



town of
LONGMEADOW, MASSACHUSETTS

735 Longmeadow Street, Suite 102 01106



MEMORANDUM

DATE: October 1, 2014
TO: ALL TOWN OF LONGMEADOW EMPLOYEES
FROM: Human Resources Department
RE: Health Insurance Marketplace

The Federal Affordable Care Act (ACA) requires the **Town of Longmeadow** to provide each of its employees with a formal notice of health care coverage options that will be available to individuals under the Health Insurance Marketplaces that the ACA requires each state to establish. The Massachusetts Marketplace is known as the Massachusetts Health Connector. The required Notice is enclosed.

The Notice explains that health insurance is available through the Health Connector and that some employees may be eligible for subsidized coverage. Employees who are eligible for participation in an employer-sponsored health plan that meets the minimum value standard set by the ACA and that is “affordable” to the employee will not be eligible for subsidized coverage through the Health Connector. The health plans that are offered through the Town of Longmeadow satisfy the ACA minimum value standard. The “affordability” of coverage for purposes of the ACA is determined on an employee-by-employee basis, as discussed below. The health coverage offered to an eligible employee will be considered “affordable” if the employee’s share of the premium costs for the least expensive *Individual* plan offered by the employer is less than 9.5% of the employee’s *household* income.

In the case of the Town of Longmeadow, the lowest priced Individual plan offered is the Health New England Deductible HMO with a monthly rate of \$493.02. The employee’s share of this rate is 31.5% or \$155.30. This plan and the town’s provision of health benefits are considered affordable for an employee whose monthly *household* income is \$1634.73 or greater ($\$155.30/0.095 = \1634.73). Therefore, employees with monthly *household* incomes greater than this amount are not eligible to purchase subsidized health benefits through the Health Connector. If you have any questions about the information contained in this notice, please contact Audra Staples, Benefits Administrator for the Town of Longmeadow.

You are not required to take any action. This notice is only to inform you of the options that may be available to you regarding health insurance.