

Tax Penalties Under ACA 2019

Employers

- Employers of more than 50 full-time plus full-time equivalent
 - \$2,500 (\$208.33/mo) per full-time employee
 - \$3,750 (\$312.50/mo) per employee who is eligible for subsidies and elects coverage on the Exchange.

MEC & MEC HEAVYSM (Minimal Essential Coverage)

**\$2,500 Employer Tax liability
under ACA satisfied**

- Covers 100% of over 81 CMS listed preventative services.
- Coverage is self-funded with an aggregate only policy and a monthly aggregate accommodation provision to protect cash flow.
- **By only offering the MEC, Employers can prevent being taxed \$2,500 per full-time employee plus full-time equivalent.**
- Employers can charge employees any reasonable amount for the MEC.

MVP

(Minimum Value Plan)

\$3,750 Employer Tax liability satisfied

- Self-Funded with an appropriate stop loss policy with a monthly aggregate accommodation provision to protect cash flow.
- Meets the governments 60% of “allowed costs” standard and as long as employers do not charge employees for single coverage more than 9.86% in 2019 of employee’s W2 Box 1 income, **the MVP Plan meets the Government criteria of being an affordable MVP.**
- The W2 Box 1 income equals the employee’s total income minus his/her contribution to the pension plan and minus any monies he/she set aside in a Flex 125 Program. This limitation applies only to the single contribution rate of the MVP but not for the charge attributable to any dependents (Safe Harbor).
- Alternatively, the employer can satisfy affordability by charging full-time employees not more that 9.86% in 2019 of that employee’s total modified adjusted household income.
- The MVP plan incorporates the MEC benefits, other strategically selected medical benefits, a nationally acclaimed patented Chronic Disease Management (CDM) program, online explanation of benefits, online plan summaries and much more.



KEY SOLUTIONSM

THE KEYSOLUTION DIFFERENCE

Key Benefit Administrators (KBA) is excited to provide a KeySolution portfolio of products designed to meet and exceed the benefit requirements facing employers and members today. KeySolution is the answer.

1. When an employer offers a MEC and/or a MEC HEAVYSM self-funded plan to its employees, it protects employers from the excise tax penalties of \$2,500 (\$208.33/mo) and \$3,750 (\$312.50/mo).
2. MEC plans include RealTimeTelemed, a telemedicine benefit that provides 24/7/365 access to a network of board-certified doctors available by phone or mobile app, with \$0 copay.
3. The MVP plan is especially designed by KBA to meet the requirements of Affordable Minimum Value Plans at surprisingly affordable costs.
4. The MVP and MEC HEAVY plans include a nationally acclaimed patented Chronic Disease Management (CDM) program with a proven track record on over 2.2 million covered people validating its outstanding results.
5. Considering the “epidemic” of diabetes in the United States, the MVP plans include a high-tech program relative to diabetic testing and monitoring and 24/7 medical assistance by specially trained personnel for the treatment and care of diabetics.
6. Since the MVP, MEC HEAVY Preferred and MEC HEAVY Preferred Plus plans include a combination of self-funded and fully insured elements, KBA integrates all administrative functions for all the benefit plans resulting in “EZ Administration.” There is no need to file claims to multiple companies at multiple locations...KBA takes care of all of it with one claim.
7. Integrated stop loss policies covering all self-funded plans providing ultimate cash flow protection to employers through the use of monthly aggregate accommodation provisions.
8. Issuing a single integrated ID Card and Explanation of Benefits to members, making the member and provider customer experience “EZ” for all coverages offered by the employer. All claims are filed once to KBA where we integrate all the benefit components.
9. Consolidated billing and eligibility for all Benefit Plans.
10. Preferred Provider Network administration for all networks associated with all Benefit Plans.
11. Online and personal handheld device access for members, providers and employers for plan information, Explanation of Benefits, Enrollment and much more through E-Z BenefitsSM.
12. A single 800 number to the KBA Customer Care Team where the member will find answers to all questions about all benefit offerings from the same KBA Customer Service Representative.

**All of this is accomplished at surprisingly affordable costs to both employees and employers!
Please contact us to see how KeySolution can work for you and your customers.**

Contact brokerdevelopment@keybenefit.com

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