



## EXCHANGE / MARKETPLACE

### What is an Exchange?

The law required a Health Insurance Marketplace, also known as a Health Insurance Exchange, to be established in every state effective January 1, 2014. They are a way for individuals and small businesses to purchase health insurance and are run by state, federal or combined governments.

Exchanges offer individuals standard health plans at five levels of coverage ranging from 60 percent to 100 percent of covered costs: bronze – at least 60 percent, silver – at least 70 percent, gold – at least 80 percent, platinum – at least 90 percent, and catastrophic – 100 percent. This program will help make health insurance more affordable for those eligible for a Federal Premium Subsidy (financial assistance).

### What is a Marketplace?

The PPACA has a provision that requires the establishment of a Health Insurance Exchange in every state beginning January 1, 2014. In spring of 2013 the Department of Health and Human Services (HHS) started calling this program the Health Insurance Marketplace. While each state may have a different name for their state-based Marketplace, the federally run exchange is called the Health Insurance Marketplace.

In a general sense, Health Insurance Exchange and Health Insurance Marketplace are one in the same.

### What is the Employee Notice of Coverage Options, also known as the Employee Notice of the Exchange?

Employers subject to the Fair Labor Standards Act (FLSA) are required to provide a one-time notice to all employees stating whether or not medical coverage is offered to their employees. The notice must give information about the Marketplace and explain how an employee may be eligible for a premium subsidy available through the Marketplace if they are not eligible for coverage or the employer plan does not meet certain requirements.

These requirements took effect in October 2013, and established employers now only need to provide this notice of coverage options during the new hire process. The Department of Labor has model notices, available in English and Spanish.