



Dear Colleague:

Enclosed is a Notice entitled “Health Insurance Marketplace Coverage Options and Your Health Coverage.” The Affordable Care Act (“ACA”) requires employers to send this one-time Notice to all new employees. The Notice provides information about the Health Insurance Marketplace (“Marketplace”), as well as information regarding the health coverage offered by the University through the State of Delaware (“the State”).

Under the ACA, most people are required to have health insurance; if not, they will pay a tax penalty. This is known as the “individual mandate.” Your health insurance coverage can come from different sources, including through your (or your spouse’s) employment, through a policy you buy on the Marketplace, or through a government-sponsored program like Medicare or Medicaid. In addition, you may be eligible for health insurance coverage from a plan provided to your parent (if you have not yet reached age 26); or, if you are a student, from certain student health insurance programs.

If you are in a position classified as Full-Time Faculty, Full-Time Staff, Defined-Term Full-Time Staff, or Temporary Full-Time Staff, you (and your eligible Spouse and dependents) are eligible for coverage through the University’s health insurance coverage provided through the State’s Group Health Insurance Program (the “Plan”).

If you elect to participate in the Plan, you may not need to shop for different or additional insurance through the Marketplace. The coverage under the Plan will satisfy your responsibility to be enrolled in minimum essential coverage under the ACA, and you will not be subject to a penalty for failure to enroll in such coverage. Any enrolled spouse and dependents will also satisfy the responsibility for having minimum essential coverage under the ACA.

Here is how the Plan measures up under ACA criteria for determining whether a plan’s coverage is adequate and affordable for its participants:

- In general, coverage is considered “minimum value” under ACA if the benefits the plan provides cover at least 60% of eligible expenses. The Plan’s medical plans meet the ACA minimum value standard.
- In general, coverage is considered “affordable” under the ACA if the premium cost for employee-only coverage is not more than a specified percentage of your household income. The Plan’s coverage is designed to be affordable.

The Notice mentions that you may be eligible for federal premium subsidies if you purchase coverage on the Marketplace, and that, if you do purchase a Marketplace plan, you may lose your employer contribution (if any) to the plan. If you enroll in the Plan, the coverage under the Plan

would meet the minimum value standard, you and your eligible family members would not qualify for a premium assistance tax credit to buy coverage through the Marketplace (if otherwise eligible based on your income and other factors) unless the Plan's required contribution for self-only coverage made the coverage unaffordable.

For information about the Marketplace, visit the federal government's website, <https://www.healthcare.gov/marketplace/individual/> or the State of Delaware's website at [www.choosehealth.com](http://www.choosehealth.com). If you have questions about the information in this letter or the enclosed Notice, we encourage you to contact the UD Office of Human Resources at 1-302-831-2171 or go to the Office of Human Resource's website at [www.udel.edu/hr](http://www.udel.edu/hr).

Sincerely,

Human Resources