

AFFORDABLE CARE ACT (OBAMACARE)

The Affordable Care Act (ACA) Large Employer Mandate requires employers to offer full time employees a compliant health care plan effective January 1, 2015. Full Steam Staffing is offering three plans for coverage to eligible full time employees. The plans are: the ACA-Compliant Minimum Value Plan (MVP) offered through United Healthcare and non-ACA Compliant Limited Medical Plan offered through Ternian. The United Healthcare (MVP) plan is compliant with the ACA Individual Mandate and the Employer Mandate. The Limited Medical Plan is ***not compliant*** with the ACA Employer and Individual Mandates.

MEDICAL INSURANCE PLANS OFFERED IN 2016

1) United Healthcare (MVP)

The monthly premium cost for the United Healthcare Plan is based upon the age of each participant in the plan (see below) . These rates ***WILL INCREASE*** in April 2016 when the plan renews. Full Steam Staffing will not have the new rates for review until March 2016. Employees will be permitted to drop medical insurance coverage under United Healthcare prior to the April 2016 rate increases if they choose.

PPO	
Gold Select Plus Direct 15/1000/90% Plan GO-X	
Age	Rate
<21	\$236.94
21	\$373.13
22	\$373.13
23	\$373.13
24	\$373.13
25	\$374.62
26	\$382.09
27	\$391.04
28	\$405.59
29	\$417.53
30	\$423.50
31	\$432.46
32	\$441.41
33	\$447.01
34	\$452.98
35	\$455.96
36	\$458.95
37	\$461.93
38	\$464.92
39	\$470.89
40	\$476.86

41	\$485.82
42	\$494.40
43	\$506.34
44	\$521.26
45	\$538.80
46	\$559.70
47	\$583.20
48	\$610.07
49	\$636.56
50	\$666.41
51	\$695.89
52	\$728.35
53	\$761.19
54	\$796.63
55	\$832.08
56	\$870.51
57	\$909.32
58	\$950.74
59	\$971.26
60	\$1,012.67
61	\$1,048.50
62	\$1,072.00
63	\$1,101.48
64+	\$1,119.39
Children Under 21	
Number	Rate
1	\$236.94
2	\$473.88
3+	\$710.82

Under the MVP, the employee contributes up to 9.5% of their income toward the health care plan premium for Employee-only Plans. Full Steam Staffing will pay the remainder toward the premium of Employee-Only plans.

Employees who elect to participate in an Employee + Child(ren) plan, are required to pay the full amount of the premium difference between the Employee-Only and Employee + Children plans.

Listed below are examples of what an employee's contribution toward the United Healthcare MVP would be based upon the employee's hourly pay rate. These examples assume the employee works a 40-hour workweek each week.

In the first example highlighted below, a 37-year old employee who earns \$13/ hour would pay \$214.07/ month (approximately \$49.40/ week) for Employee-Only coverage with United Healthcare. Full Steam Staffing would pay the remaining premium of \$247.86/ month.

United Gold Employee-Only coverage at \$461.93/ month

Hourly Pay Rate	Monthly Gross at 40 hours/ week	9.5% of Income	Employee monthly contribution (Employee pays difference for child coverage at 100%)	Employee Weekly Premium Deduction Amount	Employer monthly contribution
\$10.10	\$1,750.67	\$166.31	\$166.31	\$38.38	\$295.62
\$11.00	\$1,906.67	\$181.13	\$181.13	\$41.80	\$280.80
\$13.00	\$2,253.33	\$214.07	\$214.07	\$49.40	\$247.86
\$15.00	\$2,600.00	\$247.00	\$247.00	\$57.00	\$214.93
\$21.64	\$3,750.93	\$356.34	\$356.34	\$82.23	\$105.59

In the second example highlighted below, a 37 year old employee who earns \$13/ hour would pay \$687.95/ month (approximately \$158.76/ week) for Employee + 2 Children under the age of 21 coverage on the MVP plan. Full Steam Staffing would pay the remaining premium of \$247.86/ month.

