

# Accounting for Obamacare

How will your business meet its obligations?



Presented By

Michael D. Koppel, CPA, MBA, PFS, CITP

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# Today's Presenter



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# Don't let the tax tail wag the economic dog!



# Premium Assistance Credit

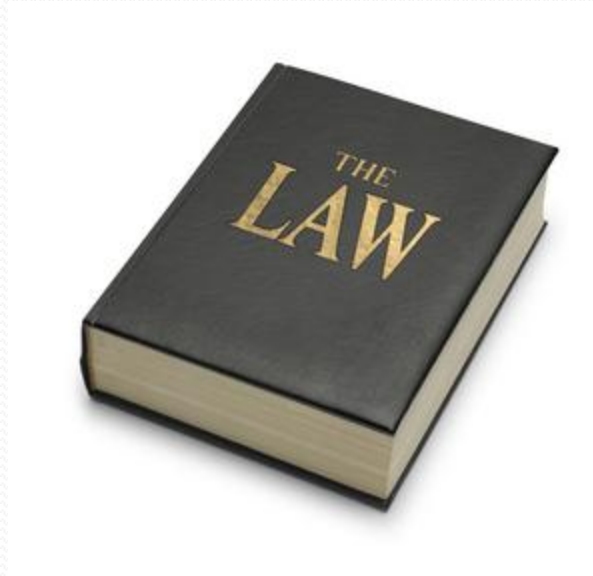
Up to 400%  
of federal poverty level.



# Shared Responsibility for Employers



# Based on Temporary Regulations



# Pay or Play?





# 9.5% of Household Income



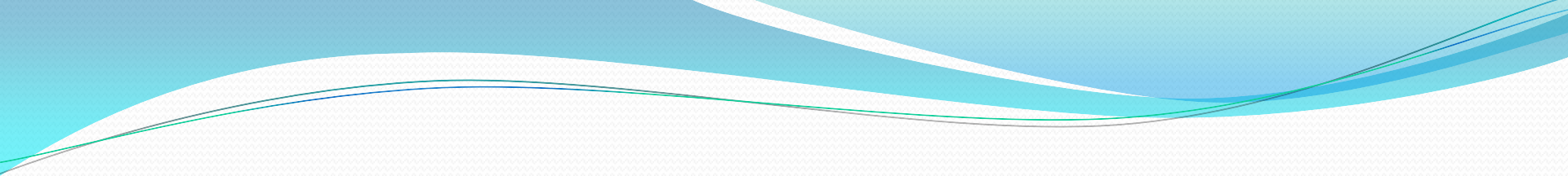
# Minimal Essential Coverage

60% of  
Estimated Medical Cost

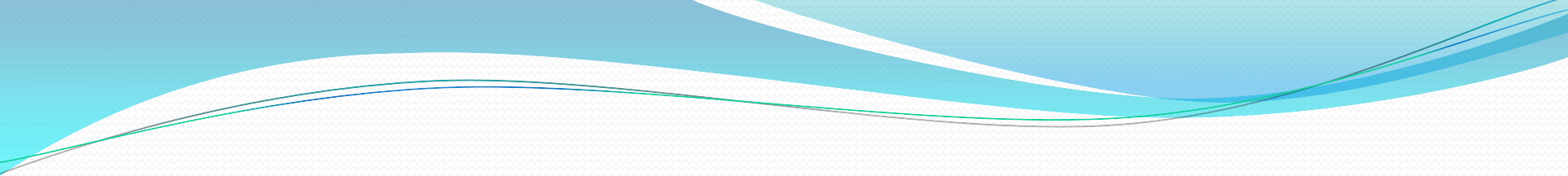




# **RELATED PARTIES**



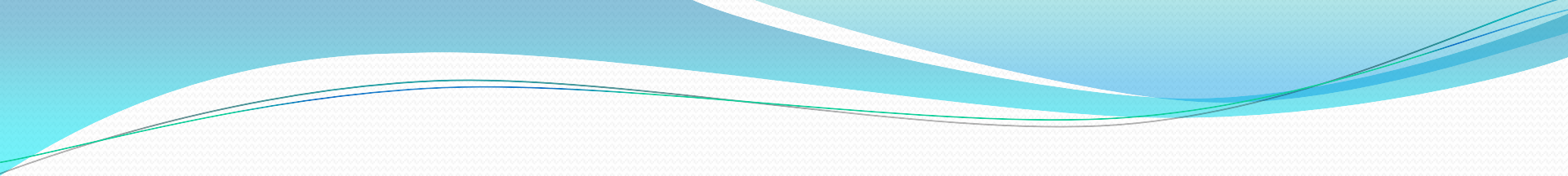
If an employee is provided with affordable and minimal essential coverage they are not eligible for premium assistance credit.



