



Pajaro Valley Unified School District  
Benefits Department  
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DATE: September 30, 2013  
TO: All Employees  
FROM: Benefits Department

Beginning in 2014 many provisions of the Patient Protection and Affordable Care Act (ACA), including access to the Health Insurance Marketplace (often referred to as the Exchange), will become effective.

The Department of Labor is requiring that all employers provide each employee a written notice by October 1, 2013 informing them of the existence of the Exchange and the manner in which employees may contact the Exchange to request assistance. The attached Notice of Exchange satisfies this requirement.

This notice provides some general information about availability of the Exchange, in addition to offering general details regarding our health plan coverage. You can also access an ACA Frequently Asked Questions document on our website at [www.pvusd.net/benefits](http://www.pvusd.net/benefits) which offers additional general information about the Exchange.

We will attempt to distribute and post on our website additional ACA information as it becomes available, however, for more information regarding California's Health Insurance Marketplace (Covered California), please visit [www.coveredca.com](http://www.coveredca.com) or call 888-975-1142.

Enclosure





# New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved  
OMB No. 1210-0149  
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## 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 Benefits Department, 294 Green Valley Road, 4th Floor, Watsonville, CA 95076 831-786-2317.

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.

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<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 Pajaro Valley Unified School District		4. Employer Identification Number (EIN) 94-6002633	
5. Employer address 294 Green Valley Road		6. Employer phone number 831-786-2100	
7. City Watsonville		8. State California	9. ZIP code 95076
10. Who can we contact about employee health coverage at this job? Benefits Department			
11. Phone number (if different from above) 831-786-2317		12. Email address maria_burnett@pvusd.net    mark_bernhardt@pvusd.net	

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:

Contracted employees Working 50% to 100% FTE

- With respect to dependents:

We do offer coverage. Eligible dependents are:

Spouses, Domestic Partners, Children

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](http://HealthCare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](http://HealthCare.gov) to find out if you can get a tax credit to lower your monthly premiums.

## **Employee Frequently Asked Questions (FAQs) on the Marketplace**

**Q: Why was the notice titled “New Health Insurance Marketplace Coverage Options and Your Health Coverage” sent to me?**

A: As a part of the Affordable Care Act (ACA) that was passed in 2010, employers are required to provide this notice to all employees regardless of whether or not they are eligible to participate in Employment-Based Health Plans. This notice of the soon-to-launch Marketplace (also known as Exchanges) must be provided to all employees by October 1, 2013.

**Q: Why is the Marketplace being established?**

A: Under the ACA, beginning January 1, 2014 individuals will be required to have minimum essential health coverage, or else be subject to a penalty. This is referred to as the “individual mandate.” The Marketplace is intended to help individuals meet the individual mandate requirement by providing another place to purchase coverage, and possibly qualify for federal assistance to do so. Information and details are available at [HealthCare.gov](http://HealthCare.gov)

**Q: Do I have to purchase health coverage through the Marketplace?**

A: No. You may still obtain health coverage from other sources.

**Q: What if I am covered under my employer’s plan? Can I keep it?**

A: Yes. Most Employment-Based Health Plans will qualify as the coverage required under the individual mandate requirements. You do not need to purchase coverage through the Marketplace in order to avoid the individual mandate penalty.

**Q: Can I drop myself or my dependents from my Employment-Based Health Plan to purchase a plan through the Marketplace or outside of the Marketplace?**

A: In some cases, yes, but in many cases, no. Employment-Based Health Plans have very specific rules around enrollment. In general, special enrollment and disenrollment are permitted during the year based on events such as marriage, divorce and the birth of a child. Generally, employees may not change unless the employee experiences a change in status allowed by the Employment-Based Health Plan.

**Q: How do I know if I qualify for assistance to purchase my coverage through the Marketplace?**

A: Individuals who are not offered qualifying healthcare coverage through their employer may be eligible for government subsidies to help pay for health insurance premiums for plans purchased in the Marketplaces. Subsidies are based on the household income level and how many dependents you have. If your employment-based health plan is considered affordable according to government definition and meets minimum value requirements, you won't be eligible for government subsidies on premiums in the Marketplace. This is true regardless of your household income and family size. As state Marketplace sites are launched over the next months, you will be able to get details about a possible subsidy.

**The intent of this document is to provide general, not specific, information regarding the provisions of Affordable Care Act (ACA). It should not be construed as, nor is it intended to provide, legal or financial advice.**

