

Updated Model Notice Language

Lifetime Limit No Longer Applies / Eligible Child Dependent Up to Age 26

Special Enrollment Opportunity

Plans are required to give written notice that the lifetime limit on the dollar value of all benefits no longer applies and that an individual, if covered, is once again eligible for benefits under the plan. Additionally, if the individual is not enrolled in the plan or health insurance coverage, or if an enrolled individual is eligible for but not enrolled in any benefit package under the plan or health insurance coverage, then the plan or issuer must also give such an individual an opportunity to enroll that continues for at least 30 days (including written notice of the opportunity to enroll). The notices and enrollment opportunity must be provided beginning not later than the first day of the first plan year beginning on or after September 23, 2010. For individuals who enroll under this opportunity, coverage must take effect not later than the first day of the first plan year beginning on or after September 23, 2010.

Additionally, plans are required to give written notice that plans are required to extend coverage to dependent children until the dependent child reaches the age of 26 years. This new health care coverage requirement also applies to qualified COBRA plan participants and their dependent children. For plan years beginning on or after September 23, 2010, plans must give dependent children who qualify the opportunity to enroll that continues at least 30 days regardless of whether the plan coverage offers an open enrollment period. This enrollment opportunity and a written notice must be provided not later than the first day of the first plan year beginning on or after September 23, 2010.

These notices may be provided to an employee on behalf of the employee's dependent. In addition, the notices may be included with other enrollment materials that a plan distributes to employees, provided the statement is prominent. If a notice satisfying the requirements is provided to an individual, the obligation to provide the notice with respect to that individual is satisfied for both the plan and the issuer.

The attached model language can be used to satisfy the notice requirements. CBCA Administrators, Inc. recommends that plan sponsors modify the notice language for their plan and send the notice to all employees, not just employees enrolled in the plan.

12/13/10

NOTICE LIFETIME LIMITS NO LONGER APPLY/ELIGIBLE CHILD DEPENDENT UP TO AGE 26

SPECIAL ENROLLMENT OPPORTUNITY

The lifetime limit on the dollar value of benefits under City of Maumee no longer applies. Individuals whose coverage ended by reason of reaching a lifetime limit under the plan are eligible to enroll in the plan. Individuals have 30 days from the date of this notice provided above to request enrollment or re-enrollment.

Additionally, your plan is now required to extend coverage to plan participants' dependent child until the dependent child reaches the age of 26 years. This coverage requirement also applies to qualified COBRA plan participants and their dependent children. Individuals have 30 days from the date of this notice provided above to request enrollment or re-enrollment.

For more information contact the CBCA Administrators, Inc. at 866-449-1878.