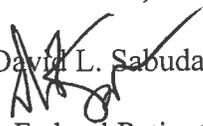


# CITY OF BERKLEY

## MEMORANDUM

Date: 9/12/2013

To: All Full-Time, Part-Time, District Court and Seasonal Employees

From:  David L. Sabuda, Finance Director/Treasurer

Re: The Federal Patient Protection and Affordable Care Act (PPACA) Health Care Program

Attached, please find information from the United States Department of Labor highlighting the new health insurance Marketplace. This new Marketplace will allow individuals and families a place to potentially purchase health care insurance to meet the Federal Patient Protection and Affordable Care Act (PPACA) requiring health care coverage. The attachment also gives you information regarding who is covered under the City of Berkley's health insurance program.

The City of Berkley is required to send this information to all current full, part-time and seasonal employees of the City prior to October 1, 2013. **Open enrollment for health insurance coverage through the Marketplace begins October 1, 2013 for coverage starting as early as January 1, 2014.**

Those employees who are working seasonal or part-time for the City of Berkley should pay very close attention to this notice if you do not already have health insurance from another source. This may be a source available to you to obtain health care insurance in order to come into compliance with this federal law.

For those employees who do have the City's health insurance please know that your health insurance program meets the "minimum value standard" of the total allowed benefit costs covered by the City's health care plan.

Please note that the City of Berkley will have an open enrollment for health care from 12/1/2013 through 12/20/2013 for those full-time employees of the City who have currently opted for the City of Berkley pay-in-lieu of health care program and now wish to switch back to City coverage due to PPACA only. Eligible employees can discontinue health insurance at any time in order to receive the pay-in-lieu of health care benefit through the City.

Please see the attached information below and visit [HealthCare.gov](http://HealthCare.gov) for more information regarding the marketplace. Questions regarding eligibility of health care coverage should be directed to the City Finance Department or the City Manager's Office. This memorandum with attachment will be placed onto the City's website within the information for employee section.

CC: Jane Bais-DiSessa, City Manager

## **New Health Insurance Marketplace Coverage Options and Your Health Care Coverage**

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### **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 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 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 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 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” (See Below) 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 the City of Berkley coverage please check your labor contract or the Merit System of Employment document or contact the Finance Department at 248-658-3343.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its costs. Please visit [HealthCare.gov](http://HealthCare.gov) for more information including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

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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% of such costs. All general Marketplace information presented above is from the United States Department of Labor.

**New Health Insurance Marketplace Coverage  
Options and Your Health Care Coverage**

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**PART B: Information about Health Coverage Offered by Your Employer**

Employer Name: <b>City of Berkley, Michigan</b>	Employer Identification Number (EIN): <b>38-6004538</b>
Employer Address: <b>3338 Coolidge Hwy.</b>	Employer Phone Number: <b>1-248-658-3340</b>
City and State: <b>Berkley, Michigan</b>	ZIP Code <b>48072</b>
Who can we contact about employee health care coverage at this job? <b>The City of Berkley Finance Department</b>	
Phone Number: <b>1-248-658-3343</b>	Email Address: <b>sreddin@berkleymich.net</b>

Here is some basic information about health coverage offered by the City of Berkley:

- As your employer, the City of Berkley offers a health care plan to Full Time Employees Only. Full Time Employees are:
  1. Those employees who work under a collective bargaining agreement.
  2. Employee covered under section 101 of the Merit System of Employment only.
  3. The City Manager.
  4. District Court employees working 40 hours a week at the 45A District Court.
- With respect to eligible dependents, the City of Berkley only offers health care coverage through eligible full time employees described above and those retired employees of the City who pay for the coverage for their dependent(s). Eligible dependents are also offered health care coverage through the federal COBRA program if applicable. Further, the City of Berkley does not offer dependent coverage to dependents of employees that have elected to receive the pay-in-lieu of health care benefit dependents of employees who are not eligible for health care benefits under the terms of their employment, or dependents of employees who are otherwise not covered by the City of Berkley health care plan for any reason.
- The City of Berkley health care coverage meets the minimum value standard, as defined as the total allowed benefit costs covered by the health care plan is no less than 60% of such costs. The cost of this coverage to you is intended to be affordable, based on employee wages earned.

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 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 the Marketplace, HealthCare.gov will guide you through the process.