



## City of Middletown

RISK MANAGER

245 DeKoven Drive Middletown, CT 06457

TEL: (860) 638-4825 FAX: (860) 638-1920

September 16, 2013

Dear City of Middletown Employee:

Enclosed is a notice regarding the new Federal Health Insurance Marketplace or "Exchange". **This notice is for your information only – no action is required on your part.**

The Affordable Care Act (federal health care reform) requires most employers, including the City of Middletown, to send this notice to all employees even if you are currently receiving or eligible to receive coverage under the City's group health plan.

The purpose of this notice is to make you aware of the availability of alternative health coverage through the new Health Insurance Marketplace and services available to you

The City will continue to offer its own health coverage as well. If you currently have health coverage through the City's group health plan, nothing will change. Your coverage is not being terminated or replaced. The notice is intended to inform you about the existence of the Marketplace, their services and the health coverage offered by the City.

Should you have any questions, or concerns regarding this notice, please do not hesitate to contact the Office of the General Counsel, Risk Management Division, at 860-638-4825

Sincerely,

  
Dawn M. Warner  
Risk Manager

/dmw

cc : Connie Shakin, Insurance/Benefits Coordinator, Office of the General Counsel, Risk Management Division



# New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved  
OMB No. 1210-0149  
(expires 11-30-2013)

## 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?

If you currently have health coverage through the City's group health plan, for more information about your coverage offered by your employer, please check your summary plan description by going to the City's website:

[www.cityofmiddletown.com](http://www.cityofmiddletown.com) (go to Department Risk Manager), click on link "Employee and Retiree Health Benefits," then Aetna Summary of Benefits, including Express Scripts/Medco Prescription Drug.

Or by phone contact:

[Aetna Member Services at 1-888-496-3389](tel:1-888-496-3389)

[Express Scripts Member Services at 1-800-413-7516](tel:1-800-413-7516)

To All Employees—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-1: Information About Health Coverage Offered by Your Employer - APPLIES TO EMPLOYEES WHO CURRENTLY HAVE COVERAGE OR ARE ELIGIBLE FOR COVERAGE THROUGH THE CITY'S GROUP HEALTH PLAN

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 City of Middletown		4 Employer Identification Number (EIN) 06-6001872	
5. Employer address 245 DeKoven Drive		6. Employer phone number 860-638-4825	
7 City Middletown	8 State CT	9. ZIP code 06457	
10. Who can we contact about employee health coverage at this job? Office of the General Counsel, Risk Management Division			
11. Phone number (if different from above)		12. Email address dawn.warner@middletownct.gov	

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

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

All employees. Eligible employees are:

Some employees. Eligible employees are:

All permanent full-time or permanent part-time employees as defined by Collective Bargaining Agreement

- With respect to dependents:

We do offer coverage. Eligible dependents are:

Legal spouses and children 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 will guide you through the process. Here is the employer information you'll enter when you visit HealthCare.gov to find out if you can get a tax credit to lower your monthly premiums.

## PART B-2: Information About Health Coverage Offered by Your Employer - APPLIES TO EMPLOYEES WHO ARE NOT ELIGIBLE FOR HEALTH INSURANCE COVERAGE THROUGH EMPLOYER, CITY OF MIDDLETOWN

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.

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11 Phone number (if different from above)		12 Email address dawn.warner@middletownct.gov	

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.