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September 13, 2013

Dear Clergy and Lay Leaders,

In compliance with the Patient Protection and Affordable Care Act (ACA), enclosed are documents required for distribution to all employees, clergy and lay, in our diocese. Specifically, information is provided regarding the availability of coverage available through the Health Insurance Marketplace.

Although our eligible clergy and lay employees are covered by the denominational health plan (through the Episcopal Church Medical Trust), we are still required to make notification to them regarding the Marketplace insurance. Other than distribution of the enclosed materials, there are no action items for you or your clergy or lay staff person UNLESS they wish to enroll in a Marketplace Coverage option.

IMPORTANT NOTE

If a clergy or lay person currently enrolled in our denominational health plan (through the Episcopal Church Medical Trust) wants to buy coverage through the Marketplace, you, as the employer, must notify him/her that s/he will lose all employer paid healthcare coverage.

All of the documents in this packet are available in an electronic format. If it is helpful, please email me at jhardy@edomi.org and I would be happy to send them to you. Or, you may download the documents at <http://cpg.org/model-DHP>.

Do not hesitate to contact me as questions arise.

Faithfully,

A handwritten signature in blue ink that reads "Jo Ann Hardy". The signature is fluid and cursive, with the first name "Jo" and last name "Hardy" clearly visible.

Canon Jo Ann Hardy
Diocesan Administrator
313.833.4422
jhardy@edomi.org

Enclosed:

New Health insurance Marketplace Coverage Options
Episcopal Medical Trust Waiver of Benefits Form

New Health Insurance Marketplace Coverage Options: Frequently Asked Questions for Episcopal Church Employees

The Patient Protection and Affordable Care Act (ACA), which is sometimes referred to as “healthcare reform”, provides a new option for buying healthcare coverage. Under the ACA, each state will have a Health Insurance Marketplace (Marketplace) through which individuals may apply for private health insurance and enroll in a health plan starting October 1, 2013, with coverage starting January 1, 2014.

The attached document “New Health Insurance Marketplace Coverage Options provides more information about the Marketplace and options that may become available to you. You can get more information to help you evaluate our coverage options and eligibility for a premium tax credit, as well as information specific to your state’s Marketplace at www.healthcare.gov .

Why am I receiving this notice?

The ACA requires employers to notify their employees of the existence of the Marketplace.

Do I have to get my health coverage through the Marketplace?

No. You may continue to be covered by your current health plan. The Marketplace is just one of the options available to you for coverage. Because the Marketplace is a new option, the ACA requires your employer to let you know about it.

You should be aware that, unlike plans offered through The Episcopal Church Medical Trust (the Medical Trust), if you choose to purchase healthcare coverage through the Marketplace, your employer will be unable to contribute towards the cost of that plan so **you will lose all employer contributions toward the cost of healthcare coverage**. Additionally, **you will lose the pre-tax treatment of any required employee contribution** because any premiums you pay for Marketplace coverage cannot be made on a pre-tax basis.

Am I eligible for a premium tax credit?

Premium tax credits are available only to individuals who purchase healthcare coverage through the Marketplace. However, an individual with access to employer-provided coverage that meets minimum value criteria (all Medical Trust plans are above minimum value) and whose contribution for the lowest cost single coverage option does not exceed 9.5% of his or her household income will not be eligible for a premium tax credit. Based on an analysis by the Medical Trust, it is unlikely that many employees currently enrolled in Medical Trust plans would meet the requirements for a premium tax credit.

Premium tax credits will be based on the cost of the Marketplace “silver plans.” The majority of the Medical Trust’s plans are “gold” or “platinum” plans, which means that employees covered under the DHP who purchase healthcare coverage through the Marketplace instead probably will have to pay an additional amount to obtain the same coverage they have now.

What should I do if I decide to purchase health coverage through the Marketplace?

In order to opt out of the Denominational Health Plan and purchase coverage on the Marketplace, you will need to certify that you are eligible for a premium tax credit on the Marketplace. The Medical Trust has prepared a Waiver of Health Benefits form and provided it to your employer. If you are eligible for OR have health benefits coverage through the Medical Trust, you must complete the form and return it to your employer, who will send it to the diocesan health benefits administrator. If your diocesan administrator requires additional information, s/he will contact your



employer. If you aren't eligible for or don't have health benefits coverage through the Medical Trust, there are no additional forms for you to complete.

