

**AN IMPORTANT MESSAGE FROM THE
PIPE TRADES SERVICES MN WELFARE PLAN
REGARDING
HEALTH INSURANCE MARKETPLACE COVERAGE OPTIONS NOTICE**

September 23, 2013

To all Plan Participants:

We are writing to you with this message to avoid confusion over the employers required notice on the health insurance exchanges. You will be receiving (or may have already received) this notice from your employer describing new **“Health Insurance Marketplace Coverage Options”**. The Patient Protection and Affordable Care Act (ACA) requires that all current full-time employees receive the notice from their employer in a very specific format. New hires will also receive the notice in the future within 14 days of their hire. The format of the notice that the employer needs to send does not fit your situation because of specific provisions in the ACA.

Here is the key point you should know:

As a participant in the Pipe Trades Services MN Welfare Plan, you do not need to shop for different or additional health insurance. Just as important, because your health coverage is considered affordable and adequate as defined by the ACA, you are not eligible for premium assistance.

Here are some additional questions you may have:

Why am I receiving the notice? ACA requires that these notices be sent out because, starting in January 2014, most people will be required to have health insurance; if not, they will pay a penalty. This is known as the “individual mandate.” Your health insurance coverage can come from your (or your spouse’s) employment, through a policy you buy on your own, or through a government-sponsored program like Medicare or Medicaid.

Do I need to shop for coverage on the exchanges? The good news is that you do not need to shop for coverage or take any action. Your coverage under the Welfare Plan meets the individual mandate standard, and is a better value than Marketplace coverage. ACA establishes criteria for determining whether a plan’s coverage is adequate and affordable for its covered members:

- **The Welfare Plan’s coverage is adequate**—if it covers at least 60% of eligible expenses. The Fund’s medical plan exceeds the ACA minimum value standard.
- **The Welfare Plan’s coverage is affordable**—if the premium cost for participant-only coverage is not more than 9.5% of your household income. Because the premium paid to the Welfare Fund is an “employer contribution” your share of the premium for all coverage is \$0 per year, so the Welfare Plan’s benefits are affordable under the standard set through ACA.

Can I receive the Premium Assistance discussed in the notice? No, because the premium assistance is not available to individuals who have coverage through the Welfare Plan.

Does my coverage through the Welfare Plan satisfy my requirement to have insurance coverage in 2014? Yes, your coverage through the Welfare Plan meets the requirements for the individual mandate. No further action is required on your part.

What if I have a break in my coverage during the year? Individuals are allowed a single break in coverage of up to three months in a year without being assessed a penalty. A penalty from the government will apply if there is a break in coverage of 4 or more months.

REMEMBER: In spite of all the “noise” you’ll hear about the new Marketplaces, the bottom line is that by participating in the Welfare Plan’s coverage, you satisfy the “you-must-have-coverage” requirement (the individual mandate). In fact, your Fund-sponsored coverage should be a better deal than the plans offered through the Health Insurance Marketplace.

Contact the Fund Office if you have questions about the information in this letter, the new **Health Insurance Marketplace Coverage Options** notice, the individual mandate, Marketplaces or anything else. You can call (651) 645-4540 or go to our website, www.ptsmn.org. You can also go to the federal government’s website dedicated to Marketplace information, www.healthcare.gov.

Sincerely

Board of Trustees
Pipe Trades Services MN Welfare Plan