



Employee Relations – Health Care Reform FAQs

Q. What is Health Care Reform?

A. Health Care Reform is also known as Obamacare, the Affordable Care Act and the Patient Protection and Affordable Care Act. It is all the same thing.

Q. How does this impact me?

A. Starting January 1, 2014, most individuals in the United States must have medical coverage for themselves and family members or pay a penalty. If you currently have health insurance through your employer and will be continuing coverage in 2017, you can keep it and meet the requirement. The health plan we offer is intended to meet the requirement of minimum essential coverage. You don't need to purchase insurance through the Exchange to avoid a penalty.

Q. What is the Exchange?

A. The Exchange is a marketplace that sells health insurance policies to individuals, families and small businesses. There is an Exchange operated by the State of California called "Covered California." Insurance policies purchased through Covered California are eligible for federal subsidies for low income individuals. There are also a number of private exchanges that may be selling individual health insurance policies, which have not been certified by Covered California and are not able to offer federal subsidies. If you plan to seek government assistance, make sure that you are purchasing coverage from Covered California.

Q. What does Covered California have to do with the requirement that I must have medical coverage?

A. Covered California was set up to make coverage available to people who don't have access to affordable medical coverage. You can buy coverage from Covered California but you need to do your homework first because the medical coverage may be quite different than what you have available from your employer.

Q. Is my employer coverage better or worse than what I can purchase on Covered California?

A. Generally speaking, our coverage will be better than the coverage that you could buy from Covered California but it really depends on your personal circumstances with respect to the cost, doctors and hospitals. For some people with low incomes, the Federal government will subsidize the purchase of coverage from Covered California. However, the physician networks and hospitals may differ significantly from what you are used to under our plan. In other words, you need to do your homework and compare our coverage to the coverage you can buy from Covered California.

Q. How do I know whether I am eligible for a Federal government subsidy to purchase medical coverage from Covered California?

A. Covered California will review your application and verify certain information, such as tax information and legal residency, with the IRS, the Department of Homeland Security and the Department of Health and Human Services. They will decide whether you are eligible for government assistance. In general, people with low incomes whose employers do not offer medical coverage or whose coverage is unaffordable will be eligible for government assistance.

Q. Is our employer coverage affordable?

A. Our coverage is intended to be affordable based on our employees' wages.

Q. Will employees be eligible for government assistance to purchase coverage from the California Exchange?

A. Most of our employees will not be eligible for government assistance to purchase coverage from Covered California. To determine if you're eligible, you can contact Covered California. They also have a calculator on their website that may be helpful. However, in order to be sure that you will receive government assistance, it is likely you will need to complete a Covered California application and submit it for approval.

Q. How do I find out more about coverage on Covered California and whether I should purchase coverage from them and receive government assistance?

A. To find out more, you must contact Covered California by any one of the following means:

- ✓ Call 1-800-300-1506
- ✓ Visit www.coveredca.com
- ✓ More information about Health Care Reform can be found at: www.healthcare.gov.

Q. Is the enrollment in Covered California different than my employer enrollment?

A. Yes. The next open enrollment for Covered California begins on November 1, 2016 and continues through January 31, 2017. You may contact them by one of the methods indicated above. You will need to complete an extensive application form because Covered California does not know you. By comparison, our enrollment process for coverage during open enrollment is simplified.

Q. Will the cost of my coverage with Covered California be deducted from my pay?

A. No. You will have to write a check each month or have amounts automatically deducted from your personal checking account. There may be other payment options. However, you will have to pay for your coverage on an after-tax basis, not through our cafeteria plan (pre-tax) and not by means of payroll deductions.

Q. What types of medical plans are offered on Covered California?

A. Covered California offers “Qualified Health Plans” that are designated as Platinum, Gold, Silver or Bronze level coverage. These “Qualified Health Plans” include both HMO and PPO coverage.

Q. How will I know which is better?

A. You will need to contact Covered California to evaluate and compare your employer coverage and their coverage. However, the medical coverage sold on Covered California will be different than our coverage.

