**How People Get Health Coverage Under the Affordable Care Act Beginning in 2014** Is family income **Employee can choose** Is employer less than or coverage in Medicaid Start here. coverage equal to 133% Yes-Yes or in the employer available? of the poverty plan. level? Νo Νo **Employee can** Does the Is family income choose coverage in employer plan Family is eligible for less than or the employer plan or cover at least coverage through equal to 133% buy insurance through Yes -No 60% of health Medicaid. of the poverty an Exchange and be expenses on level? eligible for a tax average? credit. Νo Yes **Employee** Does the can choose coverage Family is guaranteed Is family income employee pay in the employer plan access to insurance less than or more than 8% or buy unsubsidized equal to 4 times through an Exchange Yes of income for -No insurance through an with eligibility for a the poverty the premium in Exchange or in the tax credit. level? the employer non-group plan? market. No Yes Is family income less than or Family is guaranteed equal to 4 times access to unsubsidized the poverty insurance through an level? Exchange or the nongroup market. Yes Does the **Employee can** employee pay choose coverage in more than 9.5% the employer plan or **Key Facts:** of income for buy insurance through Yes the premium in an Exchange and be The poverty level in 2011 is \$10,890 for a the employer eligible for a tax single individual and \$22,350 for a family plan? credit. of four. No • In 2010 employees paid \$899 on average towards the cost of single coverage in an employer plan and \$3,997 for a family of four. **Employee can** choose coverage A "free choice voucher" allows an eligible employee to take the amount contributed in the employer plan or buy insurance by an employer towards health insurance through an Exchange and use it towards the premium of a plan in using the employer an Exchange. contribution as a "free choice voucher." healthreform.kff.org

## **Notes**

- Some states may have higher income eligibility levels for Medicaid.
- In some cases, children may be eligible for public coverage through Medicaid or CHIP while their parents are covered through an employer or an Exchange.

- Undocumented immigrants are ineligible for Medicaid and may not purchase coverage in an Exchange or receive a tax credit.
  In general, people are required to obtain coverage or pay a penalty, but those whose health insurance premiums exceed 8% of family income (after tax credits or employer contributions are taken into account) will not be penalized if they choose not to purchase coverage.
  Employees are eligible for "free choice vouchers" if they must pay 8-9.8% of income for employer coverage, so employees facing premiums of 9.5-9.8% of income under an employer plan are eligible to buy coverage in an Exchange using a free choice voucher or receive a tax credit.
- Regulations specifying how dependents of workers with employer coverage available are treated have not yet been issued.
- Small businesses may choose to buy insurance through newly created SHOP Exchanges or directly from insurers.