



**BlueCross BlueShield  
of Alabama**

An Independent Licensee of the Blue Cross and Blue Shield Association

**Blue Cross and Blue Shield of Alabama  
450 Riverchase Parkway East  
Birmingham, Alabama 35244**

**Self-Funded Health  
Change Agreement**

**Effective Date  
January 01, 2014**

**Group Number(s)  
77667**

**Division  
All**

**Group Applicant's Name:** City Of Foley

**Changes Apply to:** Healthcare Reform  
This is a Renewal

**Decision Maker**

**Mr John Koniar  
Mayor  
407 E Laurel Ave  
Foley, AL 36535-2619  
(251) 943-1545**

**Billing Address**

**PO BOX 1750  
Foley, AL 36536-1750**

**Physical Address**

**407 E Laurel Ave  
Foley, AL 36535-2619**

**District Office**

**Mobile**

**BCBSAL Representative**

**Will Lyles**

**Rep Code**

**8370**

**Group IRS Identification  
Number**

**636001263**

**Legal Plan Year Begins On:**

**January 01, 2014**

Blue Cross and Blue Shield of Alabama (Company) and the Employer hereby agree to amend the Contract and all plans that the Company administers or insures on behalf of the Employer as set forth below. Blue Cross and Blue Shield of Alabama provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims.

**Grandfathered Status**

**Healthcare Reform Compliance**

Your group believes this plan is a "grandfathered health plan" under the Affordable Care Act.

**Definition of Essential Health Benefits for purposes of this Benefit Change Agreement**

Essential Health Benefits: Benefits covered under the Company's 2012 320 small group health plan plus dental and vision benefits for members up to age 19 covered by the Federal Employee Dental Vision Program (FEDVIP).

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**Affordable Care Act Plan Changes**

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Revise the group plan as follows:

### **Employee Eligibility**

Revise employee eligibility provisions to assist Employer in complying with the Employer Shared Responsibility provisions under the Affordable Care Act so that the employee eligibility provisions in the plans will read as follows:

You are eligible to enroll in this plan if all of the following requirements are satisfied:

- You are an employee and are treated as such by your group. Examples of persons who are not employees include independent contractors, board members, and consultants;
- Your group has determined that you work on average 30 or more hours per week (including vacation and certain leaves of absence that are discussed in the section dealing with termination of coverage) in accordance with the Affordable Care Act;
- You regularly work 30 or more hours per week (including vacation and certain leaves of absence that are discussed in the section dealing with termination of coverage);
- You are in a category or classification of employees that is covered by the plan;
- You meet any additional eligibility or participation rules established by your group; and, You satisfy any applicable waiting period, as explained below.
- You must continue to meet these eligibility conditions for the duration of your participation in the plan.

### **Dependent Eligibility**

Revise dependent eligibility provisions to assist Employer in complying with the Employer Shared Responsibility Provisions under the Affordable Care Act so that the dependent eligibility provisions in the plans will read as follows:

Your eligible dependents are:

- Your spouse;
- Your married or unmarried child up to age 26;
- An unmarried, incapacitated child who (1) is age 26 and over; (2) is not able to support himself; and (3) depends on you for support, if the incapacity occurred before age 26.

The child may be the employee's natural child; stepchild; legally adopted child; child placed for adoption; or, eligible foster child. An eligible foster child is a child that is placed with you by an authorized placement agency or by court order.

You may not cover your grandchild unless your grandchild is your adopted child, a child placed for adoption, or your eligible foster child.

### **Waiting Periods**

The length of any applicable newly eligible employee waiting period will be **No waiting period - coverage begins the first of the month following date of hire.** No waiting periods longer than 90 calendar days.

**No Pre-Existing Condition Exclusion Periods.**

Remove all pre-existing condition exclusions for members under the plans.

**No Annual or Lifetime Dollar Limits on Essential Health Benefits.**

- Remove any **overall** annual dollar limits on essential health benefits.
- Remove **specific** annual dollar limits on essential health benefits (examples may include chiropractic services, allergy testing and treatment and infertility testing and treatment).
- Remove any **specific** lifetime dollar limits on essential health benefits.

**Vision Coverage**

Remove all annual and lifetime dollar limits on essential health benefits for members up to age 19.

**Affordable Care Act Fees and Taxes.**

Employer is responsible for calculating, remitting and paying to the appropriate federal agencies all Affordable Care Act fees and taxes that apply to the plans.

**Relationship between Claims Administrator and Blue Cross and Blue Shield Association.**

The group enrollment agreement between the Company and the Employer is amended to add the following:

Employer on behalf of itself and its members hereby expressly acknowledges its understanding that this agreement constitutes a contract solely between Employer and Blue Cross and Blue Shield of Alabama, which is an independent corporation operating under a license from the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans, (the "Association") permitting Blue Cross and Blue Shield of Alabama to use the Blue Cross and Blue Shield Service Marks in the State of Alabama, and that Blue Cross and Blue Shield of Alabama is not contracting as the agent of the Association. Employer on behalf of itself and its members further acknowledges and agrees that it has not entered into this agreement based upon representations by any person other than Blue Cross and Blue Shield of Alabama and that no person, entity, or organization other than Blue Cross and Blue Shield of Alabama shall be held accountable or liable to Employer for any of Blue Cross and Blue Shield of Alabama's obligations to Applicant created under this agreement. This paragraph shall not create any additional obligations whatsoever on the part of Blue Cross and Blue Shield of Alabama other than those obligations created under other provisions of this agreement.

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**Summary Plan Description (Benefit Booklet), Summary of Benefits and Coverage (SBC) and Uniform Glossary.**

**Who will prepare the SBC?**

The Employer will prepare or has already prepared its own SBC and Uniform Glossary based upon the Employer's elections herein. At the request of the Employer, the Company will prepare a draft SBC for the benefits that the Company administers under the Plan that the Employer may use in connection with the preparation of its SBC. The Employer acknowledges and understands that it is the "administrator" and "sponsor" of the Plan as those terms are defined under ERISA or other applicable law. Among other things, this imposes upon the Employer the sole legal responsibility to (i) prepare the SBC and Uniform Glossary (ii) determine whether the SBC and Uniform Glossary distributed to Plan participants satisfies the requirements of the Affordable Care Act, and (iii), distribute the SBC, and notices of changes to the SBC, and the Uniform Glossary in a timely fashion and appropriate manner to Plan participants in accordance with the requirements of the Affordable Care Act.

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Customer Signature

\_\_\_\_\_  
Blue Cross and Blue Shield of Alabama  
Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date