



Texas Department of Criminal Justice

Brad Livingston
Executive Director

October 1, 2013

To All Employees:

This notice is being provided to you as a requirement of the Affordable Care Act Health Insurance Marketplace. The Marketplace is designed to help people, who do not have medical insurance or those whose insurance does not meet the minimum value standard of the Affordable Care Act, find affordable health insurance coverage. TDCJ insurance provided through the Texas Employee Group Benefits Program (GBP) and administered by the Employees Retirement System of Texas (ERS) exceeds the minimum value standard of the Affordable Care Act.

You are not required to take any action. If you take no action, you will continue to receive health insurance provided through the Texas Employee GBP.

Important information to consider if you choose to obtain insurance coverage through the Marketplace:

- Because TDCJ insurance provided through the Texas Employee GBP exceeds the minimum value standard of the Affordable Care Act, you will not be eligible for a tax credit through the Marketplace.
- If you purchase a health plan through the Marketplace, instead of accepting health coverage offered by ERS, you may lose the State contribution to the ERS-offered coverage.
- Your employee contribution to ERS coverage is excluded from income for federal income tax. Payments for coverage through the Marketplace are made on an after-tax basis.
- Starting January 1, 2014, employees who waive GBP coverage will pay a federal penalty unless they buy a minimum level of insurance coverage elsewhere. However, the opening of the Marketplace exchange will not result in a Qualifying Life Event (QLE). If you are currently enrolled with ERS for GBP coverage, you need to stay enrolled for the entire fiscal year unless you experience one of the QLEs outlined on the ERS website.

For information about your current health coverage, call TDCJ Human Resources, Employee Services at 936-437-4161, or email employee.services@tdcj.state.tx.us. For information about the Health Insurance Marketplace, please refer to the attached notice and visit the website www.HealthCare.gov.

Sincerely,

A handwritten signature in black ink that reads "Patty Garcia".

Patty Garcia
Director,
Human Resources Division

Our mission is to provide public safety, promote positive change in offender behavior, reintegrate offenders into society, and assist victims of crime.

Patty Garcia, Director, Human Resources Division
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New Health Insurance Marketplace Coverage Options and Your Health Coverage

PART A: General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance Marketplace. To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment based health coverage offered by your employer.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace 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. Open enrollment for health insurance coverage through the Marketplace begins in October 2013 for coverage starting as early as January 1, 2014.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income. TDCJ **does** offer coverage that exceeds the minimum value standard.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan. However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards. If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit. 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.

Note: If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution, as well as your employee contribution to employer-offered coverage is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace are made on an after-tax basis.

How Can I Get More Information?

For more information about your coverage offered by your employer, please check your summary plan description or contact Human Resources Employee Services, Benefits and Insurance at 936-437-4161.

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

Part B: Information about Health Coverage Offered by TDCJ

This section contains information about health coverage offered by TDCJ. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

3. Employer Name Texas Department of Criminal Justice		4. Employer Identification Number (EIN) 74-6001431	
5. Employer address P. O. Box 99		6. Employer phone number 936-295-6371	
7. City Huntsville		8. State TX	9. ZIP code 77342-0099
10. Who can we contact about employee health coverage at this job? Texas Department of Criminal Justice, Human Resources Employee Services, Benefits & Insurance			
11. Phone number (if different from above) 936-437-4161		12. Email address employee.services@tdcj.state.tx.us	

Here is some basic information about health coverage offered by TDCJ:

- As your employer we offer a health plan to all employees.
- With respect to dependents, we do offer coverage. Eligible dependents are as follows:
 - Opposite-sex spouse as recognized by Texas law;
 - Opposite-sex common law spouse as recognized by Texas law;
 - Natural, adopted, step, legal ward, or foster child;
 - Child related by blood or marriage and was claimed as dependent on participant's federal income tax return for the previous tax year, and will continue to be claimed on participant's federal income tax return for every calendar year the child is covered;
NOTE: A child must be under age 26 for health insurance unless they are disabled, and can be married or unmarried. The child must be under age 26 and unmarried for dental insurance and Dependent Term Life Insurance.
 - A child over age 26 who is mentally or physically disabled may be eligible for coverage if the child lives with you or is dependent on care provided by you on a regular basis, and is mentally or physically incapacitated to such an extent as he or she may rely upon you for care or support, and prevented by the condition from engaging in self-sustaining employment.
- **This coverage exceeds the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.**

If you decide to shop for coverage in the Marketplace, www.HealthCare.gov will guide you through the process.