



## HEALTH INSURANCE REFORM AT A GLANCE SHARED RESPONSIBILITY

Health reform will ensure that all Americans have access to quality, affordable health care coverage through shared responsibility among individuals, businesses, and the government. Individuals will be responsible for purchasing health insurance coverage, and most employers will be responsible for offering coverage. Individuals, employers, and the government are all responsible for contributing to the cost of coverage.

### **THE GOVERNMENT WILL ENSURE AFFORDABILITY OF COVERAGE THROUGH PREMIUM TAX CREDITS**

True access to quality health care cannot happen if coverage is unaffordable. The bill will ensure accessible health coverage for all Americans by providing tax credits and expanding Medicaid for those below 133 percent of poverty.

- Tax credits will be available for individuals and families with incomes up to 400 percent of the federal poverty level (\$43,420 for an individual or \$88,200 for a family of four) that are not eligible for Medicaid, employer sponsored insurance, or other acceptable coverage. The amount of credit is reduced as individual and family income increases phasing out at 400 percent of the federal poverty level.
- Only individuals and families who seek health care coverage in the Exchange will receive credits.
- To assure that our most vulnerable population has access to affordable health care, Medicaid is expanded to 133 percent of the federal poverty level and other steps are taken to strengthen the program.

### **ALL AMERICANS WILL BE RESPONSIBLE FOR HAVING HEALTH INSURANCE, EXCEPT IN CASES OF HARDSHIP**

- The reforms in the bill will make health care coverage more affordable and are designed to encourage all Americans to obtain coverage.
- Individuals who can afford insurance but choose not to obtain at least basic health coverage will be subject to a modest penalty. In no case would the penalty exceed the average cost of a health care policy in the Exchange.
- Hardship waivers will be granted to individuals based on criteria such as affordability.

### **PROPOSAL STRENGTHENS INCENTIVES FOR EMPLOYERS TO OFFER INSURANCE**

- Under the bill, employers with over 50 employees are required to help defray the cost if taxpayers are subsidizing their workers.
  - Employers with more than 200 employees will be required to automatically enroll all employees in their health insurance plans, allowing individual workers to opt-out.
- Employers with more than 50 workers that do not offer health insurance coverage will pay an assessment of \$2,000 per full-time worker (not including the first 30 workers) if any of their employees obtains premium tax credits through the Exchange. Employers that offer unaffordable coverage or coverage that does not cover at least 60 percent of allowable costs will pay \$3,000 for any employee that receives a tax credit in the Exchange up to an aggregate cap of \$2000 for every full-time employee.

- Employers will be required to provide notice to their employees of their health insurance options, including coverage through the Exchange.

**SMALL BUSINESSES WITH 50 OR FEWER EMPLOYEES WILL BE EXEMPTED AND A NEW SMALL BUSINESS TAX CREDIT WILL HELP FIRMS PROVIDE HEALTH COVERAGE**

- Employers with 50 or fewer employees are exempt from any requirement to contribute toward the health insurance of their workers.
- Workers in exempt firms will be eligible to choose coverage through the Exchange.
- The bill provides for \$40 billion in tax credits to help small businesses provide health insurance to their workers.