



# NCBC IMPACT

*Dedicated to the professional development of its members*

[Archived Articles](#)

November 1, 2010

Volume 10, Issue 6

## President's Message by Ken Hirz



Now that the successful 30<sup>th</sup> NCBC Conference in Pittsburgh, Pennsylvania, is behind us, the Board has focused its efforts on planning the 31<sup>st</sup> annual event scheduled in New Orleans, Louisiana, June 14-17, 2011. Next year the Conference will be co-hosted by Marla Hamilton, Clerk, LA-E, and Monica Menier, Clerk, LA-M. Marla and Monica have gotten an early jump on planning by forming working groups in their courts to develop educational and social gatherings that are sure to make everyone remember his or her visit to the crescent city. The Education Committee, which started meeting in August, consists of Marla Hamilton, Monica Menier and Teresa Underwood (OH-N) as tri-chairs, along with Trisha Harrington (WA-W), Eddy Emmons (CA-N), Lee Ann Bennett (FL-M), Stephanie Hemmert (FJC), Barry Lander (CA-S), Scott Ford (AL-N), Ken Ridgeway (MD), and Joshua Wiker (TX-N). The group is making considerable progress in the early planning stages.

The Board is dedicated to meeting the needs of its membership. A new website, which should prove to be user-friendly and provide easier access to information, will be introduced after the first of the year. It is being developed by a working group led by Lee Ann Bennett (FL-M). The by-laws are under review by a working group led by Trisha Harrington (WA-W), and we plan to present proposed amendments for membership approval at our annual business meeting in June 2011. An initiative to build leadership skills at the local level is being spearheaded by Eddy Emmons (CA-N), who is working with a group to develop a Mentoring Program. John Horner (PA-W) is chairing the Membership Committee, and plans to utilize the talent of Local Representatives and Circuit Liaisons to increase our 2011 membership numbers by planning and implementing growth strategies that promote organization awareness during the 2011 membership campaign. The Benefits Committee, chaired by Kathy Grzybowski (WI-W) the past four years has truly raised the bar on the number and quality of benefits available to members and providing a wide-range of information, which can be found in this and upcoming newsletters. To convey the Board's appreciation of members, AO and FJC staff who provide assistance to the bankruptcy community throughout the year, the Awards Committee, chaired by Milton Aguila (NY-S), is working to organize the 2011 recognition efforts.

Please feel free to call on any of the Board members to convey ideas you might have, or tell us how we might better serve our members.

<a href="#">President's Message</a>	1
<a href="#">NCBC 2011 Conference</a>	2
<a href="#">NCBC Needs You</a>	3
<a href="#">Benefits Question</a>	3
<a href="#">Mentor Program</a>	3
<a href="#">Celia's New Address</a>	3
<a href="#">Affordable Care Act</a>	4
<a href="#">2011 Benefits</a>	5
<a href="#">Recent Legislation</a>	7
<a href="#">Upcoming Amendments</a>	7
<a href="#">Editorial Committee</a>	8

TO JOIN NCBC

[http://  
ncbcimpact.org/  
membership.html](http://ncbcimpact.org/membership.html)

## NCBC Conference 2011 by Brian Richoux

New Orleans is a unique American city whose culture is rooted in European and Caribbean traditions. Founded as *La Nouvelle Orleans* by the French in 1718, this Creole city on the Mississippi River is a place of history and legend, and remains one of the country's top travel destinations!



Fun begins in the French Quarter, where great food, music, and entertainment are all within short walking distance. A leisurely stroll takes you by Creole cottages and historic buildings with wrought-iron balconies, along Bourbon Street and to Pat O'Brien's, and to the original center of town at Jackson Square. Don't forget the art galleries, antique shops, and dozens of world-class restaurants. And a visit is not complete without stopping at Café du Monde for café au lait and beignets, the local version of coffee and donuts.

For those who wish to explore the city a bit more, ride the streetcar along historic St. Charles Avenue to see mansions, churches, Audubon Park, and Tulane and Loyola universities. Or, take a carriage or walking tour of the French Quarter, or a river cruise!



**The staffs of the bankruptcy courts for the Middle and Eastern Districts of Louisiana are excited to host the 2011 NCBC and eager to showcase the city of New Orleans.**





## The Affordable Care Act and Your Benefits

by Alyson Johnson

With open season November 8—December 13, there may be benefit to reviewing the changes going into effect with the new healthcare legislation. Certain provisions of the law went into effect on September 23 and additional measures will continue to implement through 2015. Below, a summary of some major changes that have taken effect and that will go into effect through early 2011. Except where noted, these changes all affect health plans in years beginning on or after September 23, 2010\*.