Q. Is coverage on Covered California cheaper than my employer coverage?

A. This is a very difficult question to answer because the value of a medical plan is not just found in the premiums paid but also includes the deductibles, copayments, out-of-pocket maximums and other out-of-pocket expenses incurred. Moreover, the value of a plan includes the quality of providers and hospitals. If you are considering purchasing coverage from Covered California, we urge you to do your homework and comparison shop before making a decision.

Q. Can I drop my employer coverage and purchase coverage from Covered California?

A: You can always elect to drop employer coverage during open enrollment. The election would be effective for the upcoming plan year. You may drop our coverage in the middle of the plan year to purchase coverage from Covered California under certain circumstances. However, if you do not like the coverage you bought from Covered California, you cannot rejoin our plan until you elect to do so at the next open enrollment.

Q. If I elect employer coverage, can I purchase coverage on Covered California in the middle of the plan year?

A. During Covered California's open enrollment, you can purchase coverage from them and you may drop employer coverage in the middle of the year under certain circumstances.

Q. If I don't like the coverage I purchased from Covered California, can I come back to my employer's plan?

A. You have an opportunity to enroll in our plan during open enrollment each year. There are no special enrollment rights with respect to dropping coverage that you purchased from Covered California. In other words, you cannot enroll in the plan in the middle of the plan year if you decide that you don't like your coverage from Covered California.

Q. When can I go to the Exchange and when can I come back?

A. The next Covered California open enrollment begins November 1, 2016 and continues until January 31, 2017. If you choose not to be covered under our plan, you can re-enroll during the next open enrollment with coverage effective as of the first day of the next plan year.

Q. Can I purchase coverage from Covered California for my family but stay with single employer coverage for myself?

A. You always have the right not to cover family members and elect single coverage. You may also purchase coverage through Covered California for your family members; however, they may not be eligible for government assistance. You should talk to your family before making a decision on family coverage.

Q. Can I purchase coverage for me and my family from Covered California and from my employer so that I have dual coverage?

A. The rules governing coordination of benefits may vary depending upon the type of Covered California plan involved, for example, whether it is an HMO or PPO. You should contact Covered California for information relevant to your specific situation.

Q. I read about Health Care Reform. Am I now eligible for coverage under my employer's group medical plan?

A. If you were not previously eligible for group health coverage based on classification or work hours, please review the eligibility requirements below:

Variable hour, temporary, seasonal and other employees are only eligible to enroll in the Two-Tiered Anchor Bronze PPO medical plan. This plan excludes coverage for dental, vision and life insurance. The two tiers are Employee Only and Employee plus Child(ren). Spouses and Domestic Partners are not eligible for this plan. If you opt to enroll in the Two-Tiered Anchor Bronze plan, you will not receive a district contribution. Employees in this class **must** complete an enrollment or declination within two weeks from the date of hire or during Open Enrollment. Employees may not enroll in dental and vision plans at this time. If an employee in this class declines coverage, they may not enroll until the next Open Enrollment period.

Q. I am on COBRA, is it better for me to drop my COBRA coverage and purchase coverage from Covered California?

A. The answer depends on what you mean by “better” coverage. If the cost of coverage is your concern, it may be possible to find less costly and a greater variety, of options with Covered California as compared to your COBRA coverage. If adequacy of networks and hospitals are your concern, you would need to compare your COBRA coverage with coverage offered by Covered California. For example, if you have a certain doctor that you like and use under COBRA, or are undergoing a treatment for a specific condition but the physician providing those services is not available as an in-network physician under coverage from Covered California, then you may prefer to continue with COBRA. There is no one right answer to this question.

Q. Did Health Care Reform extend the time period I can have COBRA beyond 18 months?

A. No. The coverage period for COBRA has not been extended and related rules have not changed under COBRA.

Q. If I am on COBRA, can I drop COBRA and enroll in Covered California?

A. You may terminate your COBRA coverage at any time. The COBRA rules have not changed with respect to the availability of other coverage.