



3-2-1 PPACA SOLUTIONS

A simple, cost effective strategy to avoid the ACA penalties

3 PENALTIES

1. Pay or Play

Any employer with 50 or more FTE's must offer plans that meet with Minimum Essential Coverage or pay a \$2,570* penalty per FT employee.

2. Qualified Plan

Employers must offer a Qualified Plan that meets minimum value and costs an employee no more than 9.78%* of their income. The penalty for an employer who doesn't comply could be up to \$3,860* per employee who receives a subsidy.

3. Individual Mandate

A nonexempt California resident who fails to maintain insurance may be subject to a state tax penalty (per month of noncompliance) equal to the lesser of two amounts:

- One-twelfth of the average annual premium for bronze-level coverage in Covered California, the state's ACA marketplace.
- One-twelfth of \$695 (adjusted annually for inflation) for each noncompliant individual in the tax family, or half that amount if the individual is under age 18, up to a maximum of 300% of \$695 (adjusted for inflation) for the family; or, if greater, 2.5% of the taxpayer's household income above the state income tax filing threshold.

2 PLANS

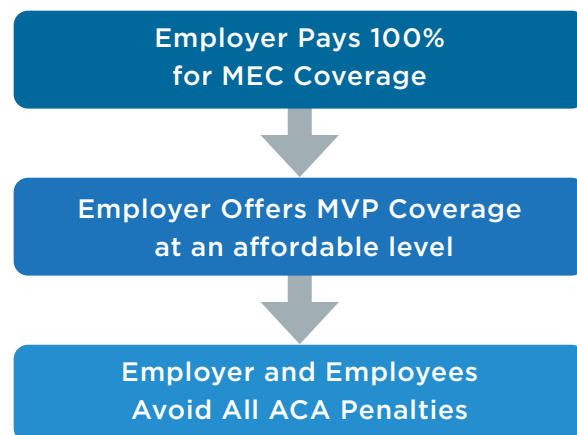
Minimum Essential Coverage (MEC)

- Provides 100% benefit for all preventative services (such as physicals, flu shots, etc.)
- All employees without a valid waiver are required to enroll in the MEC plan

Minimum Value Plan (MVP)

- "A Qualified Plan" that meets all the criteria to avoid the \$3,860* penalty
- Can be offered completely voluntary to employees with **NO PARTICIPATION** required (merely offering the plan avoids the penalty!)

1 SOLUTIONS



Ideal For:

Agriculture | Construction | Home Healthcare | Janitorial
Restaurants | Retail | Security Guards | Staffing Companies

* Applies to CA individuals starting reinstated in January 2020. Check your state if outside of CA



3-2-1 PPACA SOLUTIONS

A simple, cost effective strategy to avoid the ACA penalties

3 PENALTIES

1. Pay or Play

Any employer with 50 or more FTE's must offer plans that meet with Minimum Essential Coverage or pay a \$2,570* penalty per FT employee.

2. Qualified Plan

Employers must offer a Qualified Plan that meets minimum value and costs an employee no more than 9.78%* of their income. The penalty for an employer who doesn't comply could be up to \$3,860* per employee who receives a subsidy.

3. Individual Mandate

A nonexempt California resident who fails to maintain insurance may be subject to a state tax penalty (per month of noncompliance) equal to the lesser of two amounts:

- One-twelfth of the average annual premium for bronze-level coverage in Covered California, the state's ACA marketplace.
- One-twelfth of \$695 (adjusted annually for inflation) for each noncompliant individual in the tax family, or half that amount if the individual is under age 18, up to a maximum of 300% of \$695 (adjusted for inflation) for the family; or, if greater, 2.5% of the taxpayer's household income above the state income tax filing threshold.

2 PLANS

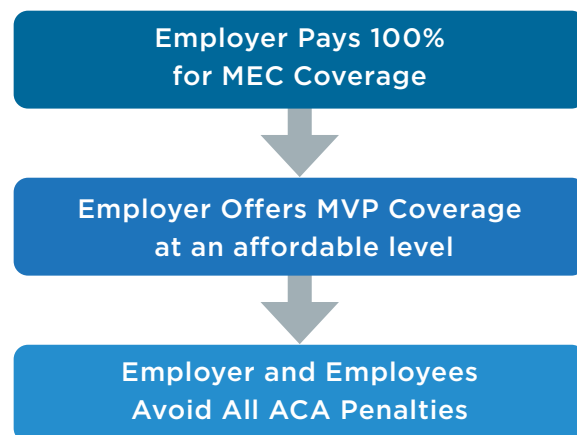
Minimum Essential Coverage (MEC)

- Provides 100% benefit for all preventative services (such as physicals, flu shots, etc.)
- All employees without a valid waiver are required to enroll in the MEC plan

Minimum Value Plan (MVP)

- "A Qualified Plan" that meets all the criteria to avoid the \$3,860* penalty
- Can be offered completely voluntary to employees with **NO PARTICIPATION** required (merely offering the plan avoids the penalty!)

1 SOLUTIONS



Ideal For:

Agriculture | Construction | Home Healthcare | Janitorial
Restaurants | Retail | Security Guards | Staffing Companies

* Applies to CA individuals starting reinstated in January 2020. Check your state if outside of CA