How People Get Health Coverage Under the Affordable Care Act Beginning in 2014

Start here.

Is employer coverage available?

- Yes
  - Is family income less than or equal to 133% of the poverty level?
    - Yes
      - Employee can choose coverage in Medicaid or in the employer plan.
    - No
      - Is family income less than or equal to 133% of the poverty level?
        - Yes
          - Employee can choose coverage in Medicaid or in the employer plan.
        - No
          - Family is eligible for coverage through Medicaid.

- No
  - Is family income less than or equal to 133% of the poverty level?
    - Yes
      - Employee can choose coverage in the employer plan or buy insurance through an Exchange and be eligible for a tax credit.
    - No
      - Is family income less than or equal to 4 times the poverty level?
        - Yes
          - Employee can choose coverage in the employer plan or buy unsubsidized insurance through an Exchange or in the non-group market.
        - No
          - Family is guaranteed access to unsubsidized insurance through an Exchange or the non-group market.

Key Facts:
- 133% of poverty level in 2014 is expected to be $14,856 for a single individual and $30,656 for a family of four.
- In 2010 employees paid $899 on average towards the cost of single coverage in an employer plan and $3,997 for a family of four.

Notes
- Some states may have higher income eligibility levels for Medicaid.
- In some cases, children may be eligible for public coverage through Medicaid or CHIP while their parents are covered through an employer or an Exchange.
- Undocumented immigrants are ineligible for Medicaid and may not purchase coverage in an Exchange or receive a tax credit.
- In general, people are required to obtain coverage or pay a penalty, but those whose health insurance premiums exceed 8% of family income (after tax credits or employer contributions are taken into account) will not be penalized if they choose not to purchase coverage.
- Final regulations specifying how dependents of workers with employer coverage available are treated have not yet been issued. Draft rules indicate that the affordability of employer coverage (i.e., whether it costs more than 9.5% of income) will be based on the required premium for a single worker rather than family coverage.
- Small businesses may choose to buy insurance through newly created SHOP Exchanges or directly from insurers.

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Penalties for Employers Not Offering Affordable Coverage Under the Affordable Care Act Beginning in 2014

Start here.

Does the employer have at least 50 full-time equivalent employees?

No → Penalties do not apply to small employers.

Yes → Does the employer offer coverage to its workers?

No → Did at least one employee receive a premium tax credit or cost sharing subsidy in an Exchange?

Yes → The employer must pay a penalty for not offering coverage.

No → The employer pays a penalty for not offering affordable coverage.

Yes → Does the insurance pay for at least 60% of covered health care expenses for a typical population?

No → Employees can choose to buy coverage in an Exchange and receive a premium tax credit.

Yes → Do any employees have to pay more than 9.5% of family income for the employer coverage?

No → There is no penalty payment required of the employer since it offers affordable coverage.

Yes → Those employees can choose to buy coverage in an Exchange and receive a premium tax credit.

The penalty is $2,000 annually times the number of full-time employees minus 30. The penalty is increased each year by the growth in insurance premiums.

If the employer has 25 or fewer employees and average wage up to $50,000, it may be eligible for a health insurance tax credit.

The penalty is $3,000 annually for each full-time employee receiving a tax credit, up to a maximum of $2,000 times the number of full-time employees minus 30. The penalty is increased each year by the growth in insurance premiums.

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Access to preventive care helps people catch serious problems earlier, when outcomes are better and treatments are less expensive. Under the Affordable Care Act, women with private health insurance have access to a variety of preventive health services without cost-sharing. This means you should not have to pay a deductible, co-insurance or a co-payment when you receive these services.

