

10/12



October 5, 2010

Mr. James Mayhew
Office of Consumer Information and Insurance Oversight
Department of Health and Human Services
200 Independence Avenue, SW
Room 737-F-04
Washington, DC 20201

Re: Waiver Application Requests – Annual Limits Requirements of PHS Act
Section 2711
AMN Services / O’Grady-Peyton International (USA), Inc. Health and Welfare
Benefit Plan Policy Forms

Dear Mr. Mayhew:

Public Health Service Act ("PHSA") § 2711(a)(2), as added by the Patient Protection and Affordable Care Act ("PPACA"), provides that effective for plan years beginning on or after September 23, 2010, a group health plan may not impose annual limits on the dollar value of essential benefits, *except* as permitted by the Secretary of Health and Human Services ("HHS") for plan years beginning prior to January 1, 2014.

Pursuant to the authority granted to the Secretary under Section 2711(a)(2) of the PHS Act, the interim final regulations published on June 28, 2010 (codified at 26 CFR § 54.9815-2719T; 29 CFR § 2590.715-2719; and 45 CFR § 147.126) provide that the Secretary may establish a program under which the requirements relating to annual limits may be waived for a group health plan that has an annual dollar limit if compliance with those requirements "would result in a significant decrease in access to benefits under the plan or health insurance coverage or would significantly increase premiums for the plan or health insurance coverage." On September 3, 2010, *OCHIO Sub-Regulatory Guidance (OCHIO 2010 – 1): Process for Obtaining Waivers of the Annual Limits Requirements of PHS Act Section 2711* was issued. This waiver application is being filed pursuant to this guidance.

**REQUEST FOR WAIVER OF THE ANNUAL LIMITS
 REQUIREMENTS OF PHS ACT SECTION 2711 WITH RESPECT
 TO: OAP1-Low Plan and OAP2-High Plan**

1. Terms of the policy form(s) for which a waiver is sought.

The plans currently have a (b)(4) annual maximum for medical benefits [Attach SPDs]

2. Number of individuals covered by the plan submitted.

Approximately (b)(4) individuals as of 1/1/2011 are covered under the plan.

3. Annual limit(s) and rates applicable to the plan submitted.

<u>Benefit Limits</u>	<u>Range of Benefits Offered</u>
Doctor Office Visits	(b)(4)
Outpatient Care	
Inpatient Care	
Add'l In-Hospital Surgery	
Add'l Maternity Benefit	
Wellness Benefit/ Preventative Care	
Pharmacy	
Injury/Accident	

Employees currently pay (b)(4) per month for employee only coverage and (b)(4) (b)(4) per month for family coverage.

Employees currently pay about (b)(4) of the overall cost of the plan

Total combined employee and employer plan cost is (b)(4) per month

4. Description of why compliance with the IFRs would result in a significant decrease in access to benefits for those currently covered by the plan, or a significant increase in premiums paid by those covered by the plan.

The interim final regulations state that for plan years beginning on or after September 23, 2010, but before September 23, 2011, the restricted annual limits on the dollar value of essential benefits cannot be lower than \$750,000.

The estimated monthly cost increase for the plan were it to comply with the restricted annual limit of \$750,000 would be (b)(4) per month. This represents a total gross cost premium increase of (b)(4). Employee contributions will increase approximately (b)(4) to cover this cost. This would be a significant increase in the cost for individuals covered by the plan.

5. Attestation

Attestation of the plan administrator is attached.

ATTESTATION OF

AMN Services / O'Grady-Peyton

I hereby certify the following:

1. I am the designated Plan Administrator for AMN Services / O'Grady-Peyton International (USA), Inc. Health and Welfare Benefit Plan.
2. The plan has been offered to employees of AMN Services and O'Grady-Peyton prior to September 23, 2010.
3. The application of the restricted annual limits as specified in the interim final regulations published on June 28, 2010 (codified as 26 CFR 54.9815-2719T; 29 CFR 2590.71-2719; and 45 CFR 147.126) to the Plan would result in both a significant increase in premiums paid by those currently covered under the Plan and a significant decrease in access to benefits for those currently covered under the Plan.

