

Jack Byrne Ford & Mercury, Inc.

2018 State & Federal Employee Health Plan Required Notices

The attached information is provided so that you are aware of rights you may have under state and or federal law as a participant in the **Jack Byrne Ford & Mercury, Inc.** health insurance plan(s).

By signing below, you are stating you have received this packet containing the following notices:

- COBRA Enrollment Rights Notification
- Medicaid and the Children's Health Insurance Program (CHIP) Offer Free Or Low-Cost Health Coverage To Children And Families
- Notice of HIPAA Special Enrollment Rights & Pre-existing Condition Exclusions
- The Women's Health and Cancer Rights Act of 1998
- Patient Protection Model Disclosure
- Newborns' and Mothers' Health Protection Act
- 2018 Medicare Part D notification of Creditable Coverage Provided by our Blue Cross Blue Shield EPO Health Plans

Signature _____ Date _____

Print Name: _____

Email Address _____

THIS PAGE MUST BE SIGNED AND RETURNED TO Jack Byrne Jr. PLEASE KEEP THE REMAINING PAGES OF THIS NOTICES PACKET FOR YOUR PERSONAL RECORDS.

2018 State & Federal Employee Health Plan Required Notices

Jack Byrne Ford & Mercury, Inc.
For additional information on the attached notices,
please contact:

Name: Jack Byrne Jr.
Telephone Number: (518) 664-9841

COBRA Rights Notification

Under the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA), you and your eligible dependents may continue medical coverage for up to 18 months if coverage ends because:

- You terminate employment for any reason (other than gross misconduct), or
- You have a reduction in work hours

COBRA also allows your eligible dependents to continue their medical coverage for up to 36 months if coverage would otherwise end because:

- You die,
- You and your spouse divorce or legally separate,
- You become eligible for Medicare, or
- Your dependents are no longer eligible for coverage under the medical plan (for example, your dependent child turns age 26).

Please note: You may only continue the coverage that was in effect on the day prior to the event.

You and your dependents generally may elect to continue coverage anytime within the first 60 days after coverage ends or 60 days from the date the notice was received, whichever is later. Continued coverage takes effect on the first of the month following the date of the event that caused coverage to end, as long as you pay the necessary premium. **Please note:** You may only continue the coverage that was in effect one day prior to the event; however, you may make changes to your elections each year during the annual Open Enrollment period. If the medical plan changes, those changes would also apply to coverage under COBRA.

To receive coverage under COBRA, you and/or your eligible dependents are required to make a timely election and make monthly premium payments.

If you qualify for COBRA coverage, you will receive more information from Jack Byrne Ford & Mercury, Inc. following the specific event.

Medicaid and the Children's Health Insurance Program (CHIP) Offer Free Or Low-Cost Health Coverage To Children And Families

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

If you or your dependents are already enrolled in Medicaid or CHIP and you live in a State listed below, you can contact your State Medicaid or CHIP office to find out if premium assistance is available.

If you or your dependents are NOT currently enrolled in Medicaid or CHIP, and you think you or any of your dependents might be eligible for either of these programs, you can contact your State Medicaid or CHIP office or dial **1-877-KIDS NOW** or **www.insurekidsnow.gov** to find out how to apply. If you qualify, you can ask the State if it has a program that might help you pay the premiums for an employer-sponsored plan.

Once it is determined that you or your dependents are eligible for premium assistance under Medicaid or CHIP, your employer's health plan is required to permit you and your dependents to enroll in the plan – as long as you and your dependents are eligible, but not already enrolled in the employer's plan. This is called a "special enrollment" opportunity, and **you must request coverage within 60 days of being determined eligible for premium assistance.**

If you live in one of the States listed on the following pages, you may be eligible for assistance paying your employer health plan premiums. The following list of States is current as of January 31, 2017.

You should contact your State for further information on eligibility.

New York – Medicaid

Website: http://www.nyhealth.gov/health_care/medicaid/

Phone: 1-800-541-2831

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Notice of HIPAA Special Enrollment Rights & Pre-existing Condition Exclusions

As an employee of Jack Byrne Ford & Mercury, Inc. you are eligible to participate in our Blue Cross Blue Shield EPO (to actually participate, you must complete an enrollment form and, if applicable, pay part of the premium through payroll deductions).

A federal law called HIPAA requires that we notify you about two important provisions in the plan. The first is your right to enroll in the plan under its **special enrollment provision** if you acquire a new dependent, or if you decline coverage under this plan for yourself or an eligible dependent while other coverage is in effect and later lose that other coverage for certain qualifying reasons. Second, this notice advises you of the plan's **preexisting exclusion rules** that may temporarily exclude coverage for certain preexisting conditions that you or a member of your family may have.

