



MONTANA UNIVERSITY SYSTEM
OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION
Benefits Department

2500 Broadway ♦ Helena, Montana 59620-3203 ♦ (877) 501-1722 ♦ (406) 444-2574 ♦ FAX (406) 444-0222

Dear Montana University System Employee/Retiree,

The Patient Protection and Affordable Care Act (PPACA) and its amendment by the Health Care and Education Reconciliation Act of 2010 ("Affordable Care Act of ACA") require employers to provide certain notification to employees regarding the Health Insurance Marketplace ("Marketplace"), previously known as the Exchange.

You are receiving this letter containing information about the Marketplace and how it relates to existing benefit coverage offered by the Montana University System Employee Benefit Plan. This letter, which serves as the required notification, is being sent to you prior to October 1, 2013 which is when the open enrollment period for the Marketplace commences. Following the open enrollment period for the Marketplace, coverage for individuals on the Marketplace products begins January 1, 2014.

There are two important things for employees to note:

- * You are receiving this notice 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 goes into effect January 1, 2014.

Specific information regarding the MUS Employee Benefit Plan Coverage

- * 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 \$806 per month. Retirees do not receive an employer contribution. The employer contribution for some affiliated entities eligible for the MUS Employee 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 employer 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.

Specific information regarding the Marketplace

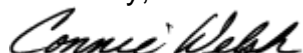
If you are not eligible to receive coverage under the MUS Employee Benefit Plan or through another group employer plan that meets the “minimum value” and “affordability” standards, depending on your individual circumstances, you may be eligible for premium subsidies to assist in purchasing coverage on the Marketplace.

* There is a specific Marketplace notice prepared by the federal government. This notice contains two parts. Part A - "General Information" is enclosed with this letter. Part B - "Information About Health Coverage Offered by Your Employer" is utilized when an individual chooses to apply for coverage on the Marketplace. Upon request MUS will provide a completed copy of Part B to employees. The Part B documentation must be submitted along with an application for Marketplace coverage.

We understand that employees may have a number of questions during the next few months regarding health care coverage, the ACA impact on the individual, and the MUS Employee Benefit Plan coverage. In addition to this notice, we will be preparing additional communication FAQ information to assist in answering these questions. In some cases we are still awaiting guidance and information from the federal government, so as we receive additional information we will communicate that to you.

If you need more information about MUS Employee Benefit Plan coverage you can review the Summary Plan Description or the *Choices Enrollment Workbook*. (They are available online at www.choices.mus.edu/.) You may also contact your campus HR office or call the MUS Employee Benefits office directly at 1(877)501-1722.

Sincerely,



Connie Welsh
Director of Benefits
Montana University System