<<Date>>

<<Name>>

<<Mailing Address>>

<<City, State, Zip Code>>

**You may not qualify for the premium tax credit**

**through the Health Benefit Exchange (HBE)**

Dear <<Employee Name>>:

Recently, the <<agency name>> received notice that you applied for medical coverage with the HBE and were determined eligible for a health insurance premium tax credit (copy attached).

Under Internal Revenue Service (IRS) regulations, an employee who is offered affordable coverage that meets a minimum value requirement may not be eligible for a premium tax credit for health insurance purchased through the HBE.

On <<date>>, you waived enrollment in the Public Employees Benefits Board (PEBB) Program’s medical coverage through your employment with the <<agency name>>. PEBB coverage exceeds the minimum value requirement and may be considered affordable based on your household income.

**What this means if you continue receiving medical coverage through the HBE**

We are responding to HBE’s determination that we may not have offered you affordable, minimum value coverage; **our response may affect your eligibility to receive the premium tax credit.**

**What this means if you wish to enroll in PEBB medical coverage**

As a PEBB benefits-eligible employee, you may only waive PEBB medical coverage when enrolled in employer-based group medical as described in Washington Administrative Code (WAC) 182-12-128. HBE coverage is **not** employer-based group medical.

Employees who waive PEBB medical coverage may only enroll:

* During the PEBB Program’s annual open enrollment (November 1 – 30) for a January 1 coverage date; or
* In the event of a special open enrollment (see WAC 182-12-128 and PEBB Administrative Policy Addendum 45-2A). Voluntary termination of HBE enrollment or loss of eligibility for the premium tax credit **does not** qualify as a special open enrollment.

You can learn more about the premium tax credit rules at <http://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/The-Premium-Tax-Credit>.

If you have questions about this letter, contact <<name>> at <<phone number>> or at <<email address>>.