

11/29/10

**Request for Waivers of the Annual Limits Requirements of PHS
Act Section 2711**

for

**Allied Building Inspectors Local 211 I.U.O.E. Welfare
Fund**

225 Broadway, 43rd Floor
New York, NY 10007

(212) 233-2690

E.I.N. 13-6192272 Plan No. 501

A 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 such plans or policies, or significant increase in premiums paid by those covered by such plans or policies.

This Plan is a collectively bargained self-funded welfare plan funded by New York City. The consequence is that this plan has very little control over annual contributions. New York City contributes a budgeted rate previously negotiated. Future budgeting is very unlikely to increase in times of scarce resources.

The most effective method of insuring sufficient liquidity is in providing limitations on the benefits of the plan. That way, a small number of catastrophic claims will not be able to sharply reduce the assets to the point where benefit payments for the rest of the participants may not be sufficiently funded.

With the benefits for which waivers are being sought, claims in excess of (b)(4) are possible and we must keep in mind that these limits apply over a period of years making large claims more likely. In addition, this request must be viewed in the context of all of the other benefit limits which do not currently have annual caps and so become limitless producing the possibility of massive losses.

The consequence is that without the current limits being maintained, there is a possibility of insufficient assets to provide the current benefits and the plan would have to find ways to reduce access to these benefits or face the prospect of insolvency. For these reasons, we respectfully request that this request for a waiver from the annual limit requirements be granted.

Request for Waivers of the Annual Limits Requirements of PHS Act

for

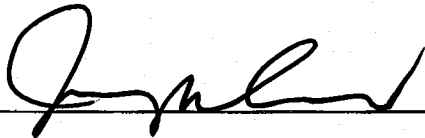
Allied Building Inspectors Local 211 I.U.O.E. Welfare Fund

Attestation

I hereby certify that:

- 1 This Plan was in force prior to September 23, 2010 and
- 2 That the application of restricted annual limits to such plans and policies would result in a significant decrease in access to benefits for those currently covered by such plans or policies or a significant increase in costs* paid by those covered by such plans or policies.

* While the text of the Waiver Process uses the word "premium" here, in this case, the participant payments are not in the form of a premium, but rather in the form of co-pays or deductibles.



Joseph M. Corso
Business Manager - Trustee

11-17-2010

Date

From: Habit, Sandra (HHS/OCIIO)

Sent: Thursday, December 30, 2010 3:33 PM

To: 'TUOE211@AOL.COM'

Subject: Allied Building Inspectors IUOE Local 211 Welfare Fund Approval Letter for a Waiver of the Annual Limits Requirements 12-30-2010

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 **Allied Building Inspectors IUOE Local 211 Welfare Fund**. 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

Sandy Habit

Department of Health and Human Services

Office of Consumer Information and Insurance Oversight

301-492-4175

Sandra.Habit@hhs.gov

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BLDG L211:000004

From: Mercer, Joseph (HHS/OCIIO)
Sent: Monday, December 20, 2010 2:46 PM
To: 'iuoe211@aol.com'
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: Allied Building Inspectors Local 211 I.U.O.E. Welfare Fund Annual Limit Waiver Application
Attachments: Waiver Application Form.xls

Dear Mr. Corso:

Thank you for your application for the Waiver of the Annual Limits Requirements of the Public Health Service Act (PHS Act) Section 2711. In order to expedite your application, please provide the following information:

- I. Please complete the entire annual limits spreadsheet, attached to the email and available at: http://www.hhs.gov/ociio/regulations/annual_limit_waivers.html. Please return the completed spreadsheet to this email address as an attachment. We will only be able to process spreadsheets that are fully complete (i.e., every cell should contain the information requested). If a cell on the spreadsheet does not pertain to your plan, please write "None," and/or provide an explanation regarding why you are unable to complete that particular cell in a separate document.
- II. In addition, please provide the following information:
 - Confirm whether the plan was in existence prior to March 23, 2010. If so, is the plan in compliance with grandfathering provisions, pursuant to 45 CFR 147.140?
 - Confirm whether the plan was created pursuant to the Taft-Hartley Act. If yes:
 - Please confirm the Collective Bargaining Agreement was ratified prior to October 3, 2008.
 - Please provide the date for which the Collective Bargaining Agreement will expire.

In order to complete your application, please provide this information by 5:00 pm, December 21, 2010. Once this information is received and the application is complete, it will be processed by the Department of Health and Human Services (HHS). As stated in our September 3, 2010 Sub-Regulatory Guidance, HHS will issue a decision within 30 days of receiving a complete application. You will receive an e-mail from HHS notifying you of the waiver decision.

Thank you.

