



September 26, 2013

TO: All City and Court Employees

RE: *New Health Insurance Marketplace Coverage Options and Your Health Coverage*

Please note that this correspondence has nothing to do with the City's open enrollment process for group coverages that occurs in November.

As you may have heard in the news, the Affordable Care Act, also known as Health Care Reform, will begin accepting applications for individual health insurance coverage from October 1, 2013 through March 31, 2014 through on-line State or Federal "Marketplace" Exchanges.

As an employer intending to continue to offer health insurance coverage to certain eligible employees, the City is required to provide employees with the attached "Notice of Exchange" form, which provides required basic employer and plan information. The Notice of Exchange form may be required along with other personal information, if you choose to enroll for individual coverage through the Exchange.

You will find information on the reverse side of this correspondence that defines **employee eligibility requirements for the City's group medical insurance**. This information is located on page 37 of the medical plan document, which is located online at <http://www.bgohio.org/departments/personnel-department/files/PlanDoc2013.pdf>.

If you get health insurance coverage in the Marketplace, you may be able to get lower costs on monthly premiums, and therefore lower the costs of your coverage. If you qualify, these lower costs are accomplished with a tax credit called the Advance Premium Tax Credit. The tax credit can be applied directly to monthly premiums, so you obtain the lower costs immediately.

The amount you may save depends on your family size and how much money your family earns. In general, the lower your income, the higher your Advance Premium Tax Credit could be.

Because the City offers group health/medical coverage that meets certain standards, you may not qualify for a tax credit through the Exchange Marketplace; therefore, you may want to enroll in the City's sponsored group health/medical plan instead. As previously noted, eligibility information regarding the City's group medical plan is provided on the reverse side of this correspondence. Also, if you purchase a health plan through the Marketplace instead of enrolling in the City's group health coverage, you will lose the employer premium contribution to the City-offered group health plan. The availability of coverage through the Marketplace does not affect an employee's eligibility for coverage through the City's health plan.

For more information, please refer to the attached Exchange Notice and contact <https://www.healthcare.gov>, or you may contact me at 419-354-6202 or BFord@bgohio.org.


Barbara A. Ford
Personnel Director

Page 37 from the City's group health plan document that is available online at <http://www.bgohio.org/departments/personnel-department/files/PlanDoc2013.pdf>. This page is provided in order that you can review employee eligibility for group medical insurance.

ELIGIBILITY, ENROLLMENT AND EFFECTIVE DATE

This section identifies the *Plan's* requirements for a person to participate in the *Plan*.

EMPLOYEE ELIGIBILITY

All *full-time employees* regularly scheduled to work at least forty (40) hours per week shall be eligible to enroll for coverage under this *Plan*.

All non-temporary *part-time* salaried or exempt *employees* shall be eligible to enroll for coverage under this *Plan* if their salary is based on 50% of the salary for a *full-time* hire into the same or similar position. All non-temporary *part-time* hourly *employees* who are hired to work a minimum of 1,250 hours per calendar year shall be eligible to enroll for coverage under this *Plan*. This does not include temporary or seasonal *employees*.

Full-time employees are eligible to enroll for medical, prescription drug and dental benefits. Non-temporary *part-time employees* are eligible to enroll for medical and prescription benefits only.

EMPLOYEE ENROLLMENT

An *employee* must file a written application with the *employer* for coverage hereunder for himself within thirty-one (31) days of becoming eligible for coverage. The *employee* shall have the responsibility of timely forwarding to the *employer* all applications for enrollment hereunder.

EMPLOYEE(S) EFFECTIVE DATE

Eligible *employees*, as described in *Employee Eligibility*, are covered under the *Plan* on the first day of the month following date of hire, provided the *employee* has enrolled for coverage as described in *Employee Enrollment*.

DEPENDENT ELIGIBILITY

You may enroll yourself alone or you and your eligible *dependent(s)*. An eligible *dependent* includes:

- Your lawful spouse (marriage between a man and a woman), provided you are not legally separated;
- Your natural children, adopted children, children *placed for adoption* with you, stepchildren or legal wards from birth to age 26
- A child who is unmarried, incapable of self-sustaining employment and dependent upon the employee for support due to a mental and/or physical disability, and who was covered under the *Plan* prior to reaching age 26 or due to other loss of dependent's eligibility and who lives with the employee, will remain eligible for coverage under this *Plan* beyond the date coverage would otherwise be lost.

Proof of incapacitation must be provided within thirty-one (31) days of the child's loss of eligibility and thereafter as requested by the employer or claims processor, but not more than once every two (2) years. Eligibility may not be continued beyond the earliest of the following:

- a. Cessation of the mental and/or physical disability;
- b. Failure to furnish any required proof of mental and/or physical disability or to submit to any required examination.

New Health Insurance Marketplace Coverage Options and Your Health Coverage

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.

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 Jan. 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 (the City of Bowling Green) that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in the City'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 single medical plan from your employer that would cover only you and not any other members of your family, is more than 9.5 percent 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. (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.)

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by the City of Bowling Green, then you will lose the employer contribution to the employer-offered coverage. Also, please note that the 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 will be made on an after-tax basis.

How Can I Get More Information?

For more information about the medical coverage offered by the City of Bowling Green, please check the summary plan description which is available online at <http://www.bgohio.org/departments/personnel-department/files/BowlingGreenSBC2012.pdf> or contact Personnel Director Barbara Ford at 419-354-6202 or at BFord@bgohio.org. Additionally, eligibility requirements for the City's group medical plan are located on page 37 of the plan document that is available online at <http://www.bgohio.org/departments/personnel-department/files/PlanDoc2013.pdf>.

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, as well as an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.