

NAF Employees face important Marketplace Healthcare Exchange decisions

JOINT BASE SAN ANTONIO (September 26, 2013) - - The benefits provider for nearly 20,000 nonappropriated fund employees around the world has prepared information to assist with decision making related to the Affordable Care Act. The U.S. Army Installation Management Command NAF Employee Benefits Office wants civilian employees at garrisons around the world to pay close attention as the marketplace healthcare exchanges become available in their states beginning Oct. 1, 2013.

"This is a decision-making event that may affect some employees and their families," said Bob Ramsey, chief of NAF Benefits. "We want our NAF employees to be aware of how the marketplace exchanges will become available and, more importantly, what decisions have to be made to comply with the new law."

The ACA, commonly known as Obamacare, was signed into law in June 2010 by President Obama. Some provisions of this law have already taken place, such as the ability to allow children to stay on their parents' health insurance coverage until age 26.

"Oct. 1 is significant, as it is the first time that enrollments in Marketplace Healthcare Exchanges can start," said Anne Bright, NAF Employee Benefits Operations manager. "Who qualifies and who can sign up in the exchanges is the information we're trying to get out to our employees and retirees."

The marketplace was designed to help everyone find health insurance to meet their needs and fit within their budget. In addition, some may qualify for a new tax credit that will help lower their premium.

Current NAF employees who are enrolled in the DoD NAF Health Benefit Program need not do anything. This program meets the requirements of the ACA.

"In the DoD NAF HPB, the NAF employer pays 70 percent of the premium and this is likely the employee's best option under the rules of ACA," said Gloria Mick, Medical Program manager. "Some NAF employees, such as FLEX employees, are not eligible for our DoD NAF HPB, so they will have to get coverage on another employer's plan, on their parent's plan if eligible or purchase healthcare from

the Marketplace Healthcare Exchanges."

A tax penalty may apply for those who fail to or choose not to have health insurance. In 2014, the tax penalty starts at the higher of \$95 or 1 percent of income, but increases each year to 2.5 percent in 2016.

"The ACA offers premium tax credits to help pay for coverage," said Mick. "These premium tax credits will depend on the person's income, but only become available when insurance is purchased through the exchanges."

Citizens living abroad for at least 330 days of the year are treated as if they have the minimum coverage.

"Our OCONUS employees who are not enrolled in the DoD NAF HBP are not required by exception; however, this may be their best option," said Mick. "We want to encourage everyone to find the best insurance option that protects their family and saves them money."

Some retirees under 65 years old who are enrolled in the DoD NAF HBP will have the option of dropping coverage and seeking a better or more affordable plan on the marketplace exchanges.

"It will depend upon the balance between the employer paid percentage and the insurance premium tax credit," said Mick. "This will be a difficult decision for our under 65 retirees because it will depend on the individual's actual income stream. Once a retiree drops their NAF coverage, they are not allowed to re-enroll."

If an employee drops their NAF HBP and applies for coverage through the exchanges, they will be asked specific information about the employer plan. This information can be found on the NAFBenefits.com or the links provided below.

More detailed information and links to official information websites can be found at <http://www.armymwr.org/hr/marketplaceexchanges.aspx>.