- Insurance companies are prohibited from denying coverage to children under the age of 19 due to pre-existing condition. (*New plans and existing group plans for health plan years beginning on or after September 23, 2010.*)
- Insurance companies can no longer search past applications for errors or technical mistakes to deny payment for services when the patient falls ill.
- Insurance companies will be prohibited from imposing lifetime dollar limits on essential benefits.
- Annual dollar limits on amount of coverage a patient may receive will be restricted for new individual plans and all group plans.
- Consumers can appeal coverage determinations or claims to the insurance company.
- New plans must cover certain preventive services without deductible, copay, or coinsurance.
- States have the option of implementing a new Pre-Existing Condition Insurance Plan for individuals who have been uninsured for at least six months due to a pre-existing condition.
- Young adults are now allowed to stay on their parents' plan until 26 years of age in existing group health plans, the right does not apply if the young adult is offered insurance at work. (*Note: Per the AO, this work restriction does not apply to federal health insurance coverage benefits.*)
- A program now exists to provide needed financial help for employment-based plans to provide coverage to early retirees, spouses, and dependents. (See [www.ERRP.gov](http://www.ERRP.gov) for more information.)
- The law provides for incentives to expand the number of primary care doctors, nurses, physician assistants, and community health centers and increased payment to rural health care providers.

- The law provides a general requirement that a minimum percentage of premium dollars healthcare companies collect are spent on services and quality improvement, with rebates to be issued to the insured participants if the goal is not met. (*Effective January 1, 2011.*)
- Over-the-counter drugs and medications purchased after December 31, 2010 will not be reimbursable under flexible spending accounts (such as the Judiciary's Health Care Reimbursement Account with SHPS) or under Health Savings Accounts (which come with high-deductible health insurance plans). This is true even if there is unspent money in the 2010-plan-year account after December 31, which an employee would normally be allowed to spend during a "grace period" from January into March. Such medications may not be reimbursed if they are purchased after December 31 *unless* a prescription is written for them by a licensed physician.

\*Except where noted, these changes all affect health plans in *plan years* beginning on or after September 23, 2010, which means they affect the Federal Employees Health Benefits (FEHB) program as of January 1, 2011.

The preceding information has been verified for accuracy and applicability with the AO Benefits Division in the Office of Human Resources. The NCBC Impact plans to keep you apprised of future changes as their effective date approaches. For a detailed timeline and further information on the Affordable Care Act, visit <http://www.healthcare.gov>

**2011 Federal Benefits by Carol Thompson**  
**Open Season** Monday, November 8, 2010 - Monday, December 13, 2010  
 .....points and highlights.....

**Temporary Continuation of Coverage (TCC) Enrollment Cancellations:** A child age 22 - 26 who is under TCC and is once again covered by a parent's FEHB enrollment must take action to cancel the TCC enrollment to avoid unnecessary premium payments as cancellation is not automatic. The child must contact the National Finance Center (NFC) and follow the agency procedure for enrollment cancellation. Contact the NFC at (800) 242-9630 or by e-mail at [nfc.dprs@usda.gov](mailto:nfc.dprs@usda.gov).

USDA, National Finance Center  
 DPRS Billing Unit  
 P.O. Box 61760  
 New Orleans, LA 70161-1760

Specific guidance and new information on the **Judiciary's Flexible Benefits Program** - such as new rules on over-the-counter medication reimbursement - are forthcoming from the Benefits Division.

New health care provisions for children up to age 26 do not change the regulations governing other benefit programs. For example, federal survivor benefits will not be paid to children beyond their 22<sup>nd</sup> birthday (or to married children at any age.) Unmarried dependent children will not be covered by Option C of the federal life insurance program beyond their 22<sup>nd</sup> birthdays (and married children will not be covered at any age.) Children may not be covered as family members by the Federal Employees Dental and Vision Insurance Program (FEDVIP) beyond age 22.

**Federal Employees Dental and Vision Insurance Program (FEDVIP)**

2011 premiums are available as follows:

Vision premiums: <http://www.opm.gov/insure/vision/rates/index.asp>

FEDVIP dental plans vary from state to state. The rating areas, by affected zip code, and dental premiums for each U. S. rating area can be found at: <http://www.opm.gov/insure/dental/rates/index.asp>

Determine first your rating area for the dental plan in which you are interested and then check the premium chart to find the rating area's 2011 premium.

