

October 7, 2010

To: All NRLN Grassroots Network Members

From: NRLN President Bill Kadereit

Subject: URGENT - NRLN Action Alert: More Harm Done to Retiree-Only Health Care Plans

You may recall the NRLN's September 26th Action Alert announcing that retirees who have dependents up to the age of 26 would not be allowed to include them under their company-sponsored, retiree-only health care insurance plan if the company elects to exclude the son or daughter. The NRLN staff has continued to research statutes and regulations along with going to Capitol Hill to meet with staff members from the House and Senate. We have learned that in addition to the "until age 26" issue, six other provisions of the health care reform law will not apply to retirees in company-sponsored, retiree-only health care insurance plans.

The seven benefits excluded from all retiree-only group plans during the rulemaking process for the Patient Protection and Affordable Care Act (PPACA) include:

- Prohibition of preexisting condition exclusion or other discrimination based on health status.
- Prohibition on excessive waiting periods.
- No lifetime or annual limits.
- Prohibition on rescissions - can't drop coverage for high claims or health conditions.
- Extension of dependent coverage until age 26.
- Development and utilization of uniform explanation of coverage documents and standardized definitions.
- Bringing down cost of health care coverage (for insured coverage).

These provisions were effective on September 23, 2010 and must be available in all 2011 group health care plans, **except** for retiree-only plans.

I have sent a letter to Kathleen Sebelius, Secretary of Health and Human Services, requesting that HHS take the lead to rectify this disservice to retirees. A copy of the letter was also sent to President Obama, Secretary of the Treasury and Secretary of Labor. The letter is posted on the NRLN website at:

<http://www.nrln.org/BKLETTERS/NRLN%20Ltr%20Sebelius%20Carve%20Out%20Final%20100410.pdf> .

Now, your help is needed to email the NRLN's sample letter to your Representative, Senators, President Obama and the heads of the Administration's agencies that were involved in the PPACA rulemaking process combined with language in ERISA (Employee Retirement Income Security Act) that created the exclusion for retirees under retiree-only health care group plans.

Please go to <http://capwiz.com/abtr/home/> to access the NRLN's Action Alert. Look for the Action Alert headline: HARM DONE TO RETIREE-ONLY HEALTH CARE PLANS. Click on the "Take Action" button. On the next screen, type in your zip code and click "GO" to identify your elected representatives, federal agency leaders and access the sample letter. Be sure to personalize the letter with your own comments. If you have a problem accessing the Action Alert with the above link, go to www.nrln.org and click on the "Take Action Now" headline at the top of the NRLN website's home page. (A copy of the sample letter that you will access on the NRLN website is shown at the end of my message.)

Your Representative and possibly one of your Senators are probably in your district/state campaigning for the November 2nd election. I urge you to go to candidates' offices and/or campaign rallies to demand that incumbents or challengers fix the carve-out of retirees created in the rulemaking process. Many, if not all, members of Congress are not even aware of these exclusions. Wake up your elected representatives and hold them accountable because they can fix the problem before enrollments in company-sponsored, retiree-only health care plans are final for 1/1/2011.

Bill Kadereit, President
National Retiree Legislative Network

NRLN's Sample Letter

HARM DONE TO RETIREE-ONLY HEALTH CARE PLANS

I am outraged that retirees under company-sponsored, retiree-only health care plans have been excluded from key provisions of the new health care reform law unless their former employers voluntarily provide the benefits. According to the National Retiree Legislative Network, this travesty came about through the Administration's rulemaking process following the enactment of the Patient Protection and Affordable Care Act (PPACA).

The seven benefits excluded from all retiree-only group plans through the PPACA rulemaking process, combined with language in Employee Retirement Income Security Act (ERISA), include:

- Prohibition of preexisting condition exclusion or other discrimination based on health status.
- Prohibition on excessive waiting periods.
- No lifetime or annual limits.
- Prohibition on rescissions (can't drop coverage for high claims or health conditions).
- Extension of dependent coverage until age 26.
- Development and utilization of uniform explanation of coverage documents and standardized definitions.
- Bringing down cost of health care coverage (for insured coverage).

These provisions were effective on September 23, 2010 and must be available in all 2011 group health care plans, except for retiree-only plans.

I urge you to take the lead to immediately rectify the exclusion of these benefits for retirees who are under company-sponsored, retiree-only health care insurance plans. Retirees have encountered broken promises on health care from their former employers and do not deserve to be treated this way by their federal government.

This is an extremely urgent matter that can be remedied by the Department Of Labor and Health and Human Services issuing a revised regulation that would fix this error. Please take personal action before the enrollment period for the 2011 plan year begins.