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Massachusetts Commonwealth Choice Frequently Asked Questions

What is the Individual Mandate:

The individual mandate is the law in Massachusetts. It says that Massachusetts residents age 18 and older must have health insurance by July 1, 2007. By January 1, 2009, the health insurance must have certain basic benefits.

Note: If you have Medicare Part A or B, Mass health (Medicaid), or access to the health services of the U.S. Veterans Administration, you meet the mandate.

What Benefits will I Need?

Until January 1, 2009, any health insurance plan that is offered by an employer or that can be legally sold in Massachusetts meets the individual mandate. On January 1, 2009, the standards go up. To meet the rules by 2009, you will need a plan that:

- Covers prescription drugs
- Covers regular doctor visits and check-ups before any deductible
- Caps the deductible at $2,000 for an individual or $4,000 for a family each year
- Caps out-of-pocket spending for health services at $5,000 for an individual or $10,000 for a family each year if you have a deductible or co-insurance
- Does not cap total benefits for a sickness or for each year; and
- Does not cap spending toward a day in the hospital.

In addition, any high-deductible health insurance plan that allows you to have a federal Health Savings Account also qualifies.

Are There Exceptions?

Yes. If you do not get health insurance because of sincerely-held religious beliefs, you can file a statement with your Massachusetts state tax return.

You can also get an exemption if health insurance is not affordable for you. The Health Connector has official “affordability” standards. You can use the Affordability Tool at www.MAhealthconnector.org to see if the exemption might apply to you. Official affordability exemptions will be made through the 2007 Massachusetts state tax return.

You can also apply for a waiver if you face special circumstances or hardships. The waiver process is still in development.

What Happens If I Do Not Meet The Mandate?

If you don’t have health insurance by December 31 of each calendar year, you will lose your personal income tax exemption. This exemption gives you a Massachusetts tax savings of approximately $219.

In 2008, the cost of the penalty goes up. The file will equal half of the cost of the lowest-priced Health Connector-certified plan for each month that you don’t have coverage.

Waivers will be available for those who cannot afford a plan that meets the rules. Check the website for updates.

How Is The Mandate Enforced?

The Massachusetts Department of Revenue will enforce the individual mandate through the tax process.

How do I enroll?

You can enroll online at www.MAhealthconnector.org. You can choose from a wide variety of benefit plans with different benefit and cost levels.

Does Gap Inc. Provide Health Insurance For Part-Time Employees?

No. The Gap Inc. Health plans currently cover only full-time employees.

How does Gap Inc. Help Me Get Health Insurance?

Gap Inc. provides a Section 125 Pre-Tax Premium plan that allows you to pay your premiums for health care that you purchase through the MA Health Connector through payroll deduction. The deductions would be taken on a pre-tax basis, and remitted to the health plan that you chose. You will find additional information at www.MAhealthconnector.org. This is also where you choose the health plan that you would like to enroll in.

If you want to pay your premiums through payroll deductions, you will need to choose a health plan through the MA Health Connector. You will need:

Employer Name:	**Gap Inc.**
Gap's Employer ID	**156911.**
Your residential zip code	
The last 4 digits of your Social Security Number	
Your date of birth	

You can also call the Commonwealth Choice Customer Service Center at 1-877-MA-Enroll (1-877-623-6765).

Who is eligible for the Gap Inc. Section 125 Pre-Tax Premium plan?

You are eligible to participate in this Plan if (1) you are an employee of Gap Inc. – the "employer", (2) you are not an "excluded employee;" and (3) you have completed two months of service.

You are an "excluded employee' if you are:

- Eligible for another Section 125 Cafeteria Plan offered by your employer
- Less than 18 years of age
- Covered by a collective bargaining agreement unit if health benefits were the subject of good faith bargaining
- Temporary employee
- Regularly scheduled to perform fewer than 64 hours per month
- A student employee employed as an intern or a cooperative education student worker
- A seasonal employee who is an international worker with either a U.S. J-1 student visa, or a U.S. H2B visa and you have travel health insurance
- Working in any state other than Massachusetts

How do I elect to participate in the Plan?

If you are eligible to participate in the Plan and you wish to use pre-tax dollars to pay for medical care coverage offered through the Health Connector, you must complete a Participation Election form within 30 days following the date you become eligible. You will also need to select a medical care coverage plan through the Health Connector and complete an enrollment form. This must be done through the Health Connector. For more information on medical care coverage options offered through the Health Connector please visit www.MAhealthconnector.org

Before the start of each Plan Year you will be offered an annual enrollment period to change your existing election. If you do not make a new election, your existing election will remain in effect.

If you are eligible to participate in the Plan but you decide not to use pre-tax dollars to pay for medical care coverage, or you do not enroll in medical care coverage within 30 days following the date you become eligible, you will be deemed to be a participant in the Plan who has elected the cash option. This means that, absent a change in status event, you will not be able to elect to use pre-tax dollars to purchase medical care coverage through the Health Connector until the Plan's next annual enrollment period.

What happens when my employment terminates?

If you stop working for Gap Inc. you will no longer be eligible to participate in this Plan and your election will automatically terminate. This means that your medical care coverage premiums payable after you stop working for Gap Inc. will be paid for on an after-tax basis (unless you subsequently become employed and enrolled in another employer's cafeteria plan). Your termination of employment *does not* affect your underlying medical care coverage through the MA Health Connector. You can keep your medical care coverage in effect by simply continuing to make the required monthly premium contributions by sending after-tax payment directly to the Health Connector by the applicable due date.