

Health Insurance Update

September 9, 2013

To: All full-time staff

From: Beverly Kay, Benefits Coordinator

Subject: Annual Notification: Patient Protection & Affordable Care Act

Recently the Department of Labor and the Board of Community Health, under the guidelines provided by the Fair Labor Standards Act and the Patient Protection & Affordable Care Act, issued a requirement that all employees be notified of the Health Insurance Marketplace as it relates to your State Health Benefit Plan (SHBP). The SHBP has outlined the steps employers must take to guarantee employees are aware of the New Health Insurance Marketplace options and your health coverage.

To summarize the information, the Valdosta City Schools is in compliance with all components of Affordable Care Act; however, in an effort to ensure that each of you have all the information necessary please refer to the following frequently asked questions and note we have provided some additional clarification so each of you might come to fully understand the meaning of the topics being addressed.



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.



Vision
Our vision is to prepare students to pursue infinite possibilities for the future.

Valdosta City Schools, through the State Health Benefit Plan, offers coverage that meets the minimum value requirement and ensures affordability which complies with the Patient Protection & Affordable Care Act (ACA).

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

Valdosta City Schools, through the State Health Benefit Plan, meets the standards of the ACA.

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 Beverly Kay, Benefits Coordinator, 229-671-6055.

In closing, each of you has the right to explore your choices provided by the Affordable Care Act and the Health Insurance Marketplace Options; however, we encourage you to make an informed decision. While we cannot nor will not advise you as to what to do, we can provide for you assurance that the Valdosta City Schools is meeting the requirements set forth in these new laws. If you decide to venture into the Health Insurance Marketplace, know that you will need to fully research all possibilities and complete the required paperwork that can be found on our Valdosta City Schools website under Employee Benefits/Medical Insurance under the link <http://www.dol.gov/ebsa/pdf/FLSAwithplans.pdf>.

Mission
The mission of Valdosta City Schools is quality teaching and learning, resulting in superior performance for all.