



Dear Maricopa Community College Employee:

The Patient Protection and Affordable Care Act (ACA), the significant healthcare reform legislation, was signed into law in 2010. Various components of the law have gone into effect previously, such as the elimination of certain plan maximums and expanding coverage to children up to age 26 regardless of student status. Additional changes are scheduled to take effect in January 2014 that will affect our nation's healthcare system, including how some people can access and purchase their health insurance. This new option for buying health insurance is called the Health Insurance Marketplace.

The ACA requires that employers such as Maricopa Community Colleges (MCCCD) provide their employees with this notice regarding these new Marketplaces.

However, it's important for you to know that **you will continue to have access to our group medical plans in 2014. Our plans will remain less expensive to purchase and will provide better benefits than most of the plans that will be available in the government-run Health Insurance Marketplaces.** And because our MCCCD plans provide a high level of coverage, you will not qualify for a health insurance tax credit if you purchase coverage in a Marketplace. As a result, most of us will continue to purchase health insurance here at work, just as we do now.

Nevertheless, to meet governmental notice requirements, the remainder of this bulletin provides some basic information about the new Marketplace and your employment-based health coverage offered by MCCCD. **No action is required!** This is merely a legally-mandated notice.

What is the Health Insurance Marketplace?

The Marketplace is designed to help those without access to employer-sponsored health insurance find coverage that meets their needs and fits their budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. And depending on their total household income, some people may also be eligible for a new tax credit that will lower their monthly premium. Open enrollment for Marketplace health insurance coverage 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?

Since you are eligible for one of MCCCD's medical plans, you will not qualify for a tax credit that will lower some people's monthly premium. If you leave MCCCD employment, or your future employer does not offer coverage (or offers coverage that doesn't meet certain standards), you may qualify to save money and lower your premium. Your premium savings (if any) will depend on your total household income at that time.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. Since MCCCD offers you healthcare coverage that meets certain standards, you will not be eligible for a tax credit through the Marketplace. The federal government requires that most U.S. residents have healthcare coverage in 2014. You will meet this requirement if you are enrolled in the MCCCD health plan.

Note: If you purchase a health plan through the Marketplace instead of enrolling in MCCCD's health coverage, then you will lose the MCCCD contributions made toward the cost of your coverage. Also, this MCCCD contribution, as well as your contribution to MCCCD-offered coverage, is excluded from income for Federal and State income tax purposes. All payments for coverage through the Marketplace are made on an **after-tax** basis.

How Can I Get More Information?

For more information about your MCCCD-sponsored healthcare coverage, please see the summary plan description at <http://www.maricopa.edu/employees/divisions/hr/benefits/coverage/medical> or contact the Employee Benefits Hotline at 480-731-8581.

For more information about the Marketplace, you can access the Marketplace website at www.HealthCare.gov or contact the Marketplace by phone at 1-800-318-2596 (TTY: 1-855-889-4325).

Sincerely,

MCCCD Employee Benefits Department