



**State Employees' Insurance Board**

**Retiree-Only Health**

**Reimbursement**

**Arrangement**

**State of Alabama**

**State Employees' Insurance Board**

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**Effective January 1, 2022**





**STATE OF ALABAMA**  
**STATE EMPLOYEES' INSURANCE BOARD**  
**PO Box 304900**  
**MONTGOMERY, ALABAMA 36130-4900**  
**334-263-8341 / 1-866-836-9737**  
**RETIREE-ONLY HEALTH REIMBURSEMENT ARRANGEMENT**  
**NOTICE OF PRIVACY PRACTICES**

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review this notice carefully.

The Retiree-Only Health Reimbursement Arrangement (the "plan") considers personal information to be confidential. The plan protects the privacy of that information in accordance with applicable privacy laws, as well as its own privacy policies.

**THE PLAN'S RESPONSIBILITIES**

The plan is required by federal law to keep your health information private, to give you notice of the plan's legal duties and privacy practices, and to inform you about:

- the plan's uses and disclosures of your protected health information;
- your privacy rights concerning your protected health information;
- the plan's obligations concerning your protected health information;
- your right to file a complaint with the plan and to the Secretary of the U.S. Department of Health and Human Services; and
- the person or office to contact for further information about the plan's privacy practices.

**Effective Date of Notice:** This notice is effective as of January 1, 2022.

**HOW THE PLAN MAY USE AND DISCLOSE HEALTH INFORMATION**

This Chapter of the notice describes uses and disclosures that the plan may make of your health information for certain purposes without first obtaining your permission as well as instances in which we may request your written permission to use or disclose your health information. The plan also requires its business associates to protect the privacy of your health information through written agreements.

**Uses and disclosures related to payment, health care operations, and treatment.** The plan and its business associates may use your health information without your permission to carry out payment or health care operations. The plan may also disclose health information to the plan Sponsor, the state of Alabama for purposes related to payment or health care operations.

Payment includes but is not limited to actions to make coverage determinations and payment (including billing, claims management, subrogation, plan reimbursement, review for medical necessity and appropriateness of care and utilization review and preauthorizations). For example, the plan may tell an insurer what percentage of a bill will be paid by the plan.

Health care operations include but are not limited to underwriting, premium rating, and other insurance activities relating to creating or renewing insurance contracts, disease management, case management, conducting or arrangement for medical review, legal services, and auditing functions, including fraud and abuse programs, business planning and development, business management and general administrative activities. However, the plan will not use protected genetic information for underwriting purposes. It also includes quality assessment and improvement and reviewing the competence or qualifications of health care professionals. For example, the plan may use medical benefit claims information to conduct a review of the accuracy of how benefit claims are being paid.

The plan will only disclose the minimum information necessary with respect to the amount of health information used or disclosed for these purposes. In other words, only information relating to the task being performed will be used or disclosed. Information not required for the task will not be used or disclosed.

The plan may also contact you to provide information about treatment alternatives or other health-related benefits and services that may be of interest to you.

**Other uses and disclosures that do not require your written authorization.** The plan may disclose your health information:

- To persons and entities that provide services to the plan and assure the plan they will protect the information;
- If it constitutes summary health information, and it is used only for modifying, amending, or terminating a group health plan or obtaining premium bids from health plans providing coverage under the group health plan;
- If it constitutes de-identified information;
- If it relates to workers' compensation programs;
- If it is for judicial and administrative proceedings;
- If it is about decedents;
- If it is for law enforcement purposes;
- If it is for public health activities;
- If it is for health oversight activities;
- If it is about victims of abuse, neglect, or domestic violence;
- If it is for cadaveric organ, eye, or tissue donation purposes;
- If it is for certain limited research purposes;
- If it is to avert a serious threat to health or safety;
- If it is for specialized government functions;
- If it is for limited marketing activities.

**Additional disclosures to others without your written authorization.** The plan may disclose your health information to a relative, a friend, or any other person you identify, provided the information is directly relevant to that person's involvement with your health care or payment for that care. For example, the plan may confirm whether or not a claim has been received and paid. You have the right to request that this kind of disclosure be limited or stopped by contacting the plan's Privacy Officer at (334) 263-8300.

**Uses and Disclosures Requiring Your Written Authorization.** In all situations other than those described above, the plan will ask for your written authorization before using or disclosing your health information. If you have given the plan written authorization, you may revoke it at any time, if the plan has not already acted on it. If you have questions regarding authorizations, contact the plan's Privacy Officer at (334) 263-8300.