How can I get more information?

For more information about coverage offered through the Medical Trust, please check your Member Handbook or contact a Medical Trust Client Engagement representative at (800) 480-9967.

Please note that this information is provided for informational purposes only and should not be viewed as legal, tax or other advice. Please consult with your own personal advisor for further guidance.



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 our Diocesan Administrator, Canon Jo Ann Hardv at 313.833.4422 or jhardv@edomi.org.

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		4. Employer Identification Number (EIN)	
5. Employer address		6. Employer phone number	
7. City	8. State	9. ZIP code	
10. Who can we contact about employee health coverage at this job?			
11. Phone number (if different from above)		12. Email address	

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:
Exempt Employees, Non-Exempt Employees normally scheduled to work 1,000 or more compensated hours per plan year.
 - With respect to dependents:
 - ☒ We do offer coverage. Eligible dependents are:
a spouse; a child 30 years of age or younger on December 31st of the current year, a disabled child, 30 years of age or older on December 31st of the current year, provided the disability began before the age of 25; a domestic partner and his/her child(ren) when such coverage is offered. A qualified child includes a natural child, stepchild, a foster child, a legally adopted child or a child placed for adoption.
 - ☐ 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](https://www.healthcare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](https://www.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? \$

b. How often? ☐ Weekly ☐ Every 2 weeks ☐ Twice a month ☒ Monthly ☐ Quarterly ☐ Yearly

If the plan year will end soon and you know that the health plans offered will change, go to question 16. If you don't know, STOP and return form to employee.

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 will the employee have to pay in premiums for that plan? \$

b. How often? ☐ Weekly ☐ Every 2 weeks ☐ Twice a month ☒ Monthly ☐ Quarterly ☐ Yearly

Date of change (mm/dd/yyyy):

* 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)



**The Episcopal Church Medical Trust
Waiver of Health Benefits
Health Insurance Marketplace**

Employee Information (Employee Should Complete)

Employee Last Name	Employee First Name	
Employee Address	Employee Phone Number	
Employee City	Employee State	Employee Zip
Employee Email Address	Current Household Size*	Annual Household Income*
Current Medical Trust Health Plan	Medical Trust Plan Termination Date	

* Insert the Household Size and Annual Household Income you used on your Marketplace Application.

Employer Information (Employer Should Complete)

Employer Name	Employer Identification Number (EIN)	
Employer Address	Employer Phone Number	
Employer City	Employer State	Employer Zip
Employer Email Address		
Current Contribution towards Employee Health Coverage (Enter employer monthly contribution)		

Employee Acknowledgement

By signing below, I acknowledge

- I have been offered health benefits coverage through the Denominational Health Plan from my employer.
- I *decline enrollment/am terminating my current coverage* at this time because I am purchasing a health plan through the local health insurance Marketplace and can establish that I am eligible to receive a premium tax credit.
- By purchasing a health plan through the local health insurance Marketplace, I understand that I forfeit (1) any employer contribution, if any, to a health plan through the Denominational Health Plan and (2) the pre-tax treatment of any personal contribution towards the cost of health coverage.
- I understand that if my household income increases during the year, I may be required to pay back all or a portion of the premium tax credit to the government.
- I acknowledge that there may be other financial considerations and personal tax consequences resulting from this decision and I acknowledge that I have been advised to consult with my tax advisor at my own expense prior to executing this form.

Employee Signature

Date

Please return this form and the requested documentation to your diocesan administrator so that your health benefits through the Denominational Health Plan may be cancelled in a timely manner.



Health Insurance Marketplace Information
(Please attach a copy of documentation obtained from Marketplace)

Carrier Name	Policy Number	
Monthly Premium	Projected Premium Tax Credit	
Coverage Level (Single, Family, etc)	Plan Type	Coverage Effective Date

Please return this form and the requested documentation to your diocesan administrator so that your health benefits through the Denominational Health Plan may be cancelled in a timely manner.