


City of Petaluma, California

Memorandum

Human Resources Office, 11 English Street, Petaluma, CA 94952
(707) 778-4551 Fax (707) 778-4539

DATE: December 4, 2018
TO: All City Employees Eligible for the City's Health Benefits
FROM:  Amy Reeve, Director of Human Resources
SUBJECT: Transmittal of the Health Care Marketplace Employee Notice

The Patient Protection and Affordable Care Act (Affordable Care Act) requires that employers issue to their employees a notice about the Health Insurance Marketplaces created under the Affordable Care Act (ACA). In compliance with that requirement, attached is the required *Health Care Marketplace Employee Notice*.

Some important things to note as you review the Notice.

- You are an employee who is offered health coverage by the City.
- The City contracts with CalPERS for its health coverage.
- The City used the model notice prepared by CalPERS to meet the notice requirement.
- In California, the Marketplace is known as Covered California.
- The City of Petaluma understands that the health coverage you are offered meets ACA standards.
- CalPERS calculations show that CalPERS health plans are well above the 60 percent minimum value threshold.
- An affordable plan is defined as a job-based health plan covering only the employee that costs 9.56% or less of the employee's household income. If a job-based plan is "affordable," and meets the "minimum value" standard, you are not eligible for a premium tax credit if you buy a Marketplace insurance plan instead.
- The City believes that the lowest cost health plan offered to you is considered "affordable" based upon the City's current employer contribution. However, the City will continue to monitor its "affordability." Should the "affordability" test not be met we will notify you.

Should you have any questions, contact Human Resources at:
humanresources@ci.petaluma.ca.us or (707) 778-4534

New Health Insurance Coverage Options and Your Health Coverage

PART A: General Information

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.

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 9.56% 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 Human Resources at humanresources@ci.petaluma.ca.us or (707) 778-4534.

Covered California can help you evaluate your coverage options, including your eligibility for coverage through Covered California and its cost. Please visit coveredca.com or call 888-975-1142 for more information.

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 any health coverage offered by your employer. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

3. Employer name City of Petaluma	4. Employer Identification Number (EIN) 94-6000392	
5. Employer address 11 English Street	6. Employer phone number (707) 778-4534	
7. City Petaluma	8. State CA	9. ZIP code 94952
10. Who can we contact about employee health coverage at this job? Human Resources		
11. Phone number (if different from above) (707) 778-4534	12. Email address hr@ci.petaluma.ca.us	

Here is some basic information about health coverage offered by this employer:

- As your employer, we offer a health plan to:
 - All employees.
 - Some employees. Eligible employees are:
 - Permanent full-time and permanent part-time employees

- With respect to dependents:
 - We do offer coverage. Eligible dependents are:
 - Current spouse/registered domestic partner
 - Natural, adopted, step, or registered domestic partner's children up to age 26
 - Disabled children of any age if enrolled prior to age 26
 - Children up to age 26 for who the subscriber has assumed a parent-child relationship and is considered the primary are parent
 - We do not offer coverage.

- If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

** Even if your employer intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If, for example, your wages vary from week to week (perhaps you are an hourly employee, or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, **HealthCare.gov** will guide you through the process.