

To: ALL INDEPENDENCE EMPLOYEES

From: Michelle L. Madden, Director of HR

Date: September 27, 2013

RE: Marketplace Notice Information

The enclosed Marketplace Notice is being provided to you, as mandated by the Affordable Care Act.

The enclosed Marketplace Notice is a high level review of your employer-sponsored plan and an introduction to the newly established Health Insurance Marketplace created by The Affordable Care Act, otherwise known as Healthcare Reform.

The Affordable Care Act has an individual mandate that requires most Americans to have health insurance beginning in 2014. Individuals can obtain health insurance through their employer, the Health Insurance Marketplace or a government-sponsored program, such as Medicaid or Medicare. If individuals do not have health insurance, they will pay a penalty of \$95 or 1% of their income, whichever is greater for 2014.

Independence, Inc. will continue to offer valuable health insurance to employees at affordable costs.

If you are currently eligible to participate in the employer-sponsored health plan, and you maintain your benefits eligible status, you will still be eligible to participate in our plans in 2014. Employee contributions will continue on a pre-tax basis via payroll deduction and Independence Inc. will continue to contribute to the health insurance plan premium. *If you plan to continue participating in the employer-sponsored plan, the enclosed Marketplace Notice may not be applicable to you.*

If you are not benefits eligible, or if you choose to waive the employer-sponsored coverage, insurance is available through the Health Insurance Marketplace. The Health Insurance Marketplace is a new way to buy health insurance, and the plans will be available on the Internet, similar to shopping on retail websites. If you qualify based on your household income, you may be eligible for a government subsidy to help you buy health insurance on the Marketplace. *Please note that because Independence Inc. offers minimum value and affordable coverage, it is very unlikely that you will qualify for a subsidy on the Marketplace.* Premiums for insurance on the Marketplace are paid directly by an individual on an after-tax basis, and Independence Inc. will not contribute to a health insurance plan purchased on the Marketplace. *If you are considering purchasing health insurance through the Health Insurance Marketplace, it is important for you to review the enclosed Marketplace Notice to better understand your options.*

Remember, your employer-sponsored plan qualifies as being affordable, as defined by the Healthcare Reform law. However, if you choose to purchase health insurance on the Marketplace, it is important for you to review the enclosed Marketplace Notice to understand your options. Carefully compare the plan options that may be available to you.

Do you have additional questions? Please contact Michelle L. Madden at 330.296.2851 x207.