

EIGHTH DISTRICT ELECTRICAL BENEFIT FUND

P.O. Box 30101 – Salt Lake City, Utah 84130-0101
2156 West 2200 South – Salt Lake City, Utah 84119-1376
Telephone 801-973-1001
Toll Free 1-800-628-6562

DATE: September 17, 2013

TO: Contributing Employers of the Eighth District Electrical Benefit Fund (“Fund”)

RE: Employer Obligation to notify Employees Regarding Health Care Marketplace

The Affordable Care Act (“ACA”) amended the Fair Labor Standards Act (“FLSA”) to add Section 18B, which requires employers to provide Notice entitled “New Health Insurance Marketplace Coverage Options and Your Health Coverage” to current employees **no later than October 1, 2013**. In addition, employers must also provide the Notice to new employees hired after that date within 14 days of their hire. The Notice is designed to inform employees of the existence of the Marketplace (previously called the “Exchange”) and the effect of this new coverage option on their existing employment coverage.

This notification does not constitute legal advice or tax advice. Each recipient must rely solely upon their own legal and tax advisors in meeting their responsibilities under the Affordable Care Act. The notice presumes the recipient employee meets the eligibility rules of the Plan which may or may not be true. HIPAA prohibits the Plan from advising employers of an employee’s eligibility status.

To the extent that you wish to inform employees about coverage provided through the Fund, you will need information about the Fund’s contract information, eligibility rules, and “minimum value”. This letter will give you the information necessary for you to complete the Notice with respect to Fund Coverage. To the extent you also provide coverage through other sources, you will have to contact those sources for additional information.

- A fillable PDF of the model notice is available on the DOL website (<http://dol.gov/ebsa/pdf/FLSAwithplans.pdf>) and we have attached a sample of the model notice that can be used for employees who participate in the Fund.
- Part A of the Notice covers general information. There is a section on the page called “How Can I get More Information”. The Fund’s contact information may be filled in on that line. To contact the Administrative Trust Funds Office for information regarding benefits provided through the Eighth District Electrical Benefit Fund, call 1-800-628-6562 or 1-801-973-1001 and ask to speak with a representative in the Member Services Department.
- Part B, “Information About Health Coverage Offered by Your Employer”, contains information about you, the employer, and the health coverage offered to your employees. After filling in your contact information (items 3-9), you may again use the Fund’s contact information for items 10-12. To contact the Administrative Trust Funds Office for information regarding benefits provided through the Eighth District Electrical Benefit Fund, call 1-800-628-6562 or 1-801-973-1001 and ask to speak with a representative in the Member Services Department.

- Part B continues with questions about the basic health coverage available. The Fund's eligibility rules for both employees and dependents are contained in the Summary Plan Description and any subsequent Summaries of Material Modifications.
- Part B also includes a box, which states, "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". The Fund coverage does meet the minimum value standard.

Please contact the Administrative Trust Fund Office at 1-800-628-6562 or 1-801-973-1001 if you have questions regarding Fund coverage.

The Department of Labor has issued detailed instructions about the Notice and how to distribute it to employees. These instructions may be found at <http://www.dol.gov/ebsa/newsroom/tr13-02.html>.

For more information about the Notice or to find a Spanish version of the Notice, visit the Department of Labor website, <http://dol.gov/ebsa/healthreform/>.



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.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 Trust Funds Office at 1-800-628-6562 or 1-801-973-1001 and ask for a representative in the Member Services 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 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		4. Employer Identification Number (EIN)	
5. Employer address		6. Employer phone number	
7. City	8. State	9. ZIP code	
10. Who can we contact about employee health coverage at this job? The Trust Funds Office and ask to speak to a representative in the Member Services Department			
11. Phone number (if different from above) 1-800-628-6562 or 1-801-973-1001		12. Email address	

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:
The Fund's eligibility rules are contained in the Summary Plan Description and any subsequent Summaries of Material Modifications.
 - With respect to dependents:
 - We do offer coverage. Eligible dependents are:
The Fund's eligibility rules are contained in the Summary Plan Description and any subsequent Summaries of Material Modifications.
 - 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 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)

Some Suggested Text for a Letter to Employees to Accompany the Notice

VERY IMPORTANT EMPLOYER NOTICE

This packet contains a notice called “**New Health Insurance Marketplace Coverage Options and Your Health Coverage.**” The Affordable Care Act (ACA) requires that all current employees must receive it from their employer; new hires will also receive it in the future within 14 days of their hire.

The Notice is a brief overview of the new online Health Insurance Marketplaces. It will include information about shopping for coverage through the Marketplace (formerly called an Exchange). The Notice also mentions that you may be eligible for premium assistance if you purchase coverage on the Marketplace, and that, if you do purchase a plan there, you may lose your employer contribution (if any) to your plan.

If you are a participant in the Eighth District Electrical Benefit Fund’s (Fund) health coverage, you do not need to shop for different or additional insurance. Just as important, because your Fund’s health coverage is considered affordable and adequate as defined by ACA, you may not be eligible for premium assistance.

ACA requires that these notices be sent out because, starting in January 2014, most people will be required to have health insurance; if not, they will pay a penalty. This is known as the “individual mandate.” Your health insurance coverage can come from your (or your spouse’s) employment, through a policy you buy on your own, or through a government-sponsored program like Medicare or Medicaid.

Fortunately, you don’t need to take any action. Your coverage under the Fund meets the individual mandate standard, and should be a better value than Marketplace coverage.

REMEMBER: In spite of all the “noise”, you will hear about the Health Insurance Marketplace, **the bottom line is when you are eligible that the Fund’s coverage, you satisfy the “you-must-have-coverage” requirement (individual mandate).**

If you are a participant in the Fund, you may contact the Fund’s Administrative Office at 1-801-973-1001 or 1-800-628-6562. If you have questions about the information in this letter, the **New Health Insurance Marketplace Coverage Options and Your Health Coverage Notice**, the individual mandate, Marketplaces or anything else, you can also visit the Fund’s website at <https://www.8thdist.org/>.

If you are not a member of the Fund, you may contact [Employer name] at [Employer Phone Number]. You can also go to the federal government’s website dedicated to Marketplace information, www.healthcare.gov.