is unable to work because of a serious health condition.

There are more reasons.

I. Uniformed Services Employment and Reemployment Rights Act (USERRA).

Please contact the Trust Office if you are a veteran leaving to, or returning from, active duty and would like to take advantage of your right to self-pay contributions under USERRA.

J. Consolidated Omnibus Budget Reconciliation Act (COBRA).

For a description of your rights under COBRA, please see the General COBRA Notice, provided at the end of this Summary Plan Description. Also, if you would like to request a copy of the General COBRA Notice, please contact the Trust Office.

K. The source of contributions to the Trust.

Contributions to the Plan are made by the City of Alhambra based on the Memorandum of Understanding between the Alhambra Police Officers Association and the City. Under special circumstances (e.g., COBRA), former Employees and Beneficiaries may make self-payment contributions.

L. The method that is used for the accumulation of assets.

Contributions are received by and held in trust by the Trust and are invested with the assistance of a professional investment manager, utilizing investment policies and methods consistent with objectives of this Plan and Employee Retirement Income Security Act of 1974 (ERISA) requirements.

M. The procedures governing Qualified Medical Child Support Order Determinations (QMCSO).

Beneficiaries can obtain, without charge, a copy of such procedures from the Trust Office.

N. The name and address of the agent for service of process.

Each member of the Board of Trustees is an agent for purposes of accepting service of legal process on behalf of the Plan. Service of legal process may be made upon a Trustee or the Trust Office. See address above in Question 14(E).

O. Statement of Legal Rights.

- Rights of Plan Participants. Beneficiaries of the Southern California Public Safety Retiree Medical Trust are entitled to certain rights and protection under the federal Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

Examine without charge at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing this Plan, including collective bargaining agreements, insurance contracts and a copy of the latest annual report filed by the Plan with the U.S. Department of Labor, and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain upon written request to the Plan Administrator, copies of documents governing the operation of this Plan, including insurance contracts, collective bargaining agreements, a copy of the latest annual report, and an updated Summary Plan Description. The Plan Administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each enrollee with a copy of this summary annual report.

If there is a cessation of contributions to the Plan as a result of a COBRA qualifying event, you or your dependents may have to continue such contributions by self-payment. Review the General COBRA Notice and the Plan, Sections 2.2(b) and 2.2(c), for rules governing your COBRA continuation coverage rights.

- Prudent Actions by Plan Fiduciaries. In addition to creating rights for Trust beneficiaries, ERISA imposes obligations upon the persons who are responsible for the operation of this employee welfare benefit plan.

These persons who operate your Plan and Trust are called “fiduciaries” in the law. Fiduciaries must act solely in the interest of the Plan Beneficiaries and they must exercise reasonable prudence in the performance of their Plan and Trust duties. Fiduciaries who violate ERISA may be removed and required to make good any losses they have caused the Trust. No one, including an employer, may fire or otherwise discriminate against members to prevent them from obtaining a welfare benefit or exercising their rights under ERISA.

- Enforce Your Rights. If a claim for a welfare benefit is denied or ignored, in whole or in part, Beneficiaries have a right to know why this was done, obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA there are steps that can be taken to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within thirty (30) days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court after exhausting the Plan’s administrative procedures. If a Plan fiduciary misuses the Plan’s money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if the court finds your claim to be frivolous.

- Assistance with Your Questions. If you have any Questions about this Plan, you should contact the Plan Administrator. If you have any Questions about this statement or about your rights under ERISA or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at (866) 444-EBSA

(3272).

- Privacy Rights. The federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires special precautions of health benefit plans to protect the privacy of “protected health information.” In the course of providing benefit to you under this Plan, the Trust Office may acquire protected health information. Accordingly, the Plan has developed procedures to restrict access to protected health information to persons who need to know it in order to process, complete, or administer the Plan benefits. If you would like more details about your privacy rights, please contact the Trust Office.

SOUTHERN CALIFORNIA PUBLIC SAFETY RETIREE MEDICAL TRUST

COBRA GENERAL NOTICE

<< IMPORTANT COBRA INFORMATION >>
THIS COBRA INFORMATION WILL INFORM YOU OF YOUR RIGHTS AND OBLIGATIONS UNDER COBRA. YOU AND YOUR SPOUSE SHOULD TAKE THE TIME TO READ THIS CAREFULLY.

