

11/24
pass dep

November 15, 2010

Department of Health and Human Service
Office of Consumer Information and Insurance Oversight
Attn: James Mayhew; Room 737-F-04
200 Independence Ave. SW
Washington, DC 20201

RE: Annual Limit Requirements of PHS Act Section 2711 – Waiver Application

Please accept this letter as the application for waiver from the restricted annual limit requirements of PHS Act Section 2711 for the Arc of Monroe County Standalone Health Reimbursement Arrangement Section 105 Plan. The Plan is a health reimbursement arrangement.

- I. Terms of the Plan for which the waiver is sought: The Plan provisions that limit the annual benefit to the amount credited to the Plan participant's account, which is always below the minimum annual limit prescribed in interim regulations issued under the PHSA Act. **See the relevant Plan provisions in the attached Plan Document.**
- II. There are currently (b)(4) participants in the Plan, and (b)(4) covered dependents for a total of (b)(4) people covered.
- III. Each Plan year, the employer credits an amount to each Plan participant's account. **See the relevant Plan provisions in the attached Plan Document.** As noted above, the annual benefit is limited to the amount credited to the Plan participant's account.
- IV. By way of this application, we request that the restricted annual limit imposed under the interim final regulations (IFR) be waived for the 2011 Plan year.
- V. By signing below, the Plan administrator is certifying that:
 - i. That the Plan was in effect prior to September 23, 2010; and
 - ii. The application of the restricted annual limit to the Plan would result in a significant decrease in access to benefits for those currently covered by the Plan. Simply stated, the employer/sponsor is financially unable to adhere to the restricted annual limits. Payment of benefits up to the minimum annual limit would be a financial impossibility and, without a waiver, the Plan will be terminated.

Thank you for your consideration. Please contact this office directly at 585-271-0660 if you have any questions.

Sincerely,

Barbara S. Wale

Barbara S. Wale
Plan Administrator

Pages 2 through 19 redacted for the following reasons:

Exemption (b)(4)

ANNUAL LIMIT WAIVER APPLICATION 2010

Annual Limit Waiver Request Applicant Name	Policy Name (use a new row for each policy application)	Applicant (Plan/ Policy Situs) City	Applicant (Plan/ Policy Situs) State	Plan/ Policy Effective Date (mm/dd/yyyy)	Contact Name	Street Address	City	State	Zip Code	Phone Number (including area code)	Email Address	Type of Coverage (e.g., Limited Benefit, HRA, Rx only, Other)	Self-Insured (Yes/No)	Individual or Group Policy	Total Number of Individuals Covered by Policy (include all dependents covered)	Current Plan Overall Annual Limit (in dollars)
Applicant ABC	Plan 1	Washington	DC	01/01/2011	Jane Doe	100 ABC Drive	Washington	DC	20201	1-800-ABC-1234	abc@abchealthplan.com	Limited Benefit	Yes	Group	4,000	\$100,000
Applicant ABC	Plan 1	Washington	DC	01/01/2011	Jane Doe	100 ABC Drive	Washington	DC	20202	1-800-ABC-1234	abc@abchealthplan.com	Limited Benefit	Yes	Group		
of Monroe Cone Health Reim		Rochester	NY	01/01/2011	Barbara Wale	00 Elmwood A	Rochester	NY	14620	-585-271-066	e@arcmonroe.com	HRA	Yes	Group	(b)(4)	
<p>PRA Disclosure Statement</p> <p>According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1105. The time required to complete this information collection is estimated to average (8 hours) or (240 minutes) per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.</p>																

ANNUAL LIMIT WAIVER APPLICATION 2010

Individual/ Employee Tier*	Current Monthly Premium Rates or Premium Equivalent Rates (in dollars)*:			Renewal Monthly Premium Rates or Premium Equivalent Rates if Waiver Granted (in dollars)*			Projected Rate Increase that would result from compliance with \$750,000 Annual Limit Restriction (in dollars) (Average Premium by Individual)*			Projected Rate Increase that would result from compliance with \$750,000 Annual Limit Restriction (in dollars)(Average Premium by Individual) (Difference of Column AT and AQ divided by Column AQ)	Decrease in Access to Benefits that would result from compliance with \$750,000 Annual Limit Restriction (describe briefly in cell or in a	Plan Administrator/ CEO of Health Insurance Issuer Name	Title of Individual Providing Attestation
	Employee contribution (if applicable)	Employer contribution (if applicable)	Total	Employee contribution (if applicable)	Employer contribution (if applicable)	Total	Employee contribution (if applicable)	Employer contribution (if applicable)	Total				
Employee	\$100.00	\$600.00	\$700.00	\$110.00	\$650.00	\$760.00	\$125.00	\$800.00	\$925.00	21.71%	None	Jane Doe	Plan Administrator

(b)(4)

* When completing the columns requesting premium rate information, please express the premium rates as a composite rate (if premiums are a range based on years of service or age) and by tier (Employee, Employee + Spouse, Employee + Child, Family, etc.) as applicable. If you are an issuer, please provide the premium amount in the column titled, "Total" (Column AN, AQ and AT).

