

Notice of HIPAA Exemption

Under a Federal law known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, as amended, group health plans must generally comply with the requirements listed below. However, the law also permits State and local governmental employers that sponsor health plans to elect to exempt a plan from these requirements for any part of the plan that is “self-funded” by the employer, rather than provided through a health insurance policy. The Plano ISD has elected to exempt the Plano ISD Employee Health Benefit Plan from the following requirements.

- Limitations on pre-existing condition exclusion periods
- Special enrollment periods
- Prohibitions against discriminating against individual participants and beneficiaries based on health status
- Standards relating to benefits for mothers and newborns
- Parity in the application of certain limits to mental health benefits

However, the Plan has been voluntarily amended to provide protections similar to many, but not all, of these requirements. Among other things, the Plan does not comply with the provisions of HIPAA relating to pre-existing condition exclusions.

HIPAA also requires the Plan to provide covered employees and dependents with a “certificate of creditable coverage” when they cease to be covered under the Plan. There is no exemption from this requirement. The certificate provides evidence that you were covered under this Plan, because if you can establish your prior coverage, you may be entitled to certain rights to reduce or eliminate a pre-existing condition exclusion if you join another employer’s health plan, or if you wish to purchase an individual health insurance policy.

If you have questions or need assistance, please contact the Benefits and Risk Management Department at (469)752-8138 or e-mail benefits@pisd.edu.