Under this type of health plan, i.e., a retiree medical expense reimbursement plan, COBRA benefits mean the right to continue contributions to the Trust, in order to obtain certain Plan benefits after retirement. This Plan gives the Employee (or family member) the right to self-pay contributions into the Trust, which were formerly paid pursuant to a collective bargaining agreement or other special agreement while the Employee was working. If you have questions regarding the eligibility requirements under the Plan, or are in doubt about the application of COBRA under this Plan, please contact the Trust Office.

It is important to note that the type of continuation coverage under this Plan is unusual. Under this Plan, self-paid contributions (if sufficient, as explained below) would entitle the Qualified Beneficiary to reimbursement of a portion of your health medical expense costs after retirement,⁵ rather than health benefits immediately following active employment. That is, this Plan is for retiree health benefits, not benefits soon after termination of active employment.

- 1. COBRA Generally.** You are a participant in the “Medical Expense Reimbursement Plan” (hereafter the “Plan”) of the Southern California Public Safety Retiree Medical Trust (hereafter the “Trust”), which provides reimbursement towards certain medical expenses, as defined in the Plan, after retirement. Continued participation in any health plan is a right governed by a federal law called the Consolidated Omnibus Budget Reconciliation Act of 1985, commonly known as “COBRA.”⁶

THIS NOTICE GENERALLY EXPLAINS YOUR RIGHTS AND OBLIGATIONS UNDER COBRA, WHEN THE RIGHT TO SELF-PAYMENT OF CONTRIBUTIONS UNDER COBRA MAY BECOME AVAILABLE TO YOU AND WHAT YOU NEED TO DO TO PROTECT YOUR RIGHT TO MAKE COBRA SELF-PAYMENTS. YOU AND YOUR SPOUSE SHOULD TAKE THE TIME TO READ THIS CAREFULLY

⁵ In a typical health plan, the COBRA right entitles the Employee to self-pay contributions to continue to receive health coverage immediately following loss of employment. In contrast, this Plan does not pay coverage to terminated Employees until retirement. The Plan accepts contributions during active employment, which are held by the Trust and will be used by Employees to purchase health coverage after retirement. In the event of the Employee’s death, generally, payments to the Surviving Spouse will commence the month after the Employee would have attained age 53.

⁶ Public Law 99-272, Title X

2. COBRA Coverage Means the Right to Self-Pay Continued Contributions to Plan for Benefits After Retirement.

A. The Application of COBRA to this Plan. Under this Plan, COBRA continuation coverage is the right to continue contributions to the Trust by self-payment, when contributions to the Trust would otherwise have ceased because of a certain life event known as a “Qualifying Event.” After a Qualifying Event, the Plan must offer each person who is a “Qualified Beneficiary” the COBRA right to self-pay contributions, which were formerly being forwarded pursuant to a collective bargaining agreement or special agreement. By offering a Qualified Beneficiary this right, generally, the Plan is offering that individual the ability to increase their benefits from the Plan in one of two ways:

- i) The ability to meet eligibility requirements to receive a lifetime⁷ monthly reimbursement benefit from the Plan after retirement, which he may not otherwise have been able to meet (see **Section 2(B)** below), and/or
- ii) To augment their monthly post-retirement benefit, if the person had already met the eligibility requirement.

You, your spouse, and your Children could become Qualified Beneficiaries if contributions to the Trust on behalf of the covered employee cease due to a Qualifying Event.

B. Plan Eligibility Requirements. To be eligible to receive these medical expense reimbursement benefits after retirement, this Plan requires that the Employee earn at least five (5) years of Active Service as defined in Section 2.2 of the Plan. Therefore, making COBRA self-payments could make you eligible, depending on how many years of Active Service you have earned at the time of the Qualifying Event.

Also, since the Plan provides for a gradually increasing level of benefits based on the number of years of your contributions, you may be able to increase your monthly Benefit Amount if you make additional contributions. It is important for you to determine whether making these additional contributions makes sense in your particular situation. If you choose to continue making contributions to this Plan, the number of your self-pay contributions is limited to the number allowed by COBRA, as stated in **Section 7** below.

Consequence of Non-Election. If you do not choose to continue contributing to this Plan, and you have not earned at least five years of Active service, you will forfeit any benefits, contributions made, and Active Service earned under this Plan.

C. Widowed spouses and Children. Widowed spouses and Children may also have the right to continue self-payment under certain circumstances. Contact the Trust Office at the address in **Section 5** below for details.

