



THURSDAY, NOVEMBER 18, 2010

HEALTH CARE REFORM UPDATE

ERRP UPDATE AND MORE FREQUENTLY ASKED QUESTIONS

ERRP Update: Revised Application

The U.S. Department of Health and Human Services (HHS) recently published a revised application and instructions for the Early Retiree Reinsurance Program (ERRP). The revisions are effective for all applications submitted from November 9th forward. HHS also published a revised "Dos and Don'ts" document for completing and submitting the revised application.

Any employers who have already submitted an application prior to November 9th do not need to submit another application. Employers submitting an application postmarked after November 9th must use the revised version of the application and instructions.

To view the revised application, instructions and "Dos and Don'ts" documents please follow the links enclosed below:

http://www.errp.gov/download/ERRP_Application.pdf

http://www.errp.gov/download/ERRP_Application_Instructions.pdf

http://www.errp.gov/download/ERRP_Application_dos_donts.pdf

For additional information, and to keep up to date on the ERRP, visit: [How to Apply for the Program](#)

More Frequently Asked Questions

This month the U.S. Department of Labor (DOL) released a fourth installment of additional questions and answers on health care reform implementation, including two clarifications concerning grandfathering, and one response addressing whether separate plans that cover expenses for special treatment of children with physical, mental or developmental disabilities must comply with the lifetime limit rules. Like the previous three installments of additional questions the Departments issued on [September 20, 2010](#), [October 8, 2010](#), and [October 12, 2010](#), this fourth installment questions from stakeholders with a view to helping people understand the new law and benefit from it, as intended. Specifically, the document clarifies that:

- A grandfathered plan is compliant with the grandfather rule's disclosure requirement if it includes the rule's model notice on grandfather status (or a similar statement) in any summary of the benefits that is provided to participants and beneficiaries, such as a summary plan description. Plans are not required to include the disclosure in all communications they have with participants and beneficiaries, such as an Explanations of Benefits, although the agency encourages plans to identify other types of communications in which it may be helpful to voluntarily include disclosure of grandfathered status.
- This second clarification relates only to policies in the individual market. For individual health policies in place on March 23, 2010, that had a feature allowing a policy holder to elect an option that would allow a reduced premium in exchange for higher cost sharing, the grandfathered status of the plan would be unaffected if the policy holder exercised the option *after* March 23, 2010.
- On the issue of lifetime limits, the final question and answer addresses plans that cover expenses for special treatment and therapy of employees' eligible children with physical, mental or developmental disabilities. Where the treatment or therapy is not covered by the employer's primary medical plan(s), and the special treatment plan is operated separately from the primary medical plan(s), those special treatment plans will not be deemed to be in violation of the lifetime limit rule if the plan has a lifetime limit.



To view the full question and answer document in its entirety please visit:
<http://www.dol.gov/ebsa/faqs/faq-aca4.html>.

We hope you find this information helpful and invite you to review past issues of our *Health Care Reform Update* at <http://www.trion.com/healthreform>. We are committed to keeping you apprised of developments regarding the PPACA rulemaking process, working as your partner to help you understand and comply with the guidelines pertaining to the health care reform legislation. Please share your questions and comments with us by emailing health.reform@trion.com or calling 610.945.1198. Thank you.

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