

New Health Insurance Marketplace Coverage Options and Your Health Coverage

When key parts of the health care reform law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace (also known as the “Exchange”). This notice provides some basic information about the new Marketplace and employer based health coverage offered by ABM to assist you as you evaluate options for you and your family.

What is the Federal and/or State 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. You can go to www.healthcare.gov for more information about coverage options, your eligibility for coverage and subsidies, and costs through the Marketplace. This website also includes an online application for coverage and contact information for a Marketplace in your area.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to lower your monthly premium, but only if ABM does not offer coverage, or offers coverage that doesn't meet certain standards. The premium savings you may be eligible for depends on your household income. The Marketplace will use your household income, along with other factors to determine whether you may be eligible for a premium discount. If you decide to shop for coverage in the Marketplace, www.healthcare.gov will guide you through the process.

Does Employer-Based 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. However, you may be eligible for a tax credit that lowers your monthly premium if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of any plan from your employer for employee-only coverage 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. ***Keep in mind, if you enroll in an ABM plan, you will not be eligible for a subsidy through the Marketplace, regardless of whether the ABM coverage is affordable or of minimum value.***

What is “minimum value”? 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% of such costs. ABM sponsored plans meet the minimum value; however, if you are only eligible for participation in a union-sponsored health plan, your Local Union can advise you if your health care plan meets the minimum value standard.

NOTE: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you will lose the employer contribution toward your premium. Also, both your payments and the employer contribution are excluded from income for tax purposes. Your payments for coverage through the Marketplace are not excluded from income for tax purposes.

How Can I Get More Information?

For more information about your coverage offered by ABM, please check your Summary Plan Description (SPD), Evidence of Coverage (EOC), or insurance policy, as applicable. The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit www.healthcare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.