

## Qualifying for Subsidies on Healthcare.gov

*By Emily Tonkovich*

Open enrollment on healthcare.gov is running now through January 31<sup>st</sup>. Employees may ask their employers whether coverage through the Marketplace (or state exchange) is something they should consider.

Here's what employers should know about the insurance subsidies offered through healthcare.gov:

- Employees who qualify for coverage through their employer are not be eligible to qualify for a subsidy unless their share of their employer's lowest cost self-only minimum value plan is **more than 9.56% of their household income**.
- If their employer's plan meets this standard, employees can still purchase a plan through the Marketplace. However, they will have to pay for the full cost of the Marketplace plan. Typically, insurance coverage offered through an employer is more economical than paying for the full cost of an individual plan.
- The Marketplace is a great resource for those who are not eligible for affordable, minimum value employer-based coverage, Medicaid, Medicare, or insurance through another source. However, eligibility for a subsidy is still dependent upon an individual's household income.
- Employers cannot reimburse employees for individual coverage purchased through the Marketplace.
- Individuals who do not have health insurance in 2016 will pay a penalty unless they qualify for an [exemption](#). The 2016 penalty is the higher of:
  - 2.5% of household income, capped at the average price of a bronze plan, or
  - \$325 per adult/\$162.50 per child, capped at \$975.

Our licensed BRSi Personal Insurance Specialists can walk an individual through all of their options, help determine which option best fits his or her needs, and assist with signing up for coverage at no additional charge. You can contact our Specialists at (855) 997-9700.

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