⁷ The Plan is currently written to provide benefits for most Retirees until death. However, this is not guaranteed. The Trustees reserve the right to modify or terminate benefits as necessary to preserve the financial soundness of the Plan.

3. Qualifying Events and Qualified Beneficiaries.

A. An Employee as a Qualified Beneficiary. If you are an **Employee**, you will become a Qualified Beneficiary and have the right to self-pay contributions for yourself (and your beneficiaries), if contributions to the Trust on your behalf cease due to any of the following “Qualifying Events”:

- i) Termination of Employment. Your employment is terminated for any reason other than gross misconduct; or
- ii) Reduction of Work Hours. Your hours of employment are reduced.

Either of these Qualifying Events generally gives you the right to continue self-payment of contributions to this Plan.

B. The Spouse as a Qualified Beneficiary. If you are the **spouse of an Employee** covered by this Plan, you will become a Qualified Beneficiary and may have the right to self-pay contributions for yourself if contributions to the Trust on your spouse’s behalf cease due to any of the following “Qualifying Events,”⁸ and provided that the Employee does not elect to self-pay contributions under COBRA*:

- i) Spouse’s Death. The death of your spouse; or
- ii) Termination of Spouse’s Employment. A termination of your spouse’s employment (for reasons other than gross misconduct); or
- iii) Reduction of Spouse’s Work Hours. A reduction in your spouse’s hours of employment.

*Note: Only one member of a family may make self-payment contributions in this type of health plan. If there are multiple Qualified Beneficiaries, for example a former employee and a spouse, you should confer together and decide whether electing to make COBRA self-pay contributions makes sense in your case, and which of you will make the election. It is important to note that due to the nature of this type of Plan, you do not each have independent rights to elect self-payment. This means that only one Qualified Beneficiary can self-pay.

C. Child as a Qualified Beneficiary. If you are a **Child of an Employee** covered by this Plan, you may become a Qualified Beneficiary and have rights to self-pay contributions to this Plan if contributions to the Trust on your parent’s behalf cease due to any of the following Qualifying Events,⁹ and provided that the Employee parent or spouse does not elect to self-pay contributions under COBRA*:

- i) Death of Parent. The death of the parent who is the Employee; or

⁸ Some health plans recognize the following Qualifying Events: 1) your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both) and 2) you become divorced or legally separated from your spouse. However, due to the structure of this plan, these are not recognized Qualifying Events.

⁹ Under some plans, a child losing Child status under the plan would be a Qualifying Event, but because of the plan design of this Plan, this event is not a Qualifying Event under this Plan.

- ii) Termination of Parent's Employment. The termination of that parent's employment (for reasons other than gross misconduct); or
- iii) Reduction of Parent's Work Hours. A reduction in the parent's hours of employment, where neither the employee parent nor spouse elect to self-pay contributions under COBRA.

*See "Note" under **Section 3(B)** above.

4. Notification of Qualifying Event.

A. Employer's Notification Responsibility. The Plan will offer the COBRA option to self-pay contributions to Qualified Beneficiaries only after the Plan Administrator has been notified that a Qualifying Event has occurred. When the Qualifying Event is the termination of employment, reduction of hours of employment or death of the employee, your **employer** must notify the Plan Administrator of the Qualifying Event.

B. Qualified Beneficiary's Notification Responsibility. Under COBRA, the **Employee or a family member has the responsibility** to provide written notice, within the time limits described in **Section 4(C)** below, to the Trust Office of the occurrence of any of the following Qualifying Events:

- i) The occurrence of a second Qualifying Event after a Qualified Beneficiary has become entitled to self-pay contributions under COBRA for a maximum period of eighteen (18) months (or twenty-nine (29) months in the case of a disability, as described in **Section 6** below);
- ii) A Qualified Beneficiary is determined by the Social Security Administration to be disabled at any time prior to or during the first sixty (60) days of self-payment contributions; or
- iii) A Qualified Beneficiary, who was determined as disabled is subsequently determined by the Social Security Administration as no longer disabled.

