PROCEDURES FOR APPEALING CLAIMS OF ELIGIBILITY AND/OR CHANGE IN STATUS DETERMINATIONS UNDER THE FARM CREDIT FOUNDATIONS WELFARE BENEFIT PLANS

(A) Background

(1) Under the Farm Credit Foundations Administrative Agreement Regarding Employee Benefit Plans (the “Administrative Agreement”), the Farm Credit Foundations Trust Committee (the “Trust Committee”), in its capacity as Plan Administrator, has the authority to determine whether an individual is eligible to enroll in, or to be covered under, an employee benefit plan that is offered through the Administrative Agreement. See Administrative Agreement, Section 6.02(4).

(2) In addition, the Farm Credit Foundations Medical Plan, the Farm Credit Foundations Dental Plan, the Farm Credit Foundations Retiree Medical Plan, the Farm Credit Foundations Retiree Life Insurance Plan, the Farm Credit Foundations Employer Provided Welfare Benefits Plan, and the Farm Credit Foundations Flexible Benefits Plan (collectively referred to as the “Plans”) provide that the Plan Administrator has the full discretionary authority to administer the Plans, subject to the requirements of law.

(3) This power includes the power to “[i]nterpret, construe and carry out the provisions of the [Plans] and render decisions on the administration of the [Plans], including factual and legal determinations as to whether any individual is entitled to receive any benefit under the terms of [the Plans].”

(B) Purpose of these Procedures

(1) The claims procedures in the Plans directly address claims for the array of payments/services provided by the various insurance carriers and service providers under the Plans.

(2) The claims procedures in the Plans, however, do not directly address an individual’s claim of eligibility as an Employee, Retiree, or Disabled Person (or a Dependent of an Employee, Retiree, or Disabled Person) under the Plans when a claim for benefit payments or services is not involved.

(3) Nor do the Plans contain procedures for individuals to challenge a refusal to recognize a purported change in status that might trigger such individual’s right to become covered, ability to discontinue coverage, or opportunity to change a benefit election under one or more of the Plans. (For purposes of these claims procedures, a “change” in benefit election refers to the initial making of an election, the modification of an existing election, and/or the revocation of an existing election.)

(4) Thus, the purpose of these procedures is to set forth a process under which individuals can appeal the denial of a request to become covered, and/or the denial of a change in status request, under the Plans.
(C) **General Framework for the Handling of Eligibility Claims**

(1) In most circumstances where an Employee, Retiree, or Disabled Person (or a Dependent of an Employee, Retiree, or Disabled Person) is, or may be, eligible to participate in one or more of the Farm Credit Foundations welfare benefit plans, he/she will be notified of his/her right to participate and will be provided with an enrollment form. As an alternative to the provision of a paper form, the individual may be given the ability to enroll electronically through a secure internet connection.

(2) In other circumstances, neither an individual’s Employer nor Farm Credit Foundations may be aware that such individual is, or may be, eligible to participate in one or more Plans. This is particularly true in the case of Employees, Retirees, or Disabled Persons who have experienced some sort of qualifying event. It is also often true in the case of Dependents who have initially (or once again) satisfied the definition of a Dependent under one or more Plans. In these situations, the Employee, Retiree, or Disabled Person (or Dependent of such individual) must, within the time frame required by the applicable plan document(s), notify either his/her Employer or Farm Credit Foundations regarding his/her purported eligibility to enroll in and become covered under such plan(s).

(3) The same principle applies to individuals who wish to discontinue coverage in one or more Plans. Such individuals are generally eligible to terminate their coverage outside of the annual enrollment period only if they have experienced a qualifying event. If an individual wishes to discontinue his/her coverage in one or more Plans outside of the annual enrollment period and believes he/she is entitled to do so because of the occurrence of a qualifying event, he/she must, within the time frame required by the applicable plan document(s), notify Farm Credit Foundations of his/her desire to terminate coverage and specify the qualifying event triggering the right to effectuate such termination.

(4) Similarly, the Farm Credit Foundations Flexible Benefits Plan generally prohibits participants from changing an election outside of the annual enrollment period unless there has been some change in status event. Thus, if an individual wishes to change an election outside of the annual enrollment period and believes he/she is entitled to do so because of the occurrence of a change in status event, he/she must, within the time frame required by the Farm Credit Foundations Flexible Benefits Plan, notify Farm Credit Foundations of his/her desire to change an election and specify the change in status event triggering the right to change the election at that time.

(5) If, after such notification, the Employee, Retiree, or Disabled Person (or the Dependent of such individual) is not permitted to enroll in the plan(s), discontinue coverage under the plan(s), or change an election under the Farm Credit Foundations Flexible Benefit Plan, as applicable, he/she may file a claim pursuant to the procedures set forth below.

