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Required Compliance Effective January 1, 2014

Enclosed, please find a document entitled "New Health Insurance Market Place Coverage Options and Your Health Coverage." This notice is intended to follow the Model language furnished by the Department of Labor.

Please note that this notice is being made available to you in accordance with government requirements and is intended to provide you with basic information on the Health Insurance Market Place Options (sometimes referred to as health insurance exchanges).

Please carefully review this document for information on how the new Health Insurance Exchanges may impact you and your family. For additional information, please visit www.Healthcare.gov



New Health Insurance Marketplace Coverage Options and Your Health Coverage

Form Approved
OMB No. 1210-0149
(expires 1-31-2017)

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.¹

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 Christine Wlodkowski @ 734-246-4600 ext 6200 or by email wlodkowsc@sgate.k12.mi.us.

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

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 Southgate Community School District		4. Employer Identification Number (EIN) 38-6004164	
5. Employer address 14600 Dix-Toledo Road		6. Employer phone number 734-246-4600	
7. City Southgate		8. State MI	9. ZIP code 48195
10. Who can we contact about employee health coverage at this job? Christine Wlodkowski			
11. Phone number (if different from above)		12. Email address wlodkowsc@sgate.k12.mi.us	

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:

See attachment 1 for specific qualifiers

- With respect to dependents:

☒ We do offer coverage. Eligible dependents are:

See attachment 2 for specific qualifiers

☐ 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.

The information below corresponds to the Marketplace Employer Coverage Tool. Completing this section is optional for employers, but will help ensure employees understand their coverage choices.

13. Is the employee currently eligible for coverage offered by this employer, or will the employee be eligible in the next 3 months?

☐ **Yes** (Continue)

13a. If the employee is not eligible today, including as a result of a waiting or probationary period, when is the employee eligible for coverage? _____ (mm/dd/yyyy) (Continue)

☐ **No** (STOP and return this form to employee)

14. Does the employer offer a health plan that meets the minimum value standard*?

☐ Yes (Go to question 15) ☐ No (STOP and return form to employee)

15. For the lowest-cost plan that meets the minimum value standard* offered only to the employee (don't include family plans): If the employer has wellness programs, provide the premium that the employee would pay if he/ she received the maximum discount for any tobacco cessation programs, and didn't receive any other discounts based on wellness programs.

a. How much would the employee have to pay in premiums for this plan? \$ _____

b. How often? ☐ Weekly ☐ Every 2 weeks ☐ Twice a month ☐ Monthly ☐ Quarterly ☐ Yearly

If the plan year will end soon and you know that the health plans offered will change, go to question 16. If you don't know, STOP and return form to employee.

16. What change will the employer make for the new plan year? _____

☐ Employer won't offer health coverage

☐ Employer will start offering health coverage to employees or change the premium for the lowest-cost plan available only to the employee that meets the minimum value standard.* (Premium should reflect the discount for wellness programs. See question 15.)

a. How much would the employee have to pay in premiums for this plan? \$ _____

b. How often? ☐ Weekly ☐ Every 2 weeks ☐ Twice a month ☐ Monthly ☐ Quarterly ☐ Yearly

* 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 (Section 36B(c)(2)(C)(ii) of the Internal Revenue Code of 1986)

Eligible employees are:

Beacon Educational Specialists

F. Health Insurance

The School District agrees to pay 90% of the cost for a health care benefit that will assure coverage for the employee and dependent family members. The coverage provided by the District will be Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO -1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

The benefits are offered only to those seniority employees that have a scheduled work assignment of a minimum of six hours a day and 30 hours per week.

During the term of this Agreement, the School District shall have the right to change the hospitalization carrier as long as the new carrier policy provides substantially the same benefits as set forth above and the Union as been notified.

Southgate Labor Support Staff

62.1 Commencing on the 61st day, new employees shall be entitled to full fringe benefits.

All bargaining unit members who are employed by the District for six (6) hours a day and/or 30 hours a week shall be entitled to the following benefit.

The School District agrees to pay the cost for a health care benefit that will assure coverage for the employee and dependent family members. The District will provide coverage referred to as Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider, will remain at \$10/\$10/\$40.

The benefits are offered only to those seniority employees that have a scheduled work assignment with a minimum of six hours a day and 30 hours per week.