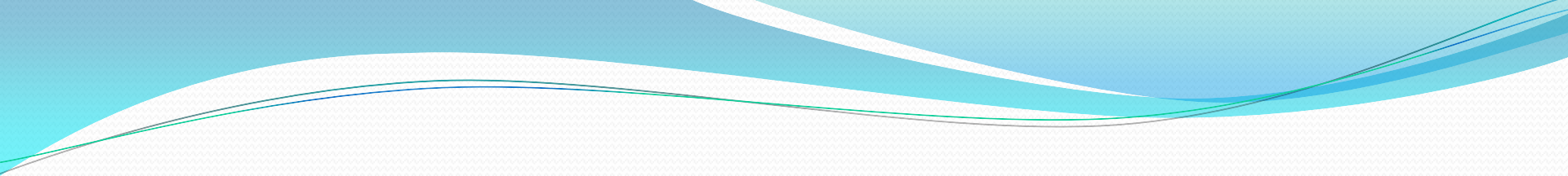
Beginning for months after 2013, the ACA generally imposes an assessable payment on any applicable large employer if one or more of its full time employees is certified to the employer as having received a premium assistance credit or a cost-sharing reduction of health insurance.

# Larger Employer





An employer is not treated as employing more than 50 full-time employees if the employer's workforce exceeds 50 full-time employees for 120 days or fewer during the calendar year and the employees that cause the employer's workforce to exceed 50 full-time employees are seasonal workers.



A seasonal worker is a worker who performs labor or services on a seasonal basis (as defined by the secretary of labor), including retail workers employed exclusively during the holiday season and workers whose employment is, ordinarily, the kind exclusively performed at certain seasons or periods of the year and which, from its nature, may not be continuous or carried on throughout the year.



Through at least 2014, employers are permitted to use a reasonable, good faith interpretation of the term “seasonal employee”.



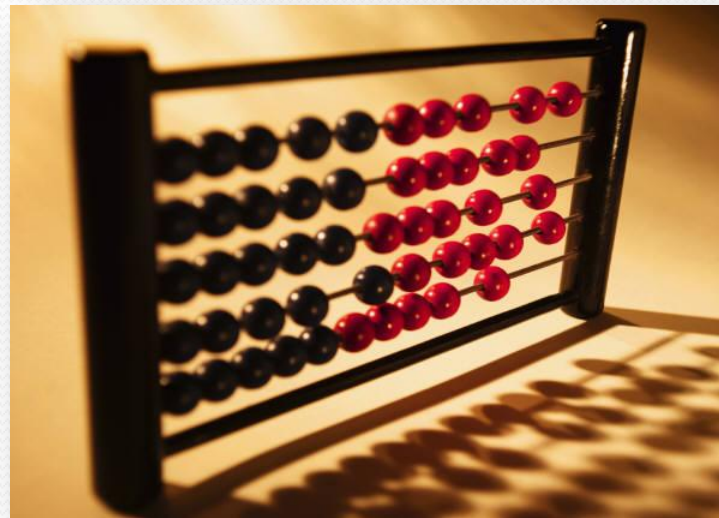
# Full-Time

Defined under the ACA as an average of 30 hours per week, or at least 130 hours in a month.



# 50 FTE

Each employee with an average of 30 or more hours count as 1. Remainder determined pro-rata.



An employer that offers its full-time employees the opportunity to enroll in affordable minimum essential coverage that provides at least minimum value is not subject to the assessable payment.



# First 30 Full-Time Employees FREE



# \$2,000 per Full-Time Employee in excess of 30

For each full-time employee receiving a premium tax credit or cost-sharing reduction for any month, the employer is required to pay an amount equal to one-twelfth of \$3,000.



