

New Health Insurance Marketplace Coverage Options and Your Health Coverage

Distribution of this notice to all employees is required under the federal Patient Protection and Affordable Care Act (sometimes referred to as “Obamacare”). This notice does not reflect any changes to employee eligibility for EUTF coverage, the terms of the EUTF plans, or the premium payments for any of the EUTF plans.

General Information

When key parts of the Patient Protection and Affordable Care Act (“Affordable Care Act”) health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace (“Marketplace”), which in Hawaii is called the Hawaii Health Connector or Hawaii Health Insurance Exchange. 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 you coverage, or offers coverage that doesn’t meet certain standards. Eligibility for premium savings depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If your employer offers you health coverage 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 health plan offered by your employer that would cover you (and not any other members of your family) is more than 9.5% of your annual household income, or if the offered coverage does not meet the “minimum value” standard set by the Affordable Care Act, you may be eligible for a tax credit.¹

Please note that 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?

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit **HealthCare.gov** or the Hawaii Health Connector at **HawaiiHealthConnector.com** for more information. You can also contact the Hawaii Health Connector by email (answers@hawaiihealthconnector.com) or telephone (877-628-5076).

For more information about coverage offered by your employer, please check your summary plan description / reference booklet on the **Hawaii Employer-Union Health Benefits Trust Fund (EUTF) website at www.eutf.hawaii.gov**. If you have any questions about this notice, you can also contact your Departmental Personnel Office.

For general information about your employee benefits, please visit www.dhrd.hawaii.gov.

¹ Please note that all of the EUTF-sponsored PPO and HMO health plans meet the “minimum value standard”, with the exception of the Supplemental Plans.