



San Diego Community College District
3375 Camino del Rio South
San Diego, CA 92108

AFFORDABLE CARE ACT AND WHAT IT MEANS FOR YOU

Dear Retiree:

You've probably heard about the Affordable Care Act, also called the Health Care Reform law. This letter describes what the Affordable Care Act means to you as a retiree who is eligible for school district health benefits.

1. At this time, there will be no changes to your retiree benefits as a result of the Affordable Care Act.
 - If you are a **Medicare-eligible retiree**, in general, the Affordable Care Act doesn't impact your situation under the district's plan. Relative to district-sponsored plans, the Affordable Care Act was primarily aimed at those who are under age 65.
 - If you are a **retiree under age 65** (non-Medicare eligible), the Affordable Care Act can impact some coverage levels (e.g., preventive care for no copay), but it has no impact on your eligibility or how you pay for coverage.
2. Starting January 1, 2014, the law will require most Americans to be covered under a health plan — whether they get it from an employer, a private insurance company or from the government. If not, they may have to pay a tax penalty. This is called the "Individual Mandate." The good news is if you enroll in a retiree health plan through your district or in Medicare, you will meet the Individual Mandate requirement.

We will monitor the changes related to the Affordable Care Act over the coming months and years and continue to use the collective bargaining process for represented retirees, as the elements of the law become clearer.

Covered California™

You will probably hear a lot about "exchanges" or "marketplaces" in the months ahead. In California, the public, state-sponsored Health Insurance Marketplace is called Covered California. This marketplace will be set up to help people without coverage — and who are NOT eligible for Medicare — find a health plan for 2014. There's a lot we don't know yet about Covered California. That's why, for now, we believe the best choice is to continue offering retirees comprehensive health plan options at the most cost-effective price, directly through VEBA.

What You Need To Do

The Affordable Care Act makes it clear: it's up to you to make sure you have health insurance beginning in 2014. During 2015 Benefits Open Enrollment, be sure to enroll in the district health plan that works best for you and your family — *so that you're covered on January 1, 2015*. If you do not enroll in a district health plan (because you have other coverage), be sure to review your coverage with your tax planner to ensure your coverage meets the Affordable Care Act requirements.

You can find more information about Covered California at www.coveredca.com or the Affordable Care Act at www.healthcare.gov, the website sponsored by the Department of Health and Human Services.