## **YOUR PRIVACY RIGHTS**

This Chapter of the notice describes your rights concerning your health information and a brief description of how you may exercise these rights.

**Notice of Breach.** You have a right to notice of a breach of unsecured PHI.

**Restrict Uses and Disclosures.** You have the right to request that the plan restricts uses and disclosure of your health information for activities related to payment, health care operations, and treatment. The plan will consider, but may not agree to, such requests. (Exception: the plan must grant a restriction on PHI disclosed to a health plan for payment or health care operations purposes if the PHI pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full.)

**Alternative Communication.** The plan will accommodate reasonable requests to communicate with you at a certain location or in a certain way. For example, if you are covered as an adult-dependent, you may want the plan to send health information to a different address than that of the employee.

**Inspect or Copy Health Information.** You have a right to inspect or obtain a copy of health information that is contained in a "designated record set" – records used in making enrollment, payment, claims adjudication, and other decisions. However, you do not have a right to inspect or obtain copies of psychotherapy notes or information compiled for civil, criminal, or administrative proceedings. In addition, the plan may deny your right to access, although in certain circumstances you may request a review of the denial. If the plan doesn't maintain the health information but knows where it is maintained, you will be informed of where to direct your request.

You may request your records in an electronic format. The plan may provide you with a summary of the health information if you agree in advance to the summary. You may also be asked to pay a fee of \$1.00 per page based on the plan's copying, mailing, and other preparation costs.

**Amend Health Information.** You have the right to request an amendment to health information that is in a "designated record set." You must provide a statement to support the request. The plan may deny your request to amend your health information if the plan did not create the health information, if the information is not part of the plan's records, if the information was not available for inspection or the information is accurate and complete.

**accounting of Certain Disclosures.** You have the right to receive a list of certain disclosures of your health information. The accounting will not include: (1) disclosures made for purposes of treatment, payment or health care operations; (2) disclosures made to you; (3) disclosures made pursuant to your authorization; (4) disclosures made to friends or family in your presence or because of an emergency; (5) disclosure for national security purpose; and (6) disclosures incident to other permissible disclosures.

You may receive information about disclosures of your health information going back for six (6) years from the date of your request. You may make one (1) request in any 12-month period at no cost to you, but the plan may charge a fee for subsequent requests. You will be notified of the fee in advance and have the opportunity to change or revoke your request.

**Right to access electronic records.** You may request access to electronic copies of your health information, or you may request in writing or electronically that another person receive an electronic copy of these records. The electronic protected health information will be provided in a mutually agreed-upon format, and you may be charged for the cost of any electronic media (such as a USB flash drive) used to provide an electronic copy.

**Right to a Copy of Privacy Notice.** You have the right to receive a paper copy of this notice upon request, even if you agreed to receive the notice electronically.

**Complaints.** You may complain to the plan or the Secretary of HHS if you believe your privacy rights have been violated. To file a complaint with the plan, contact the plan's Privacy Officer at (334) 263-8300. You will not be penalized for filing a complaint.

**How to exercise your rights in this notice.**

To exercise your rights listed in this notice, you should contact the plan's Privacy Officer at (334) 263-8300.

**THIS NOTICE IS SUBJECT TO CHANGE**

The terms of this notice and the plan's privacy policies may be changed at any time. If changes are made, the new terms and policies will then apply to all health information maintained by the plan. If any material changes are made, the plan will distribute a new notice to participants and beneficiaries.

**YOUR QUESTIONS AND COMMENTS**

If you have questions regarding this notice, please contact the plan's Privacy Officer at (334) 263-8300.

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## Introduction

The Retiree-Only Health Reimbursement Arrangement (HRA) is a Health Reimbursement Arrangement established by the State Employees' Insurance Board (SEIB) pursuant to Ala. Code Chapter 36-29-51.

The SEIB adopted this HRA to allow eligible retirees of the State of Alabama to obtain reimbursement of medical care expenses on a nontaxable basis from their HRA account. The SEIB intends that the HRA qualifies as a "health reimbursement arrangement" as that term is defined under IRS Notice 2002-45 and 2013-54, a medical reimbursement plan under Chapters 105 and 106 of the Internal Revenue Code of 1986, as amended, and a retiree-only plan in accordance with Treas. Reg. § 54.9831-1. The HRA will be interpreted at all times in a manner consistent with such intent.

