



**Overview of Exchange and Qualifications for Subsidy:**

Attached is the Notice of Exchanges which all employers are required to distribute to employees by October 1, 2013. It explains your option of seeking coverage through the Exchange.

The information in the attached notice is required if you decide to complete an application for coverage in the Exchange. Please note, Employers are NOT required to contribute toward the cost of coverage through the Exchange.

If you have an offer of health coverage from the Franklin Regional School District (“the District”) that meets certain standards, you will **NOT** be eligible for a subsidy. A subsidy is intended to help defray the cost of coverage through the Exchange. Without a subsidy, you would be required to pay the full cost of coverage on the Exchange.

**In order to qualify for a subsidy:**

1. You are NOT eligible for coverage through your Employer OR
2. The coverage available to you does not meet the definition of “Minimum Value”.
3. Your cost of coverage (your contribution toward the premium) does not meet the definition of “affordable “as defined by health care reform. Coverage is unaffordable if the cost of single coverage exceeds 9.5% of your W-2 Box 1 wages or your rate of pay.
4. You cannot be eligible for any government sponsored program such as Medicare, Medicaid or CHIP.
5. Your income must fall within 100% to 400% of the Federal Poverty Level per the following guidelines:

Family Size	100% of Poverty Level	200% of Poverty Level	300% of Poverty Level	400% of Poverty Level
1	\$11,170	\$22,340	\$33,501	\$44,680
2	\$15,103	\$30,260	\$45,390	\$60,520
3	\$19,090	\$38,180	\$57,270	\$76,360
4	\$23,050	\$46,100	\$69,150	\$92,200

Please note the following:

Health care coverage offered to you by the District, if eligible per the terms of your employment agreement or collective bargaining agreement, is minimum value coverage, as defined by Healthcare Reform.

Health care coverage offered to you by the District, if eligible per the terms of your employment agreement or collective bargaining agreement, is affordable, as defined by Healthcare Reform.

If you are not enrolled in a company health plan, or are not eligible, and do not have other coverage or coverage through the Exchange, you may be subject to the Individual Penalty under Health Care Reform, effective 1/1/14. That penalty is as follows:

**Penalty for non-compliance:**

- 2014 = \$95 per uninsured person or 1% of household income over the filing threshold;
- 2015 = \$235 per uninsured person or 2% of household income over the filing threshold; and
- 2016 and beyond = \$695 per uninsured person or 2.5% of household income over the filing threshold.



# 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?

For more information about your coverage offered by your employer, please check your summary plan description or contact Tina Bright 724-327-5456 x7620 tbright@franklinregional.k12.pa.us.

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: 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.

3. Employer name FRANKLIN REGIONAL SCHOOL DISTRICT		4. Employer Identification Number (EIN) 25-1117496	
5. Employer address 3210 SCHOOL ROAD		6. Employer phone number 724-327-5456	
7. City MURRYSVILLE	8. State PA	9. ZIP code 15668	
10. Who can we contact about employee health coverage at this job? TINA BRIGHT			
11. Phone number (if different from above) 724-327-5456 x7620		12. Email address tbright@franklinregional.k12.pa.us	

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:
      - Members of the Franklin Regional Education Association (FREA) who work 50% or more of a full-time schedule
      - Members of the Franklin Regional Education Support Professionals, PSEA/NEA who work six hours or more per day
      - Members of the Teamsters Local Union No. 205 who work six hours or more per day
      - Members of Act 93 and other individually contracted employees (Administration, IT, Executive Assistants, Confidential)
  - With respect to dependents:
    - We do offer coverage. Eligible dependents are:
      - Legal spouses
      - Dependent children up to age 26
      - Dependent children unable to support themselves due to disability
    - 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](https://www.healthcare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](https://www.healthcare.gov) to find out if you can get a tax credit to lower your monthly premiums.

The information below corresponds to the Marketplace Employer Coverage Tool. Completing this section is optional for employers, but will help ensure employees understand their coverage choices.

**13. Is the employee currently eligible for coverage offered by this employer, or will the employee be eligible in the next 3 months?**

**Yes** (Continue)

13a. If the employee is not eligible today, including as a result of a waiting or probationary period, when is the employee eligible for coverage? \_\_\_\_\_ (mm/dd/yyyy) (Continue)

**No** (STOP and return this form to employee)

**14. Does the employer offer a health plan that meets the minimum value standard\*?**

Yes (Go to question 15)  No (STOP and return form to employee)

**15. For the lowest-cost plan that meets the minimum value standard\* offered **only to the employee** (don't include family plans): If the employer has wellness programs, provide the premium that the employee would pay if he/ she received the maximum discount for any tobacco cessation programs, and didn't receive any other discounts based on wellness programs.**

a. How much would the employee have to pay in premiums for this plan? \$

b. How often?  Weekly  Every 2 weeks  Twice a month  Monthly  Quarterly  Yearly

If the plan year will end soon and you know that the health plans offered will change, go to question 16. If you don't know, STOP and return form to employee.

**16. What change will the employer make for the new plan year?**

Employer won't offer health coverage

Employer will start offering health coverage to employees or change the premium for the lowest-cost plan available only to the employee that meets the minimum value standard.\* (Premium should reflect the discount for wellness programs. See question 15.)

a. How much will the employee have to pay in premiums for that plan? \$

b. How often?  Weekly  Every 2 weeks  Twice a month  Monthly  Quarterly  Yearly

Date of change (mm/dd/yyyy):

\* 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 (Section 36B(c)(2)(C)(ii) of the Internal Revenue Code of 1986)