

**MAINE EDUCATION ASSOCIATION  
BENEFITS TRUST  
HEALTH PLAN**

Maine Education Association  
35 Community Drive  
Augusta, ME 04330-9487  
Telephone No. 1-800-452-8709

**SUMMARY PLAN DESCRIPTION**

The benefits under the health plan are provided through a Voluntary Employees' Beneficiary Association (VEBA) which is exempt from Federal and State taxation as provided in Internal Revenue Code Section 501©(9). The operation and administration of the plan and the VEBA are also subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) which protects the rights of participants in the plan. (See "ERISA Rights" in this Summary Plan Description.)

Your benefits are described in the Certificate of Coverage specific to your health plan options, and the Certificate of Coverage is incorporated by reference into this Summary Plan Description. If there is a question concerning a claim for benefits or denial of a claim for benefits, the employer, the MEA Benefits Trust, and such other individuals as may be party to or associated with the plan, shall be guided solely by the Certificate of Coverage and this Summary Plan Description.

For the protection of the interests of the plan participants and their dependents, benefits under the plan cannot be assigned and, to the extent permitted by law, are not subject to garnishment or attachment. However, the benefits may be the subject of a domestic relations order.

The MEA Benefits Trust fully intends to continue the plan indefinitely. However, in order to protect against unforeseen situations, the Trust reserves the right to change the terms of the plan or to terminate the plan, if necessary.

**GENERAL INFORMATION**

**Name of Plan and Type of Administration:**

The Maine Education Association Benefits Trust provides health care coverage through its contracts with Anthem Blue Cross and Blue Shield. The Trust is managed by a Board of Trustees whose members are named below.

**Employer Identification Number (EIN):**  
01-0479776

**Plan Number:** 501

**Type of Benefits Provided:**  
Health Care Benefits

**Plan Administrator:**  
Maine Education Association  
35 Community Drive  
Augusta, ME 04330-9487  
Telephone No. 1-800-452-8709

**Trustees of the Plan:**

Susan C. Grondin Chair Lewiston	Roger Young Trustee Casco
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Catherine Sullivan Vice Chair Portland	Dennis Towle Trustee Augusta
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Kelly Littlefield Secretary Gorham	Lois Kilby-Chesley Trustee Freeport
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David J. Lyon Superintendent Nashville Plantation	(and their successors as appointed from time to time)
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MEA Benefits Trust  
35 Community Drive  
Augusta, ME 04330-9487  
1-800-452-8709

**Agent for Service of Legal Process.**

While the Trustees believe that any disagreement over claims can be resolved equitably and fairly, if litigation becomes necessary, the Agent for Service of Legal Process is:

Executive Director  
MEA Benefits Trust  
35 Community Drive  
Augusta, ME 04330-9487

**Plan Sponsor:**

In addition, service of legal process may be made upon any Plan Trustee or the Plan Administrator.

**Plan Year:** July 1 – June 30

**Applicable Collective Bargaining Agreement.**

Refer to your own collective bargaining agreement.

**Source of Financing of the Plan and Provider of Benefits.**

Contributions are paid by the employer and employees, and the contributions are paid to Anthem Blue Cross and Blue Shield on a monthly basis. All contributions must be received by the beginning of each month for which they are due. Benefits are provided directly through Anthem Blue Cross and Blue Shield.

**ELIGIBILITY**

Subscriber eligibility is dependent upon the educational units' membership in the MEA Benefits Trust health plan. The eligibility is determined by the administrative guidelines of the MEA Benefits Trust. An employee must be employed at least 15 hours per week to be eligible to participate in the MEA Benefits Trust health plan.

Professional and support educators, and their eligible dependents, who are employed in education may also be eligible to participate in the MEA Benefits Trust health plan, subject to the administrative guidelines of the Trust.

**COVERAGE EFFECTIVE DATES**

As long as paperwork is submitted within 60 days of the date of hire or qualifying event, coverage will begin on the first day of the month following the date the signed application is received by Anthem.

**OPEN ENROLLMENTS**

For employees actively employed by an MEA Benefits Trust participating school, selection periods shall be held each year from May 1<sup>st</sup> through May 31<sup>st</sup> of the year of the contract during which all eligible employees currently enrolled in the health insurance program shall be given the option to:

- a. remain with, or change to the MEABT Standard plan at his/her current level of coverage;
- b. remain with, or change to, the MEABT Choice Plus plan at his /her current level of coverage.

The effective date of changes made during the selection period shall coincide with the bargaining units' contract effective date.

**CONTINUATION OF COVERAGE**

Basic rules: A participant is eligible to continue coverage under the MEA Benefits Trust health plan after terminating employment if the participant has (a) 10 years of continuous active service and health plan coverage, and active service and health plan coverage for the 12 months prior to termination (no age limit), or (b) 5 years of continuous active service and health plan coverage, and active service and health plan coverage for 12 months prior to termination (minimum age 50). Please contact the Trust with questions or concerns about eligibility.

