



***** BULLETIN *****

TO: ALL GROUP HEALTH CLIENTS

FROM: GREENBERG & ASSOCIATES INSURANCE, LLC.

DATE: JANUARY 15, 2013

RE: OREGON INSURANCE EXCHANGE & UPDATE ON 2014 HEALTH REFORM PROVISIONS

As many of you are aware, the Patient Protection and Affordable Care Act (ACA) has been upheld and Oregon is making advancements in creating its own health care exchange, which will be called Cover Oregon. The website is up and running and information can be found at www.coveroregon.com. The Exchange creates an additional source that individuals and small businesses will be able to turn to purchase health coverage. Rest assured, we will be evaluating your options both inside and outside of the Exchange and implementing coverages both inside and outside of the Exchange.

As an employer, here is a brief summary of the healthcare reform provisions that will be taking effect in 2013:

- Employers filing 250 or more W-2 Forms in 2011 must include the cost of employer-sponsored health coverage for informational purposes on the forms beginning in the tax year 2013.
- By March 1, 2013, the ACA requires all employers to inform their employees of the following:
 - 1) The availability of a health insurance exchange;
 - 2) The employee's potential eligibility for federal assistance if the employer's plan is "unaffordable; and
 - 3) The potential loss of the employer's contribution to health coverage if employees purchase their own health insurance coverage through the state exchange.

As an employer, here is a brief summary of the healthcare reform provisions that will be taking effect in 2014:

- For employers with fewer than 50 full-time (including full-time equivalents) workers, no penalty will be assessed for not offering insurance.
- Employer Shared Responsibility (50+ full time employees). You may incur a penalty if you do not provide "affordable" healthcare coverage to your employees. One of the factors determining whether employers are assessed this penalty is the value of covered health expenses. The insurance you provide needs to pay for at least 60% of covered health expenses for a typical population. Secondly, to avoid the penalty, the employee portion of the premium must not exceed 9.5% of the employee's household income.

Final regulations on these provisions have not been issued. As these become clearer, we will provide more information to help you understand whether your current coverage meets the minimum value requirement. We've attached some helpful educational pieces to this email that we encourage you to review, if you'd like more detailed information at this time.

Sincerely,

Sharon Greenberg & Adrienne Hutchins