

NOTICE TO STUDENT EMPLOYEES: **New Health Insurance Marketplace Coverage** **Options and Your Health Coverage**

Distribution of this notice to all employees is required under the federal Patient Protection and Affordable Care Act (sometimes referred to as “Obamacare”).

General Information

When key parts of the Patient Protection and Affordable Care Act (“Affordable Care Act”) health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace (“Marketplace”), which in Hawaii is called the Hawaii Health Connector or Hawaii Health Insurance Exchange. 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 you coverage, or offers coverage that doesn’t meet certain standards. Eligibility for premium savings depends on your household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If your employer offers you health coverage 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 health plan offered by your employer that would cover you (and not any other members of your family) is more than 9.5% of your annual household income, or if the offered coverage does not meet the “minimum value” standard set by the Affordable Care Act, you may be eligible for a tax credit.

Please note that 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?

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov or the Hawaii Health Connector at HawaiiHealthConnector.com for more information. You can also contact the Hawaii Health Connector by email (answers@hawaiihealthconnector.com) or telephone (877-628-5076).

AMENDED on September 23, 2013

Amended to correct the qualifying income levels for premium subsidies. The numbers originally provided were for the mainland states; Hawaii has different / higher levels.

The following fact sheet was prepared by Tom Matsuda, Affordable Care Act Implementation Manager, Office of the Governor, to help our employees gain a better understanding of the Affordable Care Act.

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## How the Affordable Care Act Will Affect You September 2013

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To help you understand how Obamacare might affect you, we are providing you with additional information below, prepared with the assistance of the State ACA Task Force. It is a basic overview, organized by categories. The first part is for State employees. Then there are summaries for other categories of people not employed by the State, which may apply to people you know, including family or friends.

We hope that this information is helpful to you. Every individual's situation is different. A brief summary like this cannot cover everything in the ACA that might apply to a particular person. You should not rely on this summary as a final answer. It is only intended to provide basic guidance to understand how the ACA might affect different people (or not). If you find that a provision of the ACA might apply to you or someone you know, or if you have questions, you should get more information before making a decision. We encourage you to consult with your office's personnel staff for further assistance, and to use the resources that are provided in the summary.

I. INFORMATION FOR STATE EMPLOYEES

STATE GOVERNMENT EMPLOYEES WHO HAVE HEALTH INSURANCE

- If you work for the State government and you already have health insurance on October 1, 2013, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied.
- If you work for the State government and have health insurance available through your work, you will not be eligible to purchase health insurance for yourself through the new health insurance exchange in Hawai'i, called the Hawai'i Health Connector, unless you first drop your existing coverage (which we caution you about doing). Under the ACA, the new exchanges are mostly intended to help uninsured individuals and small businesses who want to provide insurance to their employees.
- The State government and other large employers in Hawai'i do not have to do anything new to comply with the ACA in 2014.

PART-TIME OR TEMPORARY STATE EMPLOYEES WHO ARE UNINSURED

- If you have no health insurance, you may be eligible for Medicaid.
- If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector.
- If your family's annual income is below a certain level (about \$46,000 for individuals, \$94,000 for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance.
- If you do not have health insurance after January 1, 2014, you may have to pay a penalty.
- For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email answers@hawaiihealthconnector.com.

UNINSURED DEPENDENTS OF STATE EMPLOYEES

- If your dependent children up to age 26 have no health insurance and you have EUTF coverage, you can add them to your health insurance plan at the next EUTF Open Enrollment (for coverage starting 7/1/2014).
- If your dependents have no health insurance and are not eligible for Medicaid, starting October 1, 2013 they may be able to purchase health insurance through the Hawai'i Health Connector.
- If your family's annual income is below a certain level (about \$46,000 for individuals, \$94,000 for a family of four), your dependents may be eligible to receive a tax credit to reduce out of pocket costs for the insurance.
- If your dependents do not have health insurance after January 1, 2014, they may have to pay a penalty.
- For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email answers@hawaiihealthconnector.com

II. GENERAL INFORMATION FOR PEOPLE WHO ARE NOT STATE EMPLOYEES

INDIVIDUALS WHO DO NOT HAVE HEALTH INSURANCE THROUGH AN EMPLOYER

Seniors (individuals 65 and older) who are on Medicare.	<ul style="list-style-type: none">• Starting October 1, 2013, if you are on Medicare already, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied.
Individuals already on Medicaid (Med-QUEST)	<ul style="list-style-type: none">• Starting October 1, 2013, current Med-QUEST recipients do nothing to comply with the ACA. They have already satisfied the ACA requirement to have health insurance.• Starting October 1, 2013, the State (Department of Human Services) will implement a new system to determine Medicaid eligibility. If your income changes, the new system will make it easier and faster for you to find out if you remain eligible for Med-QUEST.

