



IREDELL COUNTY Human Resources

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IMPORTANT NOTICE – PLEASE READ THIS MEMO TO ITS ENTIRETY

TO: ALL EMPLOYEES
FROM: SANDRA GREGORY, HR DIRECTOR
DATE: SEPTEMBER 26, 2013
SUBJECT: THE MARKETPLACE (FEDERAL HEALTH INSURANCE EXCHANGE) INFORMATION

This Question and Answer Sheet (Q&A) is being provided as an additional tool to assist you with understanding the 2014 Healthcare Reform requirements that may directly impact you and your family. This memo is not all inclusive and the information provided is subject to change as Healthcare Reform continues to develop.

QUESTIONS AND ANSWERS (Q&A)

1. **Q.** Why am I receiving this information and what is it for?
 - A.** Because these documents are federally required notices that must be distributed to all current employees. This notice allows employees to seek insurance coverage through the Marketplace **IF** the employer **DOES NOT** meet the standard requirements of: **1)** Provides the minimum essential coverage, which means that the plan covers at least 60% of the total allowed cost for medical care **AND 2)** the cost of health insurance is affordable which means that the cost of health insurance is no more than 9.5% of your W-2 gross wages.

2. **Q.** Am I eligible to seek health insurance coverage on myself through the Marketplace?
 - A.** No, Iredell County full-time employees are **NOT** eligible to seek insurance through the Marketplace because Iredell County meets the two standards in accordance to the Healthcare Reform requirements as stated in #1 above.

3. **Q.** Does this Healthcare Reform mandate require that I have coverage on my dependents?
 - A.** Yes. You will be penalized by the federal government when you complete your 2014 taxes if you do not have coverage for your dependents as of 1/1/14. There are minimal exemptions to this rule. Exemptions are: if your dependents are eligible for expanded Medicaid, but live in a state that does not expand or if the cost of paying for family coverage is more than 8% of the household gross income or the costs of paying for employee only insurance is more than 9.5% of household income. **NOTE:** If you elect to add dependents on to the County's health insurance plan, you may do so as of 7/1/14 and it is our interpretation that you would NOT be subject to penalties for not having coverage from 1/1/14 through 6/30/14 due to the employer's plan year not starting until 7/1/14. However, it is strongly recommended that you seek guidance from your Tax Advisor.

4. **Q.** What are the penalties for not having coverage on my dependents effective January 1, 2014?
- A.** **For 2014**, penalties are: \$95 per adult and \$47.50 per child (up to \$285 for family OR 1% of family income, whichever is greater). **For 2015** the penalties are: \$325 per adult and \$162.50 per child (up to \$975 for family OR 2% of family income, whichever is greater). The penalties will increase more beginning **2016** and most likely each year thereafter. **NOTE:** If you elect to add dependents on to the County's health insurance plan, you may do so as of 7/1/14 and it is our interpretation that you would NOT be subject to penalties for not having coverage from 1/1/14 through 6/30/13 due to the employer's plan year not starting until 7/1/14. However, it is strongly recommended that you seek guidance from your Tax Advisor.
5. **Q.** How do I obtain coverage on my dependents?
- A.** You can go to www.Healthcare.gov to complete an application for dependent coverage through the Marketplace between 10/1/13-3/31/14 **OR** you can purchase a private insurance plan of your choice **OR** you can add your dependents to Iredell County's Health Insurance during our annual open enrollment period which is typically during the month of April and/or May (dates to be determined and will be communicated to employees in the near future) with an effective date of 7/1/14 **OR** if you elect not to cover dependents beginning 1/1/14, you will be responsible for paying the penalties as outlined in item #4 above.
6. **Q.** I am a part-time, temporary, or seasonal employee and I don't have insurance through Iredell County so why am I receiving this information?
- A.** Because the federal government requires the employer to send this to every employee regardless of their status. All citizens will be required to have insurance or pay penalties, and these documents will provide you the appropriate information on how to obtain coverage for you and your dependents.
7. **Q.** As a part-time employee, will I ever be eligible for health insurance through Iredell County?
- A.** If you work an average of 30 hours each week during the time period of 1/1/13-1/1/14, you will be eligible for health insurance beginning 7/1/14-6/30/15. Your eligibility for health insurance will be evaluated each year.
8. **Q.** How can I learn more about Healthcare Reform?
- A.** You may visit any of the following sites to learn more about the Healthcare Reform: www.Healthcare.gov, www.cigna.com/hcr-employee-communication-toolkit, or www.InformedonReform.com. You should also seek advice from your tax advisor as it relates to any potential penalties. Iredell County's Human Resources Department can assist you with getting dependents added on to the County's health insurance plan, but cannot assist you with applying for coverage through the Marketplace.

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