

August 30, 2013

**RE: North Central States Regional Council of Carpenters' Health Fund ("Plan")
Employer Exchange Notice ("Notice")**

As you may know, the Patient Protection and Affordable Care Act ("ACA" or "Health Care Reform") will soon require employers to send all employees a Notice of exchange availability. This Notice will provide information about the public insurance exchanges effective in 2014 and information about premium tax credits (commonly referred to as "subsidies") that may be available through the exchanges. The delay of the employer shared responsibility rules (the requirement to offer healthcare coverage or pay a penalty) does not delay this Notice obligation, the exchanges, or premium tax credits.

Generally, all employers must provide the Notice to every new employee at the time of hiring **beginning October 1, 2013**. The Notice will be considered provided "at the time of hiring" if it is provided within 14 days of the employee's start date. Additionally, employers must provide the Notice to all current employees no later than October 1, 2013. Employers must provide this Notice to every employee, regardless of Plan enrollment or part-time or full-time employment status. Employers are not required to provide a separate Notice to dependents who are not employees. Employers must provide the Notice in writing, free of charge. The Notice may be provided by first-class mail.

The Department of Labor has issued a model Notice that employers may use to satisfy this notice obligation. You can find a copy of the notice here: <http://www.dol.gov/ebsa/pdf/FLSAwithplans.pdf>. You will note that the model Notice includes sections to describe the coverage you provide to employees. To assist you with this Notice obligation, the Plan has completed its half of "Part B" of the Notice and enclosed a version of the model notice, with the Plan's suggested revisions, that you can use to satisfy this Notice obligation with respect to employees that participate in the **North Central States Regional Council of Carpenters' Health Fund** ("Plan"). The Plan completed Part B assuming that the benefits and coverage you provide for any non-bargained employees who participate in the Plan are the same as for the bargained employees. You are not obligated to use the Plan's version of the model Notice but you must send some form of exchange notice by the deadlines noted above. If you choose to use this Notice, you need only fill in your contact information on page 1,

complete questions 3-12 in Part B on page 2, and confirm the information provided in part 15 is accurate for any non-bargained employees covered by the Plan.

Your notice obligation extends to all your employees. The model Notice provided by the Plan can be used only for Plan participants. A separate Notice is required for your employees who are not covered by the Plan.¹

You may also have heard that the exchange application includes a document called the "Employer Coverage Tool." Your employees may request you to complete this tool if they apply for coverage through the exchanges (the "Health Insurance Marketplace"). Because the information provided in the exchange Notice is the same as the information requested in the Employer Coverage Tool, you may want to refer the employee to the exchange Notice or provide the employee with a copy of Part B.

Employers have an obligation to provide the Notice (not the Plan). You should therefore consider reviewing your legal obligations with your legal counsel. Neither this letter nor its enclosures should be construed as advice or guidance from the Plan. Instead, the Plan is sending these materials to you as general information because the Notice requires Plan-specific information that employers may not possess.

Please contact the Fund Office at 800-424-3405 if you have any questions regarding the above information.

Sincerely,

The Board of Trustees

¹ If you do not currently offer coverage to employees who are not Plan participants, the Department of Labor has also provided a model Notice for employers who do not offer coverage (available here: <http://www.dol.gov/ebsa/pdf/FLSAwithoutplans.pdf>).

New Health Insurance Marketplace Coverage Options and Your Health Coverage

PART A: General Information

To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Health Insurance Marketplace and employment-based health coverage offered by your employer. The Marketplace is anticipated to be operational beginning in October 2013.

What is the Health Insurance Marketplace?

The Marketplace offers "one-stop shopping" to find and compare private health insurance options. 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 for a tax credit to lower your monthly premium for Marketplace coverage or for a reduction in certain cost-sharing on coverage purchased through the Marketplace, 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 may be eligible for depends on your household income. However, if you receive a tax credit that you did not qualify for or you receive too much of a tax credit (for example, if your household income was greater than expected), you will be required to pay back some or all of the tax credit.

