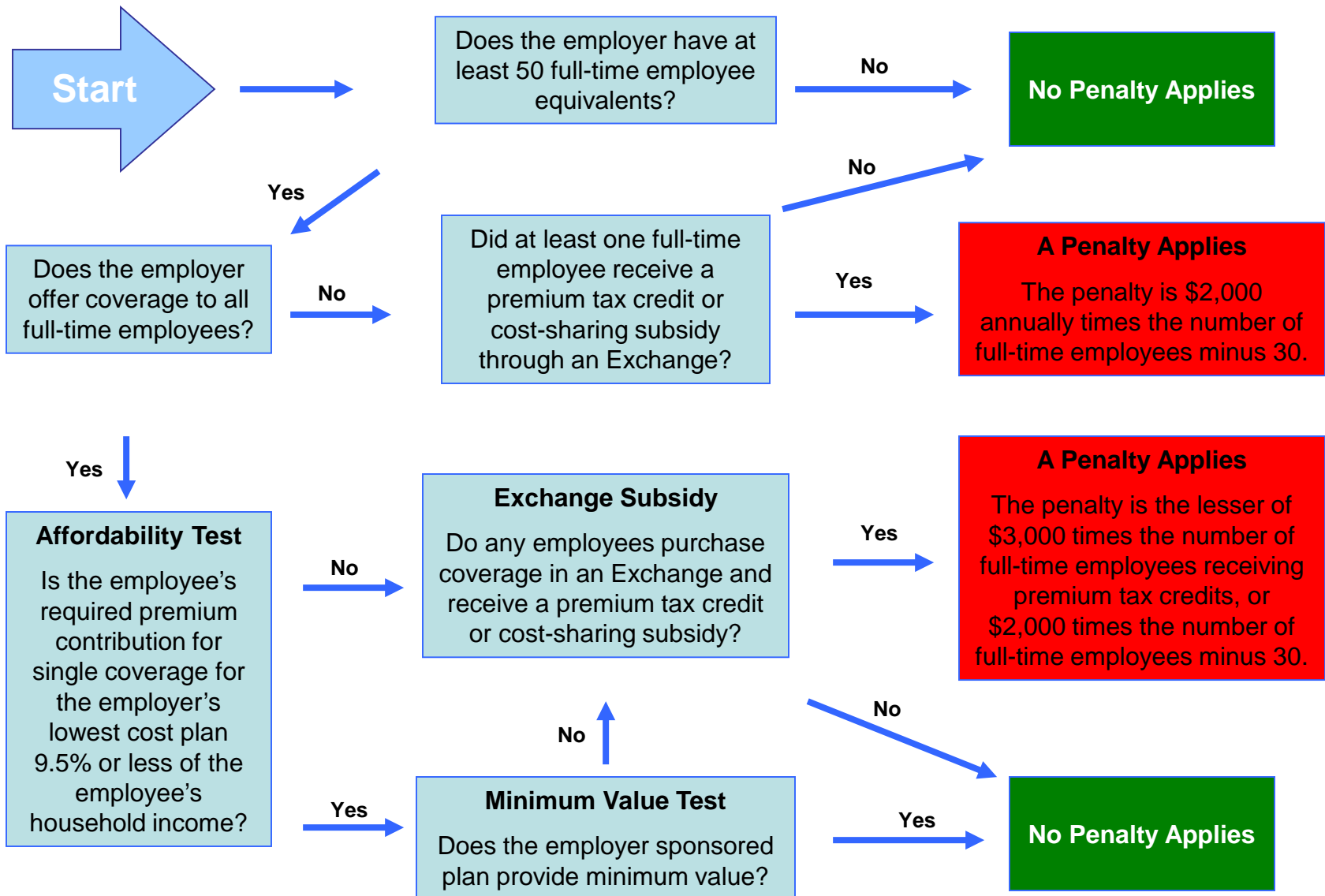


# ACA Play or Pay Penalties Beginning in 2015 - 2016



# ACA Play or Pay Penalties Beginning in 2015 - 2016

## Federal Poverty Guidelines\*

Family Size	Inc. Rate	100%	150%	200%	250%	300%	350%	400%
1	Annual Income	\$11,490	\$17,235	\$22,980	\$28,725	\$34,470	\$40,215	\$45,960
2	Annual Income	\$15,510	\$23,265	\$31,020	\$38,775	\$46,530	\$54,285	\$62,040
3	Annual Income	\$19,530	\$29,295	\$39,060	\$48,825	\$58,590	\$68,355	\$78,120
4	Annual Income	\$23,550	\$35,325	\$47,100	\$58,875	\$70,650	\$82,425	\$94,200
5	Annual Income	\$27,570	\$41,355	\$55,140	\$68,925	\$82,710	\$96,495	\$110,280
6	Annual Income	\$31,590	\$47,385	\$63,180	\$78,975	\$94,770	\$110,565	\$126,360
7	Annual Income	\$35,610	\$53,415	\$71,220	\$89,025	\$106,830	\$124,635	\$142,440
8	Annual Income	\$39,630	\$59,445	\$79,260	\$99,075	\$118,890	\$138,705	\$158,520
9+	Annual Income	\$43,650	\$65,475	\$87,300	\$109,125	\$130,950	\$152,775	\$174,600

\* These figures are approximate

# ACA Play or Pay Penalties Beginning in 2015- 2016

Affordability calculations utilizing the employee W2 safe harbor.

