U.S. Department of Labor

Employee Benefits Security Administration
2300 Main Street, Suite 1100
Kansas City, MO 64108-2415
Phone: (816) 285-1800
Fax: (816) 285-1888

JAN 0 3 2014

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

[redacted]

RE: [redacted]
EIN/PN: [redacted]
DOL Case No.: [redacted]

Dear Mr. [redacted]:

The U.S. Department of Labor, Employee Benefits Security Administration (EBSA), has responsibility for administration and enforcement of Title I of the Employee Retirement Income Security Act of 1974 (ERISA). Title I establishes standards governing the operation of employee benefit plans such as the [redacted]

The Plan has been selected for an examination by this office. Investigative authority is vested in the Secretary of Labor by section 504 of ERISA, 29 U.S.C. 1134, which states in part:

> *"The Secretary shall have the power, in order to determine whether any person has violated or is about to violate any provisions of this title or any regulations or order thereunder, to make an investigation, and in connection therewith to require the submission of reports, books, and records, and the filing of data in support of any information required to be filed with the Secretary...."*

Additionally, the Plan will be examined for the purpose of determining whether it is complying with the laws contained in Part 7 of ERISA, including the Health Insurance Portability and Accountability Act of 1996, the Newborns' and Mothers' Health Protection Act, the Women's Health and Cancer Rights Act (WHCRA), the Mental Health Parity and Addiction Equity Act, the Genetic Information Nondiscrimination Act, and the Patient Protection and Affordable Care Act and Health Care and Education Reconciliation Act (together, the Affordable Care Act). These laws amended Part 7 of ERISA and provide requirements for group health plans.

Pursuant to the above, this office is requesting your voluntary cooperation with an official investigation of the Plan to determine compliance with the provisions of ERISA. This letter acts

as a formal request that you forward the documentation indicated in the enclosure to our office by the close of business Friday, January 31, 2014. The documents can be provided in electronic or paper copy, but electronic copies are preferred. In addition, we will also request an interview with Plan fiduciaries at some point after we have received and reviewed the plan documents.

Thank you in advance for your cooperation. Should you have any questions, please do not hesitate to contact me at [redacted] or email me at [redacted].

Sincerely,

[redacted]
Auditor

Enclosures: List of Items for Review by DOL EBSA

List of Items for Review by DOL EBSA
RE: [redacted]
Case No.: [redacted]

*Unless otherwise indicated, the relevant period is **January 1, 2009 through the present**. If any of the requested materials are not available, please indicate so in writing. Please note items in a manner that is consistent with the number associated with them below.*

Documents for Review

Documents Creating and Describing the Plan

1. Plan documents and Trust Agreement, with all amendments;

2. Summary Plan Descriptions (SPD), Summary of Material Modification (SMM), Benefits Description Booklet, Schedule of Benefits, Certificate of Coverage and any other Documentation provided to plan participants regarding their eligibility for benefits under the plan;

Plan Reporting

3. Form 5500 annual report filings with all attachments including financial statements;

Plan Administration

4. Documents which identify the Trustees, Board Members and Owners of the Plan Sponsor;

5. Fidelity bond and stop loss insurance policies;

6. Invoices, Proposals, letters of agreements, and contracts with any Service Provider used by the plan which should include, but not be limited to, any stop loss insurance contracts and fee schedules;

7. Invoices supporting all other administrative expenses, including legal expenses;

8. All correspondence relating to the plan's health benefits, including participant complaints regarding claims payment and/or processing, and carrier and/or third party administrator responses to these complaints;

9. Minutes of Board of Directors, Plan Committee, and/or any other committee meetings in which plan health benefits were discussed;

10. Participant health plan enrollment package;

11. Participant Records, including benefit election forms, benefit waivers, and benefit appeal records;

12. For plans where employees pay a portion of the premium, record of premium rates charged to plan participants;

13. Data supporting contributions for the most recent plan year, such as payroll records, deposit records, and Trust Reports;

