

# COUNTY OF KANE

**DEPARTMENT OF HUMAN  
RESOURCE MANAGEMENT**  
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September 24, 2013

Dear Kane County Employee/Elected Official:

You may already be aware of a relatively new law called Patient Protection and Affordable Care Act (aka Obamacare). This law requires that employers provide employees with information regarding the Health Insurance Marketplace by October 1, 2013. The goal is to inform employees about their rights and about the availability of the government-run insurance purchasing market, commonly referred to as The Marketplace.

Included with this cover letter is your formal notification titled, "New Health Insurance Marketplace Coverage Options and Your Health Coverage," and a Frequently Asked Questions (FAQ) document.

The formal notification includes the required information regarding the medical insurance benefits offered to our eligible regular full-time and part-time employees and county-wide elected officials.

While we have also included a contact to answer your questions, please refer to the FAQ prior to making any calls to ask your questions.

Thank you for your attention to this communication,

Department of Human Resources Management



# New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved  
OMB No. 1210-0149  
(expires 11-30-2013)

## 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 your coverage offered by your employer, please check your summary plan description or contact Sheila McCraven.

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.

<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 County of Kane/Kane County		4. Employer Identification Number (EIN) 36-6006585	
5. Employer address 719 S. Batavia Avenue		6. Employer phone number 630-232-5932	
7. City Geneva	8. State IL	9. ZIP code 60134	
10. Who can we contact about employee health coverage at this job? Sheila McCraven or the Human Resources Department			
11. Phone number (if different from above) 630-232-3560		12. Email address mccravensheila@co.kane.il.us	

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:
    - Regular full-time employees working at least 35 hours per week, regular part-time employees working at least 21 hours per week, and active elected county-wide officials
  
- With respect to dependents:
  - We do offer coverage. Eligible dependents are:
    - Legal spouses, dependent children, dependent children of legal spouses, civil union partners
  - 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 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? \$ **\$37.34**

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 question 15.)

a. How much will the employee have to pay in premiums for that plan? \$ \_\_\_\_\_

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

Date of change (mm/dd/yyyy): \_\_\_\_\_

\* 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)

# FAQ's

## The Health Insurance Marketplace Employee Model Notification

### **Why am I receiving this notice?**

You are receiving this notice because the federal government requires all employers to provide this notice to all employees so they are informed about the soon to open Health Insurance Marketplace. The Marketplace is set to open October 1, 2013.

### **What do I have to do now that I have received this notice?**

This is not a call to action. You are not required to do anything now that you have this notice. This is simply an informational communication to make you aware of the existence of The Marketplace and how it might affect you.

### **What is "The Marketplace"?**

It is a health insurance shopping tool run by the government to help Americans search for and compare insurance options. It is the only place where those who qualify can access government subsidies to purchase insurance.

### **Am I eligible to receive premium assistance (subsidies) from the government to purchase insurance in The Marketplace?**

This is for you to determine. However, if you are eligible for medical benefits through your employer and the cost for Employee Only coverage on the lowest cost medical plan is less than 9.5% of your income, then you are generally NOT eligible for premium assistance for self-only coverage in The Marketplace.

### **Will I save money purchasing my insurance coverage through The Marketplace?**

This is for you to determine. However, keep in mind that if you are eligible for your employer's medical plan and it costs less than 9.5% of your income for single coverage of the lowest cost option, then you would more than likely have to pay 100% of the cost for insurance through The Marketplace.

### **Is my spouse eligible to purchase coverage through The Marketplace?**

All American citizens are eligible to access The Marketplace, but not all Americans will receive subsidies to purchase coverage through The Marketplace.

### **Are my children eligible to purchase coverage through The Marketplace?**

All American citizens are eligible to access The Marketplace, but not all Americans will receive subsidies to purchase coverage through The Marketplace.

### **What if I want to keep my employer-sponsored medical coverage?**

If you are eligible for employer-sponsored medical coverage, of course you may keep it. You are not required to access The Marketplace and it may not be a desirable alternative to your employer medical coverage.

### **If I choose to get coverage through The Marketplace and I subsequently decide to drop that coverage am I eligible to come back on the employer-sponsored medical plan?**

If you are eligible for employer-sponsored coverage but choose to purchase your coverage through The Marketplace but later change your mind, you may only rejoin the employer plan during open enrollment. Voluntarily choosing to drop coverage from The Marketplace is not a qualifying event.

### **What if I choose not to purchase any insurance coverage?**

It is your right to not purchase insurance. Many people may choose not to purchase insurance and they will not be penalized for that choice. Some people may be penalized on their tax returns for not having coverage. However, the penalty may be much lower in cost than purchasing insurance. For example, the penalty for not purchasing insurance for the upcoming year (2014) is \$95 for adults / \$47.50 for children or 1% of income, whichever is greater. This may be far less than the cost of purchasing insurance.