



Legislative Update

July 8, 2010

DOL Issues Model Health Care Reform Notices

The Department of Labor (DOL) has published model notice documents that can be used to satisfy notice requirements under the Affordable Care Act regarding dependent coverage, grandfather plans, lifetime limits, and patient protection provisions. See Conner Strong's recently issued [bulletins](#) for more information on these Affordable Care Act provisions and recent guidance.

Dependent coverage: Group health plans are required to give a child not covered because the availability of dependent coverage of children ended before the attainment of age 26 an opportunity to enroll that continues for at least 30 days (including written notice of the opportunity to enroll). This enrollment opportunity and the written notice must be provided not later than the first day of the first plan year beginning on or after September 23, 2010. The following [model language](#) can be used to satisfy the dependent coverage notice requirement:

Individuals whose coverage ended, or who were denied coverage (or were not eligible for coverage), because the availability of dependent coverage of children ended before attainment of age 26 are eligible to enroll in [insert name of group health plan or health insurance coverage]. Individuals may request enrollment for such children for 30 days from the date of notice. Enrollment will be effective retroactively to [insert date that is the first day of the first plan year beginning on or after September 23, 2010]. For more information contact the [insert plan administrator or issuer] at [insert contact information].

Grandfathered plan status: To maintain status as a grandfathered health plan, a plan must include a statement, in any plan materials provided to a participant or beneficiary describing the benefits provided under the plan, that the plan believes it is a grandfathered health plan within the meaning of the Affordable Care Act and must provide contact information for questions and complaints. The following [model language](#) can be used to satisfy this disclosure requirement:

This [group health plan or health insurance issuer] believes this [plan or coverage] is a "grandfathered health plan" under the Patient Protection and Affordable Care Act (the Affordable Care Act). As permitted by the Affordable Care Act, a grandfathered health plan can preserve certain basic health coverage that was already in effect when that law was enacted. Being a grandfathered health plan means that your [plan or policy] may not include certain consumer protections of the Affordable Care Act that apply to other plans, for example, the requirement for the provision of preventive health services

without any cost sharing. However, grandfathered health plans must comply with certain other consumer protections in the Affordable Care Act, for example, the elimination of lifetime limits on benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at [insert contact information]. [For ERISA plans, insert: You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans.] [For individual market policies and nonfederal governmental plans, insert: You may also contact the U.S. Department of Health and Human Services at www.healthreform.gov.]

Lifetime limits:

A notice must be given to group health plan participants that lifetime limits no longer apply, and that an individual, if covered, is once again eligible for benefits under the plan. In addition, if the individuals are no longer enrolled in the plan, the plan must provide them an enrollment opportunity, including written notice of the opportunity to enroll. The notices and the enrollment opportunity must be provided beginning no later than the first day of the first plan year beginning on or after September 23, 2010. Notices may be included with other enrollment materials that a plan distributes to employees, provided the statement is prominent. DOL has provided that the following [model language](#) can be used to satisfy the lifetime limits notice requirements:

The lifetime limit on the dollar value of benefits under [Insert name of group health plan or health insurance issuer] no longer applies. Individuals whose coverage ended by reason of reaching a lifetime limit under the plan are eligible to enroll in the plan. Individuals have 30 days from the date of this notice to request enrollment. For more information contact the [insert plan administrator or issuer] at [insert contact information].

Patient protection:

A group health plans must provide notice to participants of their rights, if applicable, to (1) choose a primary care provider or a pediatrician when a plan requires designation of a primary care physician; or (2) obtain obstetrical or gynecological care without prior authorization. The notice must be provided whenever the plan provides a participant with a summary plan description or other similar description of benefits under the plan. The notice must be provided no later than the first day of the first plan year beginning on or after September 23, 2010. DOL has provided that the following [model language](#) can be used to satisfy the notice requirements:

The following language can be used by a plan that requires or allows for the designation of primary care providers:

[Name of group health plan or health insurance issuer] generally [requires/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. [If the plan or health insurance coverage designates a primary care provider automatically, insert: Until you make this designation, [name of group health plan or health insurance issuer] designates one for you.] For information on how to select a primary care provider, and for a list of the participating primary care providers, contact the [plan administrator or issuer] at [insert contact information].

The following model language can be used to satisfy the notice requirement for plans that require or allow for the designation of a primary care provider for a child:

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

The following model language can be used to satisfy the notice requirement for plans that provide coverage for obstetric or gynecological care and require the designation by a participant or beneficiary of a primary care provider:

You do not need prior authorization from [name of group health plan or issuer] or from any other person (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 [plan administrator or issuer] at [insert contact information].

As new information is issued on health reform, Conner Strong will issue alerts and updates. Should you have any questions, **please contact your Conner Strong representative toll-free at 1-877-861-3220.**

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