Benefits under the HRA will be paid only if the SEIB decides in its discretion that a participant is entitled to them. The SEIB shall have the absolute discretion to administer the HRA including, but not limited to, the power to make all rules, regulations, and determinations and to construe and interpret the HRA to carry out its intent and purpose. All such rules, regulations, determinations, constructions, and interpretations made by the SEIB shall be binding upon all participants and all other interested parties.

The SEIB reserves the right to modify its benefits, level of benefit coverage, and eligibility/participation requirements at any time, without notification to participants. When such a change is made, it will apply as of the modification's effective date to any and all charges incurred by participants on that day and after, unless otherwise specified by the SEIB. Any change may cause your benefits to be different than those described in this planbook.

The SEIB can terminate the HRA at any time for any reason. Your HRA benefits will end if this happens.

As you read this planbook, it is important for you to pay attention to terms that have defined meanings. To make the planbook more readable, the initial letters of the defined terms may not be capitalized. These terms are available for review in the definitions chapter of this planbook.

# Chapter 1

## Definitions

Whenever used in this planbook, the following terms shall have the meanings set forth below:

**Administrator** means the State Employees' Insurance Board or other person, committee, company, or group that may be appointed by the Board to supervise the administration of the plan in accordance with the terms of this plan.

**Benefits** means the reimbursement benefits for medical care expenses described under Chapter 4.

**Board** means the State Employees' Insurance Board.

**COBRA** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

**Code** means the Internal Revenue Code of 1986, as amended.

**Covered Individual** means a participant, spouse, or dependent.

**Dependent** includes your spouse or any other person that you claim for Federal Income Tax purposes.

**Effective Date** means January 1, 2022.

**Eligible Retiree** means: (1) a former employee of the State of Alabama who was enrolled as an active participant in the PCO or Limited Purpose HRA; and (2) who had a balance remaining in his or her PCO account or Limited Purpose HRA account upon retirement from the State of Alabama that will be transferred to this plan.

**Enrollment Form** means the form provided by the administrator for the purpose of allowing an eligible retiree to participate in this plan.

**FMLA** means the Family and Medical Leave Act of 1993, as amended.

**HIPAA** means the Health Insurance Portability and Accountability Act of 1996, as amended.

**HRA** means a health reimbursement arrangement as defined in IRS Notice 2002-45.

**HRA Account** means the HRA account described in Chapter 4.

**Limited Purpose HRA** means the Health Reimbursement Arrangement administered by Optum Financial and funded solely by the State of Alabama that provides \$175 per month for eligible dental and vision expenses to full-time, active State employees who have other group (employer plans) or non-group (individual or governmental plans) health insurance coverage besides the State Employees' Health Insurance Plan or other free plans offered by the SEIB.

**Medical Care Expenses** has the meaning defined in Chapter 4.

**Participant** means an individual who is an eligible retiree and who is participating in this plan in accordance with the provisions of Chapter 2.

**Premium Cash Option or PCO** means the premium-only Health Reimbursement Arrangement administered by Optum Financial and funded solely by the State of Alabama that reimburses full-time, active State employees for eligible other group health insurance premiums.

**Period of Coverage** means the plan year, with the following exceptions: (a) for eligible retirees who first become participants, it shall mean the portion of the plan year following the date participation commences, as described in Chapter 2; and (b) for participants who terminate participation, it shall mean the portion of the plan year prior to the date participation in the plan terminates, as described in Chapter 2. A different period of coverage (e.g., a calendar month) may be established by the administrator and communicated to participants.

**PHI:** Protected health information as described in 45 C.F.R. § 164.103, and generally includes individually identifiable health information held by or on behalf of the Plan.

**Plan** means the State Employees' Insurance Board Retiree-Only Health Reimbursement Arrangement (HRA) as set forth herein and as amended from time to time.

**SEIB** means State Employees' Insurance Board.

**Spouse** means an individual who is treated as a spouse for federal tax purposes. Excludes common-law spouses.

**USERRA** means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

## Chapter 2 Participation

### Eligibility to Participate

An employee who becomes an eligible retiree shall be enrolled in the plan and become a participant as described in Chapter 4.

### Termination of Participation

An eligible retiree will cease to be a participant on the date on which the first of the following occurs:

- the participant's account balance is exhausted;
- this plan terminates;
- the eligible retiree returns to active employment with the State of Alabama;
- the eligible retiree commits fraud or misrepresentation with respect to the plan;
- the death of eligible retiree.

