



November 16, 2016

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 attached to this correspondence that defines **employee eligibility requirements for the City's group medical insurance**. This information is located on page 2 of the medical plan document, which is located online at <http://www.bgohio.org/wp-content/uploads/2014/06/COC-Book-2016-Bowling-Green-Current-FINAL.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

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/wp-content/uploads/2014/06/SBC-BOWLING-GREEN-Current-Benefits-FINAL-1-1-16-2.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 2 of the plan document that is available online at <http://www.bgohio.org/wp-content/uploads/2014/06/COC-Book-2016-Bowling-Green-Current-FINAL.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.

When Your Coverage Begins

Who Is Eligible

How and When to Enroll

When Your Coverage Begins

Throughout this section you will find information on who can be covered under the plan, how to enroll and what to do when there is a change in your life that affects coverage. In this section, “you” means the employee.

Who Is Eligible

Employees

To be covered by this plan, the following requirements must be met:

- You will need to be in an “eligible class,” as defined below; and
- You will need to meet the “eligibility date criteria” described below.

Determining if You Are in an Eligible Class

You are in an eligible class if:

- You are a regular full-time employee.
- For the purposes of employee eligibility for coverage under this group medical Plan, the minimum hourly requirement shall be defined as being scheduled to work at least one hundred thirty (130) hours per month and must have worked an average of at least one hundred thirty (130) hours per month in the twelve (12) month look-back period as measured by the employer pursuant to the PPACA.
- All full-time employees and all non-temporary and non-seasonal part-time employees, whether salaried, hourly, or exempt, shall be offered coverage under this Plan if the employee meets the minimum hourly requirement (i.e. scheduled to work at least an average of one hundred thirty (130) hours per month).
- All non-temporary and non-seasonal part-time salaried or exempt employees who do not meet the minimum hourly requirement (previously defined as 130 hours per month), shall be offered coverage under this Plan if their salary is based on a salary of 20 hours or more per pay week, but less than 130 hours per month.
- All non-temporary and non-seasonal part-time hourly employees, who do not meet the minimum hourly requirement (130 hours per month) but who are hired to work a minimum of one thousand two hundred and fifty (1,250) hours per calendar year, shall be offered coverage under this medical Plan.

Determining When You Become Eligible

You become eligible for the plan on your eligibility date, which is determined as follows.

On the Effective Date of the Plan

If you are in an eligible class on the effective date of this plan, your coverage eligibility date is the effective date of the plan.

After the Effective Date of the Plan

If you are hired after the effective date of this plan, your eligibility coverage date is the first day of the month following the date of hire.

If you enter an eligible class after the effective date of this plan, your coverage eligibility date is the date you enter the eligible class.

Obtaining Coverage for Dependents

Your dependents can be covered under this Plan. You may enroll the following dependents:

- Your spouse.
- Your dependent children.

Aetna will rely upon your employer to determine whether or not a person meets the definition of a dependent for coverage under this Plan. This determination will be conclusive and binding upon all persons for the purposes of this Plan.

Coverage for Dependent Children

To be eligible for coverage, a dependent child must be under 26 years of age.

An eligible dependent child includes:

- Your biological children;
- Your stepchildren;
- Your legally adopted children;
- Your foster children, including any children placed with you for adoption;
- Any children for whom you are responsible under court order;
- Your grandchildren in your court-ordered custody; and
- Any other child with whom you have a parent-child relationship.

Coverage for a handicapped child may be continued past the age limits shown above. See *Handicapped Dependent Children* for more information.

Important Reminder

Keep in mind that you cannot receive coverage under this Plan as:

- Both an employee and a dependent, or
- A dependent of more than one employee.

How and When to Enroll

Initial Enrollment in the Plan

You will be provided with plan benefit and enrollment information when you first become eligible to enroll. You will need to enroll in a manner determined by **Aetna** and your employer. To complete the enrollment process, you will need to provide all requested information for yourself and your eligible dependents. You will also need to agree to make required contributions for any contributory coverage. Your employer will determine the amount of your plan contributions, which you will need to agree to before you can enroll. Your employer will advise you of the required amount of your contributions and will deduct your contributions from your pay. Remember plan contributions are subject to change.

You will need to enroll within 31 days of your eligibility date. Otherwise, you may be considered a Late Enrollee. If you miss the enrollment period, you will not be able to participate in the plan until the next annual enrollment period, unless you qualify under a Special Enrollment Period, as described below.

If you do not enroll for coverage when you first become eligible, but wish to do so later, your employer will provide you with information on when and how you can enroll.

Newborns are automatically covered for 31 days after birth. To continue coverage after 31 days, you will need to complete a change form and return it to your employer within the 31-day enrollment period.