(6) Responsibility for the initial handling of claims, as well as the initial appeal from the denial of any such claims, has been delegated to a “Claims Reviewer.” The Trust Committee will then adjudicate any further appeal from the Claims Reviewer’s denial of a claim under these procedures.

(7) For purposes of these procedures, the Trust Committee has appointed Farm Credit Foundations to serve as the “Claims Reviewer.”
(D) Procedures

(1) **Form of Claims.** Claims requesting the right to: (i) participate in, or become covered under, one or more of the Plans; (ii) discontinue coverage under one or more of the Plans; and/or (iii) change an election under the Farm Credit Foundations Flexible Benefits Plan must be submitted in writing by the claimant (or his/her duly authorized representative) and must include the following information:

(a) The nature of the claim (i.e., appeal of eligibility denial);

(b) The name of the plan(s) under which the claim is being made;

(c) The name of the individual(s) claiming eligibility and the relationship of such individual(s) to the actual plan participant; and

(d) An explanation of why such individual(s) believes he/she is eligible to participate in, or become covered under, the plan(s) in question.

**Note 1:** A claim will be considered to have been submitted under these procedures only if it is in writing and contains all the information set forth in this Paragraph 1. Casual inquiries will not be considered a “claim” under these procedures.

**Note 2:** Claims may be submitted via mail/express delivery or electronically to the street/e-mail address below. If the claim is submitted via e-mail, the claimant should include in the subject line a statement describing the nature of the claim (e.g., “Claim for Eligibility under Medical Plan”):

Farm Credit Foundations Welfare Benefit Plan Claims Reviewer

c/o Farm Credit Foundations

30 East 7th Street, Suite 3000

St. Paul, MN 55101

OR

Benefits@farmcreditfoundations.com

(2) **Decision by Claims Reviewer.** The Claims Reviewer shall issue its decision on a claim for eligibility, which is submitted in accordance with Paragraph 1 above, within ninety (90) days after receipt of the claim. If the Claims Reviewer, in its sole discretion, determines that the claim information is incomplete, the Claims Reviewer may request any additional information necessary to finalize the claim. The 90-day time limit shall be tolled – i.e., will temporarily stop running – during the pendency of any information request. If the claim is denied in whole or in part, the Claims Reviewer shall issue its decision in writing, and include specific reasons for the decision and specific references to the plan provisions on which the decision is based.
(3) **Appeal of Claims Reviewer’s Decision to the Trust Committee.** A claimant whose claim has been denied in whole or in part by the Claims Reviewer may appeal to the Trust Committee for a full review of the denied claim. The claimant must submit to the Trust Committee, in writing, any and all information necessary to evaluate the claim – including references to the specific terms of the plan and any applicable provisions of the Internal Revenue Code, Treasury Regulations, or other law – relating to the denial of the claim. Such submission must be made within sixty (60) days of the Claims Reviewer’s denial of the claim. If the claim information is incomplete, the Trust Committee may request any additional information that it deems necessary to finalize the claim. In pursuing this stage of the appeal, the claimant is entitled to review pertinent documents and submit any issues and/or comments in writing.

Appeals to the Trust Committee should be sent exclusively via mail/express delivery. (No electronic submissions.) The following address should be used:

Farm Credit Foundations Trust Committee  
c/o Farm Credit Foundations  
30 East 7th Street, Suite 3000  
St. Paul, MN 55101

(4) **Decision on Review by the Trust Committee.** A decision ordinarily will be made by the Trust Committee, in writing, no more than 180 days after receipt of the request for review. If the Trust Committee, in its sole discretion, determines that the claim information is incomplete, the Trust Committee may request any additional information necessary to finalize the claim. The 180-day time limit shall be tolled during the pendency of any information request. If the claim is denied in whole or in part, the Trust Committee shall issue its decision in writing, and include specific reasons for the decision and specific references to the plan provisions on which the decision is based.

(5) **Litigation of Claim.** Prior to initiating legal action concerning a claim in any court – state or federal – against a plan, any trust used in conjunction with the plan, the Employer, and/or the Plan Administrator, a claimant must first exhaust the administrative remedies set forth in these procedures. Failure to exhaust the administrative remedies set forth in these procedures shall serve as a bar to any civil action concerning any claim for eligibility under the plan. If the Plan Administrator, acting pursuant to the claims procedures set forth herein, makes a final written determination denying a claim, the claimant, to preserve the claim, must file an action with respect to the denied claim no more than 180 days following the date of the Plan Administrator’s final determination.