If the plan terminates, the loss of participant status shall occur immediately upon occurrence of the applicable event. If an eligible retiree ceases to be a participant for any other reason, the loss of participant status shall occur at the end of the month in which the applicable event occurs. Any reimbursements from the HRA account after termination of participation will be made pursuant to Chapter 4 (relating to the run-out period for submitting claims incurred prior to termination and relating to COBRA).

### Permanent Opt-Out

Participant may elect to permanently opt out of and waive future reimbursements from his or her HRA account. A participant who makes that election will not receive reimbursements for any medical care expenses incurred after the opt-out election takes effect, except for limited-scope dental or vision expenses that qualify as excepted benefits for HIPAA purposes. Medical care expenses incurred before the opt-out election takes effect, however, may be reimbursed during the first plan year to which the opt-out election applies, subject to the reimbursement procedures contained in Chapter 4.

### Death

If a participant in the HRA dies and at the time of death has a balance remaining in his or her HRA account, the following rules apply:

- A surviving spouse may continue to participate in the HRA until the remaining balance is exhausted.
- In the event the participant dies without a spouse, his or her HRA account shall be forfeited; provided, however, that his or her estate or representatives may submit claims for qualified medical care expenses incurred prior to the participant's death, as long as such claims are submitted no later than 105 days after the end of the plan year.

### Return to Active Employment

In the event the participant returns to active employment with the State of Alabama, funds remaining at termination of participation will be frozen until active employment with the State of Alabama ends, at which time, participant will be re-enrolled and have access to the funds.

## Chapter 3 Funding

### **Benefits Offered**

When an eligible retiree becomes a participant, an HRA account will be established for such participant to receive benefits in the form of reimbursement for medical care expenses, as described in Chapter 4. In no event shall benefits be provided in the form of cash or any other taxable or nontaxable benefit other than reimbursement for medical care expenses.

### **SEIB and Participant Contributions**

(a) *SEIB Contributions.* The SEIB funds the full amount of the participant's HRA account using the final account balance from the participant's expired PCO account or Limited Purpose HRA account. In no event will the SEIB make additional contributions to the participant's HRA account.

(b) *Participant Contributions.* There are no participant contributions for benefits under the plan.

(c) *No Funding Under Cafeteria Plan.* Under no circumstances will the benefits be funded with salary reduction contributions, SEIB contributions (e.g., flex credits) or otherwise under a cafeteria plan.

### **Funding This Plan**

The HRA is funded solely by the State of Alabama. In no event may any benefits under the plan be funded with participant contributions.

The HRA account balance does not accrue interest at any time.

## Chapter 4 Benefits

### **Provision of Benefits**

Once you become a participant, an HRA account will be established for you. The HRA account is a notional bookkeeping account that keeps a record of benefit dollars allocated to your account and reimbursements made to you under the HRA. You have no property rights to your HRA account.

HRA account balances can only be used to reimburse qualified medical care expenses incurred by a covered individual after the establishment of the HRA account and before your participation has ceased.

The HRA will reimburse you for qualified medical care expenses incurred by a covered individual, up to the balance in your HRA account. No other expenses are eligible for reimbursement. In no event shall any benefits under this plan be provided in the form of cash or any other taxable or nontaxable benefit other than reimbursement for qualified medical care expenses.

### **Amount of Reimbursement**

At all times during the plan year, you shall be entitled to benefits under this plan for payment of qualified medical care expenses in an amount that does not exceed the balance of your HRA account. Each reimbursement hereunder shall be a charge to such HRA account available to pay eligible medical care expenses under the plan.

If you do not spend all benefit dollars in a plan year, any unused HRA account balance rolls over into the next plan year.

HRA benefit dollars are subject to two restrictions: 1) they may only be used for qualified medical care expenses as defined in this planbook, and 2) benefit dollars will be forfeited if you terminate participation for any reason other than death, subject to COBRA rights explained below.

### **Eligible Medical Care Expenses**

Under the HRA account, a participant may receive reimbursement for medical care expenses incurred during a period of coverage.

(a) *Incurred.* A medical care expense is incurred at the time the medical care or service giving rise to the expense is furnished, and not when the individual incurring the expense is formally billed for, is charged for, or pays for the medical care. Medical care expenses incurred before a participant first becomes covered by the plan are not eligible for reimbursement.