C. Timing Requirements for Qualified Beneficiaries to Notify the Trust Office of Qualifying Events.

- i) Qualifying Events Other Than Disability. The period of time for providing notice to the Trust Office for the occurrence of a second Qualifying Event, is **sixty (60) days after** the latest of:
 - a) *Qualifying Event.* The date that the Qualifying Event occurs; or
 - b) *Contributions to the Trust Cease.* The date that contributions to the Trust cease or should cease as a result of the Qualifying Event; or
 - c) *The Date you Receive Notice.* The date that you are informed through this Notice of your responsibility to provide notice to the Trust Office and the Plan's procedures for providing such notice (see **Section 5** below).

ii) Qualifying Event of Disability. The period of time for providing notice to the Trust Office of a disability determination is **sixty (60) days after** the latest of the following events (but no later than the end of the first eighteen (18) months period of self-payment contributions):

a) *Determination by Social Security Administration.* The date of the disability determination by the Social Security Administration;

b) *Disability.* The date that the disability occurs;

c) *Contributions to the Trust Cease.* The date that contributions to the Trust cease or should cease as a result of the Qualifying Event; or

d) *The Date you Receive Notice.* The date that you are informed through this Notice of your responsibility to provide notice to the Trust Office and the Plan's procedures for providing such notice (see **Section 5** below).

iii) Change of Disability Status. The period of time for providing notice to the Trust Office of a change in disability is **thirty (30) days after** the latest of:

a) *Determination by Social Security Administration.* The date the Social Security Administration determines that you are no longer disabled; or

b) *Notice of Responsibility and Procedure.* The date on which you are informed through this Notice of the responsibility to provide notice and the Plan's procedures for providing notice to the Trust Office (see **Section 5** below)

5. Procedures for Notifying Plan of Qualifying Event. Subject to the time limits in **Section 4(C)** above, a Qualified Beneficiary must provide written notice of the Qualifying Event(s), described in **Section 4(B)** above, to the Trust Office by either first class mail or facsimile (fax). The contact information for the Trust Office is as follows:

Southern California Public Safety Retiree Medical Trust
c/o Benefit Programs Administration
1200 Wilshire Blvd. 5th Floor
Los Angeles, CA 90017
Email: scpublicsafety@bpabenefits.com

The notice of the Qualifying Event should include:

A. Identifying Information of the Employee and Qualified Beneficiary. The name and social security number of the Employee and of the Qualified Beneficiary;

B. Contact Information of the Filing Beneficiary. The current address and phone number of the Qualified Beneficiary who is filing the notice; and

C. Information Relating to the Qualifying Event. The nature of the Qualifying Event and the date on which the Qualifying Event occurred.

When the Trust is notified that one of these Qualifying Events has occurred, it will, in turn, notify

you about details concerning your election to continue your contributions to the Trust for the right to receive future benefits.

6. Maximum Length of COBRA Payments. Once you have elected to take advantage of your COBRA right to self-pay contributions, your initial payment is due within 45 days of your election. Subsequent periodic payments must be made on a monthly basis and are due on the first of each month, but no later than 30 days following the first of the month. **You will not receive monthly reminders that payment is due.**

A. First Qualifying Event. COBRA continuation coverage is a temporary continuation of self-payment of contributions.

i) 18 month period. When the Qualifying Event is a termination of employment or reduction in hours of employment, the law requires that you be given the opportunity to self-pay contributions for eighteen (18) months.

ii) 36 month period. When the Qualifying Event is death of the covered employee, the COBRA law requires that you be given the opportunity to continue to make contributions to the Trust by self-payment for thirty-six (36) months (three years).

B. Second Qualifying Event Extension (18 month extension of the initial 18 month period). If a second Qualifying Event, other than termination of employment, occurs during the eighteen (18) month period of self-payment of contributions, the Plan beneficiaries may be eligible to receive an extension of up to eighteen (18) months of self-payment contributions, for a maximum of thirty-six (36) months. See **Sections 4(A)-(C) and 5** relating to notification requirements and procedure in the case of a second Qualifying Event.

C. Disability Extension (11 month extension of the initial 18 month period). If a Qualified Beneficiary under the Plan is determined by the Social Security Administration to be disabled, the Plan beneficiaries may be eligible to self-pay for an additional eleven (11) months, for a total of twenty-nine (29) months. The disability would have to have started at some time before the 60th day of the COBRA self-payment contributions and must last at least until the end of the 18-month period of self-payment contributions. See **Sections 4 and 5** relating to notification requirements and procedure in the case of disability.

Please note the cost you pay for the additional eleven (11) months may be approximately 50% higher than the amount of the first eighteen (18) months if the self-payment contributions include a disabled beneficiary and the extension of period for self-payment contributions would not be available in the absence of a disability.