# Penalty is Non-Deductible



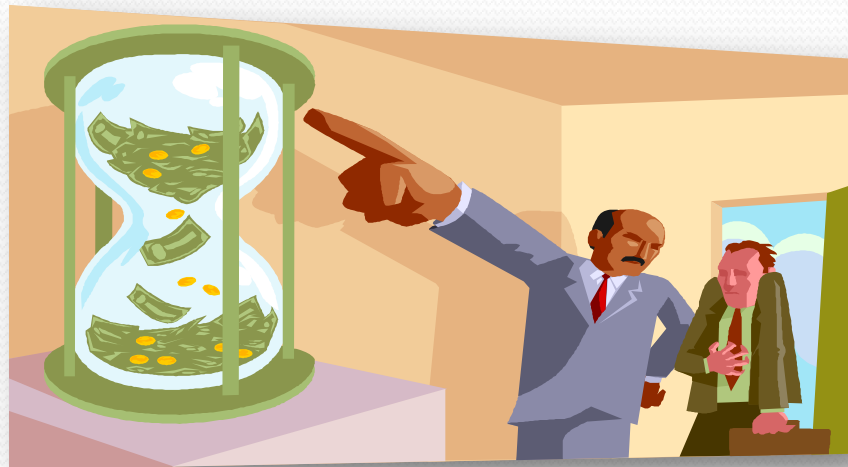


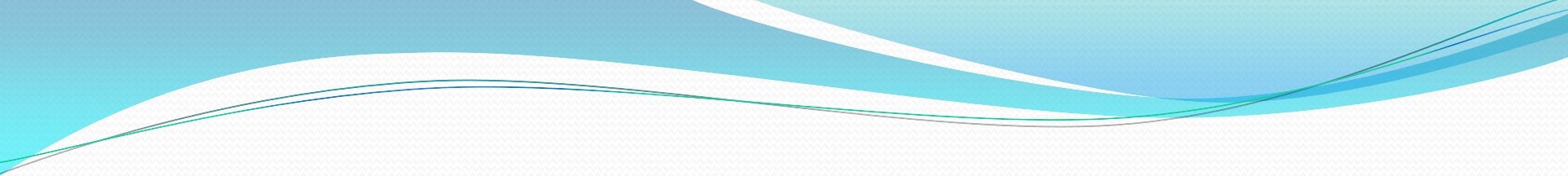
# Standard Measurement Period for Determining Employee Status





Not less than 3 but not more than 12 consecutive months, as chosen by the employer.

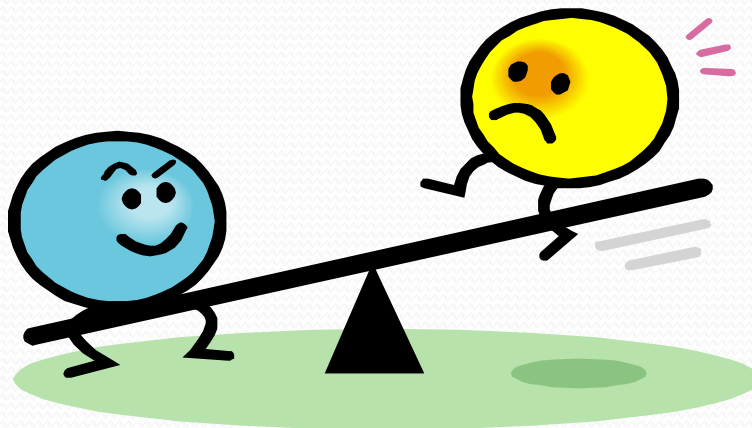




If the employer determines that an employee averaged at least 30 hours per week during the standard measurement period, then the employer treats the employee as a full-time employee during a subsequent “stability period”, regardless of the employee’s number of hours of service during the stability period, so long as he or she remained an employee.

# Stability Period

- At least 6 months
- Not less than measurement period



# Variable Hour Employee

A new employee is a variable hour employee if, based on the facts and circumstances at the start date, it cannot be determined that the employee is reasonably expected to work on average at least 30 hours per week.



# DOL Audits



[www.kiplinger.com/letterlinks/healthaudit](http://www.kiplinger.com/letterlinks/healthaudit)

# States with Required Health Insurance



# Worker Classification





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Jan 07, 2013  
**GG&G Partner Jim DeLeo Featured on StyleBoston's Power Player Television Broadcast**

Jim DeLeo, a partner at Gray, Gray & Gray, was recently interviewed during the "Power Player" segment of the StyleBoston television program.....  
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Mar 04, 2013  
**Parents, Alzheimer's & Money**

Every eighth American aged 65 and older has Alzheimer's disease, and 43% of Americans aged 85 and older have it, according to the

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# Questions?



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# Contact Us

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Michael D. Koppel, CPA, PFS is a Certified Public Accountants in Massachusetts and serves as Tax Advisor at Gray, Gray & Gray, LLP.