**2011 FEHB participating plans can be found at**

<http://www.opm.gov/insure/health/rates/index.asp>

Check out the nationwide fee-for-service plans (along with consumer-driven and high-deductible plans sponsored by the nationwide plans.) You can read about localized HMO plans (arranged alphabetically by state), consumer-driven plans and high-deductible health plans. For each plan, the website provides available options, enrollment codes and the self-only and self-and-family premiums (employee and government share.)

If you do not want to make FEHB and FEDVIP changes for 2011, you don't need to do anything as your current election will automatically continue. If you want a Health Care Reimbursement Account (HCRA) and/or a Dependent Care Reimbursement Account (DCRA), you must complete an annual enrollment election. Elections from 2010 will not automatically continue.

[Continued on Page Six](#)



**2011 Federal Benefits by Carol Thompson (Continued from Page Six)**  
**Open Season Monday, November 8, 2010 - Monday, December 13, 2010**

Judiciary employees and judges may elect health care (**HCRA**) and dependent care (**DCRA**) accounts for 2011 during open season. Enrollments are effective January 1, 2011 for everyone. 2011 contribution changes will be reflected in January 7 paychecks for biweekly employees and in January 1 paychecks for judges. Everyone will receive Flexible Benefit Program information via mail before annual enrollment begins.

Open season includes the **Federal Employees Health Benefits (FEHB)** and the **Federal Employees Dental and Vision Insurance Program (FEDVIP)**. FEHB elections are effective January 3, 2011 for biweekly employees and January 1, 2011 for judges. New FEHB premium costs will show up in the January 21 paycheck for biweekly employees and in the judges' paychecks of February 1. All FEDVIP enrollments and changes are effective January 1, 2011, and will be reflected in the January 21 payday for biweekly employees and on the February 1 payday for judges.

**Health Benefits for Children Up To Age 26:** Children are covered up to age 26 regardless of financial dependency and may be added to a parent's FEHB for 2011. Married children, even if now under age 22, are covered until age 26, regardless of residency or dependency. Children's spouses and/or their own children are not covered. Even if a child is enrolled in or eligible for health insurance through his or her own employer, the child is eligible for FEHB coverage. Stepchildren, regardless of where or with whom they live, are eligible for coverage, and no longer have to live with the enrollee to be covered under FEHB. Foster children are eligible up to age 26 with no financial dependency or residency requirements. A child who is incapable of self-support is covered up to age 26 under these rules. If incapable of self-support at age 26 due to a physical or mental disability that began before age 26, coverage may be continued if the Administrative Office (AO) approves medical evidence and notifies the insurer.

Judiciary employees are encouraged to carefully review their current health insurance, dental insurance, vision insurance and flexible benefits spending to decide if enrollment changes during this annual opportunity are necessary.

**How Do I Add My Child Who Is Age 22 - Age 26 To My FEHB Enrollment?**

- (1) If you **currently carry self-and-family** and plan to **keep the same enrollment with the same insurer** in 2011, just contact your insurer in November or December. You don't need to complete a form or make an open season election to add your child. Your child will be covered on Saturday, January 1, 2011.
- (2) If you **select a new plan, join the FEHB** program or **go from self only to self-and-family** and add a child under age 26 under open season rules, registration through the Judiciary Benefits Center or completion of Standard Form 2809 (except for judges) is required. Open season elections take effect January 3, 2011 for biweekly employees and January 1, 2011 for judges.
- (3) In addition to the annual open season, the Office of Personnel Management (OPM) has authorized a **special opportunity** for enrollees not currently under self-and-family coverage to elect self-and-family coverage. This **special election** (available from December 1, 2010 - March 1, 2011) will enable children under age 26 to be covered on January 1, 2011, even if the enrollment is not filed until January or February of 2011.
- (4) An enrollment change outside of open season under a qualified life event may include children under age 26. The effective date of a qualified-event election is the first day of the first pay period after the Judiciary Benefits Center receives the enrollment. Even in these cases a child age 22 - age 26 may have FEHB coverage no earlier than January 1, 2011.

## Recent Legislation/Action of Interest

by Alyson Johnson

The Wall Street Reform and Consumer Protection Act passed into law on July 21, 2010. The law implements sweeping changes in laws relating to the regulation of financial services firms and products and establishes a Financial Services Oversight Council empowered to adopt regulations for the large financial services companies commonly referred to as “too big to fail”. Among other provisions, the law establishes that the FDIC would be authorized to take over the company and resolve its debts through an insurance fund, a measure intended to keep such companies out of bankruptcy.