Attested to by:

Brenda Kibler

Date: 10.8.10

Plan Administrator

Pages 5 through 155 redacted for the following reasons:

Exemption 4

From: Botwinick, Alexandra (HHS/OCIIO)
Sent: Tuesday, November 30, 2010 9:20 AM
To: 'Brenda.gebler@amnhealthcare.com'
Subject: Waiver of the Annual Limits Requirements of PHS Act Section 2711

Importance: High

Attachments: Updated Jan 1 Approval Letter .pdf
Good Morning,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section for **AMN Healthcare**. HHS has reviewed your application and made its determination. Please see the attached letter.

Please confirm receipt of this letter by replying to this e-mail address with a copy to OCIIOoversight@hhs.gov.

Please let me know if I can be of further assistance.

Sincerely,

Alexandra Botwinick

Office of Oversight
HHS/OCIIO
alexandra.botwinick@hhs.gov

AMN:000006

From: Brenda Gebler [Brenda.Gebler@amnhealthcare.com]
Sent: Tuesday, November 30, 2010 10:36 AM
To: Botwinick, Alexandra (HHS/OCIIO)
Cc: OCIIOversight@hhs.gov; Maria Mayo
Subject: RE: Waiver of the Annual Limits Requirements of PHS Act Section 2711

Follow Up Flag: Follow up

Flag Status: Red

We have received the below information this morning. thank you

Brenda Gebler
Vice President, Vendor Relationships and
Facility Operations
AMN Healthcare, Inc.
12400 High Bluff Drive
San Diego, CA 92120
858.720.6238
Brenda.Gebler@amnhealthcare.com

From: Botwinick, Alexandra (HHS/OCIIO) [mailto:Alexandra.Botwinick@hhs.gov]
Sent: Tuesday, November 30, 2010 6:20 AM
To: Brenda Gebler
Subject: Waiver of the Annual Limits Requirements of PHS Act Section 2711
Importance: High

Good Morning,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section for **AMN Healthcare**. HHS has reviewed your application and made its determination. Please see the attached letter.

Please confirm receipt of this letter by replying to this e-mail address with a copy to OCIIOversight@hhs.gov.

Please let me know if I can be of further assistance.

Sincerely,

Alexandra Botwinick

Office of Oversight
HHS/OCIIO
alexandra.botwinick@hhs.gov

AMN:000007

From: Scelzo, Kathleen (HHS/OCIIO)
Sent: Monday, November 08, 2010 8:22 AM
To: 'Brenda.gebler@amnhealthcare.com'
Cc: Habit, Sandra (HHS/OCIIO)
Subject: AMN Healthcare Waiver Application

Importance: High

Attachments: AMN Healthcare Low Waiver Application Questions.doc; AMN Healthcare High Waiver Application Questions.doc

Brenda,

Thanks for talking with me last week about AMN Healthcare's application for Annual Limits Requirements of the PHS Act Section 2711 for the Low and High Plans. Attached above are the documents that need to be completed in order to finalize the application process.

Many thanks for your assistance with this document.

Kathleen M. Scelzo, RN, MSN
Rules Compliance Division
Office of Insurance Oversight
Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services
7501 Wisconsin Avenue
Bethesda, MD
301-492-4121

AMN:000008

From: Brenda Gebler [Brenda.Gebler@amnhealthcare.com]
Sent: Monday, November 08, 2010 10:33 AM
To: Scelzo, Kathleen (HHS/OCIO)
Cc: Habit, Sandra (HHS/OCIO)
Subject: RE: AMN Healthcare Waiver Application
[Thanks Kathleen. We plan to return this to you today.](#)

Brenda Gebler
Vice President, Vendor Relationships and
Facility Operations
AMN Healthcare, Inc.
12400 High Bluff Drive
San Diego, CA 92120
858.720.6238
Brenda.Gebler@amnhealthcare.com

From: Scelzo, Kathleen (HHS/OCIO) [mailto:Kathleen.Scelzo@hhs.gov]
Sent: Monday, November 08, 2010 5:22 AM
To: Brenda Gebler
Cc: Habit, Sandra (HHS/OCIO)
Subject: AMN Healthcare Waiver Application
Importance: High

Brenda,
Thanks for talking with me last week about AMN Healthcare's application for Annual Limits Requirements of the PHS Act Section 2711 for the Low and High Plans. Attached above are the documents that need to be completed in order to finalize the application process.

