



# New Health Insurance Marketplace Coverage Options and Your Health Coverage

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## PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: 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 your employer.

### 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. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

### 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.<sup>1</sup>

**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 [Vicki Long at 316-322-3152](mailto:Vicki.Long@316-322-3152).

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit [HealthCare.gov](http://HealthCare.gov) for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

<sup>1</sup> An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.

## PART B: Information About Health Coverage Offered by Your Employer

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. This information is numbered to correspond to the Marketplace application.

3. Employer name Butler Community College		4. Employer Identification Number (EIN) 48-0690383	
5. Employer address 901 S Haverhill Rd.		6. Employer phone number 316-322-3152	
7. City El Dorado	8. State KS	9. ZIP code 67042	
10. Who can we contact about employee health coverage at this job? Vicki Long			
11. Phone number (if different from above)		12. Email address vlong@butlercc.edu	

Here is some basic information about health coverage offered by this employer:

- As your employer, we offer a health plan to:
    - All employees.
    - Some employees. Eligible employees are:  
All active, full-time employees working 30 or more hours per week.
  - With respect to dependents:
    - We do offer coverage. Eligible dependents are:  
Your spouse and dependents up to age 26.
    - We do not offer coverage.
  - If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.
- \*\* Even if your employer intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If, for example, your wages vary from week to week (perhaps you are an hourly employee or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, [HealthCare.gov](http://HealthCare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](http://HealthCare.gov) to find out if you can get a tax credit to lower your monthly premiums.

The information below corresponds to the Marketplace Employer Coverage Tool. Completing this section is optional for employers, but will help ensure employees understand their coverage choices.

13. **Is the employee currently eligible for coverage offered by this employer, or will the employee be eligible in the next 3 months?**

**Yes** (Continue)

13a. If the employee is not eligible today, including as a result of a waiting or probationary period, when is the employee eligible for coverage? \_\_\_\_\_ (mm/dd/yyyy) (Continue)

**No** (STOP and return this form to employee)

14. Does the employer offer a health plan that meets the minimum value standard\*?

Yes (Go to question 15)  No (STOP and return form to employee)

15. For the lowest-cost plan that meets the minimum value standard\* offered **only to the employee** (don't include family plans): If the employer has wellness programs, provide the premium that the employee would pay if he/ she received the maximum discount for any tobacco cessation programs, and didn't receive any other discounts based on wellness programs.

a. How much would the employee have to pay in premiums for this plan? \$ \_\_\_\_\_

b. How often?  Weekly  Every 2 weeks  Twice a month  Monthly  Quarterly  Yearly

If the plan year will end soon and you know that the health plans offered will change, go to question 16. If you don't know, STOP and return form to employee.

16. What change will the employer make for the new plan year?

Employer won't offer health coverage

Employer will start offering health coverage to employees or change the premium for the lowest-cost plan available only to the employee that meets the minimum value standard.\* (Premium should reflect the discount for wellness programs. See question 15.)

a. How much will the employee have to pay in premiums for that plan? \$ \_\_\_\_\_

b. How often?  Weekly  Every 2 weeks  Twice a month  Monthly  Quarterly  Yearly

Date of change (mm/dd/yyyy): \_\_\_\_\_

\* An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs (Section 36B(c)(2)(C)(ii) of the Internal Revenue Code of 1986)



## Frequently Asked Questions for Employees about the New Health Insurance Marketplace

**1. Q: What is the “Exchange” or “Marketplace” that I’ve been hearing about?**

A: The Exchange/Marketplace is a new health insurance marketplace in each state. The Marketplaces are established under the Healthcare Reform Act that was passed in 2010. The Marketplace is an on-line site where individuals and smaller employers may go to purchase health insurance coverage for 2014.

**2. Q: Why is the Marketplace being established?**

A: Under federal law, beginning January 1, 2014 individuals will be required to have minimum essential health coverage, or else be subject to a penalty. This is referred to as the “individual mandate.” The Marketplace is intended to help individuals meet the individual mandate requirement by providing another place to purchase coverage, and possibly qualify for federal assistance to do so.