Joseph Mercer, JD
U.S. Department of Health & Human Services
Office of Consumer Information and Insurance Oversight
Office of Consumer Support
301-492-4265

BLDG L211:000005

From: Botwinick, Alexandra (HHS/OCIIO)

Sent: Monday, January 24, 2011 8:02 AM

To: 'TUOE211@AOL.COM'

Cc: Habit, Sandra (HHS/OCIIO)

Subject: Allied Building Inspectors IUOE Local 211 Welfare Fund Waiver of the Annual Limits Requirements 1-24-2011

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 2711 for Allied Building Inspectors IUOE Local 211 Welfare Fund, Active Plan. 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.

Alexandra Botwinick

Office of Oversight

HHS/OCIIO

alexandra.botwinick@hhs.gov

From: Botwinick, Alexandra (HHS/OCIIO)

Sent: Monday, January 24, 2011 10:28 AM

To: Habit, Sandra (HHS/OCIIO)

Subject: FW: Allied Building Inspectors IUOE Local 211 Welfare Fund Waiver of the Annual Limits Requirements 1-24-2011

Alexandra Botwinick

Office of Oversight

HHS/OCIIO

(301) 492-4177

alexandra.botwinick@hhs.gov

From: iuoe211@aol.com [mailto:iuoe211@aol.com]

Sent: Monday, January 24, 2011 9:37 AM

To: Botwinick, Alexandra (HHS/OCIIO)

Subject: Re: Allied Building Inspectors IUOE Local 211 Welfare Fund Waiver of the Annual Limits Requirements 1-24-2011

Receipt confirmed.

Thank you for granting this much needed waiver.

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

From: Botwinick, Alexandra (HHS/OCIIO) (HHS/OCIIO) <Alexandra.Botwinick@hhs.gov>

To: 'IUOE211@AOL.COM' <IUOE211@AOL.COM>

Cc: Habit, Sandra (HHS/OCIIO) (HHS/OCIIO) <Sandra.Habit@hhs.gov>

Sent: Mon, Jan 24, 2011 8:01 am

Subject: Allied Building Inspectors IUOE Local 211 Welfare Fund Waiver of the Annual Limits Requirements 1-24-2011

Good Morning,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section 2711 for Allied Building Inspectors IUOE Local 211 Welfare Fund, Active Plan. 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.

Alexandra Botwinick

Office of Oversight

HHS/OCIIO

alexandra.botwinick@hhs.gov

BLDG L211:000007

From: iuoe211@aol.com

Sent: Thursday, December 30, 2010 3:56 PM

To: Habit, Sandra (HHS/OCIIO)

Subject: Re: Allied Building Inspectors IUOE Local 211 Welfare Fund Approval Letter for a Waiver of the Annual Limits Requirements 12-30-2010

We are in receipt of your e-mail.

I thank you on behalf of our membership.

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

From: Habit, Sandra (HHS/OCIIO) (HHS/OCIIO) <Sandra.Habit@hhs.gov>

To: 'IUOE211@AOL.COM' <IUOE211@AOL.COM>

Sent: Thu, Dec 30, 2010 3:33 pm

Subject: Allied Building Inspectors IUOE Local 211 Welfare Fund Approval Letter for a Waiver of the Annual Limits Requirements 12-30-2010

Good Afternoon,

Thank you for submitting an application for a Waiver of the Annual Limits Requirements of the PHS Act Section 2711 for **Allied Building Inspectors IUOE Local 211 Welfare Fund**. 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

Sandy Habit

Department of Health and Human Services

Office of Consumer Information and Insurance Oversight

301-492-4175

Sandra.Habit@hhs.gov

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BLDG L211:000009

From: Mercer, Joseph (HHS/OCIIO)
Sent: Monday, December 27, 2010 9:00 AM
To: 'Philip Stashin'
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Allied Building Inspectors Local 211 Welfare Fund Waiver Application

Mr. Stashin,

The CBA information is important for our consideration of mental health parity issues. If it is possible for you to send information regarding the start and end date of the CBA, we would appreciate it.

Thank you,

Joseph Mercer

From: Philip Stashin [<mailto:pstashin@fedpen.com>]
Sent: Thursday, December 23, 2010 9:42 AM
To: Mercer, Joseph (HHS/OCIIO)
Cc: iuoe211@aol.com
Subject: Allied Building Inspectors Local 211 Welfare Fund Waiver Application

Dear Mr. Mercer,

I am the consultant for the above named plan, and your request for information was forwarded to me for response.

I filled out your spreadsheet for the waiver application and have attached it to this email. This will confirm that the plan was in existence prior to March 23, 2010 and is in compliance with the grandfathering provisions pursuant to 45 CFR 147.140.

The Plan is pursuant to a collective bargaining agreement pursuant to the Taft-Hartley Act. I am unsure why you are asking if the CBA was ratified prior to October 3, 2008.

In the meantime I am attaching the completed spreadsheet.

If you have any questions please do not hesitate to call me at (212) 643-0100 Ext 212.


Philip Stashin, FCA, MAAA, EA



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.