

Utah Laborers' Trust Funds
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UTAH LABORER'S HEALTH & WELFARE FUND
UTAH LABORER'S PENSION TRUST FUND
UTAH LABORER'S TRAINING TRUST FUND

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To: Employers Contributing to the Utah Laborers Health and Welfare Trust Fund

From: Board of Trustees of the Utah Laborers Health and Welfare Trust Fund

Re: Clarification of Employer Exchange Notice Obligation under the ACA

Date: August 20, 2013

Employers which are subject to the Fair Labor Standards Act are required by the health care reform law to distribute notices to employees describing the health insurance exchanges that will be available next year. As the Trustees understand it, these notices are due for existing employees by October 1st of this year, and must be provided to new employees thereafter. A "model" notice was prepared by the regulators, and can be reviewed at www.dol.gov/ebsa/pdf/FLSAwithplans.pdf (on the DOL website). It consists of a Part A, which is supposed to provide general information, a Part B, which is supposed to provide specifics about the health coverage the employer offers, and an optional additional form which is supposed to help employees understand choices.

The Trustees have directed the preparation of a summary, in the form of Part B of the "model", which describes the coverage the Trust Fund provides. The Trustees believe it contains accurate information about Fund benefits. The Trustees have also put together a Part A notice form which de-personalizes the general information, and which could make it less likely that employees participating in the Fund would be misled about what choices they have. If you have interest in either of these forms toward fulfilling the exchange notice obligation, please contact the administrative office.

NEW HEALTH INSURANCE MARKETPLACE COVERAGE OPTIONS AND EMPLOYER HEALTH COVERAGE

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 individuals as they evaluate options for themselves and their families, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by Employers.

What is the Health Insurance Marketplace?

The Marketplace (sometimes called the “Exchange”) is designed to help individuals find health insurance that meets their needs and fits their budget. The Marketplace offers “one-stop shopping” to find and compare private health insurance options. Individuals may also be eligible for a new kind of tax credit that lowers their monthly premium. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

Can individuals Save Money on their Health Insurance Premiums in the Marketplace?

Individuals may qualify to save money and lower their monthly premiums, but only if their employer does not offer coverage, or offers coverage that does not meet certain standards. The savings on premiums for which an individual may be eligible depends on household income.

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

Yes. If the individual has an offer of health coverage from their employer that meets certain standards, those individuals will not be eligible for a tax credit through the Marketplace. If not already enrolled, such individuals may wish to enroll in their employer’s health plan. However, individuals may be eligible for a tax credit that lowers their monthly premium, or a reduction in certain cost-sharing if their employer does not offer coverage at all or does not offer coverage that meets certain standards. If the cost of a plan from an employer that would cover the individual employee (and not any other members of that individual’s family) is more than 9.5% of their household income for the year, or if the coverage the employer provides does not meet the “minimum value” standard set by the Affordable Care Act, individuals may be eligible for a tax credit¹.

Note: Depending on the health coverage offered by the employer, if an individual purchased a health plan through the Marketplace instead of accepting that coverage, the individual could lose the employer contribution (if any) to the employer-offered coverage. Also, employer contributions – as well as employee contributions to employer offered coverage – are often excluded from income for Federal and State income tax purposes. Payments for coverage through the Marketplace are made on an after tax-basis.

How can Individuals Get More Information?

For more information about the coverage offered by their employer, individuals can check their summary plan description or contact the employer.

The Marketplace can help individuals evaluate coverage options, including 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 this 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.

PART B: Information about Health Coverage Offered by Your Employer

This section contains information about the health coverage offered by your employer under its collective bargaining agreement requiring contributions to the Utah Laborers' Health & Welfare Trust Fund. This information is numbered to correspond to the Marketplace application.

3. Employer Name		4. Employer Identification Number (EIN)	
5. Employer Address		6. Employer Phone Number	
7. City	8. State	9. ZIP Code	
10. Who can we contact about health coverage at this job? For information about the Utah Laborers' Health & Welfare Trust Fund, please contact the Administrative Office.			
11. Phone Number (if different from above) 801-973-1010 or 800-928-1001		12. Email Address [Administrative Office Email Address]	

Set forth below is basic information about the health coverage offered to employees covered by the collective bargaining agreement calling for contributions to the Utah Laborers' Health & Welfare Trust Fund.

- The Trust Fund health plan is available to those employees covered by the collective bargaining agreement that satisfy the eligibility conditions of the Fund as set forth in its Summary Plan Description.
- Eligible dependents are defined by the plan as Eligible Employee's Spouse, child, step-child, legally adopted child, a child with respect to whom the employee has permanent legal guardianship, or a child named as an alternate recipient under a Qualified Medical Child Support Order.

The coverage under the Utah Laborers' Health & Welfare Trust Fund is affordable and meets the minimum value standard.