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 that meets certain standards. If the cost of self-only coverage from your employer 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

What Benefit Does Employer Sponsored Health Coverage Provide?

If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you will lose the employer contribution to the employer-offered coverage. That is, your employer will pay no portion of the cost of coverage you purchase through the Marketplace. 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 the **North Central States Regional Council of Carpenters' Health Fund at 800-424-3405**.

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 the 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.

3. Employer name	4. Employer Identification Number (EIN)	
5. Employer address	6. Employer phone number	
7. City	8. State	9. ZIP code
10. Who can we contact about employee health coverage at this job? The North Central States Regional Council of Carpenters' Health Fund at 800-424-3405.		
11. Phone number (if different from above)	12. Email address	

The information below corresponds to the Marketplace Employer Coverage Tool. You may use this information if you decide to complete an application for coverage in the Marketplace. You will not need to ask your employer to complete the Marketplace Employer Coverage Tool.

13. Is the employee currently eligible for coverage offered by this employer, or will the employee be eligible in the next 3 months?
<input checked="" type="checkbox"/> Yes (Continue) For employees covered by a collective bargaining agreement ("CBA") or participation agreement: Employees who meet the eligibility conditions in the CBA or participation agreement and in the North Central States Regional Council of Carpenters' Health Fund rules and regulations are eligible for coverage. New employees covered by a CBA or participation agreement will be eligible for coverage after the Fund receives required contributions on their behalf. Refer to your summary plan description for more information on eligibility rules and requirements. (You may access this online at www.ncscbf.com .)
<input type="checkbox"/> No (STOP and return this form to employee)

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

- As your employer, we offer a health plan to:
 - All employees.
 - Some employees. Eligible employees are:
 - For employees covered by a collective bargaining agreement ("CBA") or participation agreement: Employees who meet the eligibility conditions in the CBA or participation agreement and in the **North Central States Regional Council of Carpenters' Health Fund** rules and regulations are eligible for coverage. Refer to your summary plan description for more information.
- With respect to dependents:
 - We do offer coverage. Eligible dependents are:
 - For employees covered by a CBA or participation agreement: Eligible employees' dependent children and legal spouse may be eligible for coverage if they meet the definition of dependent and satisfy any applicable eligibility requirements set forth in your summary plan description.
 - We do not offer coverage.

14. Does the employer offer a health plan that meets the minimum value standard*?
<input checked="" type="checkbox"/> Yes (Go to question 15) <input type="checkbox"/> No (STOP and return form to employee)

15. For the lowest-cost plan that meets the minimum value standard* offered **only to the employee** (don't include family plans): If the employer has wellness programs, provide the premium that the employee would pay if he/ she received the maximum discount for any tobacco cessation programs, and didn't receive any other discounts based on wellness programs.
- How much would the employee have to pay in premiums for this plan? \$0. However, employees who do not have sufficient accumulated eligibility will be required to self-pay for all or a portion of the cost of coverage. Refer to your summary plan description for more information.
 - How often? Weekly Every 2 weeks Twice a month Monthly Quarterly Yearly

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.

If the plan year will end soon and you know that the health plans offered will change, go to question 16. If you don't know, STOP and return form to employee.

16. What change will the employer make for the new plan year?

- Employer won't offer health coverage
- Employer will start offering health coverage to employees or change the premium for the lowest-cost plan available only to the employee that meets the minimum value standard.* (Premium should reflect the discount for wellness programs. See question 15.)
 - How much will the employee have to pay in premiums for that plan? \$
 - How often? Weekly Every 2 weeks Twice a month Monthly Quarterly Yearly

Date of change (mm/dd/yyyy):

* 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 (Section 36B(c)(2)(C)(ii) of the Internal Revenue code of 1986)

** Even if your employer intends your coverage to be affordable, you may still be eligible for a tax credit through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a tax credit.