14. Documents which identify a history of premium payments including billing statements for the plan;

15. Benefit disbursement log or case disbursement records including claims payments;*

16. Plan's Chart of Accounts;

17. Report of Claims Denied;

18. Large Claim Report, including stop loss claim analysis for the last 3 years;

19. Excerpt from the group health plan, issuer, or service provider's manual on claims adjudication;

20. Plan premium history, including consultant's claim analysis and rate proposals for the last 2 years;

21. "Lag Reports" regarding participant claims since 2009;

22. Report of Claims Incurred But Not Yet Paid for 2010 through 2011;

23. Claims Aging Report for the last 3 years;

24. Copy of any Rebate for Group Health Plans Paid Pursuant to the Medical Loss Ratio Requirement of the Public Health Service Act and documentation of what was done with the Rebate.

HIPAA, Pre-Existing Exclusions, WHCRA, NMPA, and MHPA

25. A copy of the plan's general notice of preexisting condition issued to enrollees (including any lists or logs an administrator may keep of issued notices), or proof that the plan does not impose a preexisting condition exclusion.

26. Sample letter notifying participants of creditable coverage determinations (along with a record evidencing the dates which plan participants made a request for the creditable

coverage certificate);

27. Record of claims denied due to the imposition of a preexisting condition exclusion period, including records showing the enrollment dates for the participants involved;

28. Individual notices sent to participants advising them of their failure to have enough creditable coverage to avoid the imposition of a pre-existing exclusion period;

29. For testing purposes, files for all or a sample of participants with preex imposed which includes the preex determination analysis and correspondence;

30. List/Key to Diagnostic Codes used for Preex;

31. Copy of Creditable Coverage Certificate (a sample only);

32. Certificate of Creditable Coverage Report;

33. Records showing Plan procedure for special enrollments;

34. Records of Notices of Special Enrollment Rights that have been provided to plan participants including any lists or logs an administrator may keep of issued notices;

35. Enrollment and annual notices provided under the Women's Health and Cancer Rights Act, including lists or logs of notices issued;

36. The Plan's Newborn's and Mother's Health Protection Act notice (this should appear in the plan's SPD), including lists or logs of notices an administrator may keep of issued notices;

37. Documents showing the Plan's compliance with the Mental Health Parity Act (MHPA) disclosure requirements;

38. Materials describing any wellness programs or disease management programs offered by the plan. If the program offers a reward based on an individual's ability to meet a standard related to a health factor, the plan should also include its wellness program disclosure statement regarding the availability of a reasonable alternative.

ENFORCEMENT

The Employee Retirement Income Security Act (ERISA) of 1974 confers substantial law enforcement responsibilities onto the United States Department of Labor (Department), Employee Benefits Security Administration (EBSA). Part 5 of ERISA Title I gives the Department authority to bring a civil action to correct violations of the law, gives investigative authority to determine whether any person has violated Title I, and imposes criminal penalties on any person who willfully violates any provision of Part 1 of Title I.

In accordance with the provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), the Small Business Administration has established a national small business and agriculture regulatory ombudsman and 10 regional small business regulatory fairness boards to receive comments from small businesses about federal agency enforcement actions. The Ombudsman annually evaluates enforcement activities and rates each agency's responsiveness to small business. If a small business wishes to comment on the enforcement actions of the Employee Benefits Security Administration (EBSA), it may write or call the:

Ombudsman
409 3rd Street SW, MC 2120
Washington, DC 20416.
1-888-REG-FAIR
(1-888-734-3247)

It should be noted, however, that the right to file a comment with the Ombudsman does not affect EBSA's authority to enforce or otherwise seek compliance with ERISA. The filing of a comment by a small business with the Ombudsman is not a substitute for complying with an EBSA subpoena or addressing EBSA's proposed corrective action in a timely manner to protect your interests.