



CHIPPEWA VALLEY SCHOOLS

19120 Cass Avenue, Clinton Township, MI 48038
(586)-723-2000 FAX (586) 723-2001

“Chippewa Valley Schools...preparing students today for the challenges of tomorrow”

Ronald R. Roberts
Superintendent

October 1, 2013

RE: Public Health Insurance Marketplace Notice

In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (“PPACA”). Together, these laws comprise the federal health care reform colloquially known as “Obamacare.” In part, the PPACA requires employers, including Chippewa Valley School District, to provide employees with notices concerning the availability of health insurance coverage that may be purchased through the public exchanges known as the “Health Insurance Marketplace.” As a result, you are receiving this letter with an attachment which provides necessary information to assist with reviewing health coverage options.

What is Health Insurance Marketplace?

The Health Insurance Marketplace (sometimes known as the “Exchange”) is a one-stop, government operated service which gathers health insurance plans offered by private companies. In the Marketplace, you may submit one application (beginning October 1, 2013) to learn if you can get lower costs based on your income, compare coverage options side-by-side, and enroll in plans. You may also learn in the Marketplace whether you qualify for free or low-cost health coverage through programs such as Medicaid or the Children’s Health Insurance Program.

You may compare health insurance options in the Marketplace whether you currently have health insurance coverage or not.

What plans are offered through the Marketplace?

In Michigan, the Marketplace is run by the federal government, but the available plans are offered by private companies. Even though the plans are offered by private companies, the plans offer the same core set of benefits (called “essential health benefits”) and may not deny you coverage or charge you more for a pre-existing illness or medical condition.

The Marketplace will provide easy-to-understand information regarding available healthcare plans and will allow you to compare plans based on price, benefits, and other important features.

Plans will be grouped in four categories: Bronze, Silver, Gold, and Platinum. These categories are based on how you and your health plan will share the costs of your medical care. These categories do not reflect the quality or amount of care offered by a plan.

As with all plans, you will have to pay a monthly premium, but you should also consider how much you will have to pay out-of-pocket when you get care. With a Gold plan, you will likely have to pay higher monthly premiums, but you will also pay less when you get care, such as for doctor visits or prescription medications. On the other hand, with a Bronze plan, you will likely have a lower monthly premium, but will have to pay more out-of-pocket for services.

The Marketplace will also offer Catastrophic plans. These plans are low-cost plans that are only available to people under the age of 30 and to people with very low income.

How do I apply?

You may apply for plans in the Marketplace online, by mail, or in-person. The open enrollment period begins October 1, 2013 and will close March 31, 2014. Coverage under plans offered through the Marketplace will begin January 1, 2014. The attached notice will provide necessary information to assist you in applying for coverage through the Marketplace.

What if I need help or more information?

If you need more information regarding health insurance plans and the Marketplace, you may visit www.healthcare.gov.

You may seek help 24 hours a day, 7 days a week via telephone at 1-800-318-2596. Also, online chat help is available at www.healthcare.gov. If you prefer in-person assistance, you may seek the help of a Navigator. Navigators are people trained and certified to help you understand your health insurance options and enroll in a plan.

If you have any questions about this letter or the attached notice, please contact Julie Williams at 586-723-2124 in the Benefits Department.

Sincerely,



Dr. Michael Reeber
Assistant Superintendent Human Resources



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 iwilliams@cvs.k12.mi.us https://www.messa.org/Portals/0/PDF/plan_coverage_booklet_choices_choices2.pdf.

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 CHIPPEWA VALEY SCHOOLS		4. Employer Identification Number (EIN) 386034009	
5. Employer address 19120 CASS AVENUE		6. Employer phone number 586 723 2124	
7. City CLINTON TOWNSHIP, MI	8. State MI	9. ZIP code 48038	
10. Who can we contact about employee health coverage at this job? BENEFITS DEPARTMENT 586 723 2124			
11. Phone number (if different from above)		12. Email address jwilliams@cvs.k12.mi.us	

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:

**Central Office Administrators, Executive Secretaries, Support Bargaining Unit members,
Teacher Bargaining Unit Members, School Administrators, Clerical Union members,
Paraprofessional Union Members, and Adult Education Teachers.**

- With respect to dependents:

We do offer coverage. Eligible dependents are:

Your spouse, Your children (including stepchildren, adopted children, and children for whom you are legal guardian; however, foster children are not included) until a maximum of the end of the calendar year of their 26th birthday. (your child's spouse and your grandchildren are not covered under this plan)

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 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? 10/01/2013 open enrollment (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)

Important Notice from Chippewa Valley Schools About Your Prescription Drug Coverage and Medicare

Please read this notice carefully and keep it where you can find it. This notice has information about your current prescription drug coverage with Chippewa Valley Schools and about your options under Medicare's prescription drug coverage. This information can help you decide whether or not you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage became available in 2006 to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. MESSA's actuaries, OPTUMInsight, have determined that the prescription drug coverage offered by Chippewa Valley Schools is, on average for all plan participants, expected to pay out as much as standard Medicare prescription drug coverage pays and is therefore considered Creditable Coverage. **Because your existing coverage is Creditable Coverage, you can keep this coverage and not pay a higher premium (a penalty) if you later decide to join a Medicare drug plan.**

When Can You Join A Medicare Drug Plan?

You can join a Medicare drug plan when you first become eligible for Medicare and each year from October 15th through December 7th.

However, if you lose your current creditable prescription drug coverage, through no fault of your own, you will also be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan.

What Happens To Your Current Coverage If You Decide to Join A Medicare Drug Plan?

If you decide to join a Medicare drug plan, your current Chippewa Valley Schools' coverage will be affected.

If you do decide to join a Medicare drug plan and drop your current Chippewa Valley Schools' coverage, be aware that you and your dependents will not be able to get this coverage back.

When Will You Pay A Higher Premium (Penalty) To Join A Medicare Drug Plan?

You should also know that if you drop or lose your current coverage with Chippewa Valley Schools and don't join a Medicare drug plan within 63 continuous days after your current coverage ends, you may pay a higher premium (a penalty) to join a Medicare drug plan later.

If you go 63 continuous days or longer without creditable prescription drug coverage, your monthly premium may go up by at least 1% of the Medicare base beneficiary premium per month for every month that you did not have that coverage. For example, if you go nineteen months without creditable coverage, your premium may consistently be at least 19% higher than the Medicare base beneficiary premium. You may have to pay this higher premium (a penalty) as long as you have Medicare prescription drug coverage. In addition, you may have to wait until the following October to join.

For More Information About This Notice Or Your Current Prescription Drug Coverage...

Contact the person listed below for further information 586-723-2124. **NOTE:** You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through Chippewa Valley Schools changes. You also may request a copy of this notice at any time.

For More Information About Your Options Under Medicare Prescription Drug Coverage...

More detailed information about Medicare plans that offer prescription drug coverage is in the "Medicare & You" handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit www.medicare.gov
- Call your State Health Insurance Assistance Program (see the inside back cover of your copy of the "Medicare & You" handbook for their telephone number) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. For information about this extra help, visit Social Security on the web at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Remember: Keep this Creditable Coverage notice. If you decide to join one of the Medicare drug plans, you may be required to provide a copy of this notice when you join to show whether or not you have maintained creditable coverage and, therefore, whether or not you are required to pay a higher premium (a penalty).