



# Maine Municipal Employees Health Trust

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(207) 621-2645 [www.mmeht.org](http://www.mmeht.org)

To: Health Trust Participating Employers  
From: Anne Wright, Assistant Director, MMEHT  
Date: August 30, 2013  
Re: The Affordable Care Act and Health Care Reform –  
Notice of Health Insurance Marketplace – Part Two

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*Please note: Copies of these Health Care Reform updates may be found on the Health Trust website, at [www.mmeht.org](http://www.mmeht.org). Click on the link for Health Care Reform. Updates are at the bottom of the page; simply click on the link for the update you wish to read.*

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Under the terms of the Affordable Care Act, employers will be responsible for providing employees with certain prescribed notices regarding their health insurance coverage. As outlined in a previous update, employers are responsible for providing all employees with a copy of the **Notice of Health Insurance Marketplace**, on or before October 1, 2013. Any new employees hired after October 1, 2013, must be provided with a copy of the Notice within 14 days of their hire date.

The purpose of this Notice is to let employees (especially those who may not be eligible for employer-sponsored health insurance coverage) know about the availability of coverage through the Health Insurance Marketplace. There are two versions of the Notice. One is specifically for employers that do not offer health insurance coverage to employees. The other is for employers that do offer health insurance coverage to (some or all) employees. Model Notices are available on the Department of Labor's website, at [www.dol.gov/ebsa/healthreform](http://www.dol.gov/ebsa/healthreform).

A copy of the Model Notice for employers that do offer coverage is attached to this e-mail, in Word format (see: *Employer Memo #9A, Exchange Notice 2013.08.30*, attached). You may provide this Notice to your employees, once you have added certain information to the form.

Before providing the Notice to employees, you should complete the following information:

- On page 1, under *How Can I Get More Information?* – enter the name of the person who is responsible for providing information about the health insurance coverage offered at your place of employment (for example, Human Resources).
- On page 2, under *Part B: Information About Health Coverage Offered by Your Employer* – enter the information requested in the shaded boxes numbered 3 (Employer Name) through 12 (E-mail Address).

On page 2, immediately below the shaded boxes you will see the following statement:

*As your employer, we offer a health plan to:*

- All employees*
- Some employees. Eligible employees are:*

If employees must meet certain requirements (for example, must work a minimum number of hours per week) before they are eligible for coverage, you should check the second box (*Some employees*), and provide information regarding the minimum requirements to be eligible for coverage. For example, if employees must work 30 hours per week to be eligible for health insurance coverage, simply complete the question as follows:

*Some employees. Eligible employees are:* Those working at least 30 hours per week.

Below this section, there is a question regarding coverage for dependents. This merely refers to the availability of coverage for dependents, and not to whether or not the employer pays for it. Under all Health Trust health plans, eligible dependents include legally married spouses, and children to age 26. Some employers also provide coverage for domestic partners. Complete this question accordingly.

Next, there is the following sentence, which requires some clarification:

*[ ] 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.*

All of the health plans offered by the Maine Municipal Employees Health Trust meet the minimum value standard required by the Affordable Care Act. Whether or not the coverage is affordable based on employee wages, however, depends on how much the employee is required to pay for his or her health insurance coverage. Under the terms of the ACA, coverage is affordable if the employee's premium contribution for self-only coverage, for the least expensive plan offered by the employer, does not exceed 9.5% of income. Income is calculated using one of three "safe harbors" defined by the IRS: the Federal Poverty Level, Rate of Pay, or W-2 safe harbor. We have attached a separate summary to this update, providing more details on these three safe harbors. (See: *Employer Memo #9B, What Is Affordable Coverage 2013.08.30*, attached)

Because you will be providing these Notices to your employees in September of 2013, and it is entirely possible that your premium contributions (percentage or amount) may change for 2014, **we recommend that you not check this box at the present time.** In addition, **you do not have to provide any information on page 3** of the Notice (questions 13 through 16) at this time.

If any employee decides to enroll in coverage and apply for a premium subsidy through the Health Insurance Marketplace, he or she will be required to provide the information regarding affordability, along with the information requested on page 3 of the Notice. The Health Insurance Marketplace will verify the employee's responses to the application for premium subsidy, and will request information from the employer at that time.

You may wish to provide your employees with a cover letter, explaining why you are giving them this Notice (especially if you already offer employer-sponsored coverage). We have attached a sample cover letter that you can modify to suit your needs. (See: *Employer Memo #9C, Sample Cover Letter 2013.08.30*, attached)

*Please note that the Maine Municipal Association and the Maine Municipal Employees Health Trust are sharing this information to assist you with your compliance planning. We recommend that you contact your legal counsel with specific questions relating to this law.*