New Health Insurance Marketplace Coverage Options and Your Health Coverage

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__Tracy King, Benefits Administrator – Pacific University  tracy.king@pacificu.edu__

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.

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.

<table>
<thead>
<tr>
<th>3. Employer name</th>
<th>4. Employer Identification Number (EIN)</th>
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<tbody>
<tr>
<td>Pacific University</td>
<td>93-0386892</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>5. Employer address</th>
<th>6. Employer phone number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2043 College Way</td>
<td>503-352-1500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7. City</th>
<th>8. State</th>
<th>9. ZIP code</th>
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</thead>
<tbody>
<tr>
<td>Forest Grove</td>
<td>OR</td>
<td>97116</td>
</tr>
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10. Who can we contact about employee health coverage at this job?

Tracy King

<table>
<thead>
<tr>
<th>11. Phone number (if different from above)</th>
<th>12. Email address</th>
</tr>
</thead>
<tbody>
<tr>
<td>503–352–2860</td>
<td><a href="mailto:tracy.king@pacificu.edu">tracy.king@pacificu.edu</a></td>
</tr>
</tbody>
</table>

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:
  All regular full-time employees, in an eligible class, who work at least 1,040 hours over 12 months to become eligible to apply for coverage under the plan on the first of the month following the date of hire.

Retired Employees

If you are retired and your enrolled dependents are eligible to continue coverage under the plan if you are between the ages of 58 and 65, have worked for the University for 15 consecutive years on a full-time basis and were hired and began work prior to June 1, 1997.

- With respect to dependents:
  - We do offer coverage. Eligible dependents are:

Spouse/Domestic Partner

If you are married, your spouse is eligible to apply for coverage as long as there is all legally valid existing marriage with a person of the opposite sex, unless court ordered separation exists. Your domestic partner is eligible to apply for coverage provided that all of the qualifying conditions are met:

- You and your domestic partner are the same or opposite sex;
- Each domestic partner is at least 18 years of age and competent to enter into a contract;
- The domestic partners have lived as a couple in a shared residence for at least six consecutive months, unless you have a registered domestic partnership;
- Neither domestic partner is legally married to anyone else or in another domestic partnership;
- The domestic partners are not related by blood closer than would bar marriage in the state they reside in;

Effective April 1, 2011

You have submitted documentation, as required by Pacific University, to verify the interdependent relationship between you and your opposite sex domestic partner including a joint affidavit that the relationship is an exclusive mutual commitment that is the functional equivalent of a marriage.

Adult Children

- Your Adult Children shall be eligible for coverage under the plan, as long as:
- The child is not older than age 26 Children means your natural children, domestic partner’s children, foster children placed with you, adopted children, or children placed with you in anticipation of adoption.
• Step-children who reside in your household may also be eligible as long as a natural parent remains married to you and also resides in your household.
• If you are the legal guardian of an unmarried child or children, these children are also considered eligible under the plan.
• Adopted children who are under age 18 at the time of adoption will be considered eligible to enroll under the plan on the date the child is placed for adoption.
• In addition, incapacitated children can remain enrolled past the maximum age limit. An incapacitated child is an unmarried child who is incapable of self-support because of a physical, mental, or developmental disability. The incapacitating condition must have existed prior to the child reaching maximum age limit. In order to obtain continued coverage for an incapacitated child, you must complete and provide the claims administrator a special application within 31 days of the child’s loss of eligibility.

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 will guide you through the process. Here’s the employer information you’ll enter when you visit 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? $______________
   

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? $______________
   

• 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)