Nearly everyone will need to have medical coverage or pay a penalty. This is called the “individual mandate.” Any action you may need to take depends on whether you are eligible for the City’s Flex benefits.

The enclosed notice is required under the Affordable Care Act (ACA). The notice is designed to help you understand your available options from the new public health insurance marketplaces (or health insurance “exchanges”).

If you are eligible for City Flex medical benefits:

- Flex coverage meets the individual mandate. If you are an eligible employee not currently enrolled in Flex medical coverage, you can enroll during Annual Enrollment in October.
- The City’s Flex medical plans meet or exceed requirements for affordable employee coverage and benefit value under the Health Care Reform law. That means you and your eligible dependents generally will not qualify for a government subsidy to help pay for coverage through the new health insurance marketplaces.

If you are not eligible for City Flex medical benefits:

- You may need to look to the public health insurance marketplace for coverage. You may qualify for a government subsidy to help pay for that coverage. Go to http://www.coveredca.com or call 1-888-975-1142 for more information about coverage available through the California Healthcare Exchange (Covered California). The California Healthcare Exchange may also be an option to consider if you have family members who are not eligible for Flex (for example, a child who is over age 26).

For More Information

Read the enclosed legally required notice, New Health Insurance Marketplace Coverage Options and Your Health Coverage carefully and visit www.healthcare.gov to learn more. If you are eligible for Flex, you can find more information on Flex plans at www.myflexla.com. You may also contact the Benefits Service Center at 1-800-778-2133 if you have further questions, or email the Personnel Department Employee Benefits Division at per.acabenefits@lacity.org.
NEW HEALTH INSURANCE MARKETPLACE COVERAGE OPTIONS
AND YOUR HEALTH COVERAGE

GENERAL INFORMATION

When key parts of the health care law took effect, it created 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 typically begins in October for coverage starting as early as January of the following year.

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.

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 of Benefits & Coverage (SBC) on www.myflexla.com or contact the Benefits Service Center at 1-800-778-2133 or go to www.myflexla.com.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. For more information about coverage available through the California Healthcare Exchange (Covered California), go to http://www.coveredca.com or call 1-888-975-1142.

You can also 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.
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.

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>3. Employer name:</td>
<td>4. Employer Identification Number (EIN):</td>
</tr>
<tr>
<td>The City of Los Angeles</td>
<td>95-6000735</td>
</tr>
<tr>
<td>5. Employer address:</td>
<td>6. Employer phone number:</td>
</tr>
<tr>
<td>200 N. Spring Street, Room 867</td>
<td>1-213-978-1655</td>
</tr>
<tr>
<td>7. City: Los Angeles</td>
<td>8. State: California</td>
</tr>
<tr>
<td>9. Zip Code: 90012</td>
<td></td>
</tr>
<tr>
<td>10. Who can we contact about employee health coverage at this job?</td>
<td>11. Phone number (if different from above):</td>
</tr>
<tr>
<td>Employee Benefits Division</td>
<td></td>
</tr>
<tr>
<td>12. Email address:</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:per.acabenefits@lacity.org">per.acabenefits@lacity.org</a></td>
<td></td>
</tr>
</tbody>
</table>

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

- As your employer, we offer a health plan to:
  - [ ] All employees.
  - [x] Some employees. Eligible employees are:

**FULL-TIME EMPLOYEES**

As a regular full-time civilian City employee, you are eligible if you are a contributing member of the Los Angeles City Employees’ Retirement System (LACERS) and are paid for at least 40 hours per pay period, or the number of hours specified by your Memorandum of Understanding (MOU). In addition, you must meet one of these four requirements:

- You are eligible for membership in one of the employee representation units for which the civilian modified flexible benefits program (Flex program) has been negotiated in a MOU
- You are not represented by an employee representation unit
- You are a Port Police Officer (MOU 27 or MOU 38) and a member of Tier 5 and Tier 6 of the Fire & Police Pension System
- You are an Elected Official of the City or a full-time Member of the Board of Public Works.
HALF-TIME EMPLOYEES

If you are a regular half-time civilian employee, you may be eligible for Flex benefits. An eligible half-time employee must be paid for at least 20 hours per pay period in order to maintain benefits. Employees in part-time, intermittent or similar positions are not eligible.

POLICE & FIRE SWORN EMPLOYEES

If you are a Police or Fire sworn active employee receiving a paycheck, a contributing member of the City’s Fire and Police Pension System, in MOU 22, 23, 24 or 25 you are eligible for the health plan(s) specified by your Memorandum of Understanding (MOU).

- With respect to dependents:

  X We do offer coverage. Eligible dependents are:

  Generally, your spouse or domestic partner (who meets plan requirements), your children (up to age 26), your domestic partner’s children (up to age 26) and your grandchildren (if you have legal custody or their parent is your child who is under age 19 — or under 26 and a full-time student, unmarried and financially dependent on you). You must provide documentation as proof that dependents meet plan eligibility requirements in order to enroll them.

 ☐ We do not offer coverage.

  X 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. Here’s the employer information you’ll enter when you visit HealthCare.gov to find out if you can get a tax credit to lower your monthly premiums.