

## **AFFORDABLE CARE ACT NOTICE**

### **Covered California Health Insurance Coverage Options**

#### **General Information**

When key parts of the Affordable Health Care Act took effect in 2014, there was a new way to buy private individual health insurance: the Health Insurance Marketplace. In California, this is referred to as Covered California. To assist you as you evaluate options for you and your family, this notice provides some basic information about Covered California and employment-based health coverage the City of Sacramento offers its benefit qualified employees. Please note that this notice *is informational only and is provided to all benefit eligible City of Sacramento employees.*

#### **What is Covered California?**

Covered California is designed to help you find private individual health insurance that meets your needs and fits your budget. Covered California 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.

#### **Can I save money on my health insurance premiums using Covered California?**

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that does not meet certain standards. The savings on your premium that you are eligible for depends on your total household income.

#### **Does the employment-based health coverage the City of Sacramento offers affect your eligibility for premium savings through Covered California?**

Yes. If we have offered you health coverage that meets certain standards, you will not be eligible for a tax credit through Covered California and you may wish to enroll/remain in our health plan, if you are eligible. However, you may be eligible for a tax credit that lowers your monthly premium or a reduction in certain cost-sharing if we do not offer coverage to you at all or do not offer coverage that meets certain standards. If the cost of *self-only coverage* under our health plan is more than 8.39%<sup>1</sup> (as adjusted) of your total household income for the year, or if our health plan does not meet the "minimum value"<sup>2</sup> standard set by the Affordable Care Act, you may be eligible for a tax credit.

The City's labor agreements require you to provide proof of other group medical coverage to waive enrollment in a City medical plan. If you purchase a health plan through Covered California instead of enrolling in a City medical plan, you will not receive the City contribution and you will not be in compliance with the City's labor agreements. Also, our contribution—as well as your employee contribution—is often excluded from income for Federal and State income tax purposes. Your payments for coverage through Covered California are made on an after-tax basis.

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<sup>1</sup> 2024 affordability threshold

<sup>2</sup> An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs.

**How can I get more information about health insurance offered through Covered California?**

Covered California can help you evaluate your coverage options, including your eligibility for coverage through Covered California and its cost. Please visit [www.coveredca.com](http://www.coveredca.com) or call (888)975-1142 for more information, including an online application for health insurance coverage.

**Information About Employer-Provided Health Plan Coverage.** If you decide to complete an application for coverage through Covered California, you will be asked for information about our health plan coverage. The information below can help you complete an application for coverage through Covered California. The City provides detailed coverage information about all of its health plans and coverage summary information at <https://www.cityofsacramento.gov/HR/employee-retiree-benefits>.

**1. General Employer Information.**

Employer name:	<b>CITY OF SACRAMENTO</b>
Employer Identification Number (EIN):	<b>94-6000410</b>
Employer street address:	<b>915 I STREET</b>
Employer phone number:	<b>(916) 808-5665</b>
Employer city:	<b>SACRAMENTO</b>
Employer state:	<b>CA</b>
Employer ZIP code:	<b>95814</b>
Who can we contact about employee health coverage at this job?	<b>BENEFIT SERVICES</b>
Phone number (if different from above):	
Email address:	<b>BenefitServices@cityofsacramento.org</b>

**2. Eligibility.** You may be asked whether or not you are currently eligible for City of Sacramento health plan coverage or whether you will become eligible for coverage within the next three months. In addition, if you are or will become eligible, you may be required to list the names of your dependents that are eligible for coverage under our health plan. If you would like information about the eligibility requirements for our health plan, please read the eligibility provisions described in the Summary Plan Description for our health plans. You can obtain a copy of Summary Plan Descriptions by contacting **Benefit Services** at **(916) 808-5665** or [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org).

**3. Minimum Value.** If you are eligible for coverage with City of Sacramento health plans, you may be required to check a box indicating whether or not our health plans meet the minimum value standard. All City of Sacramento health plan coverage **meets the minimum value standard**.

**4. Premium Cost.** If you are eligible for coverage with City of Sacramento health plans, you may be asked to provide the amount of premiums you must pay for self-only coverage under the lowest-cost health plan that meets the minimum value standard. If you had the opportunity to receive a premium discount for any tobacco cessation program, you must enter the premium you would pay if you received the maximum discount possible for a tobacco cessation program. If you would like information about the premiums for self-only coverage under our lowest-cost health plan, please contact **Benefits Services** at **(916) 808-5665** or [benefitservices@cityofsacramento.org](mailto:benefitservices@cityofsacramento.org).

**5. Future Changes.** You may also be asked whether or not we will be making certain changes to our health plan coverage for the new plan year. As usual, you will be provided with information about any changes to our health plan coverage before the next open enrollment period. For more eligibility information or a Covered California application please contact Covered California at [www.coveredca.com](http://www.coveredca.com) or call (888) 975-1142.

Detailed coverage information about all of the City's health plans and coverage summary information is available at <https://www.cityofsacramento.gov/HR/employee-retiree-benefits>.