

If I buy coverage through the marketplace, will I lose my employer's contribution toward coverage?

Yes. If your employer maintains a health plan outside the marketplace that provides minimum value at an affordable cost, and you choose to decline the employer plan and purchase coverage through the marketplace, you will forfeit the employer contribution.

If your employer is a small employer (defined as one who employs 50 or fewer full-time equivalent employees) and purchases coverage through the marketplace in what is known as a Small Business Health Options Program ("SHOP"), you may be eligible for an employer contribution.

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Helpful Links to Informational Sites

CBIZ Health Reform site:

<http://www.cbiz.com/healthreform>

Federal Government Health Reform Site:

<https://www.healthcare.gov/families/>

Center for Consumer Information and Insurance Oversight (CCIIO):

<http://www.cms.gov/ccio/resources/data-resources/ehb.html>

Kaiser Family Foundation Site:

<http://kff.org/>



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The Affordable Care Act: What Does It Mean for Me?



Frequently Asked Questions About Health Reform



The Affordable Care Act: What does it mean for me?

Does the Affordable Care Act require me to do anything?

Beginning January 1, 2014, virtually all individuals legally present in the United States must have health coverage, or risk being subject to a tax. For a list of individuals exempt from this requirement, see Question 6 from the IRS' Q&As on the individual shared responsibility requirement at this website:

<http://www.irs.gov/uac/Questions-and-Answers-on-the-Individual-Shared-Responsibility-Provision>

What kind of health coverage must I have?

You must maintain minimum essential coverage, such as coverage under:

- ◇ An employer-sponsored group health plan offered in a state, which is defined as the 50 states plus the District of Columbia. This includes plans offered by, or on behalf of, an employer to an employee, e.g. multiemployer plans, single employer collectively bargained plans, plans sponsored by third parties such as professional employer organizations, temporary staffing agency, etc.;
- ◇ such as Medicare, Medicaid, Children's Health Insurance Program (CHIP), TRICARE, and various Veteran's health programs; or
- ◇ An individual health insurance policy offered Government-sponsored plans in the individual market in a state or through an Exchange/Marketplace in a territory.

What is the penalty if I do not maintain coverage?

The potential penalties that could be imposed by the IRS for failure to maintain minimum essential coverage are:

Year	Penalty
2014	Greater of: ◇ \$95 per adult and \$47.50 per child (up to \$285 for a family); or ◇ 1.0% of family income
2015	Greater of: ◇ \$325 per adult and \$162.50 per child (up to \$975 for a family) or ◇ 2.0% of family income
2016 and Beyond	Greater of: ◇ \$695 per adult and \$347.50 per child (up to \$2,085 for a family) or ◇ 2.5% of family income

Where can I get health coverage?

If your employer offers health coverage, you may get coverage through your employer's plan if you meet the eligibility requirements of the plan;

- ◇ You may buy coverage through what is known as a marketplace in the state in which you live. More information about health coverage available through the marketplace for individuals and families can be found at this website: <https://www.healthcare.gov/families/>; or,
- ◇ You can purchase coverage on your own outside the marketplace.

How do I pay for coverage?

If your employer offers coverage for which you are eligible, your employer might contribute all or pay a portion of the premium, as well.

The employer paid portion of the premium is not taxable income. Your portion of premium that you pay may be tax-favored (not taxable income) if your employer offers an IRC Section 125 cafeteria plan.

Health coverage is tax-favored for you and your family members. Certain individuals you want covered may not qualify for tax-favored coverage, and their coverage may be imputed into your income. An example of a family member who would not qualify for tax-favored benefits is a domestic partner unless the domestic partner qualifies as a qualifying relative for federal income tax purposes. You should consult your tax adviser on this matter.

If you buy coverage through the marketplace, you must pay for the coverage with after-tax dollars.

Is there a premium tax credit or subsidy available if I buy coverage through the marketplace?

You may be entitled to government assistance for paying your health coverage in the form of a premium tax credit or a cost-sharing arrangement. To qualify for a subsidy, your household income must fall between 100% and 400% of the federal poverty level, and you must not be eligible for employer coverage that meets certain standards. Further, you must not be covered by another plan.

You can get an estimate of health insurance premiums and subsidies on plans offered through your state's marketplace by using a calculator available at this website: <http://kff.org/interactive/subsidy-calculator/>. Your final premiums and costs may differ from the estimates.

