

New Health Insurance Marketplace Coverage Notice

FAQ

What is this letter for?

To provide notice to all employees that there is a new way to find health insurance through the Marketplace. In California, it is called Covered California <http://www.coveredca.com/>

Why would an employee want to review the individual/family plans in the Marketplace?

For those employees who do not receive health coverage, they now have a place to obtain health insurance effective January 1, 2014, regardless of their individual or family health history. For many people this would be the first time to be able to obtain health insurance due to their medical history.

Is there a financial benefit to getting insurance through the Marketplace?

Possibly. There are 2 scenarios.

- 1) For employees who do not have any group coverage, now there is a place for them to be assured to receive health insurance. Based upon their income, they may be eligible for Federal subsidies to reduce the amount of the insurance premium.
- 2) For employees who DO have insurance through their employer, the same could apply. However, the plans offered by your company meet the Federal mandates of affordable insurance and minimum standards, so if they were to choose a plan through the Marketplace, they would lose your employer contribution and they would be paying premiums with after tax dollars. It could make sense for an employee to look at the cost of coverage for their dependents. They will have to do the research and make that comparison and decision.

Who must receive this notice letter and by when?

No later than October 1, 2013

- Full-time, part-time, and seasonal - whether or not they are eligible for or currently enrolled on the employer-sponsored plan.
- New hires (full-time and part-time) should receive a notice within 14 days of hire date.
- Notices may be distributed in a number of acceptable ways that ensure each current employee and COBRA beneficiary receives one: hand-delivery, ** first- class mail, or electronically