

Employee Frequently Asked Questions (FAQs) on the Marketplace

Q: Why was the notice titled “New Health Insurance Marketplace Coverage Options and Your Health Coverage” sent to me?

A: As a part of the Affordable Care Act (ACA) that was passed in 2010, employers are required to provide this notice to all employees regardless of whether or not they are eligible to participate in Employment-Based Health Plans. This notice of the soon-to-launch Marketplace (also known as Exchanges) must be provided to all employees by October 1, 2013.

Q: Why is the Marketplace being established?

A: Under the ACA, beginning January 1, 2014 individuals will be required to have minimum essential health coverage, or else be subject to a penalty. This is referred to as the “individual mandate.” The Marketplace is intended to help individuals meet the individual mandate requirement by providing another place to purchase coverage, and possibly qualify for federal assistance to do so. Information and details are available at HealthCare.gov

Q: Do I have to purchase health coverage through the Marketplace?

A: No. You may still obtain health coverage from other sources.

Q: What if I am covered under my employer’s plan? Can I keep it?

A: Yes. Most Employment-Based Health Plans will qualify as the coverage required under the individual mandate requirements. You do not need to purchase coverage through the Marketplace in order to avoid the individual mandate penalty.

Q: Can I drop myself or my dependents from my Employment-Based Health Plan to purchase a plan through the Marketplace or outside of the Marketplace?

A: In some cases, yes, but in many cases, no. Employment-Based Health Plans have very specific rules around enrollment. In general, special enrollment and disenrollment are permitted during the year based on events such as marriage, divorce and the birth of a child. Generally, employees may not change unless the employee experiences a change in status allowed by the Employment-Based Health Plan.

Q: How do I know if I qualify for assistance to purchase my coverage through the Marketplace?

A: Individuals who are not offered qualifying healthcare coverage through their employer may be eligible for government subsidies to help pay for health insurance premiums for plans purchased in the Marketplaces. Subsidies are based on the household income level and how many dependents you have. If your employment-based health plan is considered affordable according to government definition and meets minimum value requirements, you won't be eligible for government subsidies on premiums in the Marketplace. This is true regardless of your household income and family size. As state Marketplace sites are launched over the next months, you will be able to get details about a possible subsidy.

The intent of this document is to provide general, not specific, information regarding the provisions of Affordable Care Act (ACA). It should not be construed as, nor is it intended to provide, legal or financial advice.