An employee may elect to waive the coverage provided in 62.1 above which shall be available to any member of the bargaining unit eligible for such coverage. This benefit shall only be available to the employee who has or can obtain medical coverage from another source other than the Southgate Community School District.

Teamsters Local 214 Southgate Paraprofessional

INSURANCE AND HOSPITALIZATION

16.5 Health Insurance

The School District agrees to pay the cost for a health care benefit that will assure coverage for the employee and dependent family members. The coverage provided by the District will be referred to as Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

Southgate Alternative Education Association MEA/NEA

5.3 TRADITIONAL SCHEDULE The weekly full-time teaching schedule for SACE shall consist of a range of not less than six (6) - 60 hour per semester classes to not more than nine (9) - 60 hour per semester classes. Those employees working such a schedule shall be considered full time. Flexible weekly teaching load assignments may be implemented upon the agreement of the Director and the Union. Those employees working a comparable amount of hours shall be considered full time including those who work additionally as advisors.

20.1 For teachers under contract, the School District agrees to pay the cost for a health care benefit that will assure coverage for the employee and dependent family members. The coverage provided by the District will be replaced with coverage referred to as Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

Southgate Special Education Paraprofessional Association

11.6 A. The School District agrees to pay the cost for a health care benefit that will assure coverage for the employee and dependent family members. The coverage provided by the District will be Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

The benefits are offered only to those seniority employees that have a scheduled work assignment of a minimum of six hours a day and 30 hours per week.

Southgate Principals & Supervisors Association

16.1 The coverage provided by the District will be coverage referred to as Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

United Teachers of Southgate MEA/NEA

5.1 Prior to the opening day of school, the Superintendent will issue the starting and closing times for all the schools. The starting and closing times shall be scheduled between the hours of 7:30 a.m. - 4:00 p.m. In the case of vocational and industrial arts classes, however, the starting and closing times shall be scheduled between the hours of 7:30 a.m. - 7:30 p.m. Regular K-12 vocational and industrial arts assignments will be performed by bargaining unit members and will be assigned on the basis of seniority. The supervisor will consult with the vocational and industrial arts teachers before establishing the regular K-12 classes.

No elementary teacher shall be required to report for duty earlier than five (5) minutes before the opening of their school day, except as provided specifically in the other sections of this Master Agreement. Teachers shall be permitted to leave five (5) minutes after the close of their school day, except as provided specifically in other sections of the Master Agreement.

No secondary teacher shall be required to report for duty earlier than fifteen (15) minutes before the opening of their school day, except as provided specifically in the other sections of this Master Agreement. Teachers shall be permitted to leave fifteen (15) minutes after the close of their school day, except as provided specifically in other sections of the Master Agreement.

Permission for earlier leave may be granted by the Building Principal or Supervisor. Starting times and closing times of elementary, middle, and senior high schools will be

listed in the Teacher's Handbook for each building.

5.2 Schedules for Special Service teachers and others whose workday is irregular shall be written by said teachers and Supervisors and submitted to the Superintendent for approval at the beginning of each semester and shall be posted in the teachers' lounge in each building being serviced. Said schedule must conform with the duty day of the level being serviced in the a.m. as outlined in section 5.3 of this article.

A. Child studies and I.E.P.'s shall be held within the complexion of the normal duty day of the classroom teacher.

ARTICLE V - TEACHING LOAD - Continued

5.3 The workday for Tuesday through Friday shall be as follows:

A. The workday at the high school shall be:

7:36 a.m. Teachers report/duty time
7:51 a.m. Students instructional time begins
2:49 p.m. Students instructional time ends
3:04 p.m. Teachers duty time/end of workday

b. The workday at the building housing grades 8 and 9 shall be:

7:30 a.m. Teachers report/duty time
7:45 a.m. Students instructional time begins
2:40 p.m. Students instructional time ends
2:55 p.m. Teachers duty time/end of workday

c. The workday at the middle school for grades 6 and 7 shall be.

7:40 a.m. Teachers report/duty time
7:55 a.m. Students instructional time begins
2:45 p.m. Students instructional time ends
3:00 p.m. Teachers duty time/end of workday

d. The workday at elementary schools shall be:

8:10 a.m. Teachers report/duty time
8:15 a.m. Students instructional day begins
3:15 p.m. Students instructional day ends
3:20 p.m. Teachers duty time/end of workday

22.1 For teachers under contract, the School District agrees to pay the cost for a health care benefit that will assure coverage for the employee and dependent family members. The District will provide coverage referred to as Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

22.8 The School District shall make the payments of the insurance premiums listed above for each full-time teacher to assure insurance coverage for a 12 month period commencing September and ending August 31 the next school year for all full-time teachers who have completed their contractual obligations.

