

<DATE>

Dear Clergy person or Lay Employee:

As your day-to-day employer<sup>1</sup>, we are required to send you the enclosed notice: *New Health Insurance Marketplace Coverage Options and Your Health Coverage*. This notice has been prepared by the U.S. Department of Labor to inform employees nationwide about new health insurance options offered as a provision of the Affordable Care Act (ACA, i.e., the federal health care reform legislation). *We have customized information on page 2 (and page 3, if applicable) regarding your health coverage—please read the document carefully.*

Under the ACA, the Health Insurance Marketplaces (previously called “exchanges”) go into effect January 1, 2014. Open enrollment for the Marketplaces begins **October 1, 2013**.

**Important:**

*If you currently are **eligible** for employer-sponsored health insurance coverage, one of the following scenarios will apply:*

- You might continue to be eligible for employer-sponsored health insurance in 2014—so no action would be required on your part. **This scenario will apply to most churches, with respect to full-time clergy.**

**OR**

- You might cease to be eligible for employer-sponsored health insurance in 2014—and if so, you may become eligible for coverage and possibly government assistance (a premium tax credit or PTC) through the Marketplace.

**OR**

- You might continue to be eligible for employer-sponsored insurance, yet *choose* to purchase coverage through the Marketplace instead. **Please note:** If you choose this option, you will not be eligible for government assistance for marketplace coverage—unless your employer-sponsored coverage was not affordable to you (meaning that the cost to you for self-only coverage is more than 9.5% of your household income). Moreover, you will lose any contribution that your church or annual conference might have made toward your monthly premium payment. *You would be responsible for paying the full premium amount.*

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<sup>1</sup> **For clergy:** Under the Affordable Care Act, your “employer” is your salary-paying unit—typically the church or ministry where you work on a day-to-day basis. This applies even if your annual conference administers your health benefits, and even for clergy who are considered “self-employed” for employment tax (SECA) purposes.

If you currently are **not eligible** for employer-sponsored health insurance coverage, one of the following scenarios will apply:

- Your employer might decide to extend health coverage to you by changing its eligibility criteria (for example, adding eligibility for lay employees or people working part-time). **If your employer expands eligibility, the employer (salary-paying unit) would inform you about relevant insurance details.**

**OR**

- You might continue to be ineligible for health insurance through your employer. **If you don't have insurance through your employer, you could choose to purchase insurance through the Health Insurance Marketplace** (see "About the Health Insurance Marketplace" below).

### **About the Health Insurance Marketplace**

- Depending on where you live, you can access either a state-based or federal-based Marketplace.
- **If your household income ("adjusted gross income" or "total income" as shown on your federal income tax form) is between 100% and 400% of the federal poverty level (FPL, up to \$45,960 per individual or \$94,200 for a family of four in 2013), you might qualify for a premium tax credit (PTC) that makes your insurance more affordable.** See [www.healthcare.gov](http://www.healthcare.gov) ("Individuals and Families") for details.
- Open enrollment for the Marketplaces begins **October 1, 2013**.
- Find information about the Marketplace, PTCs and enrollment at [www.healthcare.gov](http://www.healthcare.gov).

You can read more about provisions of the Affordable Care Act as it applies to United Methodist Church employers on the General Board of Pension and Health Benefits' health care reform web page at [www.gbophb.org](http://www.gbophb.org). For more information about the Health Insurance Marketplace and other features of the Affordable Care Act, visit [www.healthcare.gov](http://www.healthcare.gov).

Sincerely,

<Employer Name>