MASSACHUSETTS HEALTH CONNECTOR
the right place for the right plan

Overview of Health Insurance Marketplaces

THIS NOTICE IS REQUIRED BY THE NEW NATIONAL HEALTH REFORM LAW (ALSO KNOWN AS THE AFFORDABLE CARE ACT OR ACA)

This notice is meant to help you understand health insurance Marketplaces, which were set up to make it easier for consumers to compare health insurance plans and enroll in coverage. In Massachusetts, the state Marketplace is known as the Massachusetts Health Connector. Your employer is required by law (§ 1512 of the ACA, which creates 29 U.S.C. 218b) to provide you the information contained in this notice. You may or may not qualify for health insurance through the Health Connector.

If you are offered coverage by your employer that is considered "affordable" and meets a "minimum value" standard according to federal definitions (see below), you most likely will not qualify for the subsidized coverage offered through the Health Connector described in this notice. However, it may still be helpful for you to read and understand the information included here. Please ask your employer for more information if you have questions.

Overview:

When key parts of the national health reform law take effect in January 2014, there will be an easy way for many individuals and small businesses in Massachusetts to buy health insurance: the Massachusetts Health Connector. This notice provides some basic information about the Health Connector, and how coverage available through the Health Connector relates to any coverage that may be offered by your employer. You can find out more by visiting: **MAhealthconnector.org.**

What is the Massachusetts Health Connector?

The Health Connector is our state's health insurance Marketplace. It is designed to help individuals, families, and small businesses find health insurance that meets their needs and fits their budget. The Health Connector offers "one-stop shopping" to easily find and compare private health insurance options from the state's leading health and dental insurance companies. Some individuals and families may also qualify for a new kind of tax credit that lowers their monthly premium right away, as well as cost sharing reductions that can lower out-of-pocket expenses. This new tax credit is enabled by §26B of the Internal Revenue Service (IRS) Code.

Open enrollment for individuals and families to buy health insurance coverage through the Health Connector begins Oct. 1, 2013, for coverage starting as early as Jan. 1, 2014. (And in future years, open enrollment will begin every Oct. 15.) You can find out more by visiting **MAhealthconnector.org** or calling **1-877-MA ENROLL** (1-877-623-6765).

Can I qualify for federal and state assistance that reduces my health insurance premiums and out-of-pocket expenses through the Health Connector?

Depending on your income, you may qualify for federal and/or state tax credits and other subsidies that reduce your premiums and lower your out-of-pocket expenses if you shop through the Health Connector. You can find out more about the income criteria for qualifying for these subsidies by visiting **MAhealthconnector.org** or calling **1-877-MA ENROLL** (1-877-623-6765).

Does access to employer-sponsored coverage affect my eligibility for subsidized insurance through the Health Connector?

An offer of health coverage from your employer could affect your eligibility for these credits and subsidies through the Health Connector. If your income meets the eligibility criteria, you will qualify for credits and subsidies through the Health Connector if:

- Your employer does not offer coverage to you, or
- Your employer does offer you coverage, but:
  - Your employer's offer of coverage for just you (not including other family members) would require you to spend more than 9.5 percent of your household income for the year; or
  - The coverage your employer provides does not meet the "minimum value" standard set by the new national health reform law (which says that the plan offered has to cover at least 60 percent of total allowed costs).

If you purchase a health plan through the Health Connector instead of accepting health coverage offered by your employer, please note that you will lose the employer contribution *(if any)* for your health insurance. Also, please note that the amount that you and your employer contribute to your employer-sponsored health insurance is often excluded from federal and state income taxes.

EMPLOYER SECTION

1. **Employer-Sponsored Health Coverage: Does this employer offer employer-sponsored health insurance coverage that is affordable and meets a minimum value standard (according to federal standards) to at least some of its employees? Note:** *Whether a plan meets "Minimum Value" can be found on the plan's Summary of Benefits and Coverage (SBC).*

   Check one:

   ◉ Yes **If yes, and if the employee receiving this notice qualifies for such benefits, they can find out more by contacting:** _____
   (may be an HR contact, a resource, or an appendix to this document)

   ◯ No **If no, or if employee receiving notice does not qualify for such benefits,** the Health Connector can help Employees evaluate coverage options, cost and eligibility. Please visit **MAhealthconnector.org** for more information, including an online application for health insurance coverage.

2. **"Cafeteria Plan" Eligibility:** Many Massachusetts employers *(those with 11 or more full-time equivalent employees)* are required to offer a Section 125 plan, or "Cafeteria Plan." These plans allow employees to pay for their health insurance on a pre-tax basis. This Massachusetts law *(956 CMR 4.00, authorized by M.G.L. c. 176Q, §16)* requires employers to provide an option for their employees to buy health insurance with pre-tax income, even if those employees don't qualify for a health insurance plan offered by the employer. This is done by setting up a payroll deduction that lets workers make a health insurance premium payment with pre-tax dollars.

   Does this employer offer a Section 125 plan in accordance with the state requirement, if it has 11 or more full-time equivalent workers? Or does it offer such a plan, even if it is not subject to the requirement?

   Check one:

   ◯ Yes **If yes, employees can find out more by contacting or referring to:** _____
   (may be an HR contact, a resource, or an appendix to this document)

   ◯ No **If no, employees should contact their employer or visit MAhealthconnector.org for more information about health insurance options for which they might be eligible.**