

# KNOW YOUR BENEFITS.

From

HCR



## Health Care Reform: Exchange Notices

On Oct. 1, 2013, after three years of development, open enrollment will begin for the new health insurance Marketplaces, also called Exchanges, created by the Affordable Care Act (ACA).

At that time, the ACA will require employers to provide employees with a written notice informing them about the new Marketplaces.

### **Who gets notified?**

Most employees should receive this notice, with limited exceptions for volunteers, certain public employees and agricultural workers. Both full-time and part-time employees must be notified, even if they already have health insurance.

Current employees must be given the notice no later than Oct. 1, 2013. New employees hired after October 1 must be given the notice within two weeks of their date of hire.

### **What's in the notice?**

The notice must include the following:

- Information about what the Marketplace is, as well as contact information and a

description of services provided by the Marketplace.

- A statement that you may be eligible for a premium tax credit to help you with premium costs if you purchase coverage through the Marketplace.
- A statement informing you that if you receive coverage through a Marketplace plan, you may lose any employer contributions to your health benefits, and that those contributions are often excluded from income for tax purposes, while Marketplace coverage payments are made on an after-tax basis.

The notice may, but does not have to, include information about your employer's health plan, if one is offered. This information can help clarify whether you will actually be eligible for Marketplace subsidies, because eligibility depends on whether your employer's plan meets certain standards related to coverage and affordability.

**By Oct. 1, 2013, employees must have received notice from their employers informing them about the new health insurance Marketplaces.**

### **How will I be notified?**

The ACA requires employers to provide the notice in writing; however, no particular method of providing the notice is specifically required (for example, by mail, hand delivery or electronically). The employer can use any of these or other methods of providing the notice, so long as each employee receives a copy free of charge.

### **What if I am eligible for COBRA coverage?**

If you lose coverage under your employer's plan, you and your family members may be eligible to continue your health plan coverage through COBRA.

Individuals who are eligible for COBRA coverage must receive a notice from the health plan administrator describing their right to continue coverage and how to make an election. This notice may also include information on coverage options available through the Marketplace.

Some COBRA recipients may want to compare their COBRA coverage with alternatives to COBRA coverage that are available through the Marketplace. COBRA recipients may also be eligible for a federal subsidy for a Marketplace plan.

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