Dear <Employee>,

Implementation of the Affordable Care Act of 2010 (the health care reform law) requires the enclosed notice be sent to every employee. The notice describes the new online Health Insurance Marketplace (also called an exchange) available at **www.healthcare.gov** beginning October 1, 2013. The Marketplace describes options you may have available for health insurance (other than employer-based plans) and is designed for easy cost and coverage comparisons. The enclosed notice also includes information about coverage you may be eligible for through <name of company>.

Starting in 2014, if you do not have medical coverage, you will have to pay a penalty (in the form of a tax). If you do not qualify for coverage through <name of company> or you do not enroll yourself or a dependent, you will have to obtain coverage or pay the penalty. This penalty is known as the individual mandate penalty. <<Because our health plan year starts on <date>, this requirement will not apply for us until <date>.>>

*employer plan provides minimum essential coverage, meets minimum value and affordability standards*

For eligible employees, the health plan offered by <name of company> qualifies as affordable and meets minimum essential coverage standards set by the Affordable Care Act. Because of this, you and your family won't qualify to receive any credits or subsidies, if you purchase coverage from a Marketplace, regardless of your income or family size. If you are a seasonal or variable hour employee or are on your waiting period for benefits and do not have access to other coverage, you may still qualify for reduced premiums through a Marketplace plan. You can visit healthcare.gov to determine if you, and/or your family qualify for subsidies under the Health Insurance Marketplace in your state.

*employer plan provides minimum essential coverage but does not meet minimum value and/or affordability standards*

For eligible employees, the health plan offered by <name of company> qualifies as [minimum essential coverage.](https://www.healthcare.gov/glossary/minimum-essential-coverage) If you enroll in <INSERT EMPLOYER PLAN NAME> t, you avoid the individual mandate penaltythat uninsured people have to pay if they are not insured for more than three months in 2014. You can still explore Marketplace coverage options and potential tax credits to see if there is a better choice for you and your family. However, keep in mind that <name of company> will not contribute to the cost of a plan purchased through the Marketplace. To determine if coverage under the Marketplace is a better option for you and your family visit healthcare.gov.

*optional Medicaid paragraph*

If you are considered to be low income, you may qualify for Medicaid. Some states will also be expanding the eligibility rules and income requirements to qualify for Medicaid. To determine if the state where you live is expanding Medicaid coverage and to learn about Medicaid, please visit https://www.healthcare.gov/do-i-qualify-for-medicaid.

**What do I do next?**

Review the information provided in the notice. You can learn more about the Marketplace at **www.healthcare.gov**. The open enrollment period for the <name of company> plan will begin on <date.> You will receive more information on your employer-based options at that time.

Sincerely,