The participant's employer must be in the MEA Benefits Trust health plan on the participant's date of termination of employment, and such employer must continue to participate in the health plan thereafter (as retirees are required by Maine law to be covered under the plan or policy covering active employees from the same school unit).

If a participant is eligible to continue coverage, he or she shall be entitled to one break in coverage which may last no longer than 5 years. During the break, the participant must be covered by comprehensive health insurance similar to the MEA Benefits Trust health plan. The break must cease within the 5 year period or when the participant attains age 62, whichever comes first. The break cannot commence after an employer decides to leave the MEA Benefits Trust health plan. The participant is not considered to be on a break if he or she is covered as a dependent of another participant in the health plan.

**DEPENDENT SURVIVOR**

If an active or retired member dies while insured under the contract, the insured surviving spouse and dependent children may continue group health coverage if they are eligible for benefits or

if they are eligible for the survivor benefit allowance from the Maine State Retirement System. Please contact the MEA Benefits Trust for information.

## **RETIREMENT INFORMATION**

When you retire, please contact your superintendent's office and follow the necessary steps to transfer your coverage. **THIS IS NOT DONE AUTOMATICALLY.** Should you remarry after retiring, a new spouse and dependent children are eligible for coverage, but only if enrolled within 60 days of the marriage. Coverage will begin the first of the month following receipt of the application.

If you retire at age 65 and are enrolled in Medicare Parts A and B, your coverage will be converted to the MEA Group Companion Plan. Check with your local Social Security office three months before you turn 65 to determine if you are eligible for Medicare Part A. It is your responsibility to purchase Medicare Part B (if you apply for Part B, it will automatically be deducted from your Social Security check).

Those who retire and are not eligible for Part A of Medicare may continue with the MEA Benefits Trust health plan.

### **Qualified Medical Child Support Order.**

Participants and beneficiaries can obtain, without charge, a copy of the procedures governing qualified medical child support order ("QMCSO") determinations from the Plan Administrator.

### **Pre-Existing Conditions and Special Enrollment.**

Your Certificate of Coverage describes rules relating to pre-existing condition exclusions, as well as special enrollment rights to which you may be entitled. For a discussion of these topics, you should consult your Certificate of Coverage, which is incorporated by reference herein.

### **Health Care Rights of Mothers and Newborns**

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 a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or 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 obtains authorization from the plan or the insurance issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

### **Claims Procedures.**

Your Certificate of Coverage describes procedures surrounding the benefit claims process. For issues relating to the claims procedures, you should consult your Certificate of Coverage, which is incorporated by reference herein.

### **Request For Assistance**

As stated above, your Certificate of Coverage explains the claims review process, including your right to appeal an adverse decision. Following the appeal process described in the Certificate of Coverage, participants shall have the right to request an external review, file a complaint with the Bureau of Insurance and / or bring a legal action against Anthem Blue Cross and Blue Shield.

In addition to the foregoing, a participant may also request assistance from the Board of Trustees of the MEA Benefits Trust. A request for assistance will generally be reviewed by the Board of Trustees at their next meeting. Upon completion of a review of the request for assistance, the Board of Trustees will, if they deem the circumstances to be appropriate, attempt to intervene on behalf of the participant. The decision of whether or not to intervene will take place as soon as possible following the receipt of the request for assistance.

Notwithstanding the foregoing, this request for assistance should not be construed as an additional level of claims appeal. A participant is not required to request assistance from the Board of Trustees before being deemed to have exhausted his or her administrative remedies under ERISA.

## **GROUP HEALTH CONTINUATION COVERAGE UNDER COBRA**

On April 7, 1986, a federal law was enacted (Public Law 99-272, Title X) requiring that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health coverage (called

“continuation coverage”) at group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under this continuation coverage provision of the law.

If you are an employee covered by the MEA Benefit Trust, you have a right to choose this continuation coverage if you lose your group health coverage because of a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

If you are the spouse of an employee covered by the MEA Benefits Trust, you have the right to choose continuation coverage for your self if you lose group health coverage under the MEA Benefits Trust for any of the following four reasons:

- (1) The death of your spouse;
- (2) A termination of your spouse’s employment (for reasons other than gross misconduct) or reduction in your spouse’s hours of employment with your spouse’s Employer;
- (3) Divorce or legal separation from your spouse; or
- (4) Your spouse becomes entitled to Medicare.

In the case of a dependent child of an employee covered by the MEA Benefits Trust, he or she has the right to continuation coverage if group health coverage under the MEA Benefits Trust is lost for any of the following five reasons:

- (1) The death of the employee;
- (2) A termination of the employee’s employment (for reasons other than gross misconduct) or reduction in the employee’s hours of employment with his or her Employer;
- (3) The employee’s divorce or legal separation;
- (4) The employee becomes entitled to Medicare; or
- (5) The dependent child ceases to be a “dependent child” under the MEA Benefits Trust.

