September 16, 2013

MEMORANDUM

TO: City and County Superintendents of Education

FROM: Thomas R. Bice
State Superintendent of Education

RE: Affordable Health Care Act Notification to Employees

The Patient Protection and Affordable Care Act (ACA) requires employers to provide notification to all full-time and part-time employees the basic information about individual health insurance options before October 1, 2013. The same information must also be provided to newly hired employees after October 1, 2013.

PEEHIP has requested that we provide the required documents to all local boards of education about employee options for health insurance coverage under the Health Insurance Marketplace. Since PEEHIP coverage meets the ACA minimum value standard and is intended to meet the ACA rules for affordable coverage, it will be unlikely that any employee eligible for PEEHIP coverage will purchase health insurance through the Health Insurance Marketplace.

The attached document includes information for completing and providing the enclosed required documents to employees.

If you have questions about the notification to employees regarding the Patient Protection and Affordable Care Act (ACA) contact Mr. Dennis Heard by calling (334) 242-9747 or at the e-mail address dheard@alsde.edu.

TRB/DWH

Attachments

FY13-3068
Information for Providing ACA Notification to Employees

The two enclosed documents contain the information that Alabama school boards should provide to employees about the employee options for health insurance coverage under the Health Insurance Marketplace. Each of the two enclosed documents must be modified to include the school board name and other information before the required notification documents are provided to employees. **Do not provide this information page or Dr. Bice’s memorandum to employees.**

The document entitled **PEEHIP Cover Letter for Exchange Notice to Employees** contains the information prepared by PEEHIP to provide the required contents for notification to employees that the employer’s health insurance plan (PEEHIP) meets the minimum value standard and that the cost of this coverage is intended to be affordable under the ACA and IRS regulations.

Download this document and change the line “To: [School System Name] Employees” by inserting the name of your local board of education in the place of “[School System Name]”. The school board’s letterhead may be used although that could increase the document to two pages.

The document entitled **PEEHIP Model Notice Federal Form** is a form required by the U.S. Department of Labor that has been formatted with the PEEHIP information that is standard for all Alabama school boards. Both of the two pages of this form, PART A and PART B, must be provided to employees with the cover letter. [Note: PART B does not include the second page of the federal form that is optional.]

Download this document and fill out the information for your local board of education in blocks 3 through 12 on PART B. Do not change the information below block 12.

Guidance provided by the Department of Labor in **Technical Release No. 2013-02** states, “The notice must be provided in writing in a manner calculated to be understood by the average employee. It may be provided by first-class mail. Alternatively, it may be provided electronically if the requirements of the Department of Labor’s electronic disclosure safe harbor at 29 CFR 2520.104b-1(c) are met.” If your local board of education does not use electronic media (e-mail) to provide employment information to employees, the required notification documents will be sent to current employees by first-class mail. After October 1, 2013, the required ACA notification may be included in the new employee personnel packet.