

To: **3PAdministrator Partners**

Subject: **Health Care Reform Exchange Notifications**

More Health Care Reform requirements are on the horizon. The new law requires any employer who falls under the Fair Labor Standards Act to notify all employees of the new Health Care Exchanges, also referred to as the Health Insurance Market Place. Open enrollment in the exchanges begins October 1, 2013 and all employees must be notified prior to that date. Enrollment will be for a January 1, 2014 start date.

What you need to know:

- In general, the Fair Labor Standards Act (FLSA) applies to employers that employ one or more employees who are engaged in, or produce goods for interstate commerce. For most firms a test of not less than \$500,000 in annual dollar volume of business applies.
- The FLSA specifically covers the following entities: hospitals; institutions primarily engaged in the care of the sick, the aged, mentally ill or disabled who reside on the premises, schools for children who are mentally or physically disabled or gifted; preschools, elementary and secondary schools, institutions of higher learning, and federal, state and local government agencies.
- Employers must provide a notice of coverage options to each employee, regardless of plan enrollment status or part-time or full time status.
- Employers must notice all employees even if a health care plan is not currently offered.
- Current employees must be notified prior to October 1, 2013.
- Employers are required to provide the notice to each new employee at the time of hiring beginning October 1, 2013.
- For 2014, the notice must be provided within 14 days of an employee's start date.
- The notice must be provided in writing, and meet certain accessibility and readability requirements.
- The notice must be sent by first class mail; it may be provided electronically if the requirements of the DOL's electronic disclosure safe harbor are met.
- Model notices are available on the Department of Labor Web Site.

How we can help:

- 3PA can assist you with the administration of the notification process. Our available services include:
 - Send marketplace notices via first class mail to all current employees.
 - Maintain records related to the tracking and delivery of the notifications
 - Supply you a template notification including the Minimum Value Calculation that can be provided to all new employees.



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Simple information we need from you to get started:

- Sign this form indicating which services you would like 3PA to provide and return it by September 15, 2013.
 - If your Health Plan is provided by 3PA and you would like us to mail the notices, please send us a spreadsheet with the names and addresses of all of your current employees.
 - If you do offer a health plan and 3PA is not the administrator, we will need some basic plan information in order to complete the notifications. The Summary of Benefits Coverage (SBC) provided by your health plan would offer the needed information. Please include the SBC when you return this form.
 - If you contribute to an HRA or HSA for your employees, that contribution is also accounted for in the calculation. Please submit to us the amount you contribute per employee.

3PA Administrator Notification Services and Fee Schedule:

A. Mail Initial Notice due October 1, 2013 to all current employees.

Includes:

Minimum Value Calculation

Printing, Envelopes, Stuffing and Mailing

First Class Mail Delivery and Tracking of Returned Items

Electronic Version to be used for future notification of new hires

\$5.00 per Employee

B. Provide an electronic model notice, including determination of the Minimum Value. This notice can then be distributed by you to notify current employees and utilize for future notification of new hires. The notification can be hand delivered, mailed or sent electronically provided the DOL electronic safe harbor is met.

\$100.00 per Medical Plan

Signature: _____ Date: _____



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