Many thanks for your assistance with this document.

Kathleen M. Scelzo, RN, MSN
Rules Compliance Division
Office of Insurance Oversight
Office of Consumer Information and Insurance Oversight (OCIO)
Department of Health and Human Services
7501 Wisconsin Avenue
Bethesda, MD
301-492-4121

AMN:000009

From: Maria Mayo [Maria.Mayo@AMNHealthcare.com]
Sent: Tuesday, November 09, 2010 1:22 PM
To: Scelzo, Kathleen (HHS/OCIIO)
Cc: Habit, Sandra (HHS/OCIIO); Brenda Gebler
Subject: AMN Healthcare Waiver Application

Attachments: AMN Healthcare Low Waiver Application Questions - Draft.doc; AMN Healthcare High Waiver Application Questions - draft.doc

<<AMN Healthcare Low Waiver Application Questions - Draft.doc>> <<AMN Healthcare High Waiver Application Questions - draft.doc>>

Kathleen, Brenda is traveling today so am sending you the Waiver Application you and her discussed last week. She asked me to forward her response.....

Hi Kathleen. here are our inputs. please let me know if you need anything further. as you and I discussed we, along with every other company applying for a waiver, are anxious due to open enrollment processes.

Brenda Gebler
Vice President, Vendor Relationships and
Facility Operations
AMN Healthcare, Inc.
12400 High Bluff Drive
San Diego, CA 92120
858.720.6238
Brenda.Gebler@amnhealthcare.com

Sent from

Maria Mayo

Sr. Manager, Benefits Administration
AMN Healthcare, Inc.
phone - 858-509-3521
fax - 866-366-4411
maria.mayo@travelerservices.com
www.amnhealthcare.com

November 8, 2010

Dear Applicant:

RE: AMN Healthcare (High Plan)

Thank you for your application for the Waiver of the Annual Limits Requirements of the PHS Act Section 2711. In order to complete your application, please provide the following information about the AMN Healthcare (High Plan):

1. Provide the number of individuals covered by the plan to include dependents.

2. (The premium amounts is the total cost to the employer and the employee)

	Premium (Current)	Premium (renewal)	Premium (if \$750,000 annual limit was applied)	% increase if the \$750,000 was implemented
EE				
EE + Child (if applicable or other appropriate tier)				
EE + Spouse (if applicable or other appropriate tier)				
Family (if applicable or other appropriate tier)				

3. Indicate the plan type: Group or individual.

4. Type of Plan:

<input type="checkbox"/> Limited Benefit	<input type="checkbox"/> Prescription	<input type="checkbox"/> HRA
<input type="checkbox"/> Comprehensive	<input type="checkbox"/> Other	

Please provide this information by 5:00 pm November 11, 2010. We look forward to receiving your completed application. Thank you.

Sincerely,

Kathleen M. Scelzo, RN, MSN
Rules Compliance Division
Office of Insurance Oversight
Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services
301-492-4121

November 8, 2010

Dear Applicant:

RE: AMN Healthcare (Low Plan)

Thank you for your application for the Waiver of the Annual Limits Requirements of the PHS Act Section 2711. In order to complete your application, please provide the following information about the AMN Healthcare (Low Plan):

1. Provide the number of individuals covered by the plan to include dependents. (b)(4)

2. (The premium units is the total cost to the employer and the employee)

	Self Funded Premium Equivalents (Current)	Self Funded Premium Equivalents (renewal)	Self Funded Premium Equivalents (if \$750,000 annual limit was applied)	% increase if the \$750,000 was implemented
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EE	(b)(4)			
EE + One				
Family				

Note:

A is not a cost sharing plan. Premiums assume unlimited maximum. (b)(4) increase to premium rates represents approximately (b)(4) percent. (b)(4) was based on comparison of fixed costs and other underwriting factors.

(b)(4) increase to premium rates represents approximately (b)(4) percent. (b)(4) was based on comparison of fixed costs and other underwriting factors.