Parents with children who are already on the Children's Health Insurance Program (CHIP)	<ul style="list-style-type: none"> Starting October 1, 2013, parents of children already enrolled in the CHIP program do nothing to comply with the ACA. With CHIP, the ACA requirement for your child to have health insurance is already satisfied. Starting October 1, 2013, the DHS will implement a new system to determine Medicaid eligibility. If your income changes, the new system will make it easier and faster for you to find out if your child remains eligible for CHIP.
Individuals not on Medicare or Medicaid, not employed	<ul style="list-style-type: none"> If you have no health insurance, you may be eligible for Medicaid If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector. If your annual family income is below a certain level (about \$46,000 for individuals, \$94,000 for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance. If you do not have health insurance after January 1, 2014, you may have to pay a penalty. For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email answers@hawaiihealthconnector.com
Immigrants with green cards, low income	<ul style="list-style-type: none"> Qualified non-citizens who entered the U.S. on or after August 22, 1996 should be sponsored for 5 years. After that 5-year period, the individual is eligible to apply for Medicaid.
Immigrants with green cards, over-income for Medicaid	<ul style="list-style-type: none"> If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector. If your annual family income is below a certain level (about \$46,000 for individuals, \$94,000 for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance. If you do not have health insurance after January 1, 2014, you may have to pay a penalty. For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email answers@hawaiihealthconnector.com
Immigrants without proper documentation	<ul style="list-style-type: none"> You are not eligible to purchase health insurance through the Hawai'i Health Connector.

INDIVIDUALS WHO ARE EMPLOYED

Employed by large business (50 or more employees). Includes government and military.	<ul style="list-style-type: none"> If you work for a large employer (over 50 employees) and you already have health insurance from your company on October 1, 2013, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied. If you have questions, ask your employer.
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<p>Employed by small business (less than 50 employees), 20 hours or more per week.</p>	<ul style="list-style-type: none"> • If you already have health insurance from your company on October 1, 2013, you do not need to do anything new to comply with the ACA. The ACA requirement to have health insurance is already satisfied. • After October 1, 2013, your employer can continue to provide health insurance in the same way they have in the past, but you may have more choices of health plans. Your employer will have new options to provide health insurance for you under the ACA and state law. • One new option would give you the opportunity to select your health insurance plan through the online insurance marketplace called the Hawai'i Health Connector, if your employer chooses to use the Connector. • Either way, your employer will continue to pay for most of the cost of your health insurance as in the past. • Before the next open enrollment begins at your workplace, you should receive information from your employer about your health insurance options.
<p>Part-time, small business, no insurance (Employed less than 20 hours per week by a small employer)</p>	<ul style="list-style-type: none"> • If you have no health insurance, you may be eligible for Medicaid. • If you have no health insurance and are not eligible for Medicaid, starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector. • If your annual family income is below a certain level (about \$46,000 for individuals, \$94,000 for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance. • If you do not have health insurance after January 1, 2014, you may have to pay a penalty. • For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email answers@hawaiihealthconnector.com
<p>Self-employed, no employees</p>	<ul style="list-style-type: none"> • Starting October 1, 2013 you may be able to purchase health insurance through the Hawai'i Health Connector. • If your annual income is below a certain level (about \$46,000 for individuals, \$94,000 for a family of four), you may be eligible to receive a tax credit to reduce your out of pocket cost for the insurance. • If you do not have health insurance after January 1, 2014, you may have to pay a penalty. • For more information call the Hawai'i Health Connector toll-free at (877) 628-5076 or email answers@hawaiihealthconnector.com