

COMPLIANCE CHRONICLES

The Department of Labor Issues Model Notices

The DOL provided three model notices for some of the health care reforms that will take effect for a plan's first plan year after 09/23/2010. Each notice includes background information regarding the provision's requirements, followed by suggested DOL language that plan sponsors can utilize to satisfy their notice obligations.

Dependent Coverage – children to age 26

Insured and self-insured group health plans that offer dependent coverage must now cover natural, adopted and step-children until age 26. These children must be provided with written notice of their enrollment rights and provided 30 days to enroll (even though your open enrollment period only lasts 7-14 days). This notice may be bundled with your open enrollment materials so long as the disclosure is "prominent". As you will see from the model notice's language, this change is retroactive to the first plan year beginning on/after 09/23/2010. Our suggestion to avoid retroactive enrollments – provide the notice in advance of the open enrollment period (notice to the employee/parent satisfies the requirement), so that, by the close of the open enrollment period, there will have been a 30 day opportunity to make an election and thus you can avoid retroactive enrollments.

Dep. Model Notice:

<http://www.dol.gov/ebsa/dependentsmodelnotice.doc>

Lifetime Limits

Insured and self-insured group health plans may not impose a lifetime limit on the "dollar value" of "essential health benefits," as defined by PPACA/HCEARA and the "soon to be released" regulations.

Before health care reform, when an individual reached a lifetime limit, he or she was provided with a HIPAA Certificate reflecting creditable coverage and advised that there were no more benefits available under the plan (thus affording them an opportunity to make timely elections for coverage under other plans). Now, individuals who have already reached a lifetime limit must be told (formally notified) that the lifetime limit no longer applies, and informing them of their right to a special enrollment opportunity for at least 30 days (for the first plan year after 09/23/2010). Again, notice to the employee on behalf of any dependent satisfies the requirement.

Lifetime Limit Notice:

<http://www.dol.gov/ebsa/lifetimelimitsmodelnotice.doc>

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For additional information on this or any other topic, please see these additional news articles and resources on our website.

6/22/10: [PPACA Regulations – Preexisting Exclusions, Lifetime & Annual Limits and More](http://www.crawfordadvisors.com/?p=760)
<http://www.crawfordadvisors.com/?p=760>

6/14/10: [Keeping the Health Plan You Have: The Affordable Care Act and "Grandfathered" Health Plans](http://www.crawfordadvisors.com/?p=750)
<http://www.crawfordadvisors.com/?p=750>

6/14/10: [Q&A from the DOL: Keeping My Health Plan Grandfathered](http://www.crawfordadvisors.com/?p=754)
<http://www.crawfordadvisors.com/?p=754>

5/20/10: [Health Care Reform Timelines](http://www.crawfordadvisors.com/?p=744)
<http://www.crawfordadvisors.com/?p=744>

The Department of Labor Issues Model Notices *continued*

Patient Protection

While the first two notices (above) can be provided as part of an open enrollment package, this provision is expressly an SPD obligation. However, it would be wise to incorporate the essential facts of this notice in your open enrollment benefit guide too.

Insured and self-insured group health plans, when applicable, are required to notify plan participants of their rights to:

- Choose a primary care provider (from the plan's network)
- Choose a pediatrician as a child's primary care provider (from the plan's network)
- Seek & Obtain OB/GYN care without any pre-authorization.

This notice must be provided whenever the plan/carrier provides a participant with an SPD, a Certificate Booklet or other similar description of benefits under the plan/coverage, starting no later than the first plan year beginning/after 09/23/2010.

Patient Protection Notice: <http://www.dol.gov/ebsa/patientprotectionmodelnotice.doc>