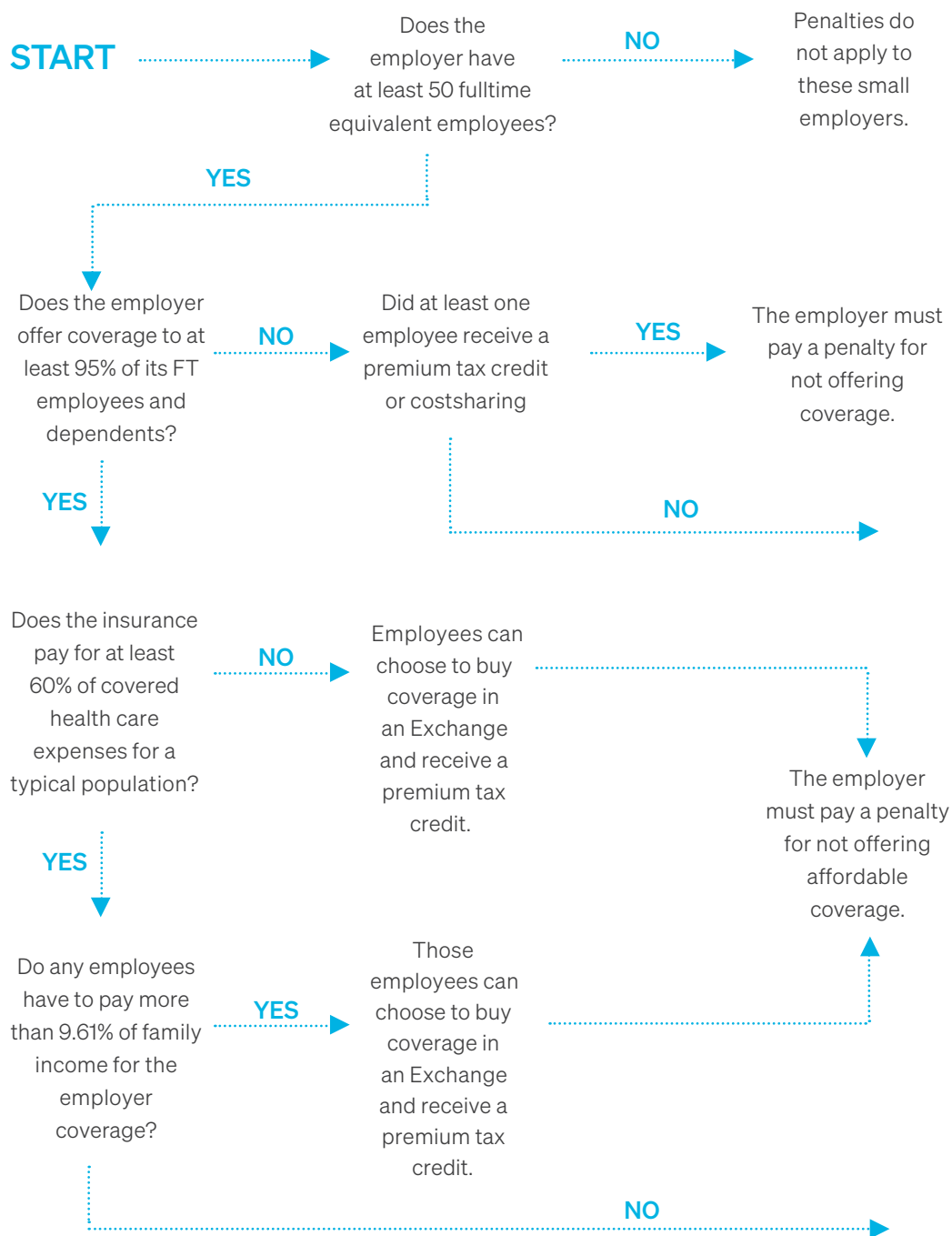


# PENALTIES FOR EMPLOYERS NOT OFFERING AFFORDABLE COVERAGE

Let's take a look at how to keep your groups out of the penalty box:



If the employer has 25 or fewer employees and an average wage of up to \$56,000 (adjusted yearly for inflation), they may be eligible for a health insurance tax credit.



The penalty is \$2,820 annually, times the number of full-time employees, minus 30. The penalty is increased each year by the growth in insurance premiums.



No penalties apply if employees did not receive a premium tax credit or cost sharing subsidy in an Exchange.



The penalty is the lesser of either \$4,320 per full time employee receiving a federal subsidy for coverage purchased on an exchange or \$2,820 per full-time employees, minus the first 30.



There is no penalty payment required of the employer since they offer affordable coverage.

Chart information provided by The Henry J. Kaiser Family Foundation