(b) *Medical Care Expenses Generally.* "Medical care expenses" means expenses incurred by a covered individual for medical care, as defined in Code §213 (including, for example, amounts for certain hospital, doctor, and dental bills, health insurance premiums, COBRA premiums, Medicare Part A, B, or D premiums, Medicare Supplemental (e.g., Medigap) premiums, and Medicare Advantage premiums), but shall not include expenses that are described in subsection (c). Reimbursements due for medical care expenses incurred by the covered individual shall be charged against the participant's HRA account.

(c) *Medical Care Expenses Exclusions.* "Medical care expenses" shall not include (1) unprescribed medicines or drugs (other than insulin), without regard to whether such medicine or drug could be obtained without a prescription; and (2) the expenses listed as exclusions under Appendix A to this plan.

(d) *Cannot Be Reimbursed or Reimbursable From Another Source.* Medical care expenses may be reimbursed from the participant's HRA account only to the extent that the participant or other individual incurring the expense is not reimbursed for the expense (nor is the expense reimbursable) through other insurance, or any other accident or health plan. If only a portion of a medical care expense has been reimbursed elsewhere the HRA account may reimburse the remaining portion of such expense if it otherwise meets the requirements of this Chapter.

### **Maximum Benefits**

(a) *Maximum Benefits.* The maximum dollar amount that may be credited to an HRA account for an eligible retiree is the amount of the participant's account balance in the participant's PCO account or Limited Purpose HRA prior to the participant's retirement. In no event will the SEIB make additional contributions to the participant's HRA account.

(b) *Nondiscrimination.* Reimbursements to highly compensated individuals may be limited or treated as taxable compensation to comply with Code §105(h), as may be determined by the administrator in its sole discretion.

### **Claims Submission**

When you pay for qualified medical care expenses, you are responsible for requesting reimbursement from the plan by completing and submitting a claim form to the Claims administrator, Optum Financial. The claim form can be found on the Optum Financial website at [www.OptumFinancial.com](http://www.OptumFinancial.com) and in the back of this planbook. Appropriate documentation must be included with your claim for reimbursement.

You may submit claims for qualified medical care expenses along with appropriate documentation to Optum Financial in one of the following four ways:

1. **Online** - You may scan and upload your qualified medical care expenses after completing the online claim form on Optum Financial's website.
2. **Fax** - You may fax the form along with your supporting documentation to Optum Financial at 1-443-681- 4602.
3. **Mail** - You may mail the form along with your supporting documentation to:

Optum Financial Claims  
P.O. Box 622317  
Orlando, FL 32862-2317

4. **App** - You may file your claim through Optum Financial's app available on your iPhone or Android device.

### **Reimbursements**

Your claim is deemed filed when it is received by Optum Financial. If your claim for reimbursement is approved, you will be provided reimbursement as soon as reasonably possible following the



determination. Claims are paid daily in the order in which they are received by Optum Financial. The maximum reimbursement amount that you can receive is equal to your HRA account balance at the time the request for reimbursement is processed. Reimbursements can be paid via check or direct deposit.

### **Overpayments**

If the plan pays benefits for expenses incurred, and it later determines that all or some of the payment received was made in error, you will be required to refund the overpayment or erroneous reimbursement to the plan. If you do not refund the overpayment, the plan reserves the right to offset future reimbursements equal to the overpayment or, if that is not feasible, to withhold such funds from any amounts due to you from the plan. If all other attempts to recoup the overpayment or erroneous payment are unsuccessful, the SEIB may treat the overpayment as a bad debt, which may have tax implications for you. In addition, if the SEIB determines that you have submitted a fraudulent claim, the SEIB may terminate your coverage in the HRA.

### **Rights to Appeal**

Claims that are partially or wholly denied may be appealed as provided in Chapter 5.

### **Carryover of Accounts**

To the extent you have a balance in your HRA account at the end of a plan year, the balance may be carried over to following plan years.

## **Chapter 5 Administration**

### **Plan Administrator**

The plan administrator is the SEIB. The plan administrator is responsible for the performance of all reporting and disclosure obligations required to be performed by the plan administrator under the IRS Code.

### **Duties of the Plan Administrator**

The plan administrator shall have the sole discretion and authority to control and manage the operation and administration of the plan.

The plan administrator shall have complete discretion to interpret the provisions of the plan, make findings of fact, correct errors, supply omissions, and determine the benefits payable under the plan. All decisions and interpretations of the plan administrator regarding the plan shall be final, conclusive, and binding on all persons, subject only to the appeal procedure.

