

From: Botwinick, Alexandra (HHS/OCIIO)
Sent: Thursday, October 21, 2010 11:11 AM
To: 'wayne.e.page@convergys.com'
Subject: Waiver of the Annual Limits Requirements of PHS Act Section 2711

Importance: High

Attachments: Updated Jan 1 Approval Letter .pdf
Mr. Page,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section for Convergys. 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

CONVERGYS:000001

Convergys Limited Benefit Medical Plan (Value Plan)

	En	<u>Premium Equivalent Rate</u>	
		2010 Current	2011 Current
Employee			
Employee + 1			
Family		(b)(4)	
Monthly			
Annual			
% Change to Bring Plan into HCR Compliance			
% Increase from 2010 to 2011			(b)(4)

Notes:

ates

2011 Under \$750k
t

(b)(4)

From: Wayne E Page [wayne.e.page@convergys.com]
Sent: Monday, September 20, 2010 4:48 PM
To: HHS HealthInsurance (HHS)
Cc: Carol Cannon; Lorrie_Penley@aoncons.com
Subject: Convergys Waiver Application

Follow Up Flag: Follow up
Flag Status: Yellow

Categories: Yellow Category
Attachments: DOC001.PDF

Convergys Corporation is applying for a waiver effective January 1, 2011 to continue to offer our Value Plan. See attached Waiver Application.

Regards
Wayne E. Page

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CONVERGYS:000004

From: Campbell, Lisa (HHS/OCIO)
Sent: Wednesday, November 17, 2010 2:24 PM
To: Habit, Sandra (HHS/OCIO)
Subject: FW: waiver application
[For file-Convergys waiver application](#)

From: Campbell, Lisa (HHS/OCIO)
Sent: Friday, October 15, 2010 2:08 PM
To: 'Cannon, Carol'
Subject: RE: waiver application

Carol,
Thanks so much for getting back to me. I will take a look at the information you provided and let you know if I need anything else. If the information is complete, you should receive a response soon.
Thanks,
Lisa

From: Cannon, Carol [<mailto:Carol.Cannon@Convergys.com>]
Sent: Friday, October 15, 2010 12:06 PM
To: Campbell, Lisa (HHS/OCIO)
Cc: Page, Wayne E; Lorrie Penley
Subject: RE: waiver application
Importance: High

Lisa,
I apologize for not replying yesterday. I was traveling on business with limited access to responding to emails. Please see attached information per your request. Is there a possibility you could provide me with anticipated response date?

From: Campbell, Lisa (HHS/OCIO) [<mailto:Lisa.Campbell@hhs.gov>]
Sent: Thursday, October 14, 2010 12:22 PM
To: Cannon, Carol
Subject: waiver application

Good afternoon Ms. Cannon,

I have a follow-up question to your waiver application. Could you please provide the current premium amount (total for employer and employee) and the projected premium amount to bring the limited medical plan into compliance?

Thank you very much. If you have any questions regarding this request, please call me at 301-492-4159.

Lisa Campbell
HHS/OCIO

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Intervoice, Inc. 17811 Waterview Parkway Dallas, TX 75252 USA

Intervoice Limited, Registered in England and Wales with number 2601740, 50 Park Road, Gatley, Cheshire, SK8 4HZ. VAT Number: 560421375

Intervoice GmbH, Hagenauer Straße 55, 65203 Wiesbaden, Sitz der Gesellschaft: Wiesbaden, Handelsregister: HRB 8186 (Amtsgericht Wiesbaden), Geschäftsführer: Wayne Barclay, Steffen Selbmann

CONVERGYS:000005



Corporate Headquarters
201 East Fourth Street
Cincinnati, OH 45202

September 20, 2010

Health and Human Services (HHS)
Office of Consumer Information and Insurance Oversight
Office of Oversight
Attn: James Mayhew, Room 737-F-04
200 Independence Ave., SW
Washington, DC 20201

Email: healthinsurance@hhs.gov

RE: Waiver

Dear Mr. Mayhew:

Convergys Corporation is applying for a waiver effective January 1, 2011 to continue to offer our Value Plan, which is a limited medical, affordable plan option in our self-insured program. Below are the specifics for requesting the waiver.

- Terms of the plan:
 - Offered to all full-time and part-time employees as an affordable option to our core high deductible medical plans
 - Covers same basic services as core plans but with annual limits:
 - Physician and specialist office visits ((b)(4) copayments apply)
 - Inpatient/outpatient procedures ((b)(4) deductible and coinsurance apply)
 - Mental/nervous and substance abuse covered as any other illness
 - Prescription drug coverage for generic drugs only
- Average annual enrollment = (b)(4) employees
- Annual limits and rates:
 - (b)(4) annual medical limit and (b)(4) annual prescription drug limit
 - 2011 biweekly employee contributions
 - Employee only = (b)(4)
 - Employee + one = (b)(4)
 - Family = (b)(4)

- o Bringing this limited medical plan into compliance would increase the benefit plan costs by (b)(4)
- o Approximately (b)(4) of the population enrolled in the Value Plan, or limited medical plan, are low wage, call center representatives; wages start at (b)(4) per hour with average hourly rate of (b)(4)
- o Core medical plans are not affordable to many of our call center representatives. For an employee to move to the core plan that is richer, but most comparable to the Value Plan, premiums would increase (b)(4) per year

If a waiver is not granted, our Value Plan will be eliminated as an option, potentially causing the remaining options to be unaffordable, increasing the number of uninsured employees, which is not our intent as an employer.