## Affordability Test

Is the employee's required premium contribution for single coverage for the employer's lowest cost plan 9.5% or less of the employee's household income?

	Annual	Monthly
W2 wages	\$14,863.00	\$1,238.58
Affordability Threshold (9.5% of W2 wages)	\$1,411.99	\$117.67

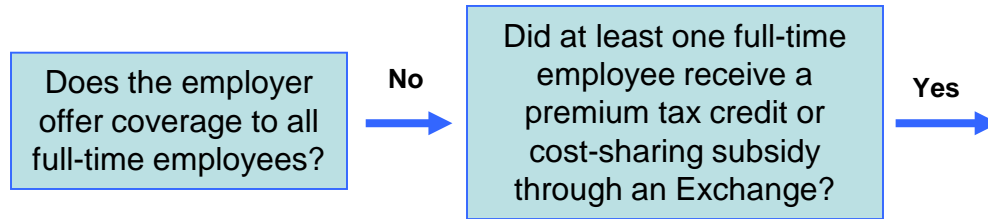
W2 wages	\$20,000.00	\$1,666.67
Affordability Threshold (9.5% of W2 wages)	\$1,900.00	\$158.33

W2 wages	\$30,000.00	\$2,500.00
Affordability Threshold (9.5% of W2 wages)	\$2,850.00	\$237.50

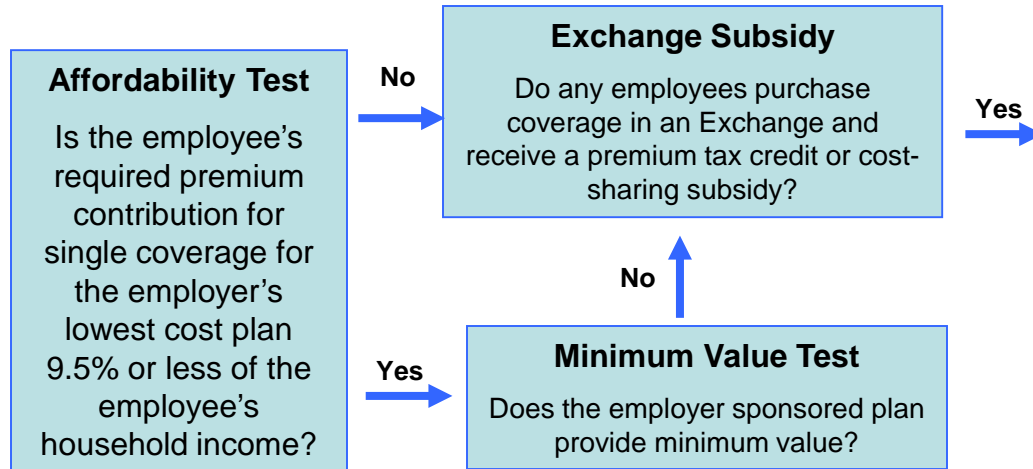
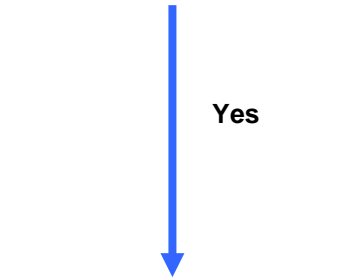
W2 wages	\$40,000.00	\$3,333.33
Affordability Threshold (9.5% of W2 wages)	\$3,800.00	\$316.67

W2 wages	\$50,000.00	\$4,166.67
Affordability Threshold (9.5% of W2 wages)	\$4,750.00	\$395.83

# ACA Play or Pay Penalties Beginning in 2015 - 2016



Employer Shared Responsibility Penalty Example	
Number of Full time Employees	110
Employee Reduction amount	-30
Number of Full time employees subject to the Employer Shared Responsibility Payment.	80
Annual penalty per employee	\$2,000.00
Annual Employer Shared Responsibility Payment	\$160,000.00
Monthly Employer Shared Responsibility Payment	\$13,333.33



Example of Penalty if the Employer offers coverage to at least 95% of employees but fails the Affordability and/or Minimum Value Test(s).		
Number of employees receiving premium tax credits	Penalty per employee	Total Annual Penalty
1	\$3,000	\$3,000
2	\$3,000	\$6,000
3	\$3,000	\$9,000
4	\$3,000	\$12,000
5	\$3,000	\$15,000

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