The US Census Bureau released updated median family income data, now posted at <http://www.justice.gov/ust/eo/bapcpa/20101101/meanstesting.htm>

These new figures will be applied to petitions filed on or after November 1, 2010.

The Judicial Conference met recently and issued statements on several key items:

- The conference found a continuing need for all authorized bankruptcy judgeships and recommended to Congress that none be eliminated. Still pending in the Senate is a House-passed bill based on the Conference’s 2009 recommendation for 13 additional bankruptcy judgeships and conversion of 22 temporary judgeships to permanent status.
- The conference approved the establishment of a program that would provide training and education to the public about PACER service and would exempt from billing the first \$50 of quarterly usage by a library participating in the program.
- The conference approved a new Strategic Plan for the Federal Judiciary. The strategies and goals advanced in the plan are organized around seven issues - providing justice, effective and efficient management of public resources, the Judiciary workforce of the future, harnessing the potential of technology, enhancing access to the judicial process, the Judiciary’s relationships with the other branches of government, and enhancing public understanding, trust, and confidence. Recommended reading - visit <http://www.uscourts.gov/uscourts/FederalCourts/Publications/StrategicPlan2010.pdf>

## Upcoming Amendments to Bankruptcy Rules

by Alyson Johnson

Effective December 1, 2010 (and barring Congressional action to the contrary) a number of rules and forms changes will be implemented. Here’s a brief summary of the coming changes to rules.

### Rule Changes:

**1007:** extends time for individual Chapter 7 debtors to file statement of completion of the personal financial management course. Also shortens time for debtors to file a list of creditors after entry of order for relief in involuntary case.

**1014:** adds Chapter 15 cases to the rule authorizing courts to determine where cases should proceed when there are multiple petitions for the same debtor.

**1015:** adds Chapter 15 cases to the rule that authorizes courts to order consolidation or joint administration.

**1018:** reflects enactment of Chapter 15 in 2005.

**1019:** provides a new time period (with some exceptions) to object to an exemption claim when a case is converted from Chapter 7 to Chapter 11, 12, or 13.

**4001:** includes a technical and conforming amendment on computation of time.

**4004:** includes new deadline for filing of motions (instead of complaints) under Rule 7001(b) to object to debtor’s discharge; directs courts not to grant discharge if motion or complaint objecting to discharge has been filed (unless objection has been decided in debtor’s favor); directs court in Chapter 11 and 13 cases to withhold entry of discharge if debtor has not filed statement of completion of course in personal financial management.

**5009:** requires clerk to provide notice to debtors in Chapter 7 and Chapter 13 cases that case may be closed if statement of completion of course in personal financial management is not filed. Also now requires a foreign representative in a Chapter 15 to file and give notice of the filing of a final report.

**5012:** establishes procedures in Chapter 15 for obtaining approval of an agreement regarding communications and coordination of proceedings with cases involving debtor pending in other countries. (Differs from Interim Rule 5012.)

**7001:** provides that specified objections to a discharge in Chapter 7 and 13 cases are not treated as adversary proceedings.

**9001:** amended to add words and phrases in §1502 to the list of definitions.

More information at <http://www.uscourts.gov/RulesAndPolicies/FederalRulemaking/PendingRules.aspx>



**Editor’s Note:** I hope that you have enjoyed this newsletter and that it has proven to be resourceful to you as a member of the NCBC. I would be grateful to receive your comments on the newsletter, both on its content as well as on its structure, and ways to improve it further. We are also welcoming ideas on how to improve membership. All suggestions are welcome.

Happy reading!

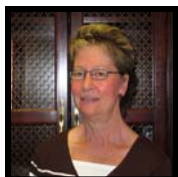
Yvonne Cherokee

(919) 856-4752 ext. 125

[yvonne\\_cherokee@nceb.uscourts.gov](mailto:yvonne_cherokee@nceb.uscourts.gov)



**Correspondents:**



**Alyson Johnson    Carol Thompson    Laura Whitehead    Leslie Taylor**

**All newsletter requests should be submitted to the editor.**

Ask The Editorial Committee

The NCBC Impact Editorial Committee is here to serve you. Additionally, this is our ‘always open’ invitation to share your questions, comments, and suggestions for articles that will provide helpful information to NCBC members. Material should be emailed to [Yvonne\\_cherokee@nceb.uscourts.gov](mailto:Yvonne_cherokee@nceb.uscourts.gov).

*This is your newsletter -- let your voice be heard!*