7. Termination of COBRA Payments. The COBRA law provides that your right to continue COBRA payments may be terminated prior to the full self-payment period – eighteen (18), twenty-nine (29), or thirty-six (36) months – for any of the following reasons:

A. The Trust no longer maintains the Plan; or

B. Your employer no longer contributes to the Plan on behalf of employees; or

C. The monthly self-pay contribution to the Trust under COBRA is not paid timely; or

D. There has been a final determination that you are no longer disabled if you qualified to make an extra eleven (11) months of self-pay contributions based on disability.

You do not have to show that you are insurable to choose continued participation.

8. **Refund of Contributions Erroneously Paid.** Any self-paid contributions to the Plan made and accepted in error, shall be refunded to you by the Plan Administrator and shall not confer upon you any rights under the Plan if it is determined that you are ineligible to self-pay contributions. Any Active Service granted based on an erroneous contribution will be rescinded.
9. **Questions about COBRA.** If you have any questions about the Plan or your COBRA continuation self-payment rights, you should contact the Trust Office at the address and/or phone number appearing below.

Southern California Public Safety Retiree Medical Trust
c/o Benefit Programs Administration
1200 Wilshire Blvd. 5th Floor
Los Angeles, CA 90017
Phone: (213) 406-2380
Toll Free: (833) 504-3967
Email: scpublicsafety@bpabenefits.com

For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit the EBSA website at www.dol.gov/ebsa.

10. **Address Changes.** In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in marital status or address of yourself and family members. Send all address changes to the Trust Office address stated in **Section 9** above. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

SOUTHERN CALIFORNIA PUBLIC SAFETY RETIREE MEDICAL TRUST

NOTICE OF PRIVACY PRACTICES WITH RESPECT TO PROTECTED HEALTH INFORMATION

Introduction: The Health Insurance Portability and Accountability Act of 1996 (HIPAA) contains a Privacy Rule pertaining to information, called protected health information, that identifies a particular individual and relates to the past, present, or future physical or medical condition of the individual, provision of health care to the individual, or payment for the provision of health care to the individual. The Southern California Public Safety Retiree Medical Trust is required to provide you with this Notice describing our duties and your rights with respect to protected health information and the manner in which it may be used or disclosed.

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.

I. Our Duties Concerning Protected Health Information: As the administrative agent for the Board of Trustees of the Trust, we are required by law to maintain the privacy of protected health information according to the terms of the Privacy Rule and other applicable laws. We are also required to abide at all times by the terms of this Notice. Your rights and our duties as set forth herein are governed by extensive regulations about which you can obtain further information by contacting the Privacy Contact Officer identified in Section VII of this Notice.

If any applicable state or federal law imposes limitations upon uses and disclosures of protected health information that are more stringent than the limitations imposed under the Privacy Rule, we are required to adhere to those more stringent limitations.

II. Uses and Disclosures for Treatment, Payment, and Health Care Operations: Except with respect to uses or disclosures that require an authorization as described in Section IV of this Notice, we may use or disclose protected health information for treatment, payment, or health care operations as set forth in Paragraphs II(A) – II(D), below, without obtaining your consent. We may elect to obtain your consent to use or disclose protected health information for such purposes, although we are not required to do so. Moreover, such consent shall not be effective to permit a use or disclosure of protected health care information that requires an authorization as described in Section IV of this Notice.

- A.** For our payment of premium reimbursement claims. Payment includes but is not limited to actions concerning eligibility, coverage determinations (including appeals), and billing and collection. For example, the Trust may inform a provider or insurer whether a Trust beneficiary is entitled to premium reimbursement.
- B.** For the payment activities of another covered entity or health care provider to whom we disclose the information. For example, the Trust may disclose its payment on a claim to another health plan, to coordinate payment of claims.
- C.** To another covered entity for health care fraud and abuse detection or compliance or health care

operations. For example, the Trust may disclose payment history to another reimbursement plan to investigate, and related functions that do not involve treatment, provided that each entity has or had a relationship with the individual to whom the information pertains and information disclosed pertains to that relationship.

- D. To disclose protected health information to the Board of Trustees of the Trust, as the plan fiduciary, as necessary for Trust administration. The Board has signed a certification, agreeing not to use or disclose PHI other than as permitted by the Plan documents, or as required by law.

