

My Benefits. My Choice.

# Health Care Reform FAQs

2017 ANNUAL ENROLLMENT



## 1. What is Health Care Reform?

The Affordable Care Act requires most individuals in the United States (including children) to have some form of qualifying health insurance or pay a penalty in the form of a tax.

Employer-sponsored health insurance, such as the medical coverage offered by Lowe's, will satisfy this coverage requirement. Certain government-sponsored coverage, such as Medicare, Medicaid, and the CHIP program (Children's Health Insurance Program) will also satisfy the requirement for those who are eligible. Qualifying individual coverage will also count.

## 2. Does Lowe's offer health plans providing qualifying minimum essential benefits?

Yes. For the following eligible employees, Lowe's offers health plans that meet the minimum essential value:

- Regular full-time employees
- Regular part-time employees with the exception of part-time employees who live and/or work in Massachusetts and part-time employees who work in New Hampshire or Minnesota
- All employees who live or work in Hawaii, including temporary, part-time, and full-time are eligible for coverage

## 3. Can an employee select a Lowe's Group Medical Plan option for herself or himself, and also enroll her or his dependents separately in coverage offered through the Health Insurance Marketplace (insurance exchanges)?

Yes. An employee can have employee-only medical coverage sponsored by Lowe's and separately enroll his or her dependents in an option offered through the Health Insurance Marketplace (insurance exchanges). However, an employee cannot enroll her or his dependents in a Lowe's medical plan without also being enrolled in a Lowe's Group Medical Plan option.

## 4. If an employee elects coverage through the Health Insurance Marketplace, can the employee pay premiums through payroll deductions?

No. Benefits elected on the Health Insurance Marketplace are personally owned, individual insurance options. Those benefits are not benefits offered through your employer, and therefore premiums cannot be paid through payroll deduction. Only premiums for medical benefits offered by Lowe's can be paid through payroll deduction.

**5. Does the availability of coverage through the Health Insurance Marketplace require employees to give up their current coverage through Lowe's?**

No. Employees are not required to select coverage through the Health Insurance Marketplace, and employees are not required to drop her or his benefits offered by Lowe's.

**6. Will Lowe's continue to offer medical coverage for dependents of employees in 2016?**

Yes. Eligible dependents include:

- Your legal spouse or domestic partner.
- Your children and/or domestic partner's children under age 26, including birth children, legally adopted children, step-children, and/or any other children related to you by blood or marriage. The age limit does not apply to dependent children who are physically or mentally disabled.

**7. Are there pre-existing condition limitations for the Lowe's medical plan?**

No. You cannot be denied coverage based on a pre-existing condition.

**8. Do the Lowe's Group Medical Plan options cover preventive visits at 100%?**

Preventive services are covered at 100% with an in-network provider if your physician or hospital codes the visit as a **preventive service**. Please note there can be age and frequency limitations to preventive services. It is best to talk to your insurance company to determine how the visit will be coded and whether the visit is covered. For a listing of preventive services, please see the Summary of Benefits and Coverage applicable to the Group Medical Plan option you select.

**9. Do Lowe's medical plans satisfy the individual mandate?**

Lowe's medical plans for full-time employees meet minimum essential coverage as designated by the Affordable Care Act, and therefore will satisfy the individual mandate. The Fixed Indemnity plan does not meet minimum essential coverage. If employees enroll in ONLY the Fixed Indemnity plan, they will be subject to the individual mandate penalty if they have no additional qualifying health coverage.

**10. Did the Health Insurance Marketplace eliminate COBRA?**

No. The Health Insurance Marketplace did not eliminate or replace continuation coverage through COBRA. Medical coverage continuation through COBRA is administered through WageWorks.

**11. What is the open enrollment period for the Health Insurance Marketplace?**

The open enrollment period for the Health Insurance Marketplace is November 1, 2016 through January 31, 2017. Please note the Annual Enrollment period for benefits offered by Lowe's is October 17-November 4, 2016.

**12. If I do not enroll in Lowe's benefits during Annual Enrollment and decide after the enrollment period that I would rather have Lowe's benefits than enroll in the Health Insurance Marketplace, can I then enroll in Lowe's benefits?**

No. The only time a full-time employee can enroll in Lowe's benefits is during Lowe's Annual Enrollment period, unless you have a qualifying status change such as marriage or the birth of a child.