



LOWELL JOINT SCHOOL DISTRICT

A Tradition of Excellence

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Patricia A. Howell Ed.D. – Superintendent of Schools

To: All Employees
From: Andrea Reynolds, Assistant Superintendent of Administrative Services *AR*
Date: September 30, 2013
Subject: Affordable Care Act Health Benefits Notice

Attached is your Patient Protection and Affordable Care Act (PPACA) Health Insurance Marketplace Notice. As your employer, we are required to provide you with this Notice on or before October 1, 2013.

What is the purpose of the Notice?

- To inform you about the new Health Insurance Marketplace.

What do I need to know?

- Beginning January 1, 2014, US citizens are required to have medical insurance coverage or pay a tax on their 2014 tax return in 2015. The penalty for 2014 is the greater of \$95 or 1% of annual income, and escalates in future years.
- Medical coverage may be obtained through an employer (if you are benefit eligible), through the individual market, through governmental agencies (Medicare, Medicaid, Tricare/VA, CHIP, etc.) or through the new Health Insurance Marketplace.
- Open enrollment for health insurance coverage through the Marketplace begins October 1, 2013, and ends on March 31, 2014. For more information about the Marketplace, review the attached notice or visit www.HealthCare.gov.

If I want medical coverage in 2014 instead of paying the penalty tax, what do I need to do?

- Enroll in Lowell Joint School District's benefits for the plan year beginning January 1, 2014, if eligible (see attached notice "Part B" for eligibility requirements).
- The District's benefit open enrollment period for 2014 is currently open until October 11, 2013.
- Enroll in Health Insurance Marketplace coverage during the Open Enrollment period between October 1, 2013, and March 31, 2014. Coverage will begin between January 1 and April 1 depending on your date of enrollment. You will not be able to obtain coverage for 2014 through the Marketplace after March 31, 2014, unless you have a qualifying event.
- Enroll in medical coverage through the individual market, or if you qualify, through a governmental agency, no later than December 31, 2013.

Important:

If you are eligible for coverage from the District, and you choose to purchase health coverage through the individual market or the Marketplace for the 2014 plan year instead of accepting health coverage offered through the District, you will be unable to re-enroll in the District's benefits until open enrollment for the 2015 plan year, unless you have a qualifying life status change.

Board of Trustees

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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 Vicki Luna or Jeanette Trevino 562-943-0211

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 Lowell Joint School District		4. Employer Identification Number (EIN)	
5. Employer address 11019 Valley Home Avenue		6. Employer phone number 562-943-0211	
7. City Whittier	8. State CA	9. ZIP code 90603	
10. Who can we contact about employee health coverage at this job? Jeanette Trevino or Vicki Luna			
11. Phone number (if different from above)		12. Email address jtrevino@ljsd.org; vluna@ljsd.org	

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:

All permanent regularly assigned employees, pro-rated by percentage of full time employment (f.t.e.) with the district, for cert. employees working at least 50% f.t.e, or classified employees working at least 68.75% - up to the CalPERS Kaiser Family Plan - LA County rate. Any classified permanent regularly assigned employee less than 50% f.t.e. can enroll at their own cost. +

- With respect to dependents:

We do offer coverage. Eligible dependents are:

Eligible dependents are defined by our provider, CalPERS. Information available at the following link:
<http://www.calpers.ca.gov/index.jsp?bc=/member/health/elig-enroll/enrollfamilymembers.xml> +

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.

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

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.