



BENEFITS

Employee Benefits Office

November 5, 2010

To: UAW-Ford Hourly Employees

Purpose of this Communication

This letter describes the benefit enhancements effective January 1, 2011, and some important things you will need to know about:

1. This year's special enrollment period to add newly eligible children as a result of health care reform legislation (pages 1-3)
2. Enhancements as a result of health care reform legislation (page 3)
3. Dependent Care Assistance Program (DCAP) Enrollment (page 4)

Special Enrollment Period for Newly Eligible Children

Benefit Coverage	What's New
<p>New Health Care Eligibility for Children up to Age 26</p>	<p>As a result of health care reform legislation, beginning January 1, 2011, all eligible employees may enroll and select health coverage for a "Child" up to the age of 26. The law removes all previous and current eligibility requirements for coverage other than relationship for a child.</p> <p>You may cover a child based solely on your relationship. Age, residency, level of financial support, student or marital status no longer are to be taken into account.</p> <p>Based upon the presently available guidance, a child may be:</p> <ul style="list-style-type: none"> • Your son or daughter (including by adoption or lawful placement for adoption) • Your stepson or stepdaughter (the children of your lawful spouse) • Your eligible foster child (an individual placed with you by an authorized placement agency or by the order of a court with proper jurisdiction) <p>The following children who meet present requirements (age, dependency, residency, and marital status) may still be covered:</p> <ul style="list-style-type: none"> • The dependent children of your Same Sex Domestic Partner (SSDP) • Children by legal guardianship first covered before November 19, 2007 • Principally Supported children first covered before November 19, 2007 • Totally and Permanently Disabled dependents over age 26 <p>A person who does not meet the definition of "Child" may also be eligible for coverage as a "Sponsored Dependent" at the employee's expense, if present requirements, such as being your tax dependent and residing with you, are met.</p>

<p>New Health Care Eligibility for Children up to Age 26 (continued)</p>	<p>A newly eligible child may be added to your medical and/or dental coverage from November 11 through December 10, 2010. Enrollment will be effective on January 1, 2011. After this date, you will still be able to enroll a child, but the effective date will be the month following the month the National Employee Services Center (NESC) receives your enrollment request.</p>
	<p>What does this mean to you?</p> <ul style="list-style-type: none"> • A child up to the age of 26 can remain or be re-enrolled in Ford health care coverage beginning January 1, 2011. • The law removes all previous and current eligibility requirements for coverage for a child (the definition of "Child" is subject to change with any revision of the law). • Your child can be enrolled, even if he/she is: <ul style="list-style-type: none"> • Married • Over the age of 24 (a previous eligibility requirement) • Not enrolled in school • Not your tax dependent • Not residing with you <p><i>Note: You may not enroll such a child if they have other employer healthcare available to them.</i></p>
	<p>Frequently Asked Questions:</p> <ol style="list-style-type: none"> 1. My 25 year-old child was dropped from my health care a few years ago. Will you automatically re-enroll him/her in coverage? No, your child will not automatically be enrolled. You will need to enroll him/her during the Special Enrollment Period (November 11 through December 10, 2010), to have coverage beginning January 1, 2011. While you can add an eligible child at any time after this period, coverage will not begin until the month following the month the NESC receives your enrollment request. 2. My 25 year-old child is not a tax dependent. Can I still add him/her? Yes, as long as he/she meet the definition of a "child" (defined above). 3. My 25 year-old child is married. Am I still able to add him/her as a dependent to my coverage? Yes.

How to Add a Newly Eligible Child to Your Health Care Coverage

Enrollment to add a newly eligible child to your medical or dental coverage is **November 11 through December 10, 2011.**

Follow the steps below, or on the following page, to add a newly eligible child to your medical and/or dental coverage on the **myfordbenefits.com** Web site. Your Union Benefit Representative has been trained to help you with enrollment as well.

1. Log in to **myfordbenefits.com**
2. Click on *Add a Dependent* under *Your Current Events* on the upper right corner of the screen
3. Click on *Make Your Elections Now*
4. Go to the *Medical* (or *Dental*) row and click on *Change*
5. Select your *Coverage Level* and check the dependent that you want to add from the list provided. If your dependent is not listed, click on *Add a Dependent* in the lower right corner

You may also call the National Employee Services Center (NESC) at 1-800-248-4444. Personal Benefits Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday, except on holidays. For TDD (hearing impaired) communication services, call 1-800-833-8334.

Important Note: Documentation to verify the eligibility of any child you add will be required. You will receive a request for documentation to verify eligibility prior to January 1, 2011.

Grandfathered Status Under the Patient Protection and Affordable Care Act

Because the different health care choices available to you were in place before health reform legislation was passed and have not been significantly changed since that time, your health plan is considered a “grandfathered health plan”. Being a grandfathered health plan means that your plan will not include certain consumer protections that apply to other plans, for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health plans must comply with the other consumer protections required by health care reform, which is described above.

