

# Your Letterhead

## Risk Memorandum Discrimination Testing

To: William Jones  
XYZ Service Company  
124 Main Street  
Raleigh, NC 27601

From: Carlton Harker

Re: Discrimination Testing: Health Care Plan of XYZ Service Company

Date: April 23, 2010

The following Risk/Actuarial Work-Products are attached: (a) Discrimination Appraisal, (b) Discrimination Testing – Common Database and (c) Discrimination Testing – Medical Reimbursement Plan (Two versions: Single Employer and Multiple Employer)..

### **Discrimination Appraisal**

This Work-Product offers the following: (a) an Appraisal of general plan-related discrimination issues (prohibited class, protected class, PPACA and federal mandates, etc.) and optional with the Engager (b) an analysis of Eligibility Tests to assess the reasonableness of aggregating (or disaggregating) plan benefits.

### **Discrimination – Common Database**

This Work-Product uses a specially-constructed Database from which any and all discrimination tests may be made (medical reimbursement, cafeteria or dependent child reimbursement plan).

### **Discrimination Testing – Medical Reimbursement Plan**

This Work-Product is available in two forms: (a) single employer and (b) multiple employer. It is limited to the medical reimbursement plan. It provides the data required for those plans that fail the discrimination test.