Under the law, the employee or a family member has the responsibility to inform the Plan Administrator of a divorce, legal separation, or a child losing dependent status under the MEA Benefits Trust within 60 days of the date of the event. Your Employer has the responsibility to notify the Plan Administrator of the employee’s death, termination, reduction in hours of employment or Medicare entitlement. Similar rights may apply to certain retirees, spouses, and dependent children if your employer commences a bankruptcy proceeding and these individuals lose coverage.

When the Plan Administrator is notified that one of these events has happened, the Plan Administrator will in turn notify you that you have the right to choose continuation coverage. Under the law, you have at least 60 days from the date you would lose coverage because of one of the events described above to inform the Plan Administrator that you want continuation coverage.

If you do not choose continuation coverage on a timely basis, your group health insurance coverage will end.

If you choose continuation coverage, the plan sponsor is required to give you coverage which, as of the time coverage is being provided, is identical to the coverage provided under the plan to similarly situated employees or family members. The law generally requires that you are afforded the opportunity to maintain continuation coverage for 36 months unless you lost group health coverage because of a termination of employment or reduction in hours. In that case, the required continuation coverage period is 18 months. This 18 months may be extended for affected individuals to 36 months from termination of employment if other events (such as a death, divorce, legal separation, or Medicare entitlement) occur during that 18-month period.

In no event will continuation coverage last beyond 36 months from the date of the event that originally made a qualified beneficiary eligible to elect coverage. The 18 months may be extended to 29 months if a qualified beneficiary is determined by the Social Security Administration to be disabled (for Social Security disability purposes) at any time during the first 60 days of COBRA coverage. This 11-

month extension is available to all individuals who are qualified beneficiaries due to a termination or reduction in hours of employment. To benefit from this extension, a qualified beneficiary must notify the Plan Administrator of that determination within 60 days and before the end of the original 18-month period. The affected individual must also notify the Plan Administrator within 30 days of any final determination that the individual is no longer disabled.

A child who is born to or placed for adoption with the covered employee during a period of COBRA coverage will be eligible to become a qualified beneficiary. In accordance with the terms of the MEA Benefits Trust and the requirements of federal law, these qualified beneficiaries can be added to COBRA coverage upon proper notification to the Plan Administrator of the birth or adoption.

However, the law also provides that continuation coverage may be cut short for any of the following five reasons:

- (1) The Employer no longer provides group health coverage to any of its employees;
- (2) The premium for continuation coverage is not paid on time;
- (3) The qualified beneficiary becomes covered – after the date he or she elects COBRA coverage – under another group health plan that does not contain any exclusion or limitation with respect to any pre-existing condition he or she may have;
- (4) The qualified beneficiary becomes entitled to Medicare after the date he or she elects COBRA coverage;
- (5) The qualified beneficiary extends coverage for up to 29 months due to disability and there has been a final determination that the individual is no longer disabled.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) restricts the extent to which group health plans may impose pre-existing condition limitations. These

rules are generally effective for plan years beginning after June 30, 1997. HIPAA coordinates COBRA's other coverage cut-off rule with these new limits as follows.

If you become covered by another group health plan and that plan contains a pre-existing condition limitation that affects you, your COBRA coverage cannot be terminated. However, if the other plan's pre-existing condition rule does not apply to you by reason of HIPAA's restrictions on pre-existing condition clauses, the MEA Benefits Trust may terminate your COBRA coverage.

You do not have to show that you are insurable to choose continuation coverage. However, continuation coverage under COBRA is provided subject to your eligibility for coverage; the MEA Benefits Trust Plan Administrator reserves the right to terminate your COBRA coverage retroactively if you are determined to be ineligible.

Under the law, you may have to pay all or part of the premium for your continuation coverage. There is a grace period of at least 30 days for payments of the regularly scheduled premium.

If you have any questions about COBRA, please contact the Plan Administrator. Also, if you have changed marital status, or you or your spouse have changed addresses, please notify the Plan Administrator at the address listed in this Summary Plan Description.

## **ERISA RIGHTS**

As a participant in this Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants shall be entitled to:

### **Receive Information About Your Plan and Benefits**

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) and updated summary plan description. The 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 participant with a copy of this summary annual report.

### **Continue Group Health Plan Coverage**

Continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the Plan as a result of a Qualifying Event. You or your dependents may have to pay for such coverage. Review this summary plan description and the documents governing the Plan on the rules governing your COBRA continuation coverage rights.

Reduction or elimination of exclusionary periods of coverage for preexisting conditions under your group health plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the Plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to preexisting condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.

### **Prudent Actions by Plan Fiduciaries**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension or a welfare benefit or exercising your rights under ERISA.

### **Enforce Your Rights**

If your claim for a pension or welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to 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 you can take 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. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan fiduciaries misuse 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 it finds your claim is frivolous.

### **Assistance with Your Questions**

If you have any questions about your 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 Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits 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 Pension and Welfare Benefits Administration.