

ACA AFFORDABILITY CALCULATOR

ASSESS YOUR ACA PENALTY B RISK BASED ON YOUR HEALTH PLAN PREMIUM COST-SHARE

Human Resources teams are challenged each year with pricing their benefits to drive engagement and retention, and to also manage costs. On top of this, the Affordable Care Act (ACA) has complex rules about offering eligible employees affordable health plans.

In 2021, employers must offer a plan that costs less than or equal to 9.83 percent of household income or face a penalty. Employers that do not offer affordable coverage that meets minimum value requirements to their full-time employees can be subject the ACA's Penalty B (\$4,060 fine per full-time employee who receives a premium tax credit on the exchange).

Affordability safe harbors are complicated

Because an employer does not know total household income for their employees, there are three safe harbors that employers can use as a benchmark for employee plan costs:

- Federal Poverty Level
- Rate of Pay
- W-2 Box 1

We make calculating ACA affordability and potential related penalties easy—regardless of the safe harbor you use.

Does your health plan cost share meet ACA affordability requirements?

The Health e(fx) Affordability Calculator helps you understand how to adjust your cost share to best fit your ACA risk tolerance. It calculates the penalty risk and premium costs associated with your employee/employer cost share. The tool assesses your lowest cost minimum value plan for your employee segments under each safe harbor.

WITH THE CALCULATOR, YOU CAN:

Minimize total costs. Understand how your penalty risk and total costs (penalty risk + employer premium share) change for your lowest cost health plan based on incremental changes to your cost share, across any safe harbor.

Optimize cost share to minimize Penalty B risk. Determine the employer/employee health plan cost share for your lowest cost plan that will minimize your Penalty B risk.

Determine the ideal safe harbor by population. Identify the most advantageous safe harbor for each employee segment.

Model outcomes for different enrollment rates. Leverage different enrollment curve options to understand your cost impact based on employee choices.

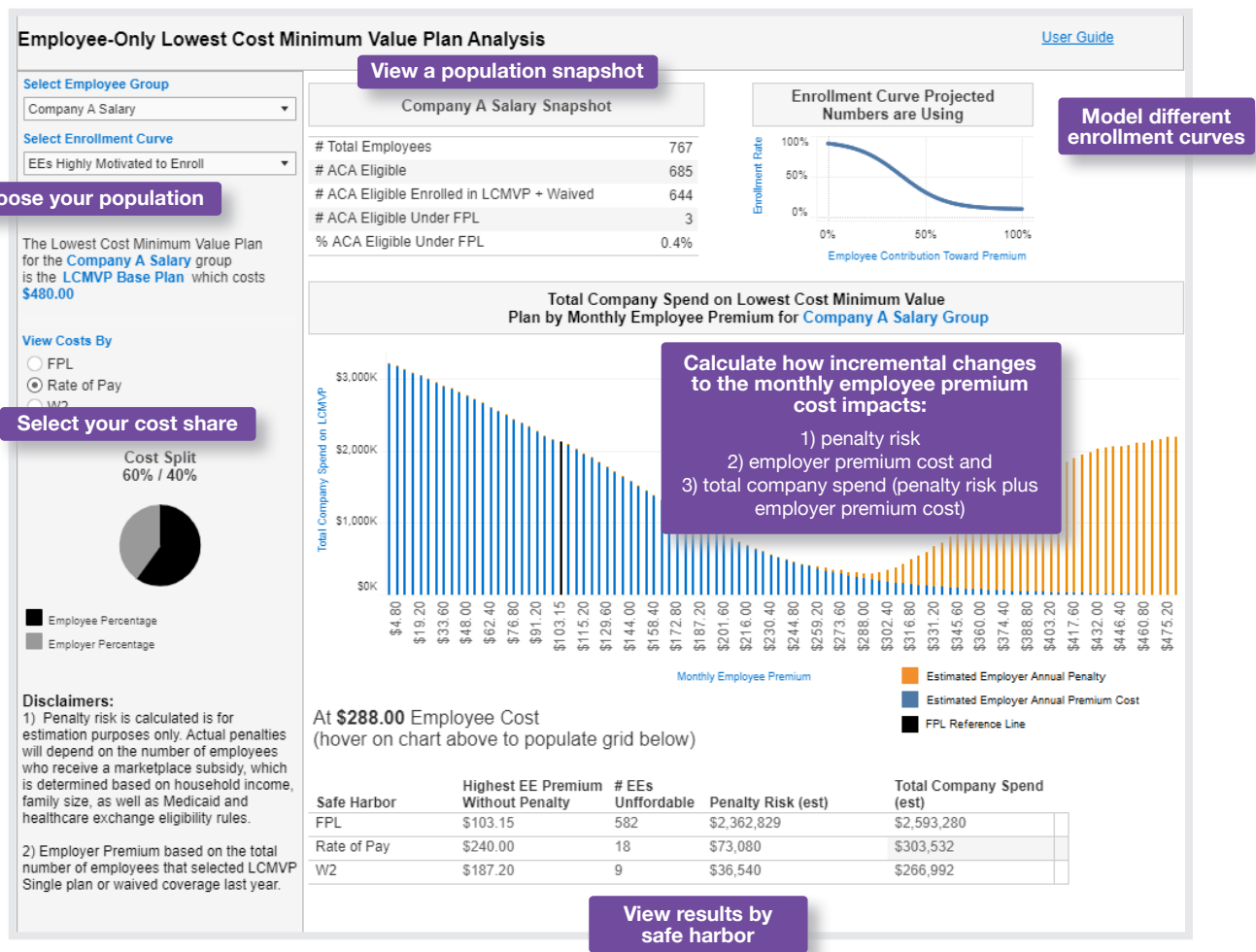
View employee demographics in a snapshot. View high-level demographics for each of your selected employee groups.

Gain unparalleled insights

These capabilities can support your health plan pricing strategy and help you make informed decisions about your ACA penalty risk.

The ACA Affordability Calculator is unlike any other tool in the market today and uses complex calculations using an employer's actual employee pay and benefit adoption to estimate employer lowest cost plan costs as well as your Penalty B risk.

Sample dashboard



About Health e(fx)

Health e(fx) is rooted in health reform expertise. Through investment and innovation, our easy-to-use solutions meet the needs of employers and partners who serve employers. Choose Health e(fx) to manage complexity, minimize risk and cost and remove the ACA burden.

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