



## MICHIGAN REGIONAL COUNCIL OF CARPENTERS' FRINGE BENEFIT FUNDS

P.O. Box 4540 • Troy, MI 48099-4540  
Telephone: (248) 641-4950 800-572-2525



September 2013

To: All Associations and Contributing Employers in the Michigan Regional Council of Carpenters Employee Benefits Plan

From: The Trustees of the Michigan Regional Council of Carpenters Employee Benefits Plan ("Plan")

Re: Employer Exchange Notification Requirements

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Dear Association Member/Contributing Employer:

As you may know, under the Patient Protection and Affordable Care Act ("PPACA") employers subject to the Fair Labor Standards Act are to send a notice (the "Notice") on or before October 1, 2013 to their employees informing them of coverage options under the upcoming healthcare exchanges. Employees hired after October 1, 2013 are to receive the notice within fourteen (14) days of their hiring. The Department of Labor ("DOL") has stated that it is only recommending that employers comply with this requirement, no penalties will be assessed against employers who fail to send the Notice.

Even though a failure to send the Notice will not result in a penalty, the Plan is nonetheless sending the Notice on your behalf to all employees in the Plan. You will therefore have no obligation to send the Notice to current or future employees in the Plan, as the Plan will send the Notice on your behalf. A copy of the Notice sent by the Plan is attached to this letter for your records.

However, please keep in mind that the Plan will not be sending the Notice to your employees who are not part of the bargaining unit or who otherwise do not receive health coverage from this Plan ("non-Plan Employees"). For example, non-Plan Employees may include office workers who are not participating in this Plan and who (1) do not receive healthcare coverage from you or (2) receive healthcare coverage from you through a separate insured or self-insured plan. The Notice only has to be given to employees; you do not have to send it to dependents or retirees. Web addresses for the Model Notices provided by the DOL are as follows:

For employers who do NOT offer coverage to non-Plan Employees:

[www.dol.gov/ebsa/pdf/FLSAwithoutplans.pdf](http://www.dol.gov/ebsa/pdf/FLSAwithoutplans.pdf)

For employers who DO offer coverage to non-Plan Employees:

[www.dol.gov/ebsa/pdf/FLSAwithplans.pdf](http://www.dol.gov/ebsa/pdf/FLSAwithplans.pdf)

Should you have any additional questions regarding the Notice, please contact the Plan Administrator at 800-572-2525 or the Fund's legal counsel at 248-354-0380.

Sincerely Yours,

The Board of Trustees of the Michigan Regional Council of Carpenters Employee Benefits Plan



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To: All Employees in the Michigan Regional Council of Carpenters Employee Benefits Plan

Re: Notice regarding Healthcare Reform Exchanges

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Dear Plan Participant:

Attached to this letter you will find a notice that provides certain information regarding your Union sponsored health Plan. This notice is being sent in accordance with federal law on behalf of the employers who contribute to this Plan as required by their collective bargaining agreement. The purpose of the notice is to provide you with some information regarding your health coverage under this Plan, and to make you aware of the new healthcare exchanges that will be available to individuals who are without health coverage starting on January 1, 2014. For additional information about why you are receiving this notice and the healthcare exchanges, please review the Questions and Answers section below. Thank you.

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**Q. Why am I receiving this notice?**

**A.** This notice is required by federal law. It is being sent to you on behalf of the employers who have signed collective bargaining agreements to make contributions to the Plan on your behalf.

**Q. What are the Exchanges?**

**A.** Under the healthcare reform law, the Exchanges are marketplaces where insurance companies will sell insurance policies to people who do not have insurance from their employer or from the government (Medicare, Medicaid etc).

**Q. Are the Exchanges or these Marketplaces going to affect my Union health plan's coverage?**

**A.** No. Provided you meet the eligibility requirements of this Plan, you will continue to receive coverage from this Plan as you always have. The Exchanges will not result in your coverage being cancelled.

