



## Human Resources Department

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Date: May 21, 2018

To: City of Madison Employees Who Are Not Eligible for Employer-Provided Health Insurance

From: Human Resources Department

Subject: Affordable Care Act: Employer Notice – Health Insurance Marketplace

The Affordable Care Act (ACA) became law when it was signed by President Obama on March 23, 2010. It requires that most people must have health insurance starting in 2014.

There are some exemptions from the requirement (this may not be an exhaustive list, please visit <https://www.healthcare.gov/exemptions-tool/#/> for more information): People whose health insurance costs would be greater than 8% of their income; those whose income is too low to require filing taxes; those who would have qualified for Medicare if their state did not expand the program; those who qualify for religious exemptions; those who are members of Indian tribes; those who are undocumented immigrants; people who are incarcerated.

In the absence of an exemption from the ACA requirements, fees may be assigned for people who are required to have health insurance coverage and fail to obtain it. These fees, known as the individual shared responsibility payment (sometimes referred to as the “individual mandate”, “penalty”, or “fine”) remain in force for the 2018 tax year. Visit <https://www.healthcare.gov/fees/fee-for-not-being-covered/> for more information.

*Your current City employment does not include eligibility for employer-provided health coverage.*

Detailed information on the Health Insurance Marketplace is available online at <https://www.healthcare.gov/get-coverage/#state=wisconsin> or by phone at (800) 318-2596. The Health Insurance Marketplace will provide choices of certified health plans.

**If you need this information in another language**, please visit <https://www.healthcare.gov/language-resource/> or call HealthCare.gov at (800) 318-2596.

Provided with Memo: New Health Insurance Marketplace Coverage Options and Your Health Coverage: Part A: General Information; and Part B: Information About Health Coverage Offered by Your Employer

***This information is not open enrollment information.***

***Open enrollment information will be provided to eligible employees during the annual Open Enrollment period (generally beginning the first Monday in October)***



# New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved  
OMB No. 1210-0149  
(expires 5-31-2020)

## 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 coverage offered by your employer, please check your summary plan description (available online at [etf.wi.gov](http://etf.wi.gov) and/or the health plan's website) or contact the City of Madison Human Resources Department.

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.

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<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 City of Madison, Wisconsin		4. Employer Identification Number (EIN) 39-6005507	
5. Employer address 210 Martin Luther King, Jr. Blvd. Room 501		6. Employer phone number 608-266-4615	
7. City Madison	8. State WI	9. ZIP code 53703	
10. Who can we contact at this job? Human Resources Department			
11. Phone number (if different from above) 608-266-4615 (same)		12. Email address benefits@cityofmadison.com	

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:

Active employees who are participating in the Wisconsin Retirement System (WRS), retired employees receiving an annuity from WRS and who were participants in the employer's previous group health plan, insured employees who terminate employment after age 55 (age 50 for protective service employees) and who have 20 years of creditable service under the WRS, surviving insured spouse of an insured employee or an insured retiree.

- With respect to dependents:

- We do offer coverage. Eligible dependents are:
- Spouse, children (natural children, stepchildren, adopted children and pre-adoptive placements, legal wards that become employee's permanent ward before age 19).

- 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 are 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. When you visit HealthCare.gov, you may need to enter the employer information above to find out if you can get a tax credit to lower your monthly premiums.