University of Pittsburgh

Office of Human Resources
Benefits Department

Craig Hall
200 South Craig Street
Pittsburgh, PA 15260
412-624-8160
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September 26, 2013

Dear Members of the University of Pittsburgh Community,

On March 23, 2010 the Patient Protection and Affordable Care Act (ACA) was signed into law by President Obama. Attached is the official notice that was created by the federal government to be distributed to members of the University community announcing the availability of health care exchanges, now known as the Health Insurance Marketplace.

The formation of the Health Insurance Marketplace establishes certain responsibilities and legal mandates for employers like the University (Employer Mandate) and Individuals (Individual Mandate). As many of you know the University's medical/health insurance programs have already been updated to include a number of the characteristics of this new legislation.

The Employer Mandate requires employers to offer affordable health care coverage to employees and their dependent children if employees consistently work an average of 30 hours per week/per year. Employers who do not comply will be subject to penalties. Since the University operates its medical plans on a fiscal year, the Employer Mandate for the University of Pittsburgh may not take effect until July 2015.

The Individual Mandate requires individuals and their dependent children to enroll in health care coverage through the Health Insurance Marketplace ***if they do not have employer-based coverage***. Besides employer-based coverage, individuals with Medicare, Medicaid, Tri-care, and CHIP are other forms of insurance that qualify under the Mandate. Starting October 1, 2013, if you are not participating in the programs listed above, individuals may enroll in coverage through the Marketplace. It is important to note that if you have waived University coverage and do not have any other form of insurance protection; you will be subject to the Individual Mandate penalty.

The ACA provides to eligible individuals ***who are not covered by one of the plans listed above*** a new tax credit to help you afford health coverage purchased through the Marketplace.

Remember, if you have University provided health care coverage you will not be eligible for any premium tax credit.

Starting January 1, 2014 individuals will be subject to a penalty if they do not have employer-based coverage or any other qualified coverage and do not elect insurance through the Marketplace. Beginning October 1, 2013, details about the Marketplace (vendors, coverage, price) may be found at www.HealthCare.gov. If you are not eligible for University coverage, you will find information about available coverage in your local area, premium costs, and related information. The following information will be needed if you complete an application for coverage through the Marketplace:

Employer Name:	University of Pittsburgh
Employer ID Number:	25-0965591
Employer Address:	Benefits Department, 200 South Craig Street, Pittsburgh, PA 15260
Contact:	Customer Service
Telephone:	(412) 624 – 8160
Email Address:	http://www.hr.pitt.edu/benefits/benefits-contact

As soon as available, the University will supply additional updates. We believe that UPMC will be hosting an exchange similar to the current offerings at the University; once available (October 1, 2013) we will share the information with those individuals who are Marketplace eligible.

Sincerely,

John R. Kozar

John Kozar
Assistant Vice Chancellor
Human Resources/Benefits

New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved
OMB No. 1210-0149
(expires 11-30-2013)

PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. 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.

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.

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. 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.[1]

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- 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.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact the University of Pittsburgh Benefits Department, 200 South Craig Street, Pittsburgh, PA 15260 - www.hr.pitt.edu/benefits.

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] 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 percent of such costs.