AL	
ALASKA	AK
AMERICAN SAMOA	AS
ARIZONA	AZ
ARKANSAS	AR
CALIFORNIA	CA
COLORADO	CO
CONNECTICUT	CT
DELAWARE	DE
DISTRICT OF	DC
COLUMBIA	
FEDERATED	FM
STATES OF	
MICRONESIA	
FLORIDA	FL
GEORGIA	GA
GUAM	GU
HAWAII	HI
IDAHO	ID
ILLINOIS	IL
INDIANA	IN
IOWA	IA
KANSAS	KS
KENTUCKY	KY
LOUISIANA	LA
MAINE	ME
MARSHALL	MH
ISLANDS	
MARYLAND	MD
MASSACHUSETTS	MA
MICHIGAN	MI
MINNESOTA	MN
MISSISSIPPI	MS
MISSOURI	MO
MONTANA	MT
NEBRASKA	NE
NEVADA	NV
NEW HAMPSHIRE	NH
NEW JERSEY	NJ
NEW MEXICO	NM
NEW YORK	NY
NORTH CAROLINA	NC
NORTH DAKOTA	ND

NORTHERN	MP
MARIANA ISLANDS	
OHIO	OH
OKLAHOMA	OK
OREGON	OR
PALAU	PW
PENNSYLVANIA	PA
PUERTO RICO	PR
RHODE ISLAND	RI
SOUTH CAROLINA	SC
SOUTH DAKOTA	SD
TENNESSEE	TN
TEXAS	TX
UTAH	UT
VERMONT	VT
VIRGIN ISLANDS	VI
VIRGINIA	VA
WASHINGTON	WA
WEST VIRGINIA	WV
WISCONSIN	WI
WYOMING	WY

From: Habit, Sandra (HHS/OCIIO)

Sent: Thursday, January 13, 2011 2:29 PM

To: 'bwale@arcmonroe.org'

Subject: Arc of Monroe County Waiver of the Annual Limits Requirements of PHS Act Section 2711

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 Arc of Monroe County. 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

INFORMATION NOT RELEASABLE TO THE PUBLIC UNLESS AUTHORIZED BY LAW: This information has not been publicly disclosed and may be privileged and confidential. It is for internal government use only and must not be disseminated, distributed, or copied to persons not authorized to receive the information. Unauthorized disclosures may result in prosecution to the full extent of the law.

ARC MONROE:000008

From: Wale,Barbara [BWale@arcmonroe.org]
Sent: Thursday, January 13, 2011 4:04 PM
To: Habit, Sandra (HHS/OCIO)
Subject: RE: Arc of Monroe County Waiver of the Annual Limits Requirements of PHS Act Section 2711
[I have received this.](#)

Barbara Wale

From: Habit, Sandra (HHS/OCIO) [mailto:Sandra.Habit@hhs.gov]
Sent: Thursday, January 13, 2011 2:29 PM
To: Wale,Barbara
Subject: Arc of Monroe County Waiver of the Annual Limits Requirements of PHS Act Section 2711
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 Arc of Monroe County. 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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ARC MONROE:000009

From: Wale,Barbara [BWale@arcmonroe.org]

Sent: Friday, January 14, 2011 8:38 AM

To: Habit, Sandra (HHS/OCIO)

Subject: Receipt

I did receive your letter approving our waiver.

Barbara Wale

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ARC MONROE:000010

From: Boortz, Kimberly (HHS/OCIIO)
Sent: Tuesday, December 14, 2010 2:11 PM
To: 'bwale@arcmonroe.org'
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application
Attachments: Waiver Application Form.xls

Dear Barbara,

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. 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 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?

In order to complete your application, please provide this information by 5:00 pm, December 15, 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.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

ARC MONROE:000011

From: Boortz, Kimberly (HHS/OCIIO)
Sent: Tuesday, January 04, 2011 5:01 PM
To: 'Halloran,Michelle'
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Ms. Halloran,

Thank you for your information. Your application is now complete and you will receive a determination of your application within 30 days.