I. Special Enrollment Provision

Loss of Other Coverage (Excluding Medicaid or a State Children's Health Insurance Program). If you decline enrollment for your self or for an eligible dependent (including your spouse) while other health insurance or Blue Cross Blue Shield EPO coverage is in effect, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage (or if Jack Byrne Ford & Mercury, Inc. stops contributing toward your or your dependents' other coverage). However, **you must request enrollment within 30 days after your or your dependents' other coverage ends** (or after Jack Byrne Ford & Mercury, Inc. stops contributing toward the other coverage).

Loss of Coverage For Medicaid or a State Children's Health Insurance Program. If you decline enrollment for yourself or for an eligible dependent (including your spouse) while Medicaid coverage or coverage under a state children's health insurance program is in effect, you may be able to enroll yourself and your dependents in this plan if you or your dependents lose eligibility for that other coverage. However, **you must request enrollment within 60 days after your or your dependents' coverage ends under Medicaid or a state children's health insurance program.**

New Dependent by Marriage, Birth, Adoption, or Placement for Adoption. If you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may be able to enroll yourself and your new dependents. However, **you must request enrollment within 30 days after the marriage, birth, adoption, or placement for adoption.**

Eligibility for Medicaid or a State Children's Health Program. If you or your dependents (including your spouse) become eligible for a state premium assistance subsidy from Medicaid or through a state children's health insurance program with respect to coverage under this plan, you may be able to enroll yourself and your dependents in this plan. However, **you must request enrollment within 60 days after your or your dependents' determination of eligibility for such assistance.**

The Women's Health and Cancer Rights Act of 1998

Enrollment Notice

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient, for:

All stages of reconstruction of the breast on which the mastectomy was performed;

- Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- Prostheses; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under these plans.

If you would like more information on WHCRA benefits, call your plan administrator at the telephone number listed on the front of this packet.

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Annual Notice

Do you know that your plan, as required by the Women's Health and Cancer Rights Act of 1998, provides benefits for mastectomy-related services including all stages of reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy, including lymphedema? Call your plan administrator at the telephone number listed on the front of this packet for more information.

Notice to Participants of PPACA non-grandfathered plans:

Our health plan generally allows the designation of a primary care provider. You have the right to designate any primary care provider who participates in our network and who is available to accept you or your family members. For information on how to select a primary care provider, and for a list of the participating primary care providers, contact the Human Resources Department.

For children, you may designate a pediatrician as the primary care provider.

You do not need prior authorization (including a primary care provider) in order to obtain access to obstetrical or gynecological care from a health care professional in our network who specializes in obstetrics or gynecology. The health care professional, however, may be required to comply with certain procedures, including obtaining prior authorization for certain services, following a pre-approved treatment plan, or procedures for making referrals. For a list of participating health care professionals who specialize in obstetrics or gynecology, contact the Human Resources Department.

Newborns' and Mothers' Health Protection Act

Group health plans and health insurance issuers generally may not, under federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following vaginal delivery, or less than 96 hours following Cesarean section. However, federal law generally does not prohibit the mother's nor newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable).

In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the plan or insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Important Notice from Jack Byrne Ford & Mercury, Inc. About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with **Jack Byrne Ford & Mercury, Inc.** and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. **Jack Byrne Ford & Mercury, Inc.** has determined that the prescription drug coverage offered by the **Blue Shield Blue Cross EPO plans** is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.

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When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Jack Byrne Ford & Mercury, Inc. coverage will not be affected. You can keep this coverage if you elect part D and this plan will coordinate with Part D coverage.

If you do decide to join a Medicare drug plan and drop your current Jack Byrne Ford & Mercury, Inc. coverage, be aware that you and your dependents may not be able to get this coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Jack Byrne Ford & Mercury, Inc. and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

You may contact the person listed below for further information, or call Nicholas J Marino & Co. at (518) 446-1444 and ask to speak to Nicholas Marino at extension 222. **NOTE:** You'll get this notice each

ear. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Jack Byrne Ford & Mercury, Inc. changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).

Date: September 14, 2018

Name of Entity/Sender: Jack Byrne Ford & Mercury, Inc.

Contact--Position/Office: Jack Byrne, Jr.

Address: 1003 Hudson River Rd. Mechanicville, NY 12118

Phone Number: (518) 664-9841