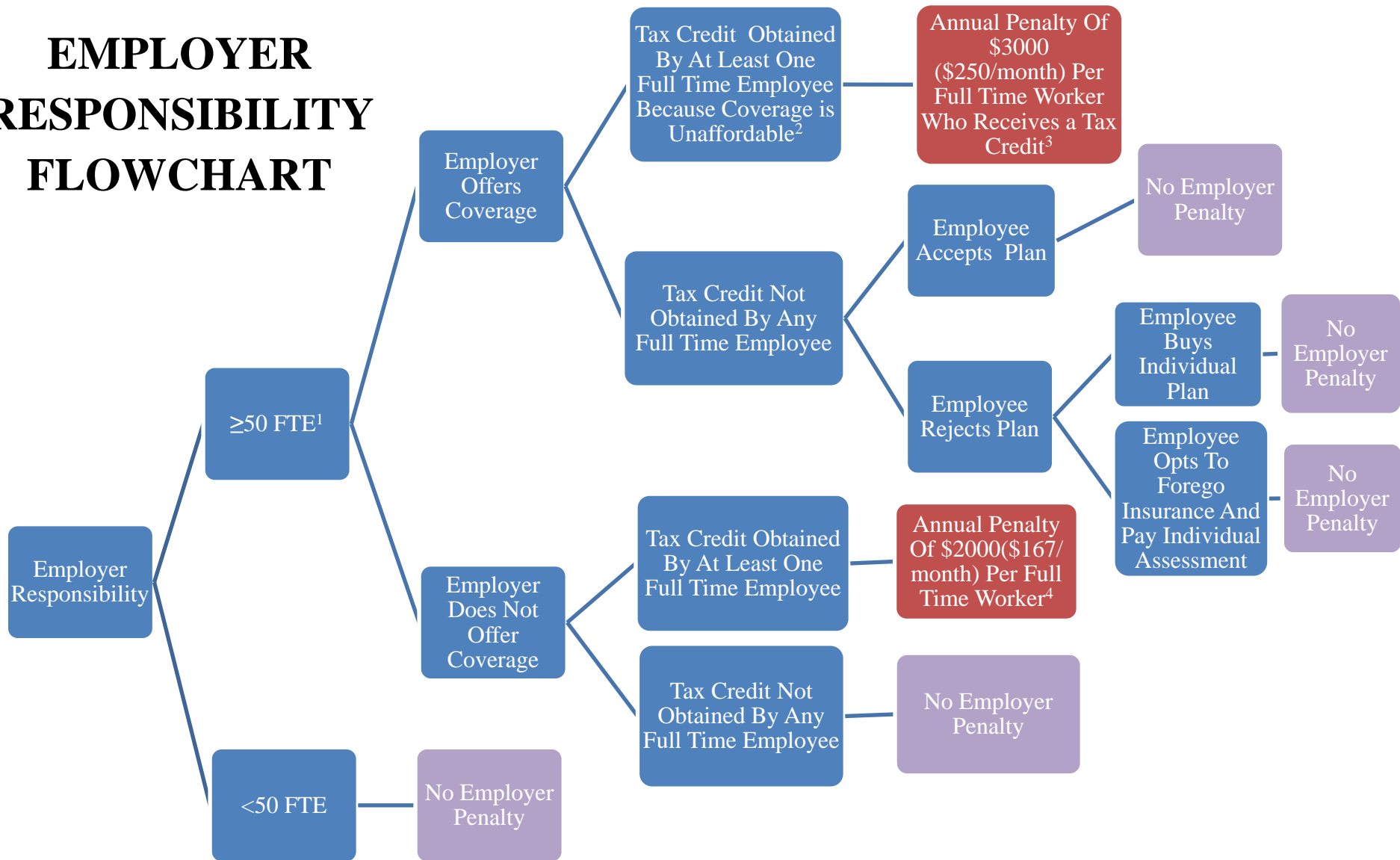


EMPLOYER RESPONSIBILITY FLOWCHART



¹FTE = Full Time Equivalents

²Unaffordable is defined as employer-sponsored coverage that is less than 60% actuarial value or employee’s share of the plan premium is greater than 9.5% of employee’s income

³To ensure that an offering employer does not pay more than a non-offering employer, the penalty is capped at the amount a non-offering employer would pay

⁴The first 30 workers are discounted *i.e.* the employer does not pay a penalty on the first 30 full time workers

Note: Part-time workers are included in the calculation towards 50 FTE, but employer only pays penalty on full-time workers (not part-time workers). Full time workers are employees who work an average of 30 or more hours per week for a month.