



Tim Keller, Mayor

City of Albuquerque

Human Resources Department

To: All City of Albuquerque Employees

From: Mark A. Saiz, Manager
Insurance & Benefits Division
Human Resources Department

Subject: Important Notice from City of Albuquerque about the Affordable Care Act, the Health Insurance Marketplace, and Our Medical Plan

THIS NOTICE IS FOR ALL EMPLOYEES

Please read this cover letter and the attached Notice carefully and keep this information where you can find it in the future. You are receiving the Notice because it is required by the Affordable Care Act (ACA), also known as Healthcare Reform.

Spanish Language Assistance: Si usted no entiende la información en este documento, por favor de ponerse en contacto con personal del departamento de Beneficios en (505) 768-3758 o visite este sitio web www.cuidadodesalud.gov.

Dear employee, what this says is that if you do not understand the information in this document, please contact the Insurance & Benefits Office at (505) 768-3758 or visit this website for healthcare reform information in Spanish.

Attached to this cover letter is a Notice called the “**New Health Insurance Marketplace Coverage Options and Your Health Coverage.**” The Notice and cover letter have information about the new Health Insurance Marketplace, open enrollment for the Health Insurance Marketplace, and let you know that you may qualify to save money on health insurance premiums in the Marketplace. This information can help you decide if you should consider enrolling in coverage through the Health Insurance Marketplace. The Health Insurance Marketplace has also been called the “Exchange.”

PLEASE NOTE: If you are covered under the medical plan (Presbyterian) offered by City of Albuquerque, YOU DO NOT NEED TO SHOP FOR INSURANCE IN THE MARKETPLACE.

If you need assistance understanding this Notice, please contact the Insurance & Benefits Division at (505) 768-3758.

THE HEALTH INSURANCE MARKETPLACE

You will see in the Notice (attached to this cover letter) that the Health Insurance Marketplace is a new place to purchase medical plan coverage.

ASSISTANCE WITH THE COST OF PREMIUMS ON THE HEALTH INSURANCE MARKETPLACE

Effective in October of 2013, individuals who apply for health insurance coverage through the Health Insurance Marketplace may qualify for financial assistance to help buy that coverage. Depending on their annual household income, certain individuals may be eligible for premium assistance (such as a premium tax credit or a cost-sharing subsidy) to help lower the amount they pay toward the monthly health insurance premiums. Individuals must apply

for the premium assistance by completing an application form through the Health Insurance Marketplace.

A few helpful points:

- An individual is not eligible for premium assistance if he or she is offered the opportunity to enroll in employer-sponsored medical plan coverage that is affordable and meets a required minimum value. If an employee is offered the opportunity to enroll in employer-sponsored medical plan coverage and they decline that employer-sponsored coverage, premium assistance may not be available to help the employee buy coverage in the Marketplace.
- Premium assistance may not be available to an individual if they make too much money to qualify for it.
- The amount of the premium assistance declines as an individual's income rises. Where an individual has received more premium assistance than they may have been eligible to receive, an adjustment will be coordinated with the IRS (meaning you may have to repay part of the premium assistance you received if your income increases during the year).
- Kaiser Family Foundation's website offers a handy premium assistance calculator if you are interested: <http://kff.org/interactive/subsidy-calculator/>

FOR MORE INFORMATION ABOUT YOUR MEDICAL PLAN OPTION UNDER OUR HEALTH PLAN

For more detailed information about the benefits offered by the City of Albuquerque, please refer to your Medical Plan Document or review the Summary of Benefits and Coverage (SBC). These documents are located on our website at www.cabq.gov/humanresources/employee-benefits or you can call the Insurance & Benefits Division for assistance. Other helpful information about the Health Insurance Marketplace can be found at www.healthcare.gov.

IF YOU CURRENTLY ARE NOT ELIGIBLE FOR COVERAGE UNDER OUR MEDICAL PLAN

We know that some employees (Temporary, Seasonal, Regular Employees scheduled to work less than 20 hours) are not eligible to enroll for coverage under our medical plan; however, we are required by law to distribute this Notice to all existing employees and all new employees. If you are not eligible to enroll for coverage under our medical plan you should take the opportunity to see if coverage under the Health Insurance Marketplace is a good option for you. If, you are not offered employer-sponsored coverage, you have the chance to qualify for premium assistance to help you buy that coverage in the Marketplace.

OTHER IMPORTANT INFORMATION

Since we are sending you a package of information about the Health Insurance Marketplace we thought this may also be a good time to provide you with some other important information.



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.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 [City of Albuquerque Insurance & Benefits Division \(505\)768-3758](tel:5057683758).

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 City of Albuquerque		4. Employer Identification Number (EIN) 85-6000102	
5. Employer address P Box 1293		6. Employer phone number 505-768-3758	
7. City Albuquerque	8. State NM	9. ZIP code 87103	
10. Who can we contact about employee health coverage at this job? Insurance and Benefits Division of Human Resources Department			
11. Phone number (if different from above) same		12. Email address Employee-benefits@cabq.gov	

Here is some basic information about health coverage offered by this employer:

- As your employer, we offer a health plan to:

All employees. Eligible employees are:

Some employees. Eligible employees are:

those that regularly work at least 20 hours each week:

- With respect to dependents:

We do offer coverage. Eligible dependents are:

a Spouse of an employee (must provide marriage certificate), Domestic Partner of an employee (must provide affidavit of Domestic Partnership) and the following categories of children of an employee of Domestic Partner who are under age 26 (must provide birth certificate): natural child, stepchild, adopted child or child placed for adoption (placed in employee's home and in process for being adopted by the employee, spouse or domestic partner), child under a Qualified Medical Child Support Order (QMCSO), child under a legal guardianship court order (court document that shows the employee, spouse or domestic partner has full, permanent custody of child). Children over age 26 may **continue** participating in the group insurance plans if they are physically or mentally handicapped and are not eligible for any other plan (this continuation is subject to normal enrollment guidelines and approved by the insurance carrier).

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](https://www.healthcare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](https://www.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 would the employee have to pay in premiums for this plan? \$ _____

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

* 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)