United Gold Employee + Children coverage at \$935.81/ month for a 37 year old employee with 2 children under the age of 21

Hourly Pay Rate	Monthly Gross at 40 hours/ week	9.5% of Income	Employee monthly contribution (Employee pays difference for child coverage at 100%)	Employee Weekly Premium Deduction Amount	Employer monthly contribution
\$10.10	\$1,750.67	\$166.31	\$640.19	\$147.74	\$295.62
\$11.00	\$1,906.67	\$181.13	\$655.01	\$151.16	\$280.80
\$13.00	\$2,253.33	\$214.07	\$687.95	\$158.76	\$247.86
\$15.00	\$2,600.00	\$247.00	\$720.88	\$166.36	\$214.93

2) LIMITED MEDICAL PLAN

The Limited Medical Plan is *NOT COMPLIANT* under the ACA Employer or Individual Mandates. Employees who enroll for coverage under this plan (with no coverage under any other compliant plan) may be subject to penalties when filing Income Tax Returns at the end of the year for not participating in an ACA-Compliant Plan.

Premiums for the Limited Medical Plan are paid at 100% by the Employee. Pricing for the Limited Medical Plan is listed below.

EMPLOYEE-ONLY	WEEKLY RATE	APPROXIMATE MONTHLY RATE
MEDICAL	\$12.54	\$54.34
DENTAL	\$4.61	\$20.00

EMPLOYEE + 1	WEEKLY RATE	APPROXIMATE MONTHLY RATE
MEDICAL	\$27.56	\$119.43
DENTAL	\$9.92	\$43.00

EMPLOYEE + FAMILY	WEEKLY RATE	APPROXIMATE MONTHLY RATE
MEDICAL	\$40.08	\$173.71
DENTAL	\$13.62	\$59.00

FREQUENTLY ASKED QUESTIONS

1. *What if I don't want to participate in the health insurance plan?*

Employees who choose not to participate in the health insurance plans need to complete the application and select that they are “declining” coverage. Because the ACA requires individuals to carry ACA-compliant health care insurance, employees who do not participate in the health insurance plans offered by Full Steam Staffing may be subject to penalties at the end of the year when filing taxes

The penalties are:

- **2015-** \$325 per adult, \$162.50 per child up to \$975 per family or 2% of adjusted income, **whichever is greater.**
- **2016-** \$695 per adult, \$347.50 per child up to \$2,085 per family or 2.5% of adjusted income, **whichever is greater.**

2. *If I am on my Spouse's health insurance, will I still be subject to penalties at the end of the year?*

It depends. If your Spouse's health insurance plan is ACA compliant, and you are listed on the plan, you may not be subject to penalties for non-compliance under the Individual Mandate. You still need to complete the Declination Form during the Full Steam Staffing Health Insurance Open Enrollment.

3. *Why is Full Steam Staffing offering a plan that includes coverage for my child(ren) but not for my Spouse?*

The ACA requires employers to offer plans for employees and their children. There is no requirement to offer plans with Spouse Coverage. Because Full Steam Staffing does not offer plans with Spouse Coverage, Spouses may be able to qualify for a subsidy through their State Health Exchange. Had Spouse Coverage been included on the Full Steam Staffing health insurance plans, the employee would be required to pay the full cost of the Spouse Coverage. Full Steam Staffing does not offer Spouse Coverage in order to allow employees' Spouses the opportunity to purchase less expensive coverage through their State Health Exchange and possibly qualify for a subsidy.

4. Are the deductions for health insurance taken out before or after taxes?

Health insurance premiums are deducted after taxes (Post-Tax). This allows employees to drop coverage at any time without requiring a “qualifying event” (loss of job, divorce, etc.) in order to make changes to coverage.

5. What would my annual cost for coverage look like in 2016 compared to declining coverage and just paying the penalty?

PLAN YEAR 2016	EMPLOYEE ONLY @ \$10/ HR WORKING 40 HR/ WEEK	FAMILY OF 4 AT \$10/ HR WORKING 40 HR/ WEEK	EMPLOYEE ONLY @ \$13/ HR WORKING 40 HR/ WEEK	FAMILY OF 4 AT \$13/ HR WORKING 40 HR/ WEEK
MVP	\$1,976.04	\$4,743.60	\$2,568.84	\$5,336.40
MEC	\$730.08	\$1,470.00	\$730.08	\$1,470.00
INDEMNITY PLAN+ PENALTY FOR NON-COMPLIANCE	\$1,347.08	\$4,169.52	\$1,347.08	\$4,169.52
PENALTY (NON-COMPLIANCE)	\$695.00	\$2,085.00	\$695.00	\$2,085.00

****PENALTIES MAY BE HIGHER DEPENDING UPON AN EMPLOYEE'S OR ENTIRE FAMILY'S ADJUSTED GROSS INCOME****

The Penalty is \$695 per adult, \$347.50 per child up to \$2,085 per family or 2.5% of adjusted income, WHICHEVER IS GREATER.