** Required Federal Notice **

New Health Insurance Marketplace Coverage Options and Your Health Coverage

General Information

When key parts of the Affordable Care Act (ACA) take effect in 2014, there will be a new way to buy health insurance: the health insurance marketplace (formerly referred to as “exchanges”). To assist you as you evaluate options for you and your family, this notice provides some basic information about the new exchange/marketplace and employment-based health coverage offered by your employer.

The Line Construction Benefit Fund and ACA

Participating employers make contributions to Lineco for the purpose of providing health care benefits to their employees and retirees, and their dependents, who meet the eligibility requirements of the Fund and the requirements set forth in the collective bargaining agreements/participation agreements. There is typically no cost to the active employee for this coverage, but the Fund charges for retiree coverage. The amount charged for retiree coverage is much less than the actual cost of the coverage.

What is the Health Insurance Marketplace?

The marketplace/exchange 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.

You are receiving this notice because your employer DOES offer coverage—through the Line Construction Benefit Fund—and the coverage provided by Lineco meets the Affordable Care Act’s (ACA’s) minimum value standard, meaning that Lineco’s share of the total allowed benefit costs covered by Lineco is no less than 60 percent of such costs.

You are typically not required to pay premiums to Lineco for coverage unless you terminate employment, in which case you may be able to elect and self-pay for continuing coverage (COBRA). If you lose full-time employee status or terminate employment, you might be able to save money through the Marketplace rather than electing to self-pay for the coverage provided through Lineco.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. Persons whose employers offer health care coverage that meets those standards are not eligible for premium savings (tax credits) through the marketplaces. Those persons may wish to enroll in their employer’s health plan.1 However, if the person’s cost for employer-provided coverage (the cost to cover the employee but not any other members of his/her family) is more than 9.5% of the employee’s household

1 You are not required to enroll in the Lineco Plan. You and your eligible dependents will automatically be covered if you meet the eligibility requirements. (You may, however, be required to send documentation to show that your family members meet the Fund’s definition of “dependent.”)
income for the year, or if the employer’s coverage does not meet the "minimum value" standard set by the Affordable Care Act, the person may be eligible for a tax credit. (The marketplace will use the person’s household income, along with other factors, to determine whether a premium discount is available.) If a person is eligible for a tax credit, it will lower his or her monthly premium or reduce certain cost-sharing requirements.

You are receiving this notice because your employer DOES offer coverage—through the Line Construction Benefit Fund—and that coverage meets the standards set by the Federal regulating agencies.

The coverage is intended to be “affordable.”

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 (for example, if you need to self-pay for COBRA coverage after you terminate employment)—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.

The paragraph above does not apply to you. Your employer is required by a collective bargaining agreement or participation agreement to contribute to Lineco for the work you perform. You are not asked to “accept” this coverage or pay premiums for it (unless you terminate employment, in which case you may be able to elect and self-pay for COBRA).

If you decide to shop for coverage in the marketplace, HealthCare.gov will guide you through the process.

How Can I Get More Information?

For more information about the coverage offered to Lineco participants by your employer, please check your summary plan description or contact:

Line Construction Benefit Fund
Telephone: 1-800-323-7268
www.lineco.org

The marketplace/exchange 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.