**Q. I have heard about these government subsidies for insurance, am I able to receive one?**

**A.** Maybe. Some people who do not have health insurance or whose employer does not provide affordable insurance will be eligible for a government subsidy to help them purchase a plan from the Exchanges. When you are eligible to receive benefits under this Plan, you are not eligible for a government subsidy. However, should you lose coverage under this Plan, or are waiting to meet this Plan's eligibility requirements; you may qualify for a subsidy to purchase an Exchange plan.

**Q. Is Exchange coverage going to be better than my Union coverage?**

**A.** No. Generally, the only coverage you will be able to obtain through the Exchanges is medical and prescription drug coverage. There is not, for example, disability, lost time, or death benefits available with an Exchange plan. In addition, this Plan does not require you to pay a premium in addition to forms of cost sharing such as co-pays and deductibles. Your coverage is paid for through employer contributions required by the collective bargaining agreement. Persons obtaining coverage in the Exchanges will have to buy one of several plans offered by the Exchanges. Exchange plans are offered in tiers, such as catastrophic only/ "young invincible", bronze, silver, gold and platinum. Exchange plans offering similar medical and prescription benefits to this Plan will likely cost several thousand dollars per year.

**Q. Can I use my employer's healthcare contribution to the Plan to purchase Exchange coverage?**

**A.** No. The contributions to the Plan are set by a collective bargaining agreement and must be paid to the Plan.

**Q. I still have additional questions, who should I contact?**

**A.** If you have additional questions regarding the benefits provided under this Plan, please refer to your Summary Plan Description ("SPD"). If you need a copy of the SPD, or have additional questions about this notice or about this Plan, please contact the Plan Administrator at 800-572-2525.

Sincerely Yours,

The Board of Trustees for the Michigan Regional Council of Carpenters Employee Benefits Plan



## New Health Insurance Marketplace Coverage Options and Your Health Coverage

### 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.<sup>1</sup>

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 the Plan Administrator, at 800-572-2525.

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.

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<sup>1</sup> An employer-sponsored health plan meets the minimum value standards if the plan's share of the allowed benefit costs covered 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

As a member of the [Michigan Regional Council of Carpenters](#) Union, your health coverage is offered through what is known as a multiemployer plan. Healthcare coverage for you is funded through employer contributions at a rate per hour set by a collective bargaining agreement between the Union and various employers who have signed the collective bargaining agreement. As a result, while you may receive a notice from your actual employer stating it does not provide coverage that does not mean you are not eligible for any kind of healthcare coverage. Provided you meet the conditions for eligibility, you will have health coverage from the Plan named below.

Plan Name: <a href="#">Michigan Regional Council of Carpenters Employee Benefits Plan</a>	Plan Identification Number: 38-3508105 Plan 501
Plan Address: <a href="#">700 Tower Drive</a>	Plan Phone Number: <a href="#">800-572-2525</a>
City: <a href="#">Troy</a>	8. State: <a href="#">Michigan</a>
Who can we contact about employee health coverage with this Plan: <a href="#">Plan Administrator</a>	Zip Code: <a href="#">48099-4540</a>
Phone number: <a href="#">800-572-2525</a>	

Here is some basic information about health care coverage offered by this Plan:

### For Employees of Signatory Employers:

- All employees of signatory employers can obtain coverage through this Plan provided they meet the Plan's eligibility requirements. For more information regarding the eligibility requirements for coverage under this Plan, please review the Summary Plan Description, or contact the Plan Administrator at 800-572-2525.

### With Respect to Dependents:

- Dependents of eligible employees are provided coverage under this Plan. An eligible dependent child includes the your son, daughter, stepchild, adopted child, child lawfully placed for adoption, or foster child that is lawfully placed with the Participant by an authorizing placing agency or by court order, who is under the age of 26. Additional forms of coverage are provided for children who are handicapped and unable to support themselves. For more information regarding coverage of dependents, please review the Summary Plan Description or contact the Plan Administrator at 800-572-2525.

### Minimum Value Standard

- This Plan DOES meet the minimum value standard, and the cost of coverage is intended to be affordable, based upon 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 will guide you through the process.