III. Other Uses and Disclosures Permitted or Required Without Authorization: We may, by complying with the requirements specified in the Privacy Rule, use or disclose protected health information without your written consent or authorization, and without providing you the opportunity to agree or object to such use or disclosure, in the following circumstances:

- A. When and to the extent such use or disclosure is required by law.
- B. For public health activities or public health oversight authorized by law.
- C. When and to the extent required or authorized by law or authorized by you regarding child abuse, neglect, or domestic violence.
- D. To the extent authorized by order of a court or administrative tribunal or in response to a subpoena, discovery request, or other lawful process in a judicial or administrative proceeding.
- E. For law enforcement purposes, subject to appropriate safeguards, when required by law or by a judicial or administrative order, or in other circumstances involving the provision of information to law enforcement officials for the purpose of locating an individual, determining whether the individual has been the victim of a crime, reporting crime in emergencies, or if the information constitutes evidence of criminal conduct on our premises.
- F. For coroners, medical examiners, and funeral directors to perform their legal duties.
- G. For procurement, banking, or transplantation of cadaveric organs, eyes, or tissue.
- H. For research purposes where there is appropriate documentation of an alteration to or waiver of the individual authorization required for such use or disclosure of protected health information, and the researcher represents that the use of such information is necessary for the research and will be limited as required by the Privacy Rule.
- I. To prevent or lessen a serious and imminent threat to health or safety or enable law enforcement authorities to identify or apprehend an individual.
- J. For specialized government functions related to military personnel, veteran's benefits, national security, protective services, medical suitability determinations, law enforcement custodial situations, and public benefits programs.

- K. For compliance with workers' compensation and similar programs that provide benefits for work-related injury or illness regardless of fault.
- L. De-identified information, i.e., the Trust may disclose a Beneficiary's health information, if it does not identify the Beneficiary, and with respect to which there is no reasonable basis to believe the information can be used to identify the Beneficiary.

IV. Authorization Required for Other Uses and Disclosures: Uses and disclosures of protected health information other than those identified above will be made only with your written authorization. You may revoke such authorization at any time, provided that the revocation is in writing, except to the extent that we have taken action in reliance thereon or, if the authorization was obtained as a condition of obtaining insurance coverage, some other law provides the insurer with the right to contest a claim under the policy or the policy itself.

V. Individual Rights: All participants have the following rights with respect to protected health information that the Plan maintains about them:

- A. **Restrictions on Uses and Disclosures.** You may request that we restrict uses or disclosures of protected health information for the purposes of carrying out treatment, payment, or health care operations or locating and providing information to persons involved with your care or payment for your care.

We are required to agree to your request only if the disclosure is for the purpose of carrying out payment or health care operations (and is not for the purpose of carrying out treatment) for a health care item or service for which you have paid the health care provider out-of-pocket in full.

Except as described above, we are not required to agree to your request. If we agree, we will be entitled to terminate our agreement with respect to protected health information created or received after we have notified you of the termination. Until then we will be required to abide by the restriction unless the information is required for purposes such as giving you emergency treatment; assisting the Secretary of Health and Human Services to investigate privacy complaints; including your name in a health care facility directory if you are incapacitated or in emergency circumstances; and circumstances described in Section III of this Notice in which an opportunity to agree or object need not be provided.

- B. **Confidential Communications.** We must accommodate reasonable requests to have protected health information communicated to you in confidence by alternative means or at alternative locations. We may require your request to be in writing, state if appropriate how payment for the accommodation will be handled, specify an alternative method of contacting you, and state that disclosure of all or part of the protected health information could endanger you.
- C. **Access for Inspection and Copying:** You may request access to inspect or copy protected health information that is maintained about you in a designated record set. If we grant your request we may provide the information requested or, with your consent, furnish an explanation or summary of the information. We may impose a reasonable fee for the costs of copying and mailing the information you have requested and costs to which you have agreed in advance for

preparing an explanation or summary. If we deny your request in whole or in part we must, after excluding the information to which access is denied, provide access insofar as possible to other protected health information subject to your request.

We may in some circumstances deny your request without providing an opportunity for review, as when the information consists of psychotherapy notes or was compiled for use in a legal or administrative proceeding, and certain other circumstances. There are other circumstances in which we must provide an opportunity for review of our denial, as when the denial is based upon a determination that provision of the information is likely to cause substantial harm to you

or another person. We must in all cases inform you in plain language of the basis for our denial and the means by which you can file a complaint with the Department of Health and Human Services or the Privacy Contract Officer identified in Section VII of this Notice if you believe our denial was improper.

