



Dependent Children Health Benefit Plan
Plan Termination Notice and
Summary of Material Modification

October 15, 2010

Dear Member,

You currently have a child enrolled in SAMBA's Dependent Children Health Benefit Plan (DHBP). The DHBP plan was designed to provide comprehensive health insurance benefits to members' children over age 22 who could no longer be covered under their parent's federal SAMBA Health Benefit Plan. The DHBP plan covered eligible dependent children until age 27.

However, as a result of the Affordable Care Act (ACA), signed into law on March 23, 2010, you now have the right to add your child (if between ages 22 and 26) as a dependent under your 2011 federal health plan. Due to this expansion of federal health plan coverage, SAMBA will be terminating the DHBP plan at 11:59 pm on January 1, 2011.

If your child will be over age 26 on January 1, 2011: You will need to find alternative coverage. SAMBA will not offer a health insurance conversion plan. We suggest that you visit www.healthcare.gov to explore pricing and coverage options in the state where your child lives.

If your child will be under age 26 on January 1, 2011:

- If you are currently enrolled for **Self and Family coverage**, SAMBA will automatically add your child as a dependent on your 2011 federal SAMBA Health Benefit Plan. See Note below.
- If you are currently enrolled for **Self Only coverage**, before you can add your child as a dependent on your federal SAMBA Health Benefit Plan, you first must change to **Self and Family coverage** through your agency or retirement system. Note: the effective date of your child's coverage will depend on when your 2011 **Self and Family** enrollment will become effective (usually January 1st for retired members and January 2nd for active members). See Note below.

Note: When your child is added to your federal 2011 SAMBA Health Benefit Plan, we will issue a "new" SAMBA Identification Card (ID) to your child for medical services. For prescription purchases, your child may use your Medco pharmacy card.

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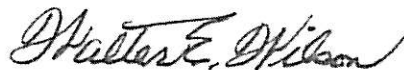
If you are paying the DHBP premium through payroll allotment, you do not need to take any action. SAMBA will coordinate with your agency's payroll office to either adjust or cancel the SAMBA allotment depending on whether you are enrolled in any other SAMBA plans.

If you are paying the DHBP premium through direct debit from your bank account, effective with the January, 2011 payment, we will either adjust or cancel the payment depending on whether you are enrolled in any other SAMBA plans.

If you are paying the DHBP premium quarterly, effective with the first quarter bill in 2011, we will either cancel your quarterly bill or adjust the bill depending on whether you are enrolled in any other SAMBA plans.

This is a Summary of Material Modifications regarding SAMBA's DHBP plan. This Summary supplements and amends the Summary Plan Description (SPD) previously provided to you. You should retain this document with your copy of the SPD. If you have any questions about these changes, please contact SAMBA Customer Service at 1-800-638-6589.

Sincerely,

A handwritten signature in cursive script that reads "Walter E. Wilson".

Walter E. Wilson
Executive Director