

As you are most likely aware, on March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act as passed and amended by the Health Care and Education Reconciliation Act of 2010 (collectively referred to as the "Affordable Care Act").

When key parts of the Affordable Care Act take effect in 2014, there will be a new way for individuals to buy health insurance through what is being referred to as the Health Insurance Marketplace (also known as the Health Benefit Exchange in New York State). This notice is to assist you as you evaluate the options available to you and your family. These options will include the new Health Insurance Marketplace and your employment-based health coverage offered by the Peru Central School District.

Please read the following information about the Health Insurance Marketplace:

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. Open enrollment for health insurance coverage through the Marketplace began in October 2013 for coverage that started as early as January 1, 2014.

New York State has established an official health benefit exchange website to provide consumers with critical information about the health insurance marketplace available to New York residents, including benefit plans available and their associated costs. To access the website and access critical information, go to www.healthbenefitexchange.ny.gov.

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 cost, or provides you with 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. 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©(2)(C)(ii) of the Internal Revenue Code 1986).

Special Note

If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you will 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 the Peru Central School District, please check your summary plan description or insurance contact as provided by Excellus BlueCross BlueShield.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit www.HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area. Please remember the New York State Health Benefit Exchange may be accessed directly at www.healthbenefitexchange.ny.gov.

We hope this information provides you with a better understanding of the Affordable Care Act and how the Health Insurance Marketplace will work in New York State.

Sincerely yours,

Elizabeth Buckley
Group Health Consultant
Peru Central School District