Healthcare Reform Q&A

You have Questions
We have Answers

Health Insurance Marketplace Coverage Options and Your Health Coverage

Part A: General Information
Since key parts of the health care law took effect in early 2014, there has been 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.

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.

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 beginning October 1st. 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.

If I sign up for COBRA continuation coverage, can I switch to coverage in the Marketplace?  What about if I choose Marketplace coverage and want to switch back to COBRA continuation coverage?

If you sign up for COBRA continuation coverage, you can switch to a Marketplace plan during a Marketplace open enrollment period. You can terminate your COBRA continuation coverage early and switch to a Marketplace plan if you have another qualifying event such as marriage or birth of a child through something called a “special enrollment period.” But be careful though - if you terminate your COBRA continuation coverage early without another qualifying event, you’ll have to wait to enroll in Marketplace coverage until the next open enrollment period, and could end up without any health coverage in the interim.

Once you’ve exhausted your COBRA continuation coverage and the coverage expires, you’ll be eligible to enroll in Marketplace coverage through a special enrollment period, even if Marketplace open enrollment has ended.

If you sign up for Marketplace coverage instead of COBRA continuation coverage, you cannot switch to COBRA continuation coverage under any circumstances.

How Can I Get More Information?

For more information about your coverage offered by your employer, please contact the Office of Human Resources at (814) 332-2312.

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. You can also call 1-800-318-2596 (TTY: 1-855-889-4325) 24 hours a day, 7 days a week.

**Note:** 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.

<table>
<thead>
<tr>
<th>Employer name</th>
<th>Allegheny College</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer address</td>
<td>520 N. Main Street</td>
</tr>
<tr>
<td>City</td>
<td>Meadville</td>
</tr>
<tr>
<td>State</td>
<td>PA</td>
</tr>
<tr>
<td>ZIP code</td>
<td>16335</td>
</tr>
<tr>
<td>Employer phone number (if different from above)</td>
<td>814–332–2312</td>
</tr>
<tr>
<td>Email address</td>
<td><a href="mailto:hr@allegheny.edu">hr@allegheny.edu</a></td>
</tr>
</tbody>
</table>

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: full-time regular faculty, administrators, and staff employees.

- With respect to dependents:
  - We do offer coverage. Eligible dependents are: spouse/partner or dependent children under the age of 26.
  - We do not offer coverage.

- If checked, this employer’s health coverage meets the minimum value standard, and the cost of the coverage to you is intended to be affordable, based on employee wages.

**Note:** 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.