A full-time teacher as used in this Article shall mean a teacher who is employed to teach a minimum of five (5) hours per day as set forth in 5.3 and 5.5.

22.9 Teachers scheduled to teach less than five (5) hours per day as set forth in Article 5.3 and 5.5 shall be considered part-time and they shall be required to pay to the School District their pro-rata share of the cost of the premium.

Administrative Assistants

2.2 The bargaining unit shall be defined as all administrative assistants, bookkeepers, administrative assistants to chief building administrators, general office employees who are regularly scheduled twenty (20) hours or more per week and who are employed in the wage classifications set forth in Article 18.

2.3 The bargaining unit shall exclude confidential employees, specifically the administrative assistant to the superintendent and the administrative assistant to the business manager, only.

11.1 The School District agrees to pay the cost for a health care benefit that will assure coverage for the employee and dependent family members. The coverage provided by the District will be replaced with coverage referred to as Blue Cross Blue Shield Community Blue PPO Plan 1. As of July 1, 2011 the co-payments associated with the PPO-1 Plan will be \$10/\$20/\$150 and an optional PPO-4 Plan has been added to the coverage for potential future use. The supplemental drug rider will remain at \$10/\$10/\$40.

ATTACHMENT 2

Eligible Dependents are:

Spouse

Natural Child

Stepchild

Legally adopted child, child placed for an adoption, court appointed dependent

Totally and permanently disabled

DOCUMENT REQUIREMENTS

If you are enrolling dependents on your health benefit coverages, please attach any and all of the following documents that apply to your enrollment forms.

DEPENDENT/CODE	DOCUMENTATION REQUIREMENTS
Spouse	<input type="checkbox"/> Marriage Certificate (not license)
Natural Child (send all that apply)	<input type="checkbox"/> Birth Certificate or Hospital Certificate that lists names of child and both parents (please blackout all SSN information) <input type="checkbox"/> If child is between 19 and 25 years of age and qualifies for Family Continuation Coverage, proof of current school enrollment <input type="checkbox"/> If child is not a full-time student, provide the child's 2007 or 2008 1040 tax return illustrating that the child earns less than four times the current personal exemption identified by the IRS (please blackout all SSN information) <input type="checkbox"/> Court order, if child does not reside with Southgate Community School District employee
Stepchild (send all that apply)	<input type="checkbox"/> Birth Certificate or Hospital Certificate that lists names of child and both parents (please blackout all SSN information) <input type="checkbox"/> Current proof of residency for children over five years old (letter from school showing child's address, state ID or copy of driver's license) <input type="checkbox"/> If child is between 19 and 25 years of age and qualifies for Family Continuation Coverage, proof of current school enrollment. <input type="checkbox"/> If child is not a full-time student, provide the child's 2007 or 2008 1040 tax return illustrating that the child earns less than four times the current personal exemption identified by the IRS (please blackout SSN information) <input type="checkbox"/> Court order, if child does not reside with Southgate Community School District employee
Legally Adopted Child, Child Placed for an Adoption, Court Appointed Dependant (send all that apply)	<input type="checkbox"/> Copy of adoption papers or amended birth certificate naming the enrollee as the parent (please blackout all SSN information) <input type="checkbox"/> Current proof of residency for children over five years old (letter from school showing child's address, state ID or copy of driver's license) <input type="checkbox"/> If child is between 19 and 25 years of age and qualifies for Family Continuation Coverage, proof of current school enrollment.
Totally and Permanently Disabled (send all that apply)	<input type="checkbox"/> Physician letter with a Statement of Total and Permanent Disability, completed and signed by the dependent's physician (stamped signature not acceptable) <input type="checkbox"/> Current proof of residency for child or copy of 2007 or 2008 1040 Tax Return showing dependency (please blackout SSN information and other personal information not needed for this audit) <input type="checkbox"/> Copy of SSI award if eligible <input type="checkbox"/> Birth Certificate (please blackout all SSN information)