



Employer Coverage Affordability Tool Process Guide

Overview

As of plan year 2023, if an employee must pay more than the affordability threshold (9.02% for 2025) of household income towards the premium for the lowest cost family plan offered by their employer, the plan is considered unaffordable, and the employee's family members may qualify for financial assistance for health coverage through Covered California.

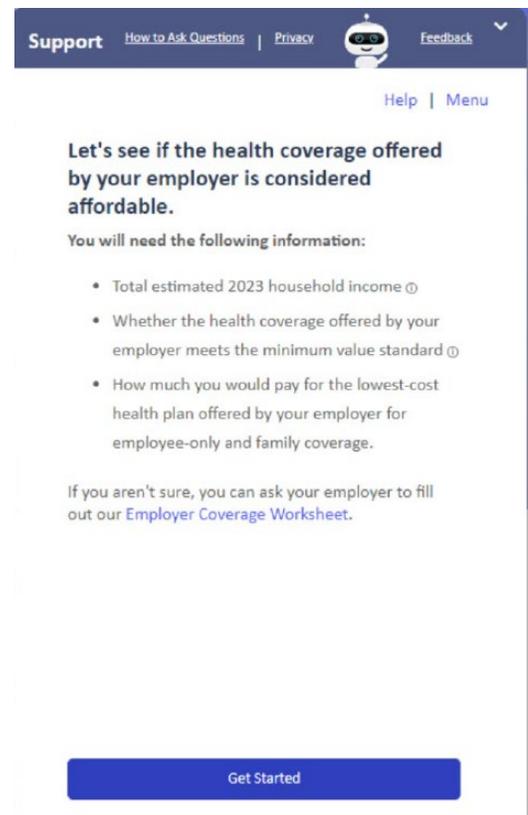
Follow the steps below to use the [Affordability Tool on the Covered California website](#) to determine if a consumer and their family have an offer of employer-sponsored health coverage that meets the minimum value standard and is affordable.

Steps

1. Navigate to the Affordability Tool on the Covered California website. Gather the necessary information and click "Get Started".

You will need the following information:

- Total estimated household income:
 - Include the income for you, your spouse, and anyone you claim as a dependent when you file taxes. Income includes wages and tips, salary, self-employment income, interest and dividends received, alimony received, Social Security payments received and other income.
- Whether the health coverage offered by your employer meets the minimum value standard.
 - Plan pays at least 60% of the total cost of medical services and substantially covers hospital and doctor services.
- How much you would pay for the lowest-cost health plan offered by your employer for employee-only and family coverage.



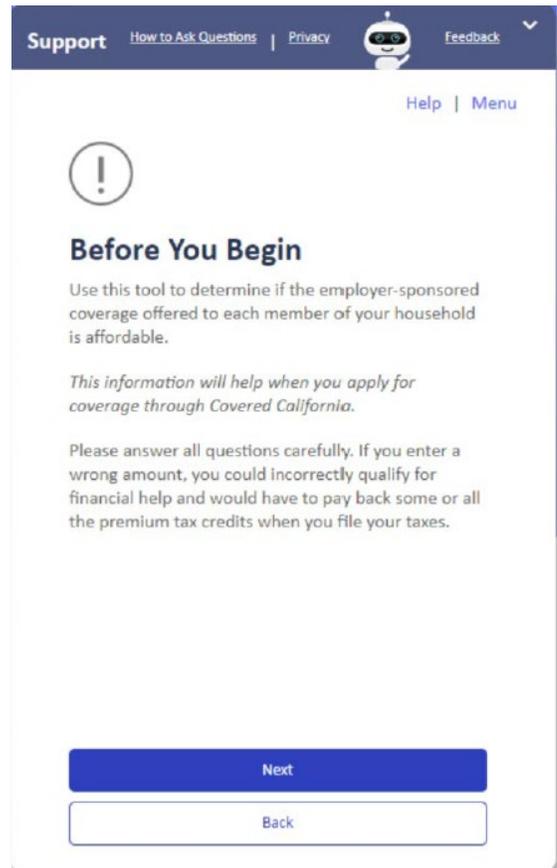
If you aren't sure, you can ask your employer to fill out the Employer Coverage Worksheet.



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2. Read the “Before You Begin” page and click “Next”.

- Use this tool to determine if the employer-sponsored coverage offered to each member of your household is affordable.
- *This information will help when you apply for coverage through Covered California.*
- Please answer all questions carefully. If you enter a wrong amount, you could incorrectly qualify for financial help and would have to pay back some or all the premium tax credits when you file your taxes.





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A screenshot of the 'Income' step in the Employer Coverage Affordability Tool. The interface is white with a dark blue header. The header contains 'Support', 'How to Ask Questions', 'Privacy', a robot icon, and 'Feedback'. Below the header, there are links for 'Help' and 'Menu'. The main content area shows '1 of 4' steps, the title 'Income', and the question 'What's your total estimated 2023 household income?'. A text input field contains '30000', and below it, the text 'Amount entered: \$30,000.00' is displayed. At the bottom, there are two buttons: a solid blue 'Next' button and a white 'Back' button with a blue border.

