



MEMO

To: Allegiance Customers, Brokers, and Consultants

Re: Federal Health Care Reform

Allegiance has previously sent out email information regarding the effects of all of the new federal health care reform (the Patient Protection and Affordable Care Act, or PPACA) and its effect on your group health plan. We recognize there are many questions regarding these new laws, and want to assure you that Allegiance is working diligently to bring you answers to those questions to the extent possible. However, because of the current lack of guidance, Allegiance has refrained from rushing out with statements and information that may later prove to be inaccurate as a result of regulations and guidance yet to be issued. As regulations and guidance are issued, updates and clarifications will be necessary.

Toward that end, Allegiance is pleased to announce that over the next 5 to 6 weeks we will be providing the following assistance to our customers:

- 1) A weekly email newsletter starting the week of May 1, addressing the most urgent specific parts of the new regulations in detail. The topics will be presented chronologically with the most urgent to be discussed first. The order of the topics will be :
 - a) “Grandfathered” plans and how that applies to your plan
 - b) Benefit Mandates required in 2010 and 2011.
 - c) Tax and financial requirements and opportunities in 2010 and 2011.
 - d) Benefit requirement for 2012 and 2013, including changes to flex and other ancillary benefits.
 - e) Benefit Mandates for 2014.
 - f) General information regarding insurance “exchanges” vouchers, penalties and reporting requirements.
- 2) Live seminars conducted by Allegiance (Ron Dewsnup, President, Aaron Bay Marketing Director and Roger Cowan Administrative Procedures Manager) during the week of May 16 through 20 at locations in Billings,

Helena, Bozeman and Kalispell for our in-state customers. Invitations including exact times and dates for each location will be sent out soon.

- 3) For our customers who are not located near the locations for the live seminars, and other customers who are not able to attend the live seminars, at least two webinars will also be conducted the week of May 23rd which will cover the same information and topics. Further information regarding access to these webinars will be issued very soon.
- 4) It is Allegiance's goal with these events to provide accurate information and analysis, regarding the new laws, and to dispel many misconceptions and inaccuracies that we believe currently exist.

We hope to see you soon at one of these upcoming events. In the mean time if you have questions or concerns regarding Health Care Reform please let us know.

Thank you!