

From: Dawn Shipley [shipld@lexcenter.org]
Sent: Tuesday, November 30, 2010 3:56 PM
To: HHS HealthInsurance (HHS)
Cc: Thomas Flynn (E-mail); Robert J. Urban
Subject: Waiver

Attachments: 2010-11-30 HHS HRA WAIVER REQUEST.pdf

<<2010-11-30 HHS HRA WAIVER REQUEST.pdf>> Dear Sir or Madam:

Attached please find the required paperwork for Fulton County Chapter NYSARC, Inc. Please feel free to contact me if anything further is required.

Thank You

Dawn Shipley
Executive Assistant
Lexington Center
518-775-5413 Phone
518-725-2850 Fax

FULTON NYSARC:000001



Fulton County Chapter NYSARC, Inc.
127 East State Street, Gloversville, NY 12078
Phone 518-773-7931 Fax 518-725-2850

November 30, 2010

HHS, Office of Consumer Information and Insurance Oversight
Office of Oversight
Mr. James Mayhew
Room 737-F-04
200 Independence Ave. SW
Washington, DC 20210

Re: Waiver Request, Annual Limits Requirement of PHS Act Section 2711

Dear Mr. Mayhew,

Per OCIIO Sub-Regulatory Guidance (OCIIO 2010-1) and (OCIIO 2010-1A) issued by Mr. Steven Larsen, Director, Office of oversight, we respectfully submit this application for a waiver from the imposition of restricted annual limits on the dollar value of essential health benefits as defined in Section 1302(b) of the Affordable Care Act, for our Health Reimbursement Arrangement (Standalone HRA plan). The details of our plan and reason for this waiver application are as follows:

Plan Name: Fulton County Chapter, NYSARC Inc. Health Reimbursement Arrangement (HRA) Plan

Date Established: November 1, 2005

Plan Year for which this waiver is requested: January 1, 2011 through December 31, 2011

Submitted by: Shaloni Winston, Chief Executive Officer
Fulton County Chapter, NYSARC Inc.
127 E. State St.
Gloversville, NY 12078 Phone (518) 773-7931

Federal Tax ID Number: 14-6020996

Terms of Plan: Standalone HRA (health reimbursement account) plan intended to supplement our group health (which covers essential benefits per ACA with no annual or lifetime limits), prescription, dental, and vision plans but is not currently integrated with our group health plan. This HRA plan allows participants to be reimbursed, up to the plan limits, for all medical expenses that are excludable from income under the federal tax code. Employees who are also eligible to participate in our health plan and who do participate or who waive participation due to their having other health insurance coverage, as well as part-time employees who are not eligible to participate in our group health insurance plan are eligible to participate in this HRA plan. Annual plan contribution amounts, typically below (b)(4) per participant per year, are announced prior to the beginning of each plan year. Participants are allowed to carry-forward unused account balances into subsequent plan years. The annual plan limits are the sum of the annual employer contribution and the individual participant's carry-forward plan.

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HHS, Office of Consumer Information and Insurance Oversight
Office of Oversight
Mr. James Mayhew
Waiver Request
November 22, 2010

Number of Employee Participants covered by the plan: There are currently (b)(4) plan participants.

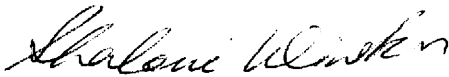
The Annual Limits applicable to the plan: The annual limits are the sum of the annual employer contribution declared at the beginning of the plan year (historically less than \$ (b)(4) per year per employee participant) and the unused prior plan year balance carried forward by each plan participant.

Brief description of why compliance with the interim final regulations would result in a significant decrease in access to benefits for those currently covered by this plan: Our social services agency, which provides services to disabled members of our community, could not afford to provide additional funding for employee accounts to allow each to access benefits up to the minimum \$750,000 level for 2011 as prescribed by the ACA. Obtaining reinsurance to allow for the additional maximum (averaging over (b)(4) per each of our participants after the application of our annual contribution and their average carry-forward balances) would also be cost prohibitive. We would be forced to discontinue this standalone HRA supplemental benefit as of December 31, 2010.

Attestation by the Chief Executive Officer certifying that this Plan was in force prior to September 23, 2010 and 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 this plan: Please accept this letter of application, signed by me as the Chief Executive Officer of the Plan Sponsor employer, as the required signed attestation to this effect.

Thank you in advance for your consideration of this waiver application request for the 2011 plan year.

Sincerely,



Shaloni Winston
Chief Executive Officer
Fulton County Chapter, NYSARC Inc.
127 E. State St.
Gloversville, NY 12078

(518) 773-7931
Shaloni@lexcenter.org

From: Botwinick, Alexandra (HHS/OCIO)

Sent: Monday, December 20, 2010 1:18 PM

To: shipler@lexcenter.org

Cc: Habit, Sandra (HHS/OCIO)

Subject: Fulton County Chapter NYSARC, Inc. Approval Letter for a Waiver of the Annual Limits Requirements 12-20-2010

Importance: High

Attachments: Updated Jan 1 Approval Letter .pdf

Good Afternoon,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section 2711 for **Fulton County Chapter NYSARC, Inc.** 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.

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

Sincerely,

Alexandra Botwinick

Office of Oversight

HHS/OCIO

alexandra.botwinick@hhs.gov


FULTON NYSARC:000004



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.

From: Dawn Shipley [shipld@lexcenter.org]
Sent: Monday, January 03, 2011 10:17 AM
To: Botwinick, Alexandra (HHS/OCIIO)
Subject: RE: Fulton County Chapter NYSARC, Inc. Approval Letter for a Waiver of the Annual Limits Requirements 12-20-2010

Follow Up Flag: Follow up

Flag Status: Red

Good Morning,

We have a received your email.

Have a great day!

Dawn Shipley

Executive Assistant

Lexington Center

518-775-5413 Phone

518-725-2850 Fax

-----Original Message-----

From: Botwinick, Alexandra (HHS/OCIIO) [mailto:Alexandra.Botwinick@hhs.gov]

Sent: Monday, December 20, 2010 1:18 PM

To: Dawn Shipley

Cc: Habit, Sandra (HHS/OCIIO)

Subject: Fulton County Chapter NYSARC, Inc. Approval Letter for a Waiver of the Annual Limits Requirements 12-20-2010

Importance: High

Good Afternoon,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section 2711 for **Fulton County Chapter NYSARC, Inc.** 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.

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

Sincerely,

Alexandra Botwinick

Office of Oversight

HHS/OCIIO

alexandra.botwinick@hhs.gov

From: Botwinick, Alexandra (HHS/OCIO)
Sent: Tuesday, December 14, 2010 1:06 PM
To: 'shipler@lexcenter.org'
Subject: Waiver of the Annual Limits Requirements of PHS Act Section 2711

Importance: High

Follow Up Flag: Follow up
Flag Status: Red

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

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

Sincerely,

Alexandra Botwinick

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