



Affordable Care Act- Health Insurance Marketplaces Question and Answers

1) Why am I receiving this notice about health insurance marketplaces?

The federal Affordable Care Act (ACA) requires that all employees receive this notice to help you understand health insurance Marketplaces, which were set up to make it easier for consumers to compare health insurance plans and enroll in coverage. In Massachusetts, the state Marketplace is known as the Massachusetts Health Connector. When key parts of the national health reform law take effect in January 2014, the Health Connector will provide an easy way for many individuals and small businesses in Massachusetts to buy health insurance. This notice provides some basic information about the Health Connector, and how coverage available through the Health Connector relates to any coverage that may be offered by your employer. You can find out more by visiting: MAhealthconnector.org, for non-Massachusetts residents, Healthcare.gov or (1-800-318-2596; TTY: 1-855-889-4325).

2) What is the ACA provision that requires this notice?

The Commonwealth of Massachusetts is required by law (§ 1512 of the ACA, which creates 29 U.S.C. 218b) to provide you the information contained in this notice. On January 1, 2014, the Affordable Care Act (ACA) will be implemented in Massachusetts and across the nation. The ACA will bring many benefits to Massachusetts and its residents, helping us expand coverage to more Massachusetts residents, making it more affordable for small businesses to offer their employees' healthcare, and providing additional tools to help families, individuals and businesses find affordable coverage.

3) What is the Massachusetts Health Connector?

The Health Connector is our state's health insurance Marketplace. It is designed to help individuals, families, and small businesses find health insurance that meets their needs and fits their budget. The Health Connector offers "one-stop shopping" to easily find and compare private health insurance options from the state's leading health and dental insurance companies. Some individuals and families may also qualify for a new kind of tax credit that lowers their monthly premium right away, as well as cost sharing reductions that can lower out-of-pocket expenses. This new tax credit is enabled by §26B of the Internal Revenue Service (IRS) Code.



Open enrollment for individuals and families to buy health insurance coverage through the Health Connector begins Oct. 1, 2013, for coverage starting as early as Jan. 1, 2014. (And in future years, open enrollment will begin every Oct. 15.) You can find out more by visiting MAhealthconnector.org or calling 1-877-MAENROLL (1-877-623-6765).

4) Am I eligible for shopping in the Marketplace (the Health Connector)?

You may or may not qualify for health insurance through the Health Connector. If you are offered coverage by the Commonwealth of Massachusetts that is considered “affordable” and meets a “minimum value” standard according to federal definitions (see below), you most likely will not qualify for the subsidized coverage offered through the Health Connector described in this notice. Most benefitted state employees may not shop for subsidized coverage in the Marketplace; the exception is that some employees who live outside Massachusetts may be eligible. However, it may still be helpful for you to read and understand the information in the notice and Q&As.

5) Can I qualify for federal and state assistance that reduces my health insurance premiums and out-of-pocket expenses through the Health Connector?

Depending on your income, you may qualify for federal and/or state tax credits and other subsidies that reduce your premiums and lower your out-of-pocket expenses if you shop through the Health Connector. You can find out more about the income criteria for qualifying for these subsidies by visiting the MAhealthconnector.org or by calling 1-877-MAENROLL (1-877-623-6765).

6) Does access to employer-based health coverage affect my eligibility for subsidized health insurance through the Health Connector?

An offer of health coverage from the Commonwealth of Massachusetts could affect your eligibility for these credits and subsidies through the Health Connector. If your income meets the eligibility criteria, you will qualify for credits and subsidies through the Health Connector if:

- You are not eligible for health benefits through the Commonwealth of Massachusetts in its role as your employer, or
- You are eligible for health benefits through the Commonwealth of Massachusetts in its role as your employer, but:
 - The individual premium for the least expensive health plan for which you are eligible costs more than 9.5 percent of your household income for the year; or
 - The coverage the Commonwealth of Massachusetts provides does not meet the "minimum value" standard set by the new national health reform law (which says that the plan offered has to cover at least 60 percent of total allowed costs). Please note that in 2014, all GIC plans meet “minimum value” standards.

If you purchase a health plan through the Health Connector instead of accepting health coverage offered by the Commonwealth of Massachusetts, please note that you will lose the employer contribution for your health insurance. Also, please note that the amount that you and your employer contribute to your employer-sponsored health insurance is often excluded from federal and state income taxes.

7) Am I eligible for GIC health benefits?

The Commonwealth offers benefitted employees health coverage through the Group Insurance Commission (GIC). To be eligible for GIC health insurance, a state employee must work a minimum of 18¾ hours in a 37.5 hour workweek or 20 hours in a 40 hour workweek. The employee must contribute to a participating GIC retirement system, such as the State Board of Retirement, a municipal retirement board, the Teachers Retirement Board, the Optional Retirement Pension System for Higher Education, a Housing, Redevelopment Retirement Plan, or another Massachusetts public sector retirement system (OBRA is not such a public retirement system for this purpose (<http://www.mass.gov/anf/employee-insurance-and-retirement-benefits/>)).

8) Am I eligible for a Section 125 Plan?

Temporary employees, contractors, less-than-part time workers, and most seasonal employees are not eligible for GIC health insurance benefits. These employees must be offered a Section 125 Plan through their employer. These plans allow employees the ability to purchase health insurance on a pretax basis. This Massachusetts law ([956 CMR 4.00, authorized by M.G.L. c. 176Q, §16](#)) requires employers to provide an option for their employees to buy health insurance with pre-tax income, even if those employees do not qualify for a health insurance plan offered by the employer. This is done by setting up a payroll deduction that lets workers make a health insurance premium payment with pre-tax dollars. The Commonwealth's employees can enroll in the Section 125 plan that is administered through Mosaic, Inc. (www.mosaicix.com).

9) Who should I contact if I have questions about my employment status, eligibility, or any other information?

If you have questions or need further information, send an email to healthmarketplacenotice@massmail.state.ma.us or contact your HR department or GIC Coordinator.