**3. Q: Do I have to purchase health coverage through the Marketplace?**

A: No. You may still obtain health coverage from other sources if you are eligible. To avoid the individual mandate penalty, you will want to confirm that the coverage you obtain provides “minimum essential coverage” under the rules.

**4. Q: What are some possible other sources of coverage?**

A: Your employer, your spouse’s employer, Medicare (if eligible in your state), the individual market, etc.

**5. Q: What if I am covered under my employer’s plan? Can I keep it?**

A: Yes. Most employer plans will qualify as the coverage required under the individual mandate requirements. You do not need to purchase coverage through the Marketplace in order to avoid the individual mandate penalty. You may, if you would like, however.

**6. Q: Can I drop myself or my dependents from my group plan to purchase a plan through the Marketplace or outside of the Marketplace?**

A: Maybe yes. Maybe no. Employers and Marketplaces have very specific rules around enrollment and disenrollment. In general, both have an annual open enrollment period (which will usually be different) and permit special enrollments during the year based on events such as marriage or birth of a child. Although these rules are similar, they are not identical. In addition, determining when you can change an election outside the annual open enrollment period will be determined by IRS regulations and the terms of the group health plan. Generally, employees may not change an election unless the employee experiences a change in status permitted by the IRS and allowed by the group health plan.

**7. Q: How do I know if I qualify for assistance to purchase my coverage through the Marketplace?**

A: Individuals who are not offered qualifying healthcare coverage through their employer may be eligible for government subsidies to help pay for health insurance premiums for plans purchased in the Marketplaces (based on income level and how many dependents you have). Generally, household income must be below 400% of the federal poverty level (which in 2013 is about \$46,000 for an individual, or about \$78,000 for a family of three), in addition to some other rules, in order to qualify. Whether you qualify will depend on what kind of coverage your employer offers. If your job-based coverage is considered affordable and meets minimum value requirements, you won't be able to get lower costs on premiums or out-of-pocket costs in the Marketplace. This is true no matter what your income and family size are. As state Marketplace sites are launched over the next months, you will be able to get details about a possible subsidy.

**8. Q: Will my employer subsidize my health coverage if I purchase it through the Marketplace?**

A: Employers are not required to help you pay for coverage that you purchase through the Marketplace. With most employer-provided plans, the employer pays a portion of the premium cost. You should consider this when making decisions about where to obtain your health coverage.

**9. Q: Will I be able to see my same doctor if I purchase coverage through the Marketplace instead of at work?**

A: Maybe yes. Maybe no. Insurance purchased through the Marketplace may have different provider networks.

**10. Q: When will the Marketplace in my state be open for business?**

A: Open enrollment in the Marketplaces is scheduled to begin October 1, 2013, with coverage to generally become effective January 1, 2014. Please refer to the Marketplace in your state for further information.

**11. Q: Do I have to enroll by January 1, 2014 in order to get coverage through the Marketplace?**

A: No. In this first year of Marketplace coverage, you may enroll until March 31, 2014. But if you enroll after December 15<sup>th</sup> of this year, your coverage will have an effective date that is later than January 1, 2014. To avoid not having coverage beginning January 1, 2014, and potentially incurring a penalty, you should enroll by December 15, 2013 if you wish to satisfy the individual mandate with coverage obtained through the Marketplace.

**12. Q: Will my employer's health benefits program be available for purchase through the Marketplace?**

A: Possibly, if your employer is considered to be a small employer under the rules, and has chosen to purchase its program for employees through the Marketplace. Generally, employers with over 100 employees, or in some states 50 employees, may not purchase their programs for employees through the Marketplace yet. Employers of any size may offer coverage through regular channels, however, just as they do today.

