



To: All Employees

**From: Total Rewards Department
Benefits Operations & Planning Section**

Re: Health Insurance Marketplace Notice

The Affordable Care Act (ACA) requires most Americans to have health insurance – whether they get it from an employer, a private insurance company or the government. ERIE is required to provide the attached notice to all newly hired Employees, regardless of whether the Employee is eligible for health coverage through ERIE. This notice contains basic information about the Health Insurance Marketplace created under the ACA.

The Marketplace will be operated in each state by the state government, the federal government, or jointly between the federal and state governments. Although anyone may choose to obtain health coverage through the Marketplace, if you are eligible for coverage under ERIE's Health Protection Plan, you are not required to enroll in coverage through the Marketplace. ERIE will continue to offer superior health coverage through the Health Protection Plan.

If you are eligible for coverage under ERIE's Health Protection Plan, when evaluating Marketplace coverage, keep in mind that choosing it over the Health Protection Plan will cause you to lose both ERIE's contribution to your health coverage and the ability to pay your share pre-tax through payroll deduction. It is also unlikely that you will be eligible for a federal tax credit or premium reduction for Marketplace coverage. This is because the Health Protection Plan's coverage options meet the "minimum value" standard referred to in the notice, and the Employee contribution for the Health Protection Plan's lowest-cost Employee-only option will likely be "affordable" for most (if not all) eligible Employees.

If you nonetheless decide to enroll in Marketplace coverage, be sure to retain a copy of ERIE's current Health Plan information, which will contain information about the cost of the ERIE-provided health coverage available to you.

Please contact Benefits using the HR Helpline, (814) 870-3747, or at benefits.operations@erieinsurance.com with any questions.

New Health Insurance Marketplace Coverage Options and Your Health Coverage

General Information

The Health Insurance Marketplace is a relatively new way to purchase health insurance. To assist you as you evaluate options for you and your family, this notice provides some basic information about the 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 tax credit that lowers your monthly premium right away.

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 will 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:

Erie Insurance Group Benefits Department

Phone: (814) 870-3747

E-Mail: benefits.operations@erieinsurance.com

Mail: 100 Erie Insurance Place, Erie, PA 16530

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit [HealthCare.gov](https://www.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.