### **Optum Financial Claims Appeal Procedure**

In the event payment of a claim is denied and you believe such denial was improper, you have the right of appeal. The appeal procedure is as follows:

1. To appeal, you must submit a request for review, in writing, to Optum Financial within 60 days from the date any writing is received by you from Optum Financial denying payment of a claim. This request must contain the specific reasons you contend the claim denial was improper. Within the same time period, you may submit any other evidence which you contend supports your position.
2. Optum Financial will review the claim, any written requests or other evidence received from you, and advise you of its final determination. The Optum Financial decision regarding the claim will be final and will exhaust all administrative remedies.

### **Nondiscriminatory Operation**

All rules, decisions, interpretations, and designations by the plan administrator under the plan shall be made in a nondiscriminatory manner, and persons similarly situated shall be treated alike.

## Chapter 6

# SEIB Appeals Process

### General Information

Issues involving eligibility and enrollment should be addressed directly with the SEIB through the appeal process outlined below. However, all issues regarding benefit determinations should be addressed through the Optum Financial appeal process.

All requests must be sent to the following address:

State Employees' Insurance Board  
Attention: Legal Department  
P.O. Box 304900  
Montgomery, Alabama 36130-4900

### Informal Review

If you feel an enrollment or eligibility decision was not in conformity with SEIB rules, policies, or procedures, you may request an informal review. In many cases, the issue can be resolved over the phone without the need for an administrative review or formal appeal. A request for an informal review must be received by the SEIB within 60 days from the date of an adverse decision by the SEIB. Untimely requests will be denied.

### Administrative Review

If you are unsatisfied with the informal review decision, you may then request an administrative review. All requests for administrative review must be received by the SEIB within 60 days from the date of the informal review decision. Untimely requests will be denied. If the SEIB determines that an administrative review is appropriate, you will be sent an SEIB administrative review form to complete and return. A copy of the initial adverse determination and informal review decision must be submitted with the administrative review form. The administrative review committee will review the request, usually within 60 days. Oral arguments will not be considered unless approved by the SEIB. The administrative review committee will issue a decision in writing to all parties involved in the review.

### Formal Appeal

If you do not agree with the administrative review decision, you may file a request for a formal appeal before the Board of Directors. Requests for a formal appeal must be received by the SEIB within 60 days following the date of the administrative review committee's decision. Untimely requests will be denied. Oral arguments will not be considered unless approved by the SEIB. If your request for a formal appeal is granted, generally, a decision will be issued within 90 days following approval of the request for a formal appeal. The number of days may be extended by notice from the SEIB. If you have not received a decision or notice of extension within 90 days, you may consider your appeal denied. The Board's decision is the final step in the SEIB appeal process and will exhaust all administrative remedies.

The subject of a formal appeal shall be limited to exclusions or exceptions to eligibility, enrollment, or coverage based on extraordinary circumstances, or policy issues not previously addressed or contemplated by the Board.

## **Chapter 7**

### **HIPAA**

This Chapter permits the plan to disclose PHI to the plan sponsor and the claims administrator to the extent that such PHI is necessary for the plan sponsor and the claims administrator to carry out its administrative functions related to the plan. In that regard, the SEIB has entered into HIPAA Business Associate Agreements with the claims administrator to ensure that the plan complies with requirements set forth in HIPAA and accompanying regulations, as amended from time to time, and the Health Information Technology for Economic and Clinical Health Act (HITECH), and any regulations promulgated thereunder.

## **Chapter 8**

### **General Provisions**

#### **Amendment and Termination**

Although the SEIB intends to maintain the plan for an indefinite period, the SEIB reserves the right to amend, modify, or terminate this plan at any time, including but not limited to: the right to modify eligibility for participation, benefits paid by the plan, the amount of benefit dollars to be credited, and the right to reduce or eliminate existing HRA accounts.

Notwithstanding anything to the contrary contained in this Chapter or elsewhere in the plan, the plan administrator shall have the authority to approve all technical, administrative, regulatory, and compliance amendments to the plan, and any other amendments that the plan administrator shall deem necessary or appropriate.