*The intent of this analysis is to provide general information regarding the provisions of current healthcare reform legislation and regulation. It does not necessarily fully address all your organization's specific issues. It should not be construed as, nor is it intended to provide, legal advice. You should contact your tax advisor or an attorney who specializes in this practice area should address questions regarding specific issues.*

## Marketplace Website for Each State\*

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Alabama	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Alaska	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Arizona	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Arkansas	<a href="http://www.hbe.arkansas.gov/">http://www.hbe.arkansas.gov/</a>
California	<a href="http://coveredca.com/">http://coveredca.com/</a>
Colorado	<a href="http://www.connectforhealthco.com/">http://www.connectforhealthco.com/</a>
Connecticut	<a href="http://www.accesshealthct.com/">http://www.accesshealthct.com/</a>
Delaware	<a href="http://dhss.delaware.gov/dhcc/">http://dhss.delaware.gov/dhcc/</a>
District of Columbia	<a href="http://healthreform.dc.gov/DC/Health+Reform">http://healthreform.dc.gov/DC/Health+Reform</a>
Florida	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Georgia	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Hawaii	<a href="http://www.hawaiihealthconnector.com/">http://www.hawaiihealthconnector.com/</a>
Idaho	<a href="http://www.doi.idaho.gov/HealthExchange/SBEBBlueprint.aspx">http://www.doi.idaho.gov/HealthExchange/SBEBBlueprint.aspx</a>
Illinois	<a href="http://insurance.illinois.gov/hirc/hie.asp">http://insurance.illinois.gov/hirc/hie.asp</a>
Indiana	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Iowa	<a href="http://www.insuranceinfoexchange.iowa.gov/">http://www.insuranceinfoexchange.iowa.gov/</a>
Kansas	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Kentucky	<a href="http://healthbenefitexchange.ky.gov/Pages/home.aspx">http://healthbenefitexchange.ky.gov/Pages/home.aspx</a>
Louisiana	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Maine	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Maryland	<a href="http://marylandhbe.com/">http://marylandhbe.com/</a>
Massachusetts	<a href="https://www.mahealthconnector.org/portal/site/connector">https://www.mahealthconnector.org/portal/site/connector</a>
Michigan	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Minnesota	<a href="http://www.mn.gov/hix/">http://www.mn.gov/hix/</a>
Mississippi	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Missouri	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Montana	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Nebraska	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Nevada	<a href="http://exchange.nv.gov/">http://exchange.nv.gov/</a>
New Hampshire	<a href="http://www.nh.gov/insurance/consumers/fedhealthref.htm">http://www.nh.gov/insurance/consumers/fedhealthref.htm</a>
New Jersey	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
New Mexico	<a href="http://www.nmhia.com/nmhix/">http://www.nmhia.com/nmhix/</a>
New York	<a href="http://www.healthcarereform.ny.gov/health_insurance_exchange/">http://www.healthcarereform.ny.gov/health_insurance_exchange/</a>
North Carolina	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
North Dakota	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Ohio	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Oklahoma	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Oregon	<a href="http://coveroregon.com/">http://coveroregon.com/</a>
Pennsylvania	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Rhode Island	<a href="http://www.governor.ri.gov/healthcare/message/">http://www.governor.ri.gov/healthcare/message/</a>
South Carolina	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
South Dakota	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Tennessee	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Texas	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Utah	<a href="http://www.avenueh.com/">http://www.avenueh.com/</a> <sup>1</sup>
Vermont	<a href="http://healthconnect.vermont.gov/">http://healthconnect.vermont.gov/</a>
Virginia	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Washington	<a href="http://wahbexchange.org/">http://wahbexchange.org/</a>
West Virginia	<a href="http://bewv.wvinsurance.gov/">http://bewv.wvinsurance.gov/</a>
Wisconsin	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>
Wyoming	<a href="http://marketplace.cms.gov/">http://marketplace.cms.gov/</a>

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<sup>1</sup> In Utah, the state will run the SHOP Marketplace, HHS will run the individual Marketplace.

\* The HHS Marketplace website is used for states that have defaulted to a Federally-facilitated Exchange.