

## What the Affordable Care Act Means for Colorado Employers

The Patient Protection and Affordable Care Act (ACA) will provide thousands more Coloradans with access to health care coverage through their employer. Small employers will be able to purchase quality health care coverage for their employees through the [Colorado Health Benefit Exchange](#) in 2014. The ACA will also reduce the cost of health care through tax credits for small employers that provide their employees health insurance and by requiring insurers to spend at least [80% of their premiums](#) on health benefits. As a result of the ACA thousands more Coloradans will have access to the health care they need, when they need it.

Employer Size	Provisions for Employer
Self-Employed	<ul style="list-style-type: none"> <li>In 2014 single employers can purchase health insurance in Colorado's Health Benefit Exchange <a href="#">individual market</a>.</li> <li>Will be able to purchase more robust health plans with Colorado's <a href="#">essential health benefits</a> package.</li> </ul>
Employers 1-25	<ul style="list-style-type: none"> <li>70,360 Colorado small businesses are eligible for tax credits.</li> <li>For 2010-2013 employers with 25 or fewer full time employees (FTE), average wages less than \$50,000, and that contribute at least 50% of premiums are eligible for a 35% tax credit (25% for non-profits).</li> <li>Starting in 2014, employers with 25 or fewer FTE, average wages less than \$50,000, that contribute at least 50% of premiums, and purchase in the Exchange are eligible for a 50% tax credit (35% for non-profits) for 2 years.</li> </ul>
Employers 1-49	<ul style="list-style-type: none"> <li>Eligible to purchase health insurance from the <a href="#">Small Employer Health Options Program (SHOP)</a> in Colorado's health benefit exchange starting in 2014.</li> <li>Can receive financial assistance for covering early retirees ages 55-64 from the <a href="#">Early Retiree Reinsurance Program</a> until January 1, 2014.</li> </ul>
Employers 50-200	<ul style="list-style-type: none"