

East Bay Charter Township

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Children's Health Insurance Program Reauthorization Act of 2009

Motion by: _____ Second by: _____ to
Accept Table Deny

The required changes for Special Enrollment Rights, effective April 1, 2009

Roll Call Vote:

Yes: _____

No: _____

Absent: _____

Abstain: _____

The motion

Passed

Failed

KUSHNER

& COMPANY, INC.

Employee Benefit Consultants and Administrators

March 27, 2009

Ms. Susanne Courtade
East Bay Charter Township
1965 Three Mile Road
Traverse City, MI 49686

Dear Susanne:

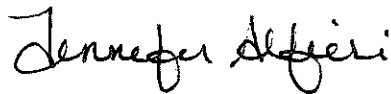
Several weeks ago, you should have received the For Your Benefit Alert regarding the Children's Health Insurance Program Reauthorization Act of 2009. The article can still be found here <http://www.kushnerco.com/article.php?fileName=CHIP>. If you did not receive the Alert, please let me know, or you can sign up at www.kushnerco.com.

There were two initial requirements that came out of the Act for employers/plan sponsors. The first requires that health plan documents, flexible benefit plan documents, and HRA plan documents be amended to include the new Special Enrollment Rights granted under the Act. The second is that notice of these rights be sent to all employees. Both of these items are effective April 1, 2009. You should also be receiving similar information from your health insurance provider.

Given the tight timeline, we have made the mandatory plan amendment to your flexible benefit plan and/or HRA plan document as necessary. We have also included a Board Resolution that should be adopted at the next opportunity. In addition, a Summary of Material Modifications (SMM) has been included that will serve as notice to employees that the plan has been amended, and notifies them of their new rights. The SMM should be sent to all benefits eligible employee, as well as any new hires when they receive their SPD for the plan.

Should you have any questions, please feel free to contact me at (269) 488-7522. Thank you for your continued business.

Very truly yours,



Jennifer Alfieri
Client Services Manager

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SCHIP AMENDMENT

ARTICLE I PREAMBLE

- 1.1 **Adoption and effective date of amendment.** The Employer adopts this Amendment to the East Bay Charter Township HRA ("Plan") to reflect certain provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (State Children's Health Insurance Program (SCHIP)). The sponsor intends this Amendment as good faith compliance with the requirements of these provisions. This Amendment shall be effective on or after the date the Employer elects in Section 2.1 below.
- 1.2 **Supersession of inconsistent provisions.** This Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.

ARTICLE II SPECIAL ENROLLMENT RIGHTS

- 2.1 **Effective Date.** This Amendment is effective as of April 1, 2009.
- 2.2 **Special Enrollment Rights.** The Plan is amended to allow for special enrollments rights in the event a Participant or his or her eligible Dependent (1) loses coverage under Medicaid or a state child health program, or (2) becomes eligible for state assistance with respect to paying his or her contributions to the Plan, as follows:

Special enrollment rights. A Participant may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

This amendment has been executed this First day of April, 2009.

Name of Employer:

East Bay Charter Township

Signed By: _____
EMPLOYER

CERTIFICATE OF ADOPTING RESOLUTION

The undersigned authorized representative of East Bay Charter Township (the Employer) hereby certifies that the following resolutions were duly adopted by Employer on April 1, 2009, and that such resolutions have not been modified or rescinded as of the date hereof;

RESOLVED, that the Amendment to the East Bay Charter Township HRA (the Amendment) is hereby approved and adopted, and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the amendment.

The undersigned further certifies that attached hereto is a copy of the Amendment approved and adopted in the foregoing resolution.

Date: _____

Signed: _____

[print name/title]