Hello - I just wanted to provide my comments on the Request for Coverage Determination form that's been proposed...

Personally, I do think this form will probably make things easier for those working at the PBGC. And it will probably make things clearer and easier for those on the other end who are requesting coverage determination. So, that is a good thing.

Unfortunately, I don't think this form does anything to solve the main problem - which is, it's impossible for many plan sponsors to know if their plan is covered without asking the PBGC to make a determination.

I would propose either dropping the professional service exemption (meaning all plans under 26 actives are covered except for special cases like owner only, owner-spouse only, etc.) or extending the exemption to all plans under 26 actives. This would make things significantly easier for everyone involved (PBGC, actuaries, plan sponsors), and it would ensure that more plans are actually in compliance with regard to their coverage status. Plus, I'm not sure I've ever heard a sensible point made for why there should still be a professional service exemption in place.

I understand that such a change is not quite as simple as creating this form, because the Code would have to be amended. And I understand that recommending Code changes is not what is being sought at this moment. However, given that this form has to do with coverage determination requests and that comments are being sought, I just wanted to take a moment to share my opinion on the matter. And if this could get shared with anyone who might have the ability to get a ball rolling on changing this in the Code (a long-shot, I know) - or at least getting a discussion started - that would be very much appreciated.

Thanks for reading,
Matt