**Health Insurance Marketplace Notice**

Beginning January 1, 2014, there will be a new way to buy health insurance through the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment based health coverage offered by (Insert Company Name).

**What is the Health Insurance Marketplace?**

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away.

**Can I Save Money on my Health Insurance Premiums in the Marketplace?**

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

**Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?**

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution -as well as your employee contribution to employer-offered coverage- is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

**How Can I Get More Information?**

For more information about your coverage offered by your employer, please check your summary plan description or contact our Benefits Department at (Insert Phone Number). The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit www.HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

**Information about Health Coverage Offered by (Insert Company Name)**

This section contains information about any health coverage offered by your employer. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information.

**Employer Name**:

**Employer Identification Number**:

**Employer Address**:

**Employer Phone Number**:

**Benefits Number**:

**Basic Information about health coverage offered by this employer:**

You are not eligible for health insurance coverage through this employer. You and your family may be able to obtain health coverage through the Marketplace, with a new kind of tax credit that lowers your monthly premiums and with assistance for out-of-pocket costs.

**Affordable Care Act Frequently Asked Questions**

**Q: When do I have to be covered?**

A: January 1, 2014

**Q: How will I get this coverage?**

A: There are many ways to meet what the law calls the “individual responsibility” requirement. You can accept coverage provided by your employer, purchase a policy on your own, buy a plan through a public exchange, or get coverage through Medicare, Medicaid or through other types of governmental programs.

**Q: What are these exchanges I keep hearing about?**  
A: The public exchanges or “Health Insurance Marketplaces” are competitive marketplaces that will offer a variety of plans administered by private insurance companies. Exchanges are open to individuals and small businesses to purchase coverage. The exchanges will be a resource for employers who may not have access to affordable health insurance through their employer.

There will be multiple ways an individual can access an exchange: a website where you can learn about various insurance plans and select one that will help you meet the individual mandate; a phone option; and “navigators” within your community that can provide assistance in filing the necessary paperwork. Visit [www.healthcare.gov](http://www.healthcare.gov) for information.

**Q: Do all employers have to offer health insurance, or just big businesses?**

A: Beginning in 2015, businesses with 50 or more full-time equivalent employees are required to either offer minimum essential coverage to their full-time employees and their dependents or face possible penalties. Smaller businesses have the option of offering coverage, of course, just as they always have.

**Q: I only work part-time. Is my employer required to offer me coverage?**  
A: No. The law doesn’t require any employer to offer part-time employees health coverage, though some may do so voluntarily. The law defines part-time as anyone who averages under 30 hours per week.

**Q: Is health insurance going to be free?**  
A: No, this is a common misconception. While starting in 2015 many employers will be required to offer full-time employees (and their dependents) the option of enrolling in coverage, in most cases employees will be required to cover a share of the costs. You may also be eligible for coverage through your state’s exchange or Health Insurance Marketplace, but that option may also require individuals to pay a share. Go to [www.healthcare.gov](http://www.healthcare.gov) to learn more.

**Q: How much is it going to cost me?**  
A: This is probably the most complex answer. The simple answer is that some “large” employers – defined under the law at those with 50 or more full-time equivalent employees – are required to offer “affordable” health care coverage to their full-time employees (and their dependents) in 2015. That is defined as costing you no more 9.5 percent of your family income for single-only coverage. Some employers may do better, but figure that 9.5 percent is the most the plan can cost you for single coverage. If your employer offers you coverage that costs more than that, your employer could face penalties if you qualify for federal tax subsidies to buy coverage on the exchanges, but you’ll still likely have to pay a share for exchange coverage.

If you get your coverage through an exchange, all the costs aren’t known yet. Exchanges began announcing this summer which private health care plans they have approved for sale to individuals and small businesses for 2014. This will include information on the price tag for each plan.

**Q: How is the government going to know I have if I have coverage or not?**

A: Starting in 2014, you’ll be required to state on your federal tax return that you have health care coverage and identify the source. If your employer is large enough, your employer will have to file separate paperwork to declare whether they offered you coverage and whether you accepted or rejected the offer.

**Q: So what happens if I just don’t get coverage?**  
A: In 2015, the penalty goes up to $325 per adult and $162.50 per child with a maximum of up to $975 for a family, or 2 percent of family income, whichever is greater. In 2016, the penalty will be $695 per adult and $347.50 per child with a maximum of $2,085 for a family, or 2.5 percent of family income, whichever is greater.

**Q: What’s this tax credit I’ve heard about?**  
A: For people with incomes between 100 percent and 400 percent of the federal poverty level that do not have access to an offer of affordable coverage through their jobs, the law offers a subsidy in the form of a “premium tax credit” that can be used to help pay for the purchase of insurance on the exchange. The exchanges will play a central role in determining if individuals are eligible to obtain the premium tax credit. Some individuals may also be eligible for “cost-sharing reductions” to help limit out-of-pocket costs for such costs as deductibles and co-pays. These government subsidies are for such costs as deductibles and co-pays. These government subsidies are for people who buy health plans on exchanges. Once an exchange determines an employee is eligible for a premium tax credit, the government will pay the tax credit amount directly to the health plan.