Thank you.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

From: Halloran,Michelle [<mailto:MHalloran@arcmonroe.org>]
Sent: Tuesday, December 14, 2010 4:22 PM
To: Boortz, Kimberly (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

II Our plan was in existence prior to March 23, 2010 and no, the plan is not in compliance with grandfathering provisions pursuant to 45 CFR 147.140

Please let us know if you need anything further.

Michelle L. Halloran, SPHR
Director of Human Resources

From: Boortz, Kimberly (HHS/OCIIO) [<mailto:Kimberly.Boortz@hhs.gov>]
Sent: Tuesday, December 14, 2010 2:11 PM
To: Wale,Barbara
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Barbara,

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:

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II. In addition, please 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?

ARC MONROE:000012

In order to complete your application, please provide this information by 5:00 pm, December 15, 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.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIO)
Department of Health and Human Services (HHS)

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From: Boortz, Kimberly (HHS/OCIIO)
Sent: Tuesday, December 14, 2010 5:05 PM
To: 'Halloran,Michelle'
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application
Attachments: Arc of Monroe Waiver Application Form.xls

Dear Michelle,

Thank you for your information. In the spreadsheet you filled out, you listed "plan dropped" under "Projected Rate Increase that would result from compliance with \$750,000 Annual Limit Restriction (in dollars) (Average Premium by Individual)". We understand this is a possibility for the Arc of Monroe County, however in order for us to review the application, please provide the projected rate increase. Without this, we cannot process the application. We have made a note that the plan will be dropped resulting from compliance with \$750,000 Annual Limit Restriction.

Should you have any further questions or comments, please do not hesitate to contact me.

Thank you.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

From: Halloran,Michelle [<mailto:MHalloran@arcmonroe.org>]
Sent: Tuesday, December 14, 2010 4:22 PM
To: Boortz, Kimberly (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

II Our plan was in existence prior to March 23, 2010 and no, the plan is not in compliance with grandfathering provisions pursuant to 45 CFR 147.140

Please let us know if you need anything further.

Michelle L. Halloran, SPHR
Director of Human Resources

From: Boortz, Kimberly (HHS/OCIIO) [<mailto:Kimberly.Boortz@hhs.gov>]
Sent: Tuesday, December 14, 2010 2:11 PM
To: Wale,Barbara
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Barbara,

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. Please return the completed spreadsheet to this email address as an attachment. We will only be able to process spreadsheets that are fully complete

ARC MONROE:000014

(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 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?

In order to complete your application, please provide this information by 5:00 pm, December 15, 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.

Kim Boortz, M.P.P.

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ARC MONROE:000015

From: Halloran,Michelle [MHalloran@arcmonroe.org]
Sent: Wednesday, December 15, 2010 2:30 PM
To: Boortz, Kimberly (HHS/OCIIO)
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: Arc of Monroe Waiver Application Form

Thank you for speaking with me today to clarify the information you need , specifically the request to calculate what the HRA plan would cost The Arc of Monroe should the waiver not be approved, and what if any employee cost could be attributed:

The HRA Arc of Monroe currently has can only be funded by employer contributions. If the annual limit requirement is not waived it would be with deep regret Arc would have to discontinue the plan. This would be very unfortunate and an anticipated great disappointment to hundreds of staff who have relied on and value this plan.

*Michelle L. Halloran, SPHR
Director of Human Resources
271-0660 ext. 1396*

Please Note: Effective December 6, 2010, my new work address will be 2060 Brighton Henrietta Town Line Road, Rochester, NY 14623.

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From: Halloran,Michelle [MHalloran@arcmonroe.org]
Sent: Wednesday, December 15, 2010 10:57 AM
To: Boortz, Kimberly (HHS/OCIIO)
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application

Thank you for contacting me with your question.

As a result of complying with the \$750,000 annual restriction, the projected rate increase for the Standalone HRA Plan would be (b)(4) for single coverage and (b)(4) for family coverage (annually).

(b)(4) a month for single and (b)(4) a month for family coverage.

Please let me know if you need anything further.

From: Boortz, Kimberly (HHS/OCIIO) [<mailto:Kimberly.Boortz@hhs.gov>]
Sent: Tuesday, December 14, 2010 5:05 PM
To: Halloran,Michelle
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Michelle,

Thank you for your information. In the spreadsheet you filled out, you listed "plan dropped" under "Projected Rate Increase that would result from compliance with \$750,000 Annual Limit Restriction (in dollars) (Average Premium by Individual)". We understand this is a possibility for the Arc of Monroe County, however in order for us to review the application, please provide the projected rate increase. Without this, we cannot process the application. We have made a note that the plan will be dropped resulting from compliance with \$750,000 Annual Limit Restriction.