Preventative Services Important to Women Covered Without Cost Sharing

<table>
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<tr>
<th>Healthy Behaviors</th>
<th>Chronic Conditions</th>
<th>Immunizations</th>
<th>Reproductive Health</th>
<th>Pregnancy-Related</th>
<th>Cancer</th>
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<tbody>
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<td>Alcohol misuse screening and counseling</td>
<td>Cardiovascular health</td>
<td>Td booster, Tdap</td>
<td>Tobacco and cessation interventions</td>
<td>Breast cancer</td>
<td>o Mammography for women 40+*</td>
</tr>
<tr>
<td>Intensive healthy diet counseling (adults with high cholesterol, CVD risk factors, diet-related chronic disease)</td>
<td>Hypertension screening</td>
<td>MMR</td>
<td>Alcohol misuse screening/ counseling</td>
<td>o Genetic (BRCA) screening and counseling</td>
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<tr>
<td>Tobacco counseling and cessation interventions</td>
<td>Lipid disorders screenings (cholesterol screenings)</td>
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<td>Gestational diabetes screenings</td>
<td>o Preventative medication counseling</td>
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<tr>
<td>Interpersonal and domestic violence screening and counseling</td>
<td>Blood pressure screenings</td>
<td>Hepatitis A, B</td>
<td>Cervical cancer</td>
<td>o Cervical cancer</td>
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<tr>
<td>Well-woman visits</td>
<td>Type 2 Diabetes screening</td>
<td>Pneumococcal</td>
<td>o Pap testing</td>
<td>o High-risk HPV DNA testing</td>
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<td></td>
<td>Depression screening</td>
<td>Zoster</td>
<td>o Colorectal cancer</td>
<td>o One of the following: fecal occult blood testing, colonoscopy, sigmoidoscopy</td>
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<td></td>
<td>Osteoporosis screening</td>
<td>Influenza</td>
<td>o Folic acid supplements (women with reproductive capacity)</td>
<td>o Breast cancer</td>
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<tr>
<td></td>
<td>Obesity</td>
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<td>o Iron deficiency anemia screening</td>
<td>o Mammography for women 40+*</td>
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<td>o Screening</td>
<td>HPV</td>
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</tr>
</tbody>
</table>

*The coverage for mammography is guided by the 2002 United States Preventive Service Task Force guidelines.

 Certain religious employers are exempt from this requirement.

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1 This chart has been adapted from The Kaiser Family Foundation’s “Impact of Health Reform on Women’s Access to Coverage and Care,” http://www.kff.org/womenshealth/upload/7987-02.pdf (accessed June 14, 2012). Note that this is not a complete list and some limitations apply.
The Requirement to Buy Coverage Under the Affordable Care Act Beginning in 2014

Do any of the following apply?
- You are part of a religion opposed to acceptance of benefits from a health insurance policy.
- You are an undocumented immigrant.
- You are incarcerated.
- You are a member of an Indian tribe.
- Your family income is below the threshold requiring you to file a tax return ($9,350 for an individual, $18,700 for a family in 2010).
- You have to pay more than 8% of your income for health insurance, after taking into account any employer contributions or tax credits.

Yes
There is no penalty for being without health insurance.

No
Were you insured for the whole year through a combination of any of the following sources?
- Medicare.
- Medicaid or the Children’s Health Insurance Program (CHIP).
- TRICARE (for service members, retirees, and their families).
- The veteran’s health program.
- A plan offered by an employer.
- Insurance bought on your own that is at least at the Bronze level.
- A grandfathered health plan in existence before the health reform law was enacted.

Yes
The requirement to have health insurance is satisfied and no penalty is assessed.

No
There is a penalty for being without health insurance.

2014
Penalty is $95 per adult and $47.50 per child (up to $285 for a family) or 1.0% of family income, whichever is greater.

2015
Penalty is $325 per adult and $162.50 per child (up to $975 for a family) or 2.0% of family income, whichever is greater.

2016 and Beyond
Penalty is $695 per adult and $347.50 per child (up to $2,085 for a family) or 2.5% of family income, whichever is greater.

The penalty is pro-rated by the number of months without coverage, though there is no penalty for a single gap in coverage of less than 3 months in a year. The penalty cannot be greater than the national average premium for Bronze level coverage in an Exchange. After 2016, penalty amounts are increased annually by the cost of living.

Key Facts:
- Premiums for health insurance bought through Exchanges would vary by age. The Congressional Budget Office estimates that the national average annual premium in an Exchange in 2016 would be $4,500-5,000 for an individual and $12,000-12,500 for a family for Bronze coverage (the lowest of the four tiers of coverage that will be available).
- In 2010 employees paid $899 on average towards the cost of individual coverage in an employer plan and $3,997 for a family of four.