



# Huron-Erie School Employee Insurance Association

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## HURON-ERIE SCHOOL EMPLOYEE INSURANCE ASSOCIATION HEALTH BENEFIT PLAN (THE “PLAN”)

### NOTICE

**TO: ALL PARTICIPANTS**

### **Right of Subrogation and Reimbursement**

#### **Subrogation**

The Plan reserves the right of subrogation. This means that, to the extent the Plan provides or pays benefits or expenses for Covered Services, the Plan assumes your legal rights to recover the value of those benefits or expenses from any person, entity, organization or insurer, including your own insurer and any under insured or uninsured coverage, that may be legally obligated to pay you for the value of those benefits or expenses. The amount of the Plan’s subrogation rights shall equal the total amount paid by the Plan for the benefits or expenses for Covered Services. The Plan’s right of subrogation shall have priority over yours or anyone else’s rights until the Plan recovers the total amount the Plan paid for Covered Services. The Plan’s right of subrogation for the total amount the Plan paid for Covered Services is absolute and applies whether or not you receive, or are entitled to receive, a full or partial recovery or whether or not you are “made whole” by reason of any recovery from any other person or entity. Furthermore, the Plan shall not bear any costs, expenses or attorney fees incurred by you, your beneficiary or personal representative in the prosecution of any claim for recovery. This provision is intended to and does reject and supersede the “make-whole” rule, which rule might otherwise require that you be “made whole” before the Plan may be entitled to assert its right of subrogation.

You, your beneficiary or personal representative shall execute and deliver any documents as may be required by the Plan and do whatever else is necessary for the Plan to protect and exercise its subrogation rights, and you or such persons shall do nothing to prejudice the Plan’s right hereunder. If you, your beneficiary or personal representative does prejudice the Plan’s rights hereunder, such prejudicial action, among other things, shall bar you or such persons from receiving benefits under the Plan.

## **Reimbursement**

The Plan also reserves the right of reimbursement. This means that, to the extent the Plan provides or pays benefits or expenses for Covered Services, you must repay the Plan any amounts recovered by suit, claim, settlement or otherwise, from any third party or his insurer and any under insured or uninsured coverage, as well as from any other person, entity, organization or insurer, including your own insurer, from which you receive payments (even if such payments are not designated as payments of medical expenses). The amount of the Plan's reimbursement rights shall equal the total amount paid by the Plan for the benefits or expenses for Covered Services. The Plan's right of reimbursement shall have priority over yours or anyone else's rights until the Plan recovers the total amount the Plan paid for Covered Services. The Plan's right of reimbursement for the total amount the Plan paid for Covered Services is absolute and applies whether or not you receive, or are entitled to receive, a full or partial recovery or whether or not you are "made whole" by reason of any recovery from any other person or entity. Furthermore, the Plan shall not bear any costs, expenses or attorney fees incurred by you, your beneficiary or personal representative in the prosecution of any claim for recovery. This provision is intended to and does reject and supersede the "make whole" rule, which rule might otherwise require that you be "made whole" before the Plan may be entitled to assert its right of reimbursement.

You, your beneficiary or personal representative shall execute and deliver any documents as may be required by the Plan and do whatever else is necessary for the Plan to protect and exercise its reimbursement rights, and you or such persons shall do nothing to prejudice the Plan's right hereunder. If you, your beneficiary or personal representative does prejudice the Plan's rights hereunder, such prejudicial action, among other things, shall bar you or such persons from receiving benefits under the Plan.

## **Your Duties**

- You must provide the Plan or its designee any information requested by the Plan or its designee within five (5) days of the request.
- You must notify the Plan or its designee promptly of how, when and where an accident or incident resulting in personal injury to you occurred and all information regarding the parties involved.
- You must cooperate with the Plan or its designee in the investigation, settlement and protection of the Plan's rights.
- You must send the Plan or its designee copies of any police report, notices or other papers received in connection with the accident or incident resulting in personal injury to you.
- You must not settle or compromise any claims unless the Plan or its designee is notified in writing at least thirty (30) days before such settlement or compromise and the Plan or its designee agrees to it in writing.

## **Discretionary Authority**

The Plan shall have discretionary authority to interpret and construct the terms and conditions of the Subrogation and Reimbursement provisions and make determination or construction which is not arbitrary and capricious. The Plan's determination will be final and conclusive.

*These provisions can be found in your Benefit Book. Please refer to your Benefit Book for the definition of a "Covered Service." If you have any questions concerning these provisions, please contact the Benefits Office at your school district.*

(7-2016)