



FMCP



Family Medical Care Plan

2400 Research Boulevard, Suite 500
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**INFORMATION TO EMPLOYERS ABOUT HEALTH INSURANCE MARKETPLACE
NOTICES AND THE NECA/IBEW FAMILY MEDICAL CARE PLAN**

To: Employers Who Are Contributing to the NECA/IBEW Family Medical Care Plan

From: Trustees of the Family Medical Care Plan

Date: August 30, 2013

Subject: Required Notice Concerning the Health Insurance Marketplace

Beginning January 1, 2014, individuals will have access to health coverage through the state health exchanges, also known as the “Health Insurance Marketplace” (the “Marketplace”). Open enrollment for health coverage through the Marketplace begins October 1, 2013. **On or before October 1, 2013, employers are required to provide their employees with a notice (the “Health Insurance Marketplace Notice”) regarding the availability of these new Marketplaces.** The notice must be provided to all current employees and new hires, regardless of plan enrollment status or full-time or part-time status. Employers are not required to provide a separate notice to dependents or other individuals who are or may become eligible for coverage under the employer-sponsored plan.

Like most provisions of the Affordable Care Act (the “ACA”), the Health Insurance Marketplace Notice assumes that the employer is paying a premium to an insurer and providing health coverage directly to the employer’s entire workforce. However, that does not apply to your employees who are eligible for coverage through the NECA/IBEW Family Medical Care Plan (the “FMCP”) because you do not provide health coverage directly to these employees. Instead, you contribute to a health care fund—the FMCP—under the terms of a collective bargaining agreement or other agreement, and the FMCP provides benefits to these employees. **Because the FMCP is the entity providing these employees’ health benefits, the FMCP will provide the attached notice to all active participants** (also attached is a copy of the Health Insurance Marketplace Notice put out by the Department of Labor).

PLEASE NOTE, although the FMCP is providing notice to its participants, you are still obligated by law to provide a notice to all your employees, including those eligible for coverage through the FMCP. For more information and guidance on this and other provisions in the ACA, you may visit <http://www.dol.gov/ebsa/healthreform/>.

Please remember that employers who are required to contribute to the FMCP on behalf of an employee under a collective bargaining agreement or other agreement will still be required to contribute on any employees who opt to purchase coverage through the

Marketplace. If an employer makes contributions on an employee's behalf and the employee is eligible for coverage under the FMCP, the employee may still purchase coverage through the Marketplace. However, he or she will likely not be eligible for any subsidies ("premium assistance tax credits") to purchase coverage through the Marketplace and will be responsible to pay for the Marketplace coverage. Further, benefit packages offered through the Marketplace will likely include coverage for major medical and prescription services only. Vision and dental benefits will be included in these Marketplace plans for children under 18 years of age only. The employee would likely have to purchase an expensive plan to come close to replicating the benefits he or she currently has under the FMCP.

This letter is not intended to provide a legal summary or legal advice. The full implications of the Affordable Care Act as a whole on the FMCP are still unclear and will likely remain that way until there is more guidance from the federal government. In the meantime, the FMCP will diligently work to ensure that it continues to offer affordable and comprehensive coverage to its participants and their beneficiaries.

If you have any questions about health coverage under the FMCP, please do not hesitate to contact the FMCP Executive Director at 301-556-4302.

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**** Required Notice ****

New Health Insurance Marketplace Coverage Options and Your Health Coverage

General Information

When key parts of the Affordable Care Act (ACA) take effect in 2014, there will be a new way to buy health insurance: the health insurance marketplace (formerly referred to as “exchanges”). 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.

The FMCP and ACA

Participating employers make contributions to the FMCP for the purpose of providing health care benefits to their employees and retirees, and their dependents, who meet the eligibility requirements of the FMCP and the requirements set forth in the applicable agreement.

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.

You are receiving this notice because your employer DOES offer coverage—through the FMCP—and the coverage provided by the FMCP meets the ACA's minimum value standard.

You are not generally required to pay premiums to the FMCP for coverage unless your employer charges you for a share of the premiums or unless you are not eligible for coverage under the FMCP because: a) you did not earn enough hours to maintain eligibility; or b) you are unemployed and have exhausted your bank hours to continue coverage; or c) you are unemployed and don't maintain an hours bank through the FMCP. In these circumstances, you may elect to use the self-pay option or pay for continuation coverage (COBRA) if eligible, however, you might be able to save money through the Marketplace.

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.¹ 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. 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.

You are receiving this notice because your employer DOES offer coverage—through the FMCP—and that coverage meets the “minimum value” standard set by the Federal regulating agencies.

Coverage through the FMCP is intended to be “affordable.” However, if your employer requires that you pay a portion of your health coverage premium costs (not including co-pays, deductibles, etc.) under the FMCP, you must contact your employer to determine if the cost of your coverage under the FMCP is more than 9.5% of your household income for the year.

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 (for example, if you need to self-pay for COBRA coverage after you terminate employment)—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.

Your employer is required by an agreement to contribute to the FMCP for the work you perform. If you choose to purchase a health plan through the marketplace instead of accepting health coverage offered by your employer through the FMCP, your employer will still be required to make a contribution to the Plan on your behalf under the terms of the collective bargaining agreement or other agreement.

If you decide to shop for coverage in the marketplace, HealthCare.gov will guide you through the process.

How Can I Get More Information?

For more information about the coverage offered to FMCP participants by your employer, please check your summary plan description or contact:

FMCP Executive Director
Telephone: 301-556-4302

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 *You are not required to enroll in the Family Medical Care Plan. You and your eligible dependents will automatically be covered if you meet the eligibility requirements.*