

Employer Shared Responsibility 2015



Employer Shared Responsibility
Decision: Play or pay? Or both?

Pay

- Exit
- Pay \$2,000/ full-time employee
- Employees to public exchange

Play

- Offer health benefits to full-time employees
- Pay \$3,000 for certain full-time employees?

Employer Shared Responsibility Overview

- Large employers must offer minimum essential coverage (MEC) to “substantially all” (70% / 95% test) of their full-time employees (and their children to the end of the month in which they turn age 26) or face up to an annual \$2,000 (indexed) assessment per full-time employee. Employers who provide this coverage are “offering employers”.
- If offering employer coverage does not provide 60% minimum value or contributions are unaffordable (>9.5% of employer affordability safe harbor or > 9.56 % of employee’s household income) and a full-time employee obtains subsidized coverage in the public exchange, the employer will face up to an annual \$3,000 (indexed) assessment for that full-time employee.
- Offering employers also subject to \$3,000 (indexed) assessment for any full-time employee not offered MEC who obtains subsidized coverage in the public exchange.

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How the Assessment Will Work in 2015

