

PLAN DOCUMENT AMENDMENT

TO BE ATTACHED TO AND FORM A PART OF THE PLAN DOCUMENT OF:

WEST VIRGINIA ANNUAL CONFERENCE UNITED METHODIST FAMILY EMPLOYEE MEDICAL AND DENTAL BENEFIT PLAN

E.I.N. 55-0338656

PLAN #501

THIS PLAN DOCUMENT IS AMENDED SO THAT:

THE FOLLOWING CHANGES WILL BECOME EFFECTIVE JANUARY 1, 2021

This Amendment is intended to revise the West Virginia Annual Conference United Methodist Family Employee Medical and Dental Benefit Plan to add the following subsection Small Employer Exception to the Medicare Secondary Payer Act. Relevant sections identified below are revised and the Plan is hereby amended effective January 1, 2021.

SECTION V ELIGIBILITY FOR COVERAGE

SMALL EMPLOYER EXCEPTION TO THE MEDICARE SECONDARY PAYER ACT

Under the Medicare Secondary Payer Act ("MSPA") and related regulations and interpretation, Medicare beneficiaries ("Beneficiaries") of the West Virginia Annual Conference United Methodist Family Employee Medical and Dental Benefit Plan (the "Plan") may qualify for the small employer exception to the MSPA (the "Small Employer Exception" or "Exception") such that Medicare would be the primary payer for benefits incurred by Plan Beneficiaries who are age 65 or older ("worked aged"). Various churches/employers within the Conference participate in a single group health plan. Medicare currently pays secondary for benefits incurred by working aged Plan Beneficiaries.

If any church participant of the Plan (a "Church Participant") has fewer than twenty (20) employees, then working-aged Beneficiaries (and their spouses) of each such Church Participant may qualify for the Small Employer Exception upon application. Pursuant to this Exception, Medicare would become the primary payer for benefits incurred by these eligible working-aged individuals.

The Small Employer Exception and its applicability to the Plan.

Notwithstanding the MSPA's general application to the Plan's working-aged Beneficiaries, certain working-aged Plan Beneficiaries (and their spouses) may qualify

for the Small Employer Exception to the MSPA. The Small Employer Exception provides a mechanism for multi-employer group health plans to apply for an MSP exception vis-à-vis participating employers (in this case, Church Participants) with twenty (20) or fewer full and/or part time employees. To avail itself of the Small Employer Exception, the Plan must affirmatively submit an Exception application identifying, *inter alia*, all Church Participants with twenty (20) or fewer employees. Church Participants with twenty (20) or more employees are not eligible for the Exception. The Plan delegates the responsibility for requesting the Small Employer Exception to the Church Participant.

The Small Employer Exception application process.

To request Medicare approval of a Small Employer Exception, the Plan (or administrator on behalf of the Plan) must submit a written request to the CMS Benefits Coordination & Recovery Center (the "BCRC"), and the BCRC must approve the requested Exception. The written request must state that the Plan seeks to elect Medicare as the primary payer for each Plan Beneficiary. A template for the written request, specific instructions and mailing/fax information, as well as other supporting documentation that must be submitted to the BCRC to request an Exception can be obtained from the Plan Sponsor.

The request and supporting documentation require the Plan (or administrator on behalf of the Plan) to individually identify each eligible Beneficiary (and/or spouse) for each eligible Church Participant. This documentation also includes a verification form, which each eligible Church Participant must complete to verify that each such Church Participant has less than twenty (20) employees. The verification form must be signed by both the Church Participant and the Plan (or the Plan's designee).

All approvals of Small Employer Exemption requests are prospective. The date of the request serves as the effective date, unless the request is dated more than seven (7) days prior to the receipt date, in which case, the receipt date is considered the effective date. If the request is returned for missing information, the effective date is the date the completed request is received by the BCRC. At the earliest, an Exception may be requested within three (3) months of an eligible individual attaining the age of sixty-five (65). There is no available guidance specifying the timeframe that it takes BCRC to approve an Exemption application.

The Plan must notify each Beneficiary/spouse when BCRC approves the requested Exception, and additionally must notify such individuals if Medicare once again becomes the secondary payer due to a change in a Church Participant's size. Likewise, the Plan must notify BCRC if a once-excepted Church Participant meets the twenty (20) employee threshold. The Plan must also notify BCRC if there has been a change in a Beneficiary or spouse's GHP coverage. Finally, the Plan is prohibited from offering Beneficiaries/spouses any financial or other benefits as an incentive not to enroll in, or to terminate enrollment in, a group health plan that is, or would be, primary to Medicare. The Plan will likewise not offer any Church Participant any remuneration or other incentives for availing itself of the Small Employer Exception.

**SECTION XI
DEFINITIONS**

CHURCH PARTICIPANT means each individual church/employer of the West Virginia Annual Conference United Methodist Family participating in the Plan.

All other terms and conditions of the Plan Document which are not affected by this Endorsement are unchanged.

EFFECTIVE DATE: JANUARY 1, 2021

Myna Bess
WITNESS

Jamion Norfolk
SIGNATURE

Jamion Norfolk / Treasurer
NAME / TITLE

6/15/2020
DATE

6/15/2020
DATE