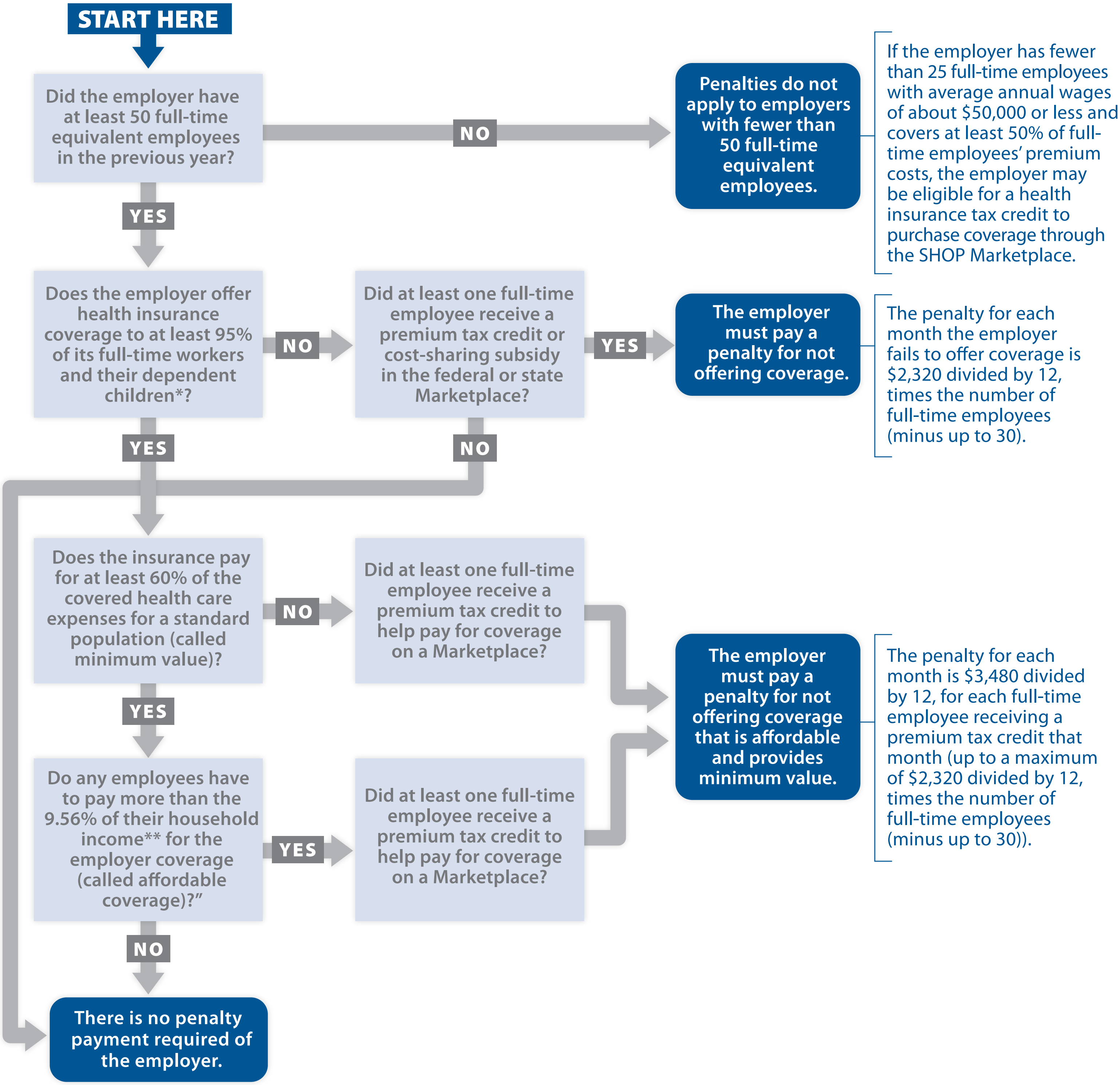
THE HENRY J. KAISER FAMILY FOUNDATION

PENALTIES FOR EMPLOYERS NOT OFFERING COVERAGE UNDER THE AFFORDABLE CARE ACT DURING 2018

UPDATED AS OF MARCH 1, 2018



* A dependent child is defined as a child of an employee who is under the age of 26. Employers do not face a penalty under the Affordable Care Act if they do not offer coverage to the spouse of a full-time employee.

** Affordability is determined by reference to the taxpayer's household income (i.e., the employee's required contribution for self-only coverage should not exceed 9.56% in most states for 2017). Since employers generally do not know the worker's household income, to determine if an employer may be subject to a penalty, the employer can measure 9.5% against three separate safe harbor amounts (the worker's Form W-2 wages, the worker's hourly rate of pay as of the first day of the coverage period, or the federal poverty line for a single individual). Note that a worker's and the worker's dependents' eligibility for premium tax credits or cost sharing subsidies are based on family income, not the safe harbor amounts.

www.kff.org/infographic/employer-responsibility-under-the-affordable-care-act/