

Customize this document with your Employer's information in the highlighted areas.

Date: _____, 20__

Re: **Important Notice from Employer Name about Health Insurance Marketplace Coverage and Our Medical Plan(s)**

THIS NOTICE IS FOR ALL EMPLOYEES

Please read this cover letter and the attached Notice carefully and keep this information where you can find it in the future. You are receiving the Notice because it is required by the Affordable Care Act (ACA), also known as Health Reform.

Spanish Language Assistance: Si usted no entiende la información en este documento, por favor de ponerse en contacto con personal del departamento de Beneficios en

Benefits Contact name and number o visite este sitio web: <https://www.cuidadodesalud.gov/es/>

Attached to this cover letter is a Notice called the “**New Health Insurance Marketplace Coverage Options and Your Health Coverage.**” The Notice and cover letter have information about the Health Insurance Marketplace, open enrollment for the Health Insurance Marketplace, and let you know that you may qualify to save money on health insurance premiums you buy in the Marketplace. This information can help you decide if you should consider enrolling in coverage through the Health Insurance Marketplace. The Health Insurance Marketplace has also been called the "Exchange." **Visit “BeWellNM.com” for information on the NM Health Insurance Exchange.**

If you are covered under a medical plan offered through NMPSIA, YOU DO NOT NEED TO SHOP FOR INSURANCE IN THE MARKETPLACE.

If you need assistance understanding this Notice, please contact Employer's Benefits Contact name, number and email address.

STARTING JANUARY 1, 2014, AMERICANS HAVE A NEW INDIVIDUAL SHARED RESPONSIBILITY MANDATE

As part of the Affordable Care Act, starting January 1, 2014*, most taxpayers are required to maintain medical plan coverage or pay a tax penalty (applied on their personal income tax filing). The tax penalty for failure to maintain coverage (referred to as an individual shared responsibility mandate) is the greater of a flat dollar amount or a percentage of your household income.

This means that by electing medical coverage (either through your employer, your spouse, through a government-sponsored program like Medicare or Medicaid, or through the Health Insurance Marketplace), a taxpayer can help avoid paying the new individual shared responsibility mandate. For this reason, you may want to determine if it is best to enroll or keep coverage under your employer-sponsored medical plan or instead, enroll in coverage through the Health Insurance Marketplace, or forego coverage and pay the personal income tax penalty (the Individual Mandate penalty) for not having medical plan coverage. It may also be helpful to discuss this individual mandate with your tax advisor.

THE HEALTH INSURANCE MARKETPLACE

You will see in the Notice (attached to this cover letter) that the Health Insurance Marketplace is a place to purchase medical coverage. The open enrollment period for coverage in the Marketplace is held in the fall with coverage elected at that time becoming effective in January.

ASSISTANCE WITH THE COST OF PREMIUMS ON THE HEALTH INSURANCE MARKETPLACE

Individuals who apply for health insurance coverage through the Health Insurance Marketplace may qualify for financial assistance to help buy that coverage. Depending on their annual household income, certain individuals may be eligible for premium assistance (such as a premium tax credit or a cost-sharing subsidy) to help lower the amount they pay toward the monthly health insurance premiums. Individuals must apply for the premium assistance by completing an application form through the Health Insurance Marketplace.

A few helpful points:

- An individual is not eligible for premium assistance if he or she is offered the opportunity to enroll in employer-sponsored medical plan coverage that is affordable and meets a required minimum value. If an employee is offered the opportunity to enroll in employer-sponsored medical plan coverage and they decline that employer-sponsored coverage, premium assistance may not be available to help the employee buy coverage in the Marketplace.
- Premium assistance may not be available to an individual if they make too much money to qualify for it.
- The amount of the premium assistance declines as an individual's income rises. Where an individual has received more premium assistance than they may have been eligible to receive, an adjustment will be coordinated with the IRS (meaning you may have to repay part of the premium assistance you received if your income increases during the year).
- Kaiser Family Foundation's website offers a handy premium assistance calculator if you are interested: <http://kff.org/interactive/subsidy-calculator/>.

FOR MORE INFORMATION ABOUT YOUR MEDICAL PLAN OPTIONS UNDER OUR HEALTH PLAN

For more detailed information about the benefits offered by the New Mexico Public Schools Insurance Authority (NMPSIA), please refer to your Medical Plan Document or review the Summary of Benefits and Coverage (SBC). These documents are located on NMPSIA's website at www.nmpsia.com or you can call your medical plan for assistance (their phone number is on your medical plan ID card). Other helpful information about the Health Insurance Marketplace can be found at www.healthcare.gov.

IF YOU CURRENTLY ARE NOT ELIGIBLE FOR COVERAGE UNDER OUR MEDICAL PLANS

We know that some employees are not eligible to enroll for coverage under our medical plans; however, we are required by law to distribute this Notice to all existing employees and all new employees. That you are not eligible to enroll for coverage under our medical plan(s) means that you should take the opportunity to see if coverage under a spouse's medical plan or in the Health Insurance Marketplace is a good option for you. And, because you are not offered employer-sponsored coverage, you may have the chance to qualify for premium assistance to help you buy coverage in the Marketplace.

FOR MORE INFORMATION ABOUT THIS COVER LETTER OR THE ATTACHED NOTICE, PLEASE CONTACT:

Name: _____ **Phone Number:** _____ **and email:** _____ .

This document along with the attached Notice is intended to serve as **Employer Name** Notice about the Health Insurance Marketplace, as required by law.