



Dear Employees,

We would like to inform you of key components of the health care law, referred to as the Affordable Care Act (ACA) or "Obamacare," which took effect on January 1, 2014.

Although we will continue to offer employment based health coverage, we must also inform you that the Affordable Care Act has created a new way for you to buy health insurance through the Health Insurance Marketplace, commonly referred to as "Exchanges." The Vermont exchange is known as Vermont Health Connect and can be found at healthconnect.vermont.gov. The Marketplace has been 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.

To assist you while evaluating options for you and your family, the following pages contain basic information about the Marketplace and our employment based health coverage should you decide to complete an application for coverage in the Marketplace.

If you have any other questions, please feel free to contact [Susan Leonard](mailto:susan.leonard@cityofburlington.com) at 802-865-7145.

Thank you,

Susan Leonard

Health Insurance Marketplace Coverage Options and Your Health Coverage

PART A: GENERAL INFORMATION

When key parts of the health care law took effect in 2014, there are now new ways 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 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 tax credit that lowers your monthly premium right away.

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.¹

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 Susan Leonard.

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

¹ 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: City of Burlington		4. Employer Identification Number (EIN): 03-6000410	
5. Employer Address: 200 Church Street, Suite 102		6. Employer Phone Number: 802-865-7145	
7. City: Burlington	8. State: Vermont	9. Zip: 05401	
10. Who can we contact about employee health coverage at this job? Susan Leonard			
11. Phone number (if different from above): 802-865-7145		12. Email address: sleonard@burlingtonvt.gov	

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:
 - With respect to dependents:
 - We do offer coverage. Eligible dependents are: Spouses and dependents
 - 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 will guide you through the process. Here's the employer information you'll enter when you visit 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 above.)

a. How much will the employee have to pay in premiums for that plan? **[insert amount]**

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

* 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)

Frequently Asked Questions

Q. What is the purpose of the Marketplace?

A. It is to allow people to shop and compare health insurance plans. Plans are called Platinum, Gold, Silver and Bronze with Platinum being the best. In general, a Platinum plan will cover 90% of medical claims, Gold 80%, Silver 70% and Bronze 60%. All plans must have these 10 essential benefits as required by the Affordable Care Act: ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care.

Q. Are the rates and benefits better than I have now?

A. It depends. Rates are based on age so they could be more or less than the plan you currently have. Benefits are similar to the benefits in most employer group plans. Depending on your income, you may qualify for premium assistance and/or benefit cost sharing assistance from the Federal Government which could lower your cost.

Q. What if I have a health plan through my employer?

A. If your employer offers a Qualified, Affordable health plan then you and your family members are not eligible for premium assistance.

Q. What is considered affordable?

A. An affordable group plan is one that doesn't cost the employee more than 9.5% of their W-2 income. This does not include the cost to add a spouse or children, only the employee cost.

Q. What is considered a qualified employer plan?

A. A qualified employer plan is one that includes all of the 10 essential benefits (see A2) set forth by the Affordable Care Act and is considered to be at least a bronze level plan.

Q. What if I don't like the City of Burlington plan? Can I still buy a plan in the Marketplace?

A. Yes, but you will not qualify for premium assistance.

Q. But I thought there was something called Obamacare that was free?

A. No, there is not. Only Medicaid is free.

Q. What if I don't have a group plan but my medical history has prevented me from buying health insurance in the past?

A. You can now buy a plan in the Marketplace and cannot be turned down or charged more due to your health or gender. Only smokers will potentially be charged more.

Q. Will my pre-existing condition be covered?

A. Yes.