



Dear City of Dallas Retiree:

Through the Affordable Care Act, Health Insurance Exchanges have been established across the country. Each state had the option to set up a state-based insurance Marketplace that allows individuals and employers to easily compare and evaluate health insurance plans. The state of Texas elected not to implement a state exchange, so the Health Insurance Exchange is run by the Federal government. Enrollment in health coverage on the Marketplace will open in October, with plans effective on January 1, 2015. The Patient Protection and Accountable Care Act requires employers covered by the Fair Labor Standards Act (FLSA) to provide a notice to retirees prior to the beginning date of the Exchange.

On the following pages, you will find the Exchange Notice that notifies retirees about the exchanges. Please be advised that the City of Dallas plans meet the minimum value required for health plans; therefore, City retirees may not be eligible for a subsidy in the exchange. Specifically, the notice is designed to:

- Inform retirees about the existence of the Exchange and give a description of the services provided by the Exchange
- Explain how retirees may be eligible for a premium tax credit or a cost-sharing reduction if the employer's plan does not meet certain requirements
- Inform retirees that if they purchase coverage through the Exchange, they may lose any employer contribution toward the cost of employer-provided coverage, and that all or a portion of this employer contribution may be excludable for federal income tax purposes and
- Include contact information for the Exchange and an explanation of appeal rights

Should you have any questions about your coverage, or to get additional information about this form, please contact the Benefits Service Center at (855) 656-9114.

Sincerely,

City of Dallas

Human Resources Department

Benefits Service Center