



October 10, 2013

Dear Fellow CTA employees:

We value our employees and understand the importance of providing quality health care benefits to you and your families. As in the past, we are committed to offering health plan choices that meet your needs during our upcoming Open Enrollment period in November 2013.

The enclosed “**New Health Insurance Marketplace**” notice is being provided to you as a requirement under the Affordable Care Act, commonly referred to as Health Reform. The notice is designed to inform you about three things:

1. The coverage options and services available through the Marketplace
2. Your potential eligibility for a premium tax credit
3. The loss of employer contributions if you purchase health coverage through the Marketplace

You may be hearing a good deal about the Marketplace – also called the Health Insurance Exchange – on the news and in advertisements. As an employee of Chicago Transit Authority, there are some key points we would like you to keep in mind:

- The Exchange is designed primarily for those without health insurance or those who have employer insurance that does not meet certain standards
- The health coverage offered by Chicago Transit Authority surpasses the “minimum value standards” of the Affordable Care Act, which means that you would not be eligible for a premium tax credit through the Exchange
- With coverage offered by Chicago Transit Authority, you pay a portion of your health care premium through pre-tax payroll deductions.
- If you enroll in a health plan through the Exchange
  - The premiums you pay are on an after-tax basis, so you lose the tax advantage
  - More importantly, you lose the premium contributions that Chicago Transit Authority pays for your health coverage

**The Open Enrollment for 2014 Benefit year for Group Health and Dental plans will take place between November 4 – November 22, 2013, with a January 1, 2014 effective date**

I strongly urge you to discuss your health care options at that time and also ask that you give careful consideration to the available options. If you have additional questions regarding Open Enrollment, please call the Cigna Information Line which is available 24/7 at 800-567-7642, the HR Benefits Hotline at 1-312-681-2225, option 3 or send an email to [benefits@transitchicago.com](mailto:benefits@transitchicago.com).

Sincerely,

Omar Brown  
Vice President of Human Resources



# New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved  
OMB No. 1210-0149  
(expires 11-30-2013)

## 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 in 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 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.<sup>1</sup>

**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 \_\_\_\_\_.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. 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.

<sup>1</sup> 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		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 employee health coverage at this job?			
11. Phone number (if different from above)		12. Email address	

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

- As your employer, we offer a health plan to:

All employees. Eligible employees are:

Some employees. Eligible employees are:

- With respect to dependents:

We do offer coverage. Eligible dependents are:

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](https://www.healthcare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](https://www.healthcare.gov) to find out if you can get a tax credit to lower your monthly premiums.