Should you have any further questions or comments, please do not hesitate to contact me.

Thank you.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

From: Halloran,Michelle [<mailto:MHalloran@arcmonroe.org>]
Sent: Tuesday, December 14, 2010 4:22 PM
To: Boortz, Kimberly (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

II Our plan was in existence prior to March 23, 2010 and no, the plan is not in compliance with grandfathering provisions pursuant to 45 CFR 147.140

Please let us know if you need anything further.

ARC MONROE:000017

Michelle L. Halloran, SPHR
Director of Human Resources

From: Boortz, Kimberly (HHS/OCIIO) [<mailto:Kimberly.Boortz@hhs.gov>]
Sent: Tuesday, December 14, 2010 2:11 PM
To: Wale, Barbara
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Barbara,

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. 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 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?

In order to complete your application, please provide this information by 5:00 pm, December 15, 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.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services (HHS)

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ARC MONROE:000018

From: Boortz, Kimberly (HHS/OCIIO)
Sent: Wednesday, December 15, 2010 11:41 AM
To: 'Halloran,Michelle'
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application
Attachments: Arc of Monroe Waiver Application Form.xls

Dear Michelle,

Thank you for following up with that information. I am reattaching the Waiver Application spreadsheet as I now understand you offer an employee option and an employee plus family option for the HRA. In order to correctly evaluate your application, we need the information for both options provided to employees. On the spreadsheet, please fill out 1 line for each option offered to employees. For example, one line will be filled out for employee alone, and a second line will be filled out for employee plus family coverage. Should you have any further questions or comments, please do not hesitate to contact me.

Thank you.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

From: Halloran,Michelle [<mailto:MHalloran@arcmonroe.org>]
Sent: Wednesday, December 15, 2010 10:57 AM
To: Boortz, Kimberly (HHS/OCIIO)
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application

Thank you for contacting me with your question.

As a result of c [REDACTED] g with the \$750,000 ann [REDACTED] restriction, the projected rate increase for the Standalone HRA Plan would be (b)(4) [REDACTED] for single coverage and (b)(4) [REDACTED] for family coverage (annually).

(b)(4) [REDACTED] a month for single and (b)(4) [REDACTED] a month for family coverage.

Please let me know if you need anything further.

From: Boortz, Kimberly (HHS/OCIIO) [<mailto:Kimberly.Boortz@hhs.gov>]
Sent: Tuesday, December 14, 2010 5:05 PM
To: Halloran,Michelle
Cc: Sheer, Jennifer (HHS/OCIIO)
Subject: RE: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Michelle,

Thank you for your information. In the spreadsheet you filled out, you listed "plan dropped" under "Projected Rate Increase that would result from compliance with \$750,000 Annual Limit Restriction (in dollars) (Average Premium by Individual)". We

ARC MONROE:000019

understand this is a possibility for the Arc of Monroe County, however in order for us to review the application, please provide the projected rate increase. Without this, we cannot process the application. We have made a note that the plan will be dropped resulting from compliance with \$750,000 Annual Limit Restriction.

Should you have any further questions or comments, please do not hesitate to contact me.

Thank you.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

From: Halloran,Michelle [<mailto:MHalloran@arcmonroe.org>]
Sent: Tuesday, December 14, 2010 4:22 PM
To: Boortz, Kimberly (HHS/OCIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

II Our plan was in existence prior to March 23, 2010 and no, the plan is not in compliance with grandfathering provisions pursuant to 45 CFR 147.140

Please let us know if you need anything further.

Michelle L. Halloran, SPHR
Director of Human Resources

From: Boortz, Kimberly (HHS/OCIO) [<mailto:Kimberly.Boortz@hhs.gov>]
Sent: Tuesday, December 14, 2010 2:11 PM
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Cc: Sheer, Jennifer (HHS/OCIO)
Subject: Arc of Monroe County HRA Annual Limits Waiver Application

Dear Barbara,

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. 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 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?

In order to complete your application, please provide this information by 5:00 pm, December 15, 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.

ARC MONROE:000020

Thank you.

Kim Boortz, M.P.P.

Office of Consumer Support | Office of Consumer Information and Insurance Oversight (OCIO)
Department of Health and Human Services (HHS)

(301) 492- 4483 | kimberly.boortz@hhs.gov

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ARC MONROE:000021



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.