3. Indicate the plan type: Group or individual. Group

4. Self Plan:

<input type="checkbox"/> Limited Benefit	<input checked="" type="checkbox"/> Prescription	<input type="checkbox"/> HRA
<input checked="" type="checkbox"/> Co-insured EPO with (b)(4) annual maximum out of pocket	<input type="checkbox"/> Other	

Please provide this information by 5:00 pm November 11, 2010. We look forward to receiving your completed application. Thank you.

Sincerely,

Kathleen M. Scelzo, RN, MSN
Rules Compliance Division
Office of Insurance Oversight
Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services
301-492-4121

November 8, 2010

Dear Applicant:

RE: AMN Healthcare (Low Plan)

Thank you for your application for the Waiver of the Annual Limits Requirements of the PHS Act Section 2711. In order to complete your application, please provide the following information about the AMN Healthcare (Low Plan):

1. Provide the number of individuals covered by the plan to include dependents.
2. (The premium amounts is the total cost to the employer and the employee)

	Premium (Current)	Premium (renewal)	Premium (if \$750,000 annual limit was applied)	% increase if the \$750,000 was implemented
EE				
EE + Child (if applicable or other appropriate tier)				
EE + Spouse (if applicable or other appropriate tier)				
Family (if applicable or other appropriate tier)				

3. Indicate the plan type: Group or individual.

4. Type of Plan:

<input type="checkbox"/> Limited Benefit	<input type="checkbox"/> Prescription	<input type="checkbox"/> HRA
<input type="checkbox"/> Comprehensive	<input type="checkbox"/> Other	

Please provide this information by 5:00 pm November 11, 2010. We look forward to receiving your completed application. Thank you.

Sincerely,

Kathleen M. Scelzo, RN, MSN
Rules Compliance Division
Office of Insurance Oversight
Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services
301-492-4121



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Consumer Information and
Insurance Oversight
Washington, DC 20201

Date: October 2010

From: Steve Larsen, Director, Office of Oversight 

Subject: Application for Waiver of the Annual Limits Requirements of PHS Act Section 2711

Dear Waiver Applicant:

Section 2711(a)(2) of the Public Health Service Act (PHS Act), as added by the Patient Protection and Affordable Care Act (Affordable Care Act), requires the Secretary to impose restrictions on the imposition of annual limits on the dollar value of essential health benefits (as defined in section 1302(b) of the Affordable Care Act) for any participant or beneficiary in a new or existing group health plan or a new policy in the individual market for plan or policy years beginning on or after September 23, 2010 and prior to January 1, 2014. Specifically, the Secretary is granted the authority to determine what constitutes a "restricted annual limit" that can still be imposed under such plans or policies prior to January 1, 2014.

The interim final regulations published on June 28, 2010 (codified at 26 CFR § 54.9815-2719T; 29 CFR § 2590.715-2719; and 45 CFR § 147.126) established such restricted annual limits. The regulations also provided that these restricted annual limits may be waived by the Secretary of Health and Human Services (HHS) if compliance with the interim final regulations would result in a significant decrease in access to benefits or a significant increase in premiums. Pursuant to the regulation, HHS issued guidance on September 3 regarding the scope and process for applying for a waiver.

The Office of Consumer Information and Insurance Oversight, Office of Insurance Oversight received and processed your application for the plan(s) or policy(ies) year beginning January 1, 2011. We have determined that your application has met the criteria to obtain a waiver of the restricted annual limits requirements because compliance with the interim final regulations would result in a significant decrease in access to benefits for those currently covered by such plans or policies, or a significant increase in premiums paid by those covered by such plans or policies. To the extent you make any change to your benefit package after March 23, 2010, you must determine whether the change(s) will trigger loss of grandfathering status pursuant to 45 CFR § 147.140(g)(1).

An approval of your request for waiver of the restricted annual limits requirements granted under this process applies only to the annual limit(s) provided in your application for the plan or policy year beginning between September 23, 2010 and September 23, 2011. This waiver only applies to the annual limits requirements in Section 2711 of the ACA and does not apply to any other requirement of the Affordable Care Act, ERISA, the IRS Code or the PHS Act. Further, a group

health plan or health insurance issuer must reapply for any subsequent plan or policy year prior to January 1, 2014 when this waiver expires in accordance with future guidance from HHS. HHS may modify this waiver approval process memorandum and other relevant information.

If you have any questions regarding this letter, please email OCIIOOversight@hhs.gov.