

HIPPA Special Enrollment Rights

This notice is being provided so that you understand your right to apply for group health insurance coverage outside of our open enrollment period. You should read this notice regardless of whether or not you are currently covered under our Group Health Plan.

The Health Insurance Portability and Accountability Act requires that employees be allowed to enroll themselves and/or their dependent(s) in an employer's Group Health Plan under certain circumstances, described below, provided that the employee notified the employer *within 30 days* of the occurrence of any following events:

- ◆ Loss of health coverage under another employer plan (including exhaustion of COBRA coverage); or
- ◆ Acquiring a spouse through marriage
- ◆ Acquiring a dependent child through birth, adoption, placement for adoption or foster care placement.

If you decline enrollment for yourself and/or your dependents (including your spouse) under this plan when you first become eligible, because of alternative health insurance coverage, and: 1) you and/or your dependent(s) lose coverage under the alternative health coverage, or 2) you acquire a dependent through marriage, birth, adoption, or placement for adoption, and you and/or your dependent(s) request to be enrolled within 30 days the status change, you and/or dependents shall be treated as a Special Enrollee. An individual covered under this Plan shall be a Special Enrollee provided that such person: (a) was under a COBRA continuation provision and the coverage under such provision was exhausted; or (b) was not under such a provision and either the coverage was terminated as a result of loss of eligibility for the coverage (including as a result of legal separation, divorce, death, termination of employment, or reduction in the number of hours of employment) or Employer contributions toward such coverage were terminated. Individuals who lose other coverage due to nonpayment of premium or for cause (i.e. filing fraudulent claims) shall not be treated as Special Enrollees.

In addition to the special enrollment rights set forth above, all group health plans must also permit eligible employees and their dependent(s) to enroll in an employer plan if the employee requests enrollment under the group health plan within 60 days of the occurrence of following events:

Loss of coverage under Medicaid or a state child health plan: If you or your dependent(s) lose coverage under Medicaid or a state child health plan, you may request to enroll yourself and/or dependent(s) in our group health plan not later than 60 days after the date coverage ends under Medicaid or the state child health plan.

Gaining eligibility for coverage under Medicaid or a state child health plan: If you and/or your dependent(s) become eligible for financial assistance from Medicaid or a state child health plan, you may request to enroll yourself and/or your child(ren) under our group health plan, provided that your request is made no later than 60 days after the date that Medicaid or the state child health plan determines that you and/or your dependent(s) are eligible for such financial assistance. If you and/or dependent(s) are currently enrolled in our group health plan, you have the option of terminating your and/or your child(ren)'s enrollment in our group health plan and enroll in Medicaid or a state child health plan. Please note that once you terminate your enrollment in our group health plan, your children's enrollment will be also terminated.

Failure to notify us of your loss or gain of eligibility for coverage under Medicaid or a state children's health plan *within 60 days*, will prevent you from enrolling in our plans and/or making any changes to your coverage elections until our next open enrollment period.

Coverage for a special enrollee, who loses coverage under an alternative plan, will become effective on the first day of the calendar month following the enrollment request. Coverage for a dependent acquired through marriage, birth, adoption or placement for adoption, whose request for coverage is made within 30 days of the marriage, birth, adoption or placement for adoption, will have coverage become effective as of the date of the marriage, birth, adoption or placement for adoption.

Other individuals who declined coverage and do not have alternative coverage will be considered "late enrollees" under the Plan, will be subject to evidence of insurability, which may include the preexisting condition exclusion, and will not be able to enroll in the Plan until the Plan's next open enrollment period, if available.

To obtain a certificate of coverage under Blue Diamond Growers health plan, submit a written request for a Certificate of Health Coverage to Human Resources.