



FirstName MiddleName LastName
Street Address
City, AA 12345
COUNTRY

Associate ID: 0029319
Print Date: 10/05/2016

Important Information About Your Benefit Options

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.

Payless ShoeSource, Inc. is required to send the enclosed notice to every U.S. associate to comply with rules under the federal Patient Protection and Affordable Care Act (ACA).

For Part-time Associates Who Reside in Locations Other than Hawaii

What Do I Need to Know and Do?

Part-time associates in locations other than Hawaii are currently not eligible to participate in the Payless ShoeSource, Inc. group health plan. However, you may choose to obtain health coverage through the marketplace. Depending on your household income, you may also be eligible for a tax credit and/or premium assistance to help reduce the cost of health coverage obtained through the Marketplace.

What Do I Need to Do?

- **You don't need to do anything**, unless you're interested in Marketplace coverage.

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.

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

For Full-time Island & All Hawaii Associates

How Does My Payless ShoeSource, Inc. Coverage Compare to the Marketplace?

- If you buy insurance in the Marketplace, you will not receive a contribution from Payless ShoeSource, Inc. The Payless ShoeSource, Inc. group health plan already meets government standards for providing minimum, affordable coverage. Visit the benefits website at www.mypayless.com for information about all of the benefits available to you, how to enroll and for helpful documents such as Summary Plan Descriptions and Summaries of Benefits and Coverage. You will be able to compare Payless ShoeSource, Inc. coverage costs to those of the Marketplace.
- If you want health coverage through Payless ShoeSource, Inc., ~~all Hawaii~~  full-time associates residing in the Virgin Islands, Guam, Saipan or Puerto Rico will enroll in Payless ShoeSource, Inc. health benefits through MyInfo. Work with a member of management and refer to your new hire benefits enrollment materials to understand when you will become eligible to enroll in the company's plans.

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- Keep the enclosed notice because it has information you'll need to enroll in Marketplace coverage.

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

Marketplace Health Insurance Coverage Options Notice For All Associates

General Information

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 Payless ShoeSource, Inc.

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.

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 associate 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 Payless ShoeSource, Inc.

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.

3. Employer Name	Payless ShoeSource, Inc.
4. Employer Identification Number (EIN)	48-0674097
5. Employer Address	3231 SE Sixth Avenue
6. Employer Phone Number	1-785-233-5171
7. City	Topeka
8. State	KS
9. Zip Code	66607-2207
10. Who can we contact about associate health coverage at this job?	Payless HR Benefits Department
11. Phone Number	1-785-233-5171
12. Email Address	www.mybenefits@payless.com

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

Your employer offers health coverage to eligible associates which includes all full-time associates and all Hawaii associates. Your employer also offers health coverage to the eligible dependents of eligible associates. The coverage your employer offers to eligible associates meets the minimum value standard, and the cost of this coverage is intended to be affordable, based on associate wages. Part-time associates residing in all locations outside of Hawaii are not eligible associates for purposes of eligibility for health coverage by your employer.

For full-time and all Hawaii associates, even if Payless ShoeSource, Inc. 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 associate or you work on a commission basis), you are newly employed mid-year, or 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 Payless Benefits Center at 1-800-318-2596. TTY users should call 1-855-889-4325.