

# Healthcare Reform Q&A



You have **Questions**

We have **Answers**

## New Health Insurance Marketplace Coverage Options and Your Health Coverage

### 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 you may be eligible for depends on your household income.

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

Yes. If your employer offers you health coverage 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, if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing. 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.

### **What if I'm losing job-based insurance?**

If you lose your job-based health insurance, you have two primary options for health insurance:

- Get an individual Marketplace plan. If you leave your job for any reason and lose your job-based coverage, you can choose to buy coverage from the Marketplace. This is true even if you leave your job outside the Marketplace open enrollment period of Oct. 1, 2013 to March 31, 2014. By using the Marketplace, you'll learn whether you qualify for lower costs on your monthly premiums on private insurance or if you will qualify for lower out-of-pocket costs. Through the Marketplace you'll also learn whether you qualify for free or low-cost coverage from Medicaid or the Children's Health Insurance Program (CHIP).
- Get COBRA coverage. You may be able to keep your job-based plan through COBRA continuation coverage. COBRA is a federal law that may let you pay to keep yourself and your family on your employee health insurance for a limited time (usually 18 months) after your employment ends or you otherwise lose coverage. It is important to note that not all health plan participants are entitled to COBRA coverage when they lose coverage. If you are eligible for COBRA and you buy COBRA continuation coverage, you won't be able to get any of the lower costs on premiums and out-of-pocket costs that people may get using the Marketplace. You'd also have to pay the full monthly premium, including any part of the premium that your employer had contributed.

### **What if I currently have COBRA coverage?**

If you have COBRA continuation health coverage, you keep it—or you can decide to buy a Marketplace insurance plan instead at any time starting Jan. 1, 2014.

Losing your COBRA coverage qualifies you to buy health insurance in the Marketplace, even if it's not during open enrollment. This is true whether the coverage runs out or you choose to end it. At any time during the year you can visit the Marketplace to find out what your options are, compare plans and enroll.

### **How Can I Get More Information?**

For more information about your coverage offered by your employer, please check your Summary Plan Description or contact [Kelly Kobistek](#).

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

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<sup>1</sup> An employer-sponsored 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 Key Environmental, Inc.		4. Employer Identification Number (EIN) 25-1758570	
5. Employer address 200 Third Avenue		6. Employer phone number 412-279-3363	
7. City Carnegie	8. State PA	9. ZIP code 15106	
10. Who can we contact at this job? Kelly Kobistek, Admin. & Financial Manager			
11. Phone number (if different from above) 412-428-9432		12. Email address kkobistek@keyenvir.com	

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

- As your employer, we offer a health plan to:

☐ All employees.

☒ Full-time employees and part-time employees who work at least 25 hours per week are eligible for coverage.

- With respect to dependents:

☒ We do offer coverage. Eligible dependents are: Spouse and Children

☐ 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](https://www.healthcare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](https://www.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)

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**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)

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**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? \$ N/A

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

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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.

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**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)