

Heat & Frost Insulators Local 17 Benefit Funds

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State Health Insurance Marketplaces

As you may know, the Patient Protection and Affordable Care Act of 2010 (ACA) requires all individuals to obtain minimum essential health insurance coverage, either through the federal government (Medicare, Medicaid or CHIP programs), Tricare, an employer sponsored health plan, a student health plan, or on the individual insured market.

To that end, the ACA requires that states and/or the federal government establish and operate State Health Insurance Marketplaces (Marketplaces/Exchanges) by January 1, 2014 as an affordable coverage option. Additionally, some individuals may receive federal subsidies and tax credits to make exchange coverage more affordable. In Illinois, the Marketplace is being established through a partnership between the State and Federal governments. The State will provide detailed information on the Illinois Marketplace on the State's website at Illinois.gov.

Open enrollment for these state Marketplaces is scheduled to begin October 1, 2013. The ACA requires that all employers provide notices of these Marketplaces and their availability to employees, regardless of whether the employer offers health coverage or not. As a result, you should be receiving a notice from your employer on or around October 1, 2013.

If you do not experience coverage gaps and are a current participant in the International Association of Heat and Frost Insulators Local 17 Welfare Plan you should disregard the notice from your employer. This is because your coverage under your plan substantially exceeds all the minimum coverage standards established by the ACA. In addition, the coverage provided by the Plan for you and your dependents would be considered "affordable" under the ACA since coverage is 100% employer funded (there is no employee contribution). For these reasons, if you did enroll in a State Marketplace, it is unlikely that you will be eligible to receive any federal subsidies or tax credits. Accordingly, if you are covered under the International Association of Heat and Frost Insulators Local 17 Welfare Plan (Local 17 Welfare Plan), you should not enroll in a state Marketplace.

However, if you are a participant experiencing frequent coverage gaps or are a recently terminated participant, you may wish to investigate obtaining individual insurance through the Marketplace. For example, if you have lost or are losing your eligibility under the Plan due to a reduction in hours worked, the Marketplace may be a viable option for obtaining health insurance coverage for you and your family. For instance, it could be more affordable than the COBRA coverage that is offered by the Plan at the time your coverage under the Plan runs out. In the event that you lose coverage after October 1, 2013, your COBRA notice will explain your options under the exchanges and COBRA to assist you to make the decision that is best for you and your dependents.

If you have questions on the Marketplaces, the employer notice you receive or your coverage under the Local 17 Welfare Plan, please contact us at (708) 468-8000. You may also visit Illinois.gov or healthcare.gov for more information on the ACA and the various state and federal Marketplaces.

Board of Trustees, Local 17 Welfare Fund