



## I Cannot Afford the Health Insurance at my Job – What Can I Do?

The new health care law requires most people to have health coverage or face a tax penalty. If you cannot afford the health insurance available through your job, you might have other options to get coverage that you can afford.

### **Am I required to take my job's insurance?**

Most employers do not require you to sign up for their insurance. You might have to show that you have some other health coverage such as Medi-Cal, Medicare, or insurance through a family member. Check with your employer to see what its rules are. Your employer must apply its rules the same to everyone.

### **What else is available?**

#### **Medi-Cal**

If you qualify for Medi-Cal you may be able to get your health care for free. Eligibility is based on how much money you make and your family size. If you earn less than \$1,342 a month as one person or \$2,743 as a family of four, you probably qualify for free Medi-Cal. Certain people, such as children and people with disabilities can get Medi-Cal with higher household income, but they might have to pay for part of their care.

#### **Help Paying for Covered California Insurance**

If you are offered insurance through your job, you can still get help paying for insurance through Covered California if:

1. The insurance from your job does not pay for enough services.

If the insurance from your job does not cover enough of your care, it is not considered “minimum essential coverage.” You may be able to get help buying insurance from Covered California instead. If you think the insurance from your job does not meet the requirements for “minimum essential coverage” call Covered California or go to [CoveredCA.com](http://CoveredCA.com)

OR

2. The insurance from your job is not “affordable” according to the law.

If the premium (the monthly payment) that you, as an employee, must pay for your own coverage is more than 9.5% of your income and your income is below the Covered California limit, you can get help buying insurance through Covered California. You will get help paying for your insurance through Covered California if you earn less than \$3,830 a month as one person or \$7,850 as a family of four.

Example: Big Box Store offers insurance to its employees. Your share of the premium is \$300 a month. You earn \$2,500 a month. Since \$300 is 12% of \$2,500, you can get help paying for health insurance through Covered California and you will probably pay less than buying it through your job.

### **What if the insurance from my job is considered “affordable” but I still cannot afford it?**

If the amount of the premium that you must pay for your own coverage is more than 8% of your income and you are not eligible for help through Covered California, you can get an *exemption* for yourself and your family from Health and Human Services. If you have an exemption, you do not have to purchase health coverage, but you will still be uninsured. See the Health Consumer Alliance Fact Sheet “Do I Have to Get Health Coverage?”

Example: The same Big Box Store offers you insurance at a rate of \$215 a month. You earn \$2,500 a month. \$215 a month is 8.6% of \$2,500. You cannot get help buying insurance from Covered California because the cost to you of your insurance is less than 9.5% of your income.

You can still buy insurance through Covered California or through another insurer if that is cheaper than the insurance from your job, but you will not get help (“tax credits”) paying for it. If you buy insurance through Covered California and later become eligible for the tax credits, you can start getting help paying for your insurance right away.

**Note: The rules about whether your job’s insurance is “affordable” apply even if you do not sign up for it.**

### **What if the insurance offered to me is “affordable”, but I cannot afford to cover the rest of my family?**

The amount that you pay as an employee for your health care is usually cheaper than the amount you pay for your spouse or children. Unfortunately, in deciding whether your job’s insurance is affordable, the decision is based on the cost of insurance premium offered to the employee, not the cost of the insurance premium for other members of the family.

Even if the insurance premium for your other family members would cost more than 9.5% of your total household income, if the insurance premium that you, the employee, would pay is less than 9.5% of your total household income, they cannot get help if they buy insurance directly from Covered California. You should check to see if you or other members of your family are eligible for Medi-Cal. In a family of four making up to \$5,287 a month, the children can get Medi-Cal. There are other Medi-Cal programs that let you have more monthly income and would cost less.

You should also compare prices with other insurance that is available through Covered California or other health insurance companies in your area to buy your family members separate health insurance.

#### **Resources:**

Apply for Medi-Cal or Covered California insurance at [www.coveredca.com](http://www.coveredca.com) or at your local county social services office.