On January 1, 2014, a key component of the health reform law will take effect: Everyone in the U.S. (with a few exceptions) will be required to have health insurance.

Earlier this year, Human Resources held open forums regarding health reform and the changes that will affect employees as well as employer-sponsored plans. Though the University is maintaining its employer-sponsored plan, we are still required to send notification to all employees regarding your options for health care access and in particular access to the state exchanges. This notification outlines key provisions of the federal Affordable Care Act that pertain to options for health care insurance once the law takes effect January 1, 2014.

The University of Denver will continue to offer health insurance for eligible employees. This coverage meets all of the health reform law requirements to satisfy your “individual mandate” under the reform law. We will continue offering this benefit as a valuable part of your total compensation.

In 2014, you will also have other options to purchase health insurance, but because we offer benefit eligible employees coverage that satisfies all the health reform requirements, those eligible will not qualify for any federal assistance to purchase an individual or family policy on the open market. These other options include:

- Insurance policies via a public health insurance marketplace/exchange
- Private health insurance marketplaces/exchanges
- Insurance policies directly from health insurers and brokers

Please see the details below.

**Options to Purchase Health Insurance**

- **Public health insurance marketplaces/exchanges**—You can shop for coverage in an online public health insurance marketplace/exchange and compare available policies based on price, benefits, and quality. Each state is required to have an online public marketplace available for health insurance coverage in 2014 (if a state does not establish one, the federal government will operate an exchange for the state’s residents). Because the University offers you coverage that satisfies all requirements under the health reform law, you – and your dependents – will not qualify for federal financial assistance (premium tax credits) for any coverage you purchase on the public exchange.

- **Private marketplaces/exchanges**—A variety of private exchanges will serve as marketplaces where you can compare health plans and buy coverage. For example, an insurance company might create a “private” exchange that serves some of the same functions as a public exchange, but cannot offer federal financial assistance to individuals purchasing coverage. In addition, some health insurance companies are opening retail stores where you can shop for a policy, check on claims and get one-on-one health education coaching.

- **Health insurers and brokers**—Health insurance companies will sell plans directly to you through their own websites and call centers. In addition, even though you will be able to shop for yourself through the exchanges, you can enlist the assistance of an insurance agent or broker.

If you are not in a benefit eligible position at the University, you may be eligible for a subsidy through Colorado’s Exchange.
Health Reform: Individual Mandate

Summary
January 1, 2014, the health reform law’s individual mandate takes effect.

What does the individual mandate mean to you?
This part of the law requires most individuals to have health insurance. If you do not have health insurance, you will pay a penalty. If you have a family, your family members must also have health insurance.

What health insurance plans meet the requirements for the individual mandate?
- Most employer group health plans, including the University of Denver’s plan
- An individual health insurance policy obtained through a public health insurance marketplace/exchange or elsewhere
- A government plan such as Medicare, Medicaid, Children’s Health Insurance Program (CHIP), TRICARE, or veterans coverage
- Student health coverage
- Medicare Advantage plan
- State high-risk pool coverage
- Coverage for non-U.S. citizens provided by another country
- Refugee medical assistance provided by Administration for Children and Families
- Coverage for AmeriCorps volunteers

Does the University of Denver’s group health plan meet the requirement?
Yes, coverage under our group health plan meets the individual mandate requirement, therefore you have no penalty if you enroll under our plan.

What is the penalty for not complying with the law?
If you do not enroll in and maintain insurance for yourself and your dependents you may be required to pay an annual penalty (prorated for the number of months of the year during which you don’t have coverage).

<table>
<thead>
<tr>
<th>YEAR</th>
<th>ADULT</th>
<th>CHILD*</th>
<th>FAMILY*</th>
<th>MAXIMUM PENALTY*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$95 per adult</td>
<td>$47.50 per child</td>
<td>$285</td>
<td>1 percent of family income</td>
</tr>
<tr>
<td>2015</td>
<td>$325 per adult</td>
<td>$162.50 per child</td>
<td>$975</td>
<td>2 percent of family income</td>
</tr>
<tr>
<td>2016</td>
<td>$695 per adult</td>
<td>$347.50 per child</td>
<td>$2,085</td>
<td>2.5 percent of family income</td>
</tr>
</tbody>
</table>

*Penalty is the greater of the dollar amount or percentage of income.
You may be exempt from a penalty if any of the following apply:

- You cannot afford coverage (would have to pay more than eight percent of annual household income to purchase health insurance after taking into account any employer contributions and subsidies).
- Your income is below the tax-filing threshold.
- You qualify for a hardship exemption.
- You experience a gap in coverage of less than three consecutive months in one calendar year.
- You are a member of religious group that objects to coverage on religious principles.
- You are a member of non-profit religious organization that shares medical costs.
- You are in prison.
- You are a non-U.S. citizen.
- You are a Native American tribe member.
- If you think you qualify for an exemption, please visit www.healthcare.gov for more information.
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.

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.¹

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 totalrewards@du.edu.

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.

¹ 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.
**PART B: Information About Health Coverage Offered by Your Employer**

This section contains information about any health coverage offered by your employer. 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.

<table>
<thead>
<tr>
<th>3. Employer name</th>
<th>4. Employer Identification Number (EIN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Denver</td>
<td>84-0404231</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. Employer address</th>
<th>6. Employer phone number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2199 S. University Blvd</td>
<td>303-871-7420</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7. City</th>
<th>8. State</th>
<th>9. ZIP code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denver</td>
<td>CO</td>
<td>80208</td>
</tr>
</tbody>
</table>

10. Who can we contact about employee health coverage at this job?
    totalrewards@du.edu

11. Phone number (if different from above) 12. Email address
    totalrewards@du.edu

Here is some basic information about health coverage offered by this employer:

- As your employer, we offer a health plan to:
  - [ ] All employees.
  - [x] Some employees. Eligible employees are:
    
    Employees that hold an appointed position that is at least half time (20 hours per week).

- With respect to dependents:
  - [ ] We do offer coverage. Eligible dependents are:
    
    Your legal spouse, common law spouse, or domestic partner
    
    Dependent children up to the end of the month in which they reach age 26 (regardless of student or marital status), or
    
    up to any age if physically or mentally incapable of self-support.
  - [ ] We do not offer coverage.

  [x] If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

  ** Even if your employer intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount. If, for example, your wages vary from week to week (perhaps you are an hourly employee or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, [HealthCare.gov](http://HealthCare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](http://HealthCare.gov) to find out if you can get a tax credit to lower your monthly premiums.