

SEAFARERS HEALTH AND BENEFITS PLAN

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Margaret R. Bowen
Administrator

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Dear Plan Participant:

During the next few weeks, you should receive a notice from your employer called "New Health Insurance Marketplace Coverage Options and Your Health Coverage." Under the Affordable Care Act, almost all employers are required to send this notice to their employees by October 1, 2013, and give this notice to new employees that begin working after that date. The Seafarers Health and Benefits Plan (SHBP) would like to explain what this notice means to you.

Since you are an employee for a company that is signatory to a collective bargaining agreement with the Seafarers International Union, your employer is required to contribute to the SHBP on your behalf. **As long as you work the required number of days, you and your family are eligible for health coverage from the SHBP. There is no cost to you or your family members to purchase this coverage, as your employer pays the entire premium.**

The health insurance Marketplace, also called the "Exchange," offers employees an opportunity to buy their own insurance directly. It is primarily designed for people without insurance; or for employees whose employers do not offer health insurance, offer minimal coverage that does not meet certain standards, or who offer health insurance that is not affordable because the premium is very high. If the premiums to purchase health coverage through an employer are more than 9.5% of an employee's household income, the employee may be eligible for a tax credit. **Since you do not pay anything towards the premium for your coverage, and your coverage meets the government's standards, this does not apply to you.**

In addition, the coverage that you receive from SHBP includes many benefits that you cannot purchase in the Marketplace. These benefits include:

- Standard death benefit of \$5,000 and graduated death benefit up to \$45,000;
- Sickness and accident benefits;
- Coverage for onboard illnesses and injuries;
- Dependent benefits at no additional cost;
- Free drug & alcohol rehabilitation at the Seafarers Addictions Rehabilitation Center (ARC);
- Vision and dental benefits at no extra cost;
- Scholarship benefits for you and your family members.

The Marketplace may be very helpful to employees in other industries who cannot obtain affordable health insurance through their employment. However, employees in the maritime industry who are eligible for coverage from the SHBP are fortunate in that they receive excellent coverage, without paying any insurance premiums.

Sincerely,

Margaret R. Bowen
Administrator