We appreciate your consideration to provide Convergys with a waiver so we can continue to offer our Value Plan in 2011.

Sincerely,

Carol Cannon

Carol Cannon
Director, Global Benefits

I certify 1) that the Value Plan was in force prior to September 23, 2010; and 2) that the application of restricted annual limits to this plan would result in a significant decrease in access to benefits for those currently covered by such plans or a significant increase in premiums paid by those covered by such plan.

Wayne Page *20 Sept 2010*
Wayne Page, Vice President, Global Compensation and Benefits Dated
(as Plan Administrator)

From: Botwinick, Alexandra (HHS/OCIO)
Sent: Tuesday, October 19, 2010 12:12 PM
To: Habit, Sandra (HHS/OCIO)
Cc: Campbell, Lisa (HHS/OCIO)
Subject: FW: waiver application

Attachments: Convergys LBMP Rates for Waiver Application.xls
Sandy,

This needs to go in the Convergys file. Thanks!

Alexandra Botwinick

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

From: Gary, Lapreea (HHS/OCIO)
Sent: Tuesday, October 19, 2010 12:01 PM
To: Campbell, Lisa (HHS/OCIO)
Cc: Botwinick, Alexandra (HHS/OCIO)
Subject: RE: waiver application

Lisa,

Please send all spreadsheet updates to Alex. I have copied her on this email.

Alex, please see the attached spreadsheet.

Thank you.

Lapreea R. Gary
U.S. Department of Health & Human Services
Office of Consumer Information & Insurance Oversight
Division of Enforcement
(301) 492-4167
Lapreea.Gary@hhs.gov

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From: Campbell, Lisa (HHS/OCIO)
Sent: Tuesday, October 19, 2010 11:00 AM
To: Gary, Lapreea (HHS/OCIO)
Subject: FW: waiver application
Importance: High

Can you add this to the correspondence for Convergys on the spreadsheet on the G drive? Thanks!

Lisa

CONVERGYS:000008

From: Cannon, Carol [mailto:Carol.Cannon@Convergys.com]
Sent: Friday, October 15, 2010 12:06 PM
To: Campbell, Lisa (HHS/OCIIO)
Cc: Page, Wayne E; Lorrie Penley
Subject: RE: waiver application
Importance: High

Lisa,

I apologize for not replying yesterday. I was traveling on business with limited access to responding to emails. Please see attached information per your request. Is there a possibility you could provide me with anticipated response date?

From: Campbell, Lisa (HHS/OCIIO) [mailto:Lisa.Campbell@hhs.gov]
Sent: Thursday, October 14, 2010 12:22 PM
To: Cannon, Carol
Subject: waiver application

Good afternoon Ms. Cannon,

I have a follow-up question to your waiver application. Could you please provide the current premium amount (total for employer and employee) and the projected premium amount to bring the limited medical plan into compliance?

Thank you very much. If you have any questions regarding this request, please call me at 301-492-4159.

Lisa Campbell
HHS/OCIIO

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Intervoice GmbH, Hagenauer Straße 55, 65203 Wiesbaden, Sitz der Gesellschaft: Wiesbaden, Handelsregister: HRB 8186 (Amtsgericht Wiesbaden), Geschäftsführer: Wayne Barclay, Steffen Selbmann

CONVERGYS:000009

From: Campbell, Lisa (HHS/OCIO)
Sent: Wednesday, November 17, 2010 2:31 PM
To: Habit, Sandra (HHS/OCIO)
Subject: FW: Annual limits waiver application
for file-Convergys

From: Campbell, Lisa (HHS/OCIO)
Sent: Thursday, October 14, 2010 3:54 PM
To: 'wayne.e.page@convergys.com'
Subject: FW: Annual limits waiver application

Dear Mr. Page,

I am not sure if I sent the email below to the correct address.

Thank you for submitting your application for a waiver of the annual limits. We have reviewed your materials and are missing the following information:

-Please provide the current premium rates (total for yer and employee) and the anticipated premium rates (if this plan was to initiate a \$750,000 annual limit) to reflect the (b)(4) increase stated in your waiver application.

In order to timely complete this review, please provide this information as soon as possible.

Kind regards,

Lisa Campbell
Office of Oversight
HHS/OCIO
301-492-4159

From: Campbell, Lisa (HHS/OCIO)
Sent: Thursday, October 14, 2010 1:22 PM
To: 'carol.cannon@convergys.com'
Subject: waiver application

Good afternoon Ms. Cannon,

I have a follow-up question to your waiver application. Could you please provide the current premium amount (total for employer and employee) and the projected premium amount to bring the limited medical plan into compliance?

Thank you very much. If you have any questions regarding this request, please call me at 301-492-4159.

Lisa Campbell
HHS/OCIO

From: Campbell, Lisa (HHS/OCIO)
Sent: Wednesday, November 17, 2010 2:32 PM
To: Habit, Sandra (HHS/OCIO)
Subject: FW: waiver application
[for file](#)

From: Campbell, Lisa (HHS/OCIO)
Sent: Thursday, October 14, 2010 1:22 PM
To: 'carol.cannon@convergys.com'
Subject: waiver application

Good afternoon Ms. Cannon,

I have a follow-up question to your waiver application. Could you please provide the current premium amount (total for employer and employee) and the projected premium amount to bring the limited medical plan into compliance?

Thank you very much. If you have any questions regarding this request, please call me at 301-492-4159.


Lisa Campbell
HHS/OCIO



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.