Questions regarding which protections apply and which protections do not apply to a grandfathered health plan and what might cause a plan to change from grandfathered health plan status can be directed to the plan administrator at 1-800-248-4444. You may also contact the Employee Benefits Security Administration, U.S. Department of Labor at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This Web site has a table summarizing which protections do and do not apply to grandfathered health plans.

Enhancements to your benefits effective January 1, 2011, as a result of health care reform legislation.

Benefit Coverage	What’s New
Prohibition on Rescissions of Coverage	<p>Effective January 1, 2011, the Ford health care plan is prohibited from rescinding coverage for individuals who are covered under the plan without 30 days' advanced notice – except in cases where the individual has engaged in fraud or made an intentional misrepresentation of material fact, as prohibited by the terms of the plan.</p> <p>A “rescission” is a cancellation or discontinuance of coverage that has a retroactive effect.</p> <p>In summary, Ford cannot retroactively terminate your coverage without at least 30 days' notice to you (as long as no fraud or misrepresentation has taken place).</p>
Prohibition on Pre-Existing Condition Exclusions (PCEs) for Individuals Under the Age 19	<p>Effective January 1, 2011, the Ford health care plan is prohibited from imposing any PCEs on individuals enrolled in the plan who are under 19 years of age.</p> <p>What does this mean to you? If you have a dependent under the age of 19, there will be no limits on any conditions that the dependent may have had prior to being covered by the Ford health care plan.</p>
Medical Plan Annual Maximums Removed	<p>Some Ford health care plans currently cover eligible medical and/or drug expenses up to an annual maximum amount. As a result of health care reform, these limits will be removed effective January 1, 2011.</p>

2011 Dependent Care Assistance Plan (DCAP) Enrollment November 11 – December 10, 2010

2011 Dependent Care Assistance Plan (DCAP) Enrollment	
Benefit Coverage	What's New
Administration Change	Effective January 1, 2011, administration of the DCAP will change from WageWorks to Affiliated Computer Services, ACS. This will allow for participants to have a more integrated customer service experience and access to improved web functionality on the myfordbenefits.com Web site.
Enrollment Period	You may enroll in the DCAP any time during the 30-day enrollment period (November 11 through December 10, 2010).

Employee Tax Savings Opportunity: Enrolling in DCAP

The Dependent Care Assistance Plan (DCAP) is a tax-advantaged account you can use to help pay for eligible dependent care expenses. The Company and UAW National Ford Department Benefits Section are concerned with the low present participation in the DCAP plan and believe more employees could benefit from enrollment in this tax-advantaged plan. The DCAP can help you save **35% or more** on eligible dependent care expenses, which are necessary while you are at work if single, or if you are married while:

- You and your spouse are working,
- Your spouse is going to school full-time, or
- Your spouse is incapable of self-care.

Some of the eligible expenses for children under the age of 13 include:

- Day care & day camp
- Pre-school & nursery school
- Before and after-school programs

Additionally, you can use the DCAP for eligible expenses related to elder care & day care for disabled adults.

To participate in a DCAP for 2011 you must enroll, even if you are a current participant. To enroll in the DCAP, please complete the *enclosed* DCAP Enrollment Form by December 10, 2010. Please note that the form must be postmarked no later than this date. Enrollment will be effective January 1, 2011.

This information is only an overview of the Plan. You should consult the DCAP section (pages 303-311) of Your Employee Benefits handbook, which can be found online at **www.myfordbenefits.com** under *Document & Forms* by selecting *Resource Materials*. If you enroll before the enrollment deadline (December 10, 2010) you will receive a welcome kit from WageWorks with additional Plan information in December 2010. You will be able to monitor your account online at **myfordbenefits.com** under the *Drive Health* link.

How To Enroll in DCAP

No action is required unless you would like to enroll in the Dependent Care Assistance Plan (DCAP). To enroll in DCAP for 2011, complete the enclosed DCAP Enrollment form **by December 10, 2010**.

Contacts for Assistance

myfordbenefits.com

You may access **myfordbenefits.com** in two ways:

1. From the Company's news and information site **www.at.ford.com**, click on the U.S. Benefits tab

OR

2. You can go directly to the **www.myfordbenefits.com** Web site and follow the login instructions

National Employee Services Center (NESC) at 1-800-248-4444. Personal Benefits Representatives are available 9 a.m. to 9 p.m. Eastern time, Monday through Friday, except on holidays. For TDD (hearing impaired) communication services, call 1-800-833-8334.

The Company reserves the right to end, suspend, or amend these plans, subject to the applicable Collective Bargaining Agreement. Amendments will also be made to comply with applicable statutes and regulations. If changes are made you will be notified. You may request a printed copy of any benefits Summary Plan Description or Summary of Material Modification, at no charge, by contacting the NESC at 1-800-248-4444.

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