



September 24, 2013

Important Information About the Notice on Health Insurance Marketplace Coverage Options and Your Rockwell Automation Benefits

Why Am I Receiving This Notice?

This notice provides you with instructions on how to access information about the Health Insurance Marketplace, which are health plans offered to you by either your state or the U.S. Department of Health and Human Services.

Rockwell Automation is required to send the enclosed notice to every U.S. employee to comply with rules under the federal Patient Protection and Affordable Care Act (ACA).

What Do I Need to Do?

You don't need to do anything, unless you're interested in Marketplace coverage. As you know, you're currently eligible to participate in the Rockwell Automation group health plan.

How Does My Rockwell Automation Coverage Compare to the Marketplace?

The **Rockwell Automation** group health plan intends to provide **more coverage at a lower cost to you** than a Marketplace health plan.

If you buy insurance in the Marketplace, you will **not** receive a contribution from Rockwell Automation. The Rockwell Automation group health plans already meet government standards for providing minimum, affordable coverage.

If you want to continue health coverage through Rockwell Automation, **you don't need to take further action.**

What If I'm Interested in Marketplace Coverage?

- Go to www.HealthCare.gov to review the plans available in your state.
- Keep the enclosed notice because it has information you'll need to enroll in Marketplace coverage.
- Compare Rockwell Automation coverage costs to those of the Marketplace during your enrollment period of Oct. 26 – Nov. 17, 2013. Once your enrollment begins for Rockwell Automation, you will be able to confirm the cost of your coverage at employeeconnect.rockwellautomation.com. Please do not contact the Rockwell Automation Service Center for costs prior to the start of your benefit enrollment period.

Questions? Call 1-800-318-2596 (TTY: 1-855-889-4325) or visit www.HealthCare.gov

Health Insurance Marketplace Coverage Options

General Information

When key parts of the health care law take effect in 2014, there will be a new way to buy health insurance: the Health Insurance 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 Rockwell Automation.

What is the Health Insurance Marketplace?

The Marketplace is designed to help you find health insurance that meets your needs and fits your budget. The Marketplace offers "one-stop shopping" to find and compare private health insurance options. You may also be eligible for a new kind of tax credit that lowers your monthly premium right away.

Open enrollment for health insurance coverage through the Marketplace begins in **October 2013** for coverage starting as early as January 1, 2014.

Can I Save Money on my Health Insurance Premiums in the Marketplace?

You may qualify to save money and lower your monthly premium, but only if your employer does not offer coverage, or offers coverage that doesn't meet certain standards. The savings on your premium that you're eligible for depends on your household income.

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

Yes. If you have an offer of health coverage from your employer that meets certain standards, you will not be eligible for a tax credit through the Marketplace and may wish to enroll in your employer's health plan.

However, you may be eligible for a tax credit that lowers your monthly premium, or a reduction in certain cost-sharing, if your employer does not offer coverage to you at all or does not offer coverage that meets certain standards.

If the cost of a plan from your employer that would cover you (and not any other members of your family) is more than 9.5% of your household income for the year, or if the coverage your employer provides, does not meet the "minimum value" standard set by the Affordable Care Act, you may be eligible for a tax credit.

If you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, then you may lose the employer contribution (if any) to the employer-offered coverage. Also, this employer contribution, as well as your employee contribution to employer-offered coverage, is often excluded from income for Federal and State income tax purposes.

Your payments for coverage through the Marketplace are made on an after-tax basis.

Note: An employer-sponsored health plan meets the "minimum value standard" if the plan's share of the total allowed benefit costs covered by the plan is no less than 60 percent of such costs (Section 36B(c)(2)(C)(ii) of the Internal Revenue Code of 1986).

How Can I Get More Information About the Marketplace?

The Marketplace can help you evaluate your coverage options, including your eligibility for coverage and its cost. Please visit www.HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

Information About Health Coverage Offered by Rockwell Automation

This section contains information about any health coverage offered by your employer. If you decide to complete an application for coverage in the Marketplace, you will be asked to provide this information. This information is numbered to correspond to the Marketplace application.

Rockwell Automation Information	Detail
3. Employer Name	Rockwell Automation
4. Employer Identification Number (EIN)	25-1797617
5. Employer Address	1201 Second Street
6. Employer Phone Number	1-877-687-7272
7. City	Milwaukee
8. State	WI
9. ZIP Code	53204
10. Who can we contact about employee health coverage at this job?	Rockwell Automation Service Center
11. Phone Number	1-877-687-7272
12. Email Address	Not Applicable

Here is some basic information about health coverage offered by this employer:

The coverage your employer offers to eligible employees meets the minimum value standard, and the cost of this coverage is intended to be affordable, based on employee wages.

Even if Rockwell Automation intends your coverage to be affordable, you may still be eligible for a premium discount through the Marketplace. The Marketplace will use your household income, along with other factors, to determine whether you may be eligible for a premium discount.

If, for example, your wages vary from week to week (perhaps you are an hourly employee or you work on a commission basis), if you are newly employed mid-year, or if you have other income losses, you may still qualify for a premium discount.

If you decide to shop for coverage in the Marketplace, www.HealthCare.gov will guide you through the process.

For more information about the Marketplace and Marketplace coverage options, visit www.HealthCare.gov or contact the Help Center at 1-800-318-2596. TTY users should call 1-855-889-4325.

Coverage offered by Rockwell Automation including eligibility and pricing information, visit Your Benefits Resources™ through *EmployeeConnect* at employeeconnect.rockwellautomation.com or call 1-877-687-7272, 8 a.m. to 4 p.m., Central time, Monday through Friday.

