

# CLIENT UPDATE

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Referrals

We believe our firm is the most professional provider of employee benefits programs in the business. Our knowledge, ability and service are second to none.

Our best new clients are those referred by you. If you know someone that might use our services call us or tell them to call us. It's as simple as 800/344-3766.

Thank you,  
Rock Tuchek, President



## TIME FRAMES FOR MAKING CLAIM AND APPEAL DECISIONS

The time frames for making claims and appeals decisions are described below. For the majority of claims, this does not appear to be problematic. However, these time frames represent maximum periods for making decisions and issuing notices—for all claims. The claims regulation requires that claims be determined “as soon as possible” or “within a reasonable time period” depending on the category of the claim.

The regulation, as stated previously, does not present a problem for the majority of claims. However, for claims involving accidents, coordination of benefits, subrogation or the

need for additional information wherein correspondence to the insured is required, the time frame for a notification of decision is extremely tight.

For this reason, we have determined that for all claims of this type, we will preliminarily deny the claim and send notification of the claim determination, while at the same time we will provide correspondence indicating what is required from the insured to reverse the denial. This process will allow us to meet the regulation requirements and help reduce the pending claims backlog.

Time Limits Based on Type of Claim	Urgent Health Care (Clinical Mgmt.)	Pre-service Health Care (Non-urgent) (Clinical Mgmt. & Claims for Pre-Authorization)	Post-service Health Care (Claims)	Disability (Claims)
To make initial claim determination	72 hours (depending on medical circumstances)	15 days	30 days	45 days
To notify of failure to follow procedures	24 hours	5 days	N/A	N/A
Extension (if proper notice and delay is beyond plan control)	None	15 days	15 days	30 days, plus another 30 days
To request missing information from claimant	24 hours	15 days	30 days	45 days
For claimant to provide missing information	48 hours	45 days	45 days	45 days
For claimant to request appeal	180 days	180 days	180 days	180 days

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**Midwest Group Benefits**  
"specializing in employee benefits"

## IS A SAFE HARBOR PLAN RIGHT FOR YOUR COMPANY?

If your plan is constantly struggling to pass its nondiscrimination tests maybe it's time to consider a Safe Harbor Plan. What is a Safe Harbor 401(k) Plan? It is a 401(k) Plan which allows the Highly Compensated Employees (HCEs) to contribute up to the maximum deferral limits with no worries about the ADP/ACP test or Top Heavy test **IF** the employer agrees to contribute to their employees from one of the two formulas: (1) 100% match up to 3% of compensation PLUS 50% match on deferrals that exceed 3% but do not exceed 5% of compensation OR (2) An Employer Contribution equal to 3% of compensation to ALL eligible employees regardless of whether they defer into the plan or not. In addition, all employer contributions are 100% vested immediately and they cannot be subject to an hours or last day requirement. For employers who already have a plan in place, Safe Harbor provisions cannot be adopted until the start of your next plan year. If you would like more information, please contact Sara Hotvedt at 563/382-9611 or [shotvedt@midwestbenefits.com](mailto:shotvedt@midwestbenefits.com).

## MEET THE STAFF: KARLA BAUMLER

Karla Baumler graduated from South Winneshiek High School in 1993. From there she attended Northeast Iowa Community College in Calmar and graduated in 1995 with an AAS Degree in the Administrative Assistant Program. Prior to starting at Midwest Group Benefits in March of 2000, she worked as a Sales Service Assistant at Textron Fastening Systems in Decorah. She is a licensed Health and Life Insurance Agent.

At Midwest Group Benefits Karla is responsible for Large Group / Self-Funding Administration. She plays an integral part in obtaining new and renewal quotes, preparing and assisting with proposal presentations, plan set-up and vendor relationships as

well as customer support and trouble shooting for current and new clients and their employees.

Karla enjoys her work and says each and every day brings a new challenge. "Just when you think you have something figured out, something changes." She says she is fortunate to be working with a great bunch of people who care about each other and are always willing to help.

Karla resides in Ossian with her husband Brian and 2 1/2 year old son Logan. In her free time she enjoys spending time with family and friends, walking, reading, shopping or just relaxing.