

HEALTH INSURANCE MARKETPLACE NOTICE

New Health Insurance Marketplace Coverage Options and Your Health Coverage

Key parts of the Patient Protection and Affordable Care Act, also known as the health care reform law, go into effect January 1, 2014. When this happens, there will be a new way to buy health insurance: the Health Insurance Marketplace (the “Marketplace”). To assist you as you evaluate options for you and your family, this notice provides some basic information about the new Marketplace and employment-based health coverage offered by American Airlines.

What is the Health Insurance Marketplace?

The Marketplace is designed to help individuals find health insurance that meets their needs and fits their budget. It offers “one-stop shopping” to find and compare private health insurance options. Certain individuals may also be eligible for a new kind of tax credit that lowers their monthly premium right away. Open enrollment for health insurance coverage through the Marketplace begins October 2013 for coverage starting January 1, 2014.

Can Individuals Save Money on Health Insurance Premiums in the Marketplace?

Individuals who are not eligible for employer-sponsored coverage, or who are eligible only for employer-sponsored coverage that fails to meet certain minimum value and affordability standards, may qualify to save money and lower their monthly premiums if they purchase coverage through the Marketplace. The amount of savings available depends on household income.

Does Employer Health Coverage Affect Eligibility for Premium Savings through the Marketplace?

Yes. Certain individuals may be eligible for a tax credit that lowers their monthly premiums, or a reduction in cost-sharing, if their employer does not offer health coverage at all or does not offer coverage that meets certain standards. If the cost for *employee-only coverage* is more than 9.5% of an employee’s household income for the year, or if the coverage does not meet the “minimum value” standard set by the health care reform law (i.e., the plan’s share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs), an employee may be eligible for a tax credit through the Marketplace.

The coverage under the health plans sponsored by American Airlines exceeds the government’s standards for minimum value, and the cost of this coverage to you is intended to be affordable, based on employee wages. This means that if you are eligible for health benefits through American Airlines, you will likely not qualify for a tax credit through the Marketplace. You should also be aware that, unlike health coverage that American Airlines sponsors, American Airlines does not contribute toward the cost of coverage purchased through the Marketplace and your payments for coverage through the Marketplace must be made on an after-tax basis.

How Can I Get More Information?

ACTIVE EMPLOYEES are invited to visit the American Airlines health care reform information site at <http://AAactives.hcrmadefsimple.com> (or click this link from My.AA.com)—the password is **active**.

RETIREEES are invited to visit the American Airlines health care reform information site at <http://AAretirees.hcrmadefsimple.com> (or click this link from My.AA.com)—the password is **retiree**.

If you have questions about your American Airlines health benefits, please check your health plan summary plan description posted in the Resources section of My.AA.com. If you have a question about the Health Insurance Marketplace, visit www.healthcare.gov. If you decide to complete an application for coverage in the Marketplace, you will need to include the following information (numbered to correspond with the Marketplace application):

3. Employer name American Airlines Inc.		4. Employer Identification Number (EIN) 13-1502798	
5. Employer address PO BOX 619616, MD #5134-HDQ1		6. Employer phone number 817-963-1234	
7. City Dallas-Fort Worth Airport		8. State TX	9. ZIP code 75261-9616
10. Who can we contact about employee health coverage at this job? American Airlines HR Services			
11. Phone number (if different from above) 800-447-2000		12. Email address	

Based in one of American Airlines hub cities? Here’s the site for information on hub states’ Marketplaces:

CALIFORNIA (has its own health benefit Marketplace)	www.coveredca.com
FLORIDA (uses the federal health benefit Marketplace)	www.healthcare.gov
ILLINOIS (uses the federal health benefit Marketplace)	www.healthcare.gov
NEW YORK (has its own health benefit Marketplace)	healthbenefitexchange.ny.gov
OKLAHOMA (uses the federal health benefit Marketplace)	www.healthcare.gov
TEXAS (uses the federal health benefit Marketplace)	www.healthcare.gov

Not based in one of American Airlines hub cities? Just visit www.healthcare.gov and click on “What is the Marketplace in my state?”