

About the Health Insurance Marketplace

The Affordable Care Act (ACA) mandated the establishment of the Health Insurance Marketplaces (or exchanges), where individuals and small businesses can purchase qualifying insurance. Marathon Oil is required to provide employees with the notice on the next pages, to inform you about the availability of the Marketplace.

As you review the notice, keep in mind the following:

- The Marathon Oil Health Plan options represent minimum essential coverage and meet the **minimum value** standard, which means you will have met your obligation under the **individual mandate** if you enroll in the plan for 2014.
- It's up to you if you want to consider enrolling for coverage in the Marketplace instead of through the Company. When you pay for coverage through the Marketplace, your contributions are made *after taxes* unlike contributions you make for Marathon Oil coverage, which are made *before taxes*. Before-tax contributions can save you money on taxes.
- Another consideration is eligibility for a **premium tax credit**, which affects how much you will pay for coverage from the Marketplace.

TERMS TO KNOW

Affordability (or affordable): Some individuals may be eligible for a premium tax credit if they are not eligible for health coverage that is affordable. As defined under the ACA, employer-offered health care coverage is considered "affordable" for the purpose of the premium tax credit if an employee must pay no more than 9.5 percent of their household income for self-only coverage under any plan the employer makes available to them that provides **minimum value**.

Individual mandate (or individual responsibility): The requirement that most people obtain qualifying health insurance coverage or pay a penalty. **Premium tax credits** and other cost-sharing reductions are available to some people, based on income, to help them afford health care coverage.

Minimum value: The minimum actuarial value that a plan must provide in order to be a qualified health care plan under health care reform. Actuarial value represents the share of health care expenses (claims) that the plan pays, as an average across the plan's covered participants. As long as a plan meets 60 percent actuarial value, it meets the minimum value standard.

Premium tax credit: A reduction in the cost of coverage through a tax credit that may be provided, sometimes in advance, to certain eligible individuals to help them purchase health insurance through the marketplace. To be eligible for a tax credit, the individual must, in general:

- Be enrolled in a qualified health plan obtained in a marketplace; and
- Not be eligible for coverage (if an active employee) or enrolled in (if a retiree) coverage that is **affordable** and meets the **minimum value** standard.

Important Notice Regarding the New Health Insurance Marketplace Coverage Options and Your Health Plan

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 your employer.

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:

- a) does not offer coverage, or
- b) offers coverage that does not meet certain standards.

The savings on your premium that you’re eligible for depends on your household income. Note that if you are a retiree enrolled in employer-provided coverage that meets certain standards, you will not qualify to save money and lower your monthly premium in the Marketplace.

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

Yes. If you have an offer of health coverage from your employer (if an active employee) or are enrolled in employer-provided coverage (if a retiree) that meets certain standards, you will not be eligible for a tax credit through the Marketplace; in that case you 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 to you 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 percent 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.¹

Note: Please be aware that if you purchase a health plan through the Marketplace instead of accepting health coverage offered by your employer, you may lose the employer’s contribution, if any, to the employer-offered coverage. Also, this employer contribution — as well as your contribution to employer-offered coverage — is often excluded from income for Federal and State income tax purposes. Your payments for coverage through the Marketplace would be made by you on an after-tax basis.

How Can I Get More Information?

Your Summary Plan Description contains information about your employer’s health coverage. You may also call the Marathon Oil Benefits Team at 1-855-652-3067 and press option 1. The Marketplace can help you evaluate your coverage options, including your eligibility for coverage through the Marketplace and its cost. Please visit HealthCare.gov for more information, including an online application for health insurance coverage and contact information for a Health Insurance Marketplace in your area.

¹ 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.

Information About Health Coverage Offered by Your Employer

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 Marathon Oil	4. Employer Identification Number (EIN) 25-1410539	
5. Employer address 5555 San Felipe Street	6. Employer phone number 1-855-652-3067	
7. City Houston	8. State TX	9. ZIP code 77056
10. Who can we contact about employee health coverage at this job? Marathon Oil Benefits Team		
11. Phone number (if different from above)	12. Email address MROBenefitsHelp@marathonoil.com	

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

- As your employer, we offer a health plan to:

- All employees.
 Some employees. Eligible employees are:

- With respect to dependents:

- We do offer coverage. Eligible dependents are:
Your spouse (regardless of age of an employee member and under age 65 of a retiree member); your domestic partner (as determined by the criteria established in the “Marathon Oil Affidavit of Domestic Partner Relationship”); your children (and/or children of your domestic partner), which include your: natural children of the first degree, legally adopted children and children placed with you for adoption, stepchildren, and children whose parents are both deceased for whom you have legal custody as determined by a court of competent jurisdiction.
- We do not offer coverage.

- If checked, this coverage meets the minimum value standard, and the cost of this coverage to you is intended to be affordable, based on employee wages.

** Even if your employer 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, [HealthCare.gov](https://www.healthcare.gov) will guide you through the process. Here's the employer information you'll enter when you visit [HealthCare.gov](https://www.healthcare.gov) to find out if you can get a tax credit to lower your monthly premiums.