



To: All New Employees

Re: Federally-Required Notice Regarding Health Insurance Marketplace Coverage Options

Date: June 8, 2016

What is this Notice?

The Affordable Care Act (“ACA” or “Health Care Reform”) requires all employers to provide their employees with the attached Marketplace Notice. The Notice provides information regarding the public health insurance Marketplaces, often referred to as “Exchanges.” Marketplaces are intended to be an online source to compare and select individual qualified Affordable Care Act health insurance plans. It is important that you, as our employee, understand how this option may affect you and your family. Health Care Reform generally requires most Americans to obtain healthcare coverage or pay a tax.

What Does this Mean for our Employees?

- We believe the majority of you will discover that the Diocesan Health Plan is the best option for health insurance. This is because full-time employees enrolled in Diocesan Health Plans contribute only a portion of the total monthly premium; with the Diocese and the participating employers paying the balance of the premium.
- If you are not eligible for an employer-sponsored or other qualified health plan which offers minimum value coverage at an affordable level, you may qualify for the federal subsidies/tax credit described in the attached notice based on your household income. If you are not eligible for an employer-sponsored health plan, you should carefully review the website at www.HealthCare.gov and explore individual health insurance options available to you through the new Marketplaces.
- As you may know, individuals are subject to the “individual mandate.” This means that if you do not have any medical coverage (either group or individual coverage) you may be subject to fines.
- The Marketplace enrollment options are available for all Americans. Therefore, all employees may consider purchasing insurance from the Marketplace or, if eligible, enroll in the Diocesan Health Plan.

- If you purchase coverage from the Marketplace, neither the Diocese nor we, as your employer, will contribute to the cost of your coverage from the Marketplace.
- Generally, the Diocesan Health Plan meets the federal standards for offering its full-time employees minimum value coverage at an affordable level. Any person eligible to participate in an employer's health plan which meets the federal standards will not be eligible to receive a subsidy.

Accessing the Marketplace Plans

You may access the plans available in the Marketplace in your state at: www.HealthCare.gov. The attached notice contains information that you will need to enroll in Marketplace coverage. For answers to questions, call the Health Insurance Marketplace at 1-800-318-2596.

Information Regarding Federal Subsidies and Plan Affordability

The ACA regulations state that if an employee is eligible for an affordable, minimum value employer sponsored health plan, the employee and any family members eligible for the employer sponsored plan are not eligible for federal subsidies, regardless of household income. We believe the Diocese Health Plan does meet the ACA definition of affordable, minimum value for all full-time employees.

What does "Affordable" mean According to ACA rules?

Generally, The ACA defines "affordable" as a health plan requiring a full-time employee to contribute no more than 9.66% of their income to participate in employee only coverage for the plan year, starting July 1, 2016.

- The Diocesan Health Plan offers full-time employees an option to elect coverage for only themselves (employee-only) which requires a monthly contribution of \$ 47.00.
- If your annual household income exceeds \$5,839.00, the Plan will be deemed affordable.
- If "affordable": You, and any family members eligible for the Diocesan Health Plan, will not be eligible for any federal subsidies if you choose to purchase individual health insurance through the Marketplace.