#### **Status of Benefits**

Neither the State of Alabama nor the plan administrator makes any commitment or guarantee that any amounts paid to or for the benefit of a participant under this plan will be excludable from the participant's gross income for federal, state, or local income tax purposes. It shall be the obligation of each participant to determine whether each payment under this plan is excludable from the participant's gross income for federal, state, and local income tax purposes and to notify the plan administrator if the participant has any reason to believe that such payment is not so excludable. Any participant, by accepting a benefit under this plan, agrees to be liable for any tax that may be imposed concerning those benefits, plus any interest as may be imposed.

#### **Applicable Law**

The plan shall be construed and enforced according to the laws of the state of Alabama, to the extent not preempted by any federal law.

#### **Severability**

If any provision of this plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision, and this plan shall be construed and enforced as if such provision had not been included.

## Appendix A

### Exclusions-Medical Expenses That Are Not Reimbursable

The following expenses are *not* reimbursable, even if they meet the definition of "medical care" under Code §213 and may otherwise be reimbursable under IRS guidance pertaining to HRAs:

- Long-term care services
- Cosmetic surgery or other similar procedures, unless the surgery or procedure is necessary to ameliorate a deformity arising from, or directly related to, a congenital abnormality, a personal injury resulting from an accident or trauma, or a disfiguring disease. "Cosmetic surgery" means any procedure that is directed at improving the patient's appearance and does not meaningfully promote the proper function of the body or prevent or treat illness or disease.
- The salary expense of a nurse to care for a healthy newborn at home
- Funeral and burial expenses
- Household and domestic help (even though recommended by a qualified physician due to an eligible retiree's inability to perform physical housework)
- Custodial care
- Costs for sending a problem child to a special school for benefits that the child may receive from the course of study and disciplinary methods.
- Social activities, such as dance lessons (even though recommended by a physician for general health improvement).
- Bottled water
- Cosmetics, creams, hygiene products, e.g., toiletries, toothpaste, etc.
- Uniforms or special clothing, such as maternity clothing
- Automobile insurance premiums
- Transportation expenses of any sort, including transportation expenses to receive medical care
- Marijuana and other controlled substances that are in violation of federal laws, even if prescribed by a physician.
- Birthing coach and birthing tubs
- Diapers or diaper service
- Diet foods
- Ear or body piercing
- Electrolysis or hair removal
- Hair transplants
- Household help
- Illegal operations and treatments
- Late fees
- Lip moisturizers (i.e. ChapStick®)
- Marriage counseling
- Medicated shampoos
- Missed appointment fees
- Non-prescription eyeglasses
- Student health fees
- Sunglasses, or safety glasses
- Special foods/beverages
- Soaps

- Tanning salons and lotions
- Teeth whitening
- Veneers
- Vitamins
- Any item that does not constitute "medical care" as defined under Code §213(d).











## Manual Claim Form

Use this form to submit your claims for reimbursement of eligible expenses paid out of pocket that have not already been submitted.

- Do not use this form if expenses were already paid with your healthcare payment card.
- Do not use this form if you already submitted this claim online.
- Complete all entries on this submission form. Please print or type.
- Sign and date this form.
- Fax or mail it, along with the required documentation, to the claims department. (See submission instructions below.)

Personal Information	
Name of Employer	
employee Name (last name, first name)	Social Security Number

Documentation Required
<p>You must submit documentation with this form. Documentation must include the patient's name, description of service, date of service, and the amount charged. Cancelled checks, credit card receipts, or balance forward statements are not acceptable. Examples of acceptable documentation include a copy of the Explanation of benefits (EOB) from your insurance company, an itemized statement from a provider, or an itemized pharmacy receipt (if applicable to your plan).</p>

Claim Details					
Date of Service	Patient's Name	Relationship to employee	Name of Provider	Description of Service	Amount Requested
Total					\$

Authorization and Certification
<p><b><i>Read carefully: This claim will not be processed without your signature.</i></b></p> <p>I certify that these expenses have been incurred by me, my spouse or my eligible dependent. The expenses have not been reimbursed and are not reimbursable under any other plan, such as an individual policy or my spouse's or dependent's plan. I understand that any amount reimbursed may not be used to claim any federal income tax deduction or credit on my or my spouse's income tax return.</p>
<p style="text-align: center;">Signature <span style="float: right;">Date</span></p>

Submission Instructions	
For the fastest results, fax to: (443) 681-4601	Or mail to: <b>Claims Department</b> P.O. Box 622337 Orlando, FL 32862-2337
If you have any questions, please contact <b>Customer Service</b> .	











**STATE EMPLOYEES' INSURANCE BOARD**

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