October 1, 2014

Dear Montana University System Employee/Retiree

The Patient Protection and Affordable Care Act (PPACA), now referred to as ACA, requires employers to provide certain notification to employees regarding the Health Insurance Marketplace (Marketplace). It also requires employers to provide notice of the premium assistance subsidy under Medicaid and the Children’s Health Insurance Program (CHIP), known as the Healthy Montana Kids Plan (HMK) in Montana.

You are receiving this letter containing information about all of the above. This letter, which serves as the required notification of disclosure, is being sent to you prior to November 15, 2014, which is when the open enrollment period for the Marketplace commences. Marketplace enrollment runs from November 15, 2014 and ends on February 15, 2015.

Enclosed with this letter are two federal notices on the above disclosures.

There are two important things for employees to note with notices:

You are receiving these notices because you have an employment relationship, or are a retiree, with a unit of the Montana University System (MUS). This is irrespective of your eligibility to receive benefits under the MUS Employee Benefit Plan.

The individual mandate for health insurance coverage has been in effect since January 1, 2014.

Specific information regarding the MUS Employee Benefit Plan Coverage and the Marketplace:

If you are eligible to receive coverage as an active employee under the MUS Employee Benefit Plan, you receive a contribution from the employer toward the cost of coverage for yourself and any eligible dependents. Currently state law sets this amount at $887 per month. Retirees do not receive an employer contribution. The employer contribution for some affiliated entities eligible for the MUS Benefit Plan may be different.

The MUS Employee Benefit Plan meets the federal requirements for “minimum value” and “affordability” under the Employer Shared Responsibility provisions of the ACA.

Since the MUS Employee Benefit Plan meets these requirements, employees who choose to waive the employer coverage will not be able to receive the monthly contribution nor be eligible to receive subsidized coverage from the Marketplace. Employees considering waiving benefits and accessing Marketplace coverage may wish to consider the fiscal impacts carefully.

Thanks for your time.

Connie Welsh, Director
Montana University System Employee Benefits Plan