- D. Amendments.** You may request amendments to protected health information maintained about you in a designated record set. If we accept your request in whole or in part, we must identify the information affected thereby, provide a link to the amendment, and make reasonable efforts to notify within a reasonable time persons disclosed by you or known to us who might foreseeably rely on the information to your detriment. We may deny your request if we determine that the information subject to your request is already accurate and complete, is not part of the designated record set, would not be available for inspection as described in Paragraph V(C), above, was not created by us, and in certain other circumstances.

If we deny your request in whole or in part, you will be entitled to submit a written statement of disagreement. We may submit a rebuttal statement. We will be required to identify the information subject to your request and provide a link to the request, our denial, and any statements of disagreement and rebuttal. We will also be required if asked by you to include your request for amendment and our denial with any future disclosures of the information subject to your request. If you submit a statement of disagreement, we will be required to include your request for amendment, our denial, your statement of disagreement, and any rebuttal statement with any subsequent disclosure of the information to which the disagreement relates. We must in all cases inform you in plain language of the basis for our denial and the means by which you can file a complaint with the Department of Health and Human Services or the Privacy Contract Officer identified in Section VII of this Notice if you believe our denial was improper.

- E. Accountings of Disclosures.** You may obtain an accounting of our disclosures of protected health information about you during any period up to six years before the date of your request. There are certain disclosures to which this right does not apply, such as disclosures made to you or for the purpose of carrying out treatment, payment, and health care operations. In addition, we are required to suspend this right for disclosures to a health oversight agency or law enforcement official if the accounting might impede their activities. The first accounting will be provided without charge. A reasonable cost-based fee may be imposed for subsequent accountings within the same 12-month period. You will be entitled to avoid or reduce the fee by withdrawing or modifying your request.

- F. Paper Copies of this Notice.** Regardless of the form in which you have chosen to receive this Notice from us, you may receive a paper copy at any time from the Privacy Contact Officer identified in Section VII.

VI. Changes to Privacy Practices. We must change our privacy practices when required by changes in the law. We reserve the right to make other changes to our privacy practices or to this Notice that comply with the law. Whenever a change to our privacy practices materially affects the contents of this Notice, we will prepare a revised Notice and send it within 60 days to individuals then covered by the Plan. The Privacy Contact Officer identified in Section VII will also provide a current copy of this Notice upon request. A change to our privacy practices that requires a revision of this Notice may not be implemented before the effective date of the revised Notice. However, we reserve the right make the terms of any revised Notice effective for all protected health information that we maintain.

VII. Additional Information and Complaints. You may as specified below obtain additional information and/or submit complaints regarding our duties and your rights with respect to protected health information:

- A. Privacy Contact Officer.** The rights and duties described in this Notice are subject to detailed regulations in the Privacy Rule. We have appointed a Privacy Contact Officer, whom you may contact at any time to obtain further information and assistance or a current paper copy of this Notice:

**Benefit Programs Administration
Attn: Privacy Contact Person
1200 Wilshire Boulevard, Fifth Floor
Los Angeles, CA 90017-1906
Phone: (562) 463-5000**

- B. Privacy Complaints.** You may file a Privacy Complaint whenever you believe that we are not complying with the Privacy Rule or the terms of this Notice. Complaints may be filed with the Privacy Contact Officer or the Secretary of the Department of Health and Human Services, Hubert Humphrey Building, 200 Independence Avenue S.W., Washington D.C. 20201. Complaints must be filed in writing and describe the acts or omissions about which you are complaining. A complaint to the Secretary must name the entity that is the subject of the complaint and be filed within 180 days of when you learned or should have learned about the act or omission complained of, unless this time limit is waived by the Secretary for good cause shown.
- C. No Intimidation or Retaliation.** No intimidation, discrimination, or retaliation shall be permitted against you for the exercise of your rights under the Privacy Rule or our privacy policies, including the right to file a Privacy Complaint.

VIII. Effective Date: This notice shall become effective on the 1st day of January, 2010, and shall remain in effect until it is amended and a revised Notice is provided to you as described in Section VI.

PHI use and disclosure is regulated by federal law, 45 CFR parts 160 and 164 subparts A and E. This Notice attempts to summarize the regulations. The law and its regulations will supersede any discrepancy between this Notice and the law and regulations.

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**From: BOARD OF TRUSTEES
SOUTHERN CALIFORNIA PUBLIC SAFETY
RETIREE MEDICAL TRUST
Trust Office phone number: (800) 700-6762**