Frequently Asked Questions

Health Care Reform—What's This All About?

Lately, there's been a lot in the news about health care reform. So, what exactly is health care reform and how will it affect you?

While some of the biggest changes associated with health care reform won't take effect until Jan. 1, 2014, you probably have questions now. So what do you need to know?

Here's a breakdown of the basics.

- 1. What's new for 2014 when it comes to Health Care Reform?** Two of the biggest changes associated with Health Care Reform take effect on Jan. 1, 2014. They are that:
 - Almost every U.S. citizen (and some U.S. nationals and lawfully present aliens) will be required to be enrolled in a medical plan. Otherwise, if you do not have medical plan coverage, you will pay a penalty when you file your federal income tax return.
 - Individuals will have access to medical plan coverage through an additional avenue—a marketplace, or exchange, where consumers can shop for individual medical plans that meet government requirements.
- 2. Will Rockwell Automation still offer medical coverage?** Rockwell Automation will continue to offer the HSA and HRA medical plan options in 2014 for benefits-eligible employees. You will receive information about your Rockwell Automation medical plan options in October before Annual Enrollment begins.
- 3. I received a Marketplace notice from Rockwell Automation. Why did I receive the notice?** All employers who are subject to the Fair Labor Standards Action, including Rockwell Automation, are required to provide the Marketplace notice to all employees either electronically or by mail. This notice is the formal notification of your Marketplace options. See question 5 for more information.
- 4. What's the bottom line for me?** The Rockwell Automation medical plan options may provide more coverage at a lower cost to you than you likely will be able to find in a Marketplace medical plan. For most employees at Rockwell Automation, not much will change. You will be required by the Internal Revenue Service (IRS) to have medical plan coverage for yourself and your tax dependents in 2014 or pay a penalty on your federal income tax return. If you enroll yourself and your tax dependents in a Rockwell Automation medical plan option for 2014, you will satisfy your requirement to have medical plan coverage for yourself and your tax dependents.

We provide this brief overview for employees and prospective employees. However, this overview is not intended to be a complete explanation of the various plans. Detailed descriptions of individual plans and policies are found in the respective Summary Plan Descriptions. The company hopes to continue these plan indefinitely but reserves the right to amend, suspend, or terminate plans in whole or in part at any time.

- 5. What is a state health insurance exchange?** Health care reform requires each state to have a health insurance exchange (now called a “marketplace”), which is an online market where individual and small group medical plans can be purchased from private insurance companies. Each state will have a marketplace for the residents of that state. The federal government will run the marketplace for the states—such as Wisconsin and Ohio—that have declined to set up their own. You are not required to purchase medical plan coverage on a marketplace. You can instead choose to be covered under a Rockwell Automation medical plan option if you are eligible.
- 6. What are the differences between the Rockwell Automation medical plan options and the individual medical plans offered on the marketplace?** The details of the individual medical plans and the companies offering them on the marketplace won’t be available until Oct. 1, 2013. However, we do know that there are a few key differences in how you pay for medical plan coverage under the Rockwell Automation medical plan options and the marketplace individual medical plans.

	Rockwell Automation Medical Plan Options	Marketplace Individual Medical Plans
Who pays for coverage?	Rockwell Automation and you— Rockwell Automation pays the majority of the cost for your coverage	You ¹
How are premiums paid?	On a before-tax basis— this means you pay your portion of the premium before taxes are taken out of your paycheck, lowering the amount of income you pay taxes on	On an after-tax basis—so you will pay taxes on a larger amount of income

- 7. Will the individual medical plans offered through the marketplace cost less than Rockwell Automation medical plan options?** The 2014 costs for the individual medical plans offered on the marketplace have not been released for most states. However, the

¹ Certain individuals may be eligible for government subsidies to help pay for coverage in the marketplaces if their household income is below certain limits See question 8 below.

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Rockwell Automation medical plan options will likely be less expensive for you compared to buying an individual medical plan in a state marketplace. Rockwell Automation subsidizes your premiums, meaning the company pays a significant portion of the cost for your medical plan coverage. If you purchase an individual medical plan from a state marketplace, you will pay the full cost.

- 8. Won't the government subsidize the cost of an individual medical plan bought on the marketplace? You** may have heard about subsidies available to help pay the cost of individual medical plan coverage purchased on a marketplace. It's true that the federal government will provide subsidies as premium assistance for families with income between 100% and 400% of the Federal Poverty Level. However, even if your family income is at this level, you may not be eligible for the government subsidy if you are eligible for Rockwell Automation coverage, and if the Rockwell Automation coverage is considered "affordable" for you by government standards. "Affordable," according to the law, means that the premium for Rockwell Automation single coverage is less than 9.5% of your household income. Although we anticipate that the Rockwell Automation medical plan options will be affordable for all eligible employees, only the marketplace and the IRS can determine that for you.
- 9. If I choose a marketplace individual medical plan or medical plan coverage through my spouse/domestic partner, but decide I don't like it, can I switch to a Rockwell Automation medical plan option?** Unless you have a qualified status change, you will not be able to enroll in a Rockwell Automation medical plan option until the following year's enrollment. Qualified status changes that allow you to enroll in a Rockwell Automation medical plan option during the year can be found on raqickfind.com.
- 10. Where can I get more information?** For more information about your coverage under a Rockwell Automation medical plan option, see the Summary Plan Descriptions (SPDs) on **EmployeeConnect**. For more information about the marketplace, visit www.healthcare.gov or call **1.800.318.2596 (TTY: 1.855.889.4325)**.

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