3. Fill out the estimated household income page and click "Next".
 - Include the income for you, your spouse, and anyone you claim as a dependent when you file taxes. Income includes wages and tips, salary, self-employment income, interest and dividends received, alimony received, Social Security payments received and other income.



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4. Enter the amount the consumer would pay for employee-only coverage and family coverage. Check the box if family coverage is not offered/applicable. Click “Next” when finished.
 - Plan must pay at least 60% of the total cost of medical services and substantially cover hospital and doctor services to meet the minimum value standard.

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[Help](#) | [Menu](#)

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How Much You Pay For Health Coverage

Based on the lowest-cost plan  offered by your employer, how much would you pay for **employee-only** coverage?

Family coverage is not offered/applicable.

[Next](#)

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How Much You Pay For Health Coverage

Based on the lowest-cost plan  offered by your employer, how much would you pay for **employee-only** coverage?

Family coverage is not offered/applicable.

[Next](#)

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5. Based on the amount entered in Step 2, select how often the consumer would pay this amount and click “Next”.

- Weekly
- Every 2 weeks
- Twice a month
- Monthly
- Quarterly
- Yearly

A screenshot of a web application interface. At the top, there is a dark blue header with the word 'Support' on the left, and links for 'How to Ask Questions', 'Privacy', a robot icon, and 'Feedback' on the right. Below the header, the text '3 of 4' is displayed. The main heading is 'How Often You Pay For Health Coverage'. Below this, a sub-heading asks: 'Based on the amount entered in Step 2, how often would you pay this amount?'. There is a dropdown menu with the text '-- select an option --'. At the bottom of the form, there are two buttons: a blue 'Next' button and a white 'Back' button with a blue border.



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6. Review the information for accuracy. Click “Edit” if any changes are needed; click “Calculate” if the information is correct.

- Check the information below to see if it is correct. Click “Edit” if you need to make changes.
- Estimated Total Household Income
- How often you pay for health coverage
- Cost of Employee-only Coverage
- Cost of Family Coverage

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Review

Check the information below to see if it is correct. Click “Edit” if you need to make changes.

Estimated Total Household Income for 2023 [Edit](#)
\$30,000

How often you pay for health coverage [Edit](#)
Monthly

Cost of Employee-only Coverage [Edit](#)
\$150

Cost of Family Coverage [Edit](#)
\$500

[Calculate](#)

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Review

Check the information below to see if it is correct. Click “Edit” if you need to make changes.

Estimated Total Household Income for 2023 [Edit](#)
\$30,000

How often you pay for health coverage [Edit](#)
Twice a month

Cost of Employee-only Coverage [Edit](#)
\$300

[Calculate](#)

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7. Review the Affordability Results page.

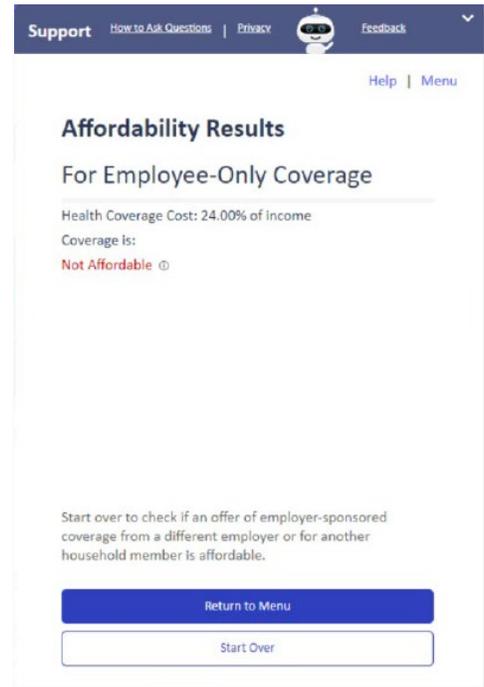
For Employee-Only Coverage

- **Employee-Only NOT Affordable**
 - Based on the information you provided, **your offer of employer-sponsored coverage is NOT considered affordable.** You may qualify for financial help to lower the cost of a Covered California health plan. [Log in or Create an Account](#) to get started.
- **Employee-Only Affordable**
 - Based on the information you provided, **your offer of employer-sponsored coverage is considered affordable.** You do not qualify for financial help to lower the cost of a Covered California health plan.



For Family Coverage

- **Family NOT Affordable**
 - Based on the information you provided, **your offer of employer-sponsored coverage is NOT considered affordable.** Your family may qualify for financial help to lower the cost of a Covered California health plan. [Log in or Create an Account](#) to get started.
- **Family Affordable**
 - Based on the information you provided, **your offer of employer-sponsored coverage is considered affordable.** Your family does not qualify for financial help to lower the cost of a Covered California health plan.



Click “Start Over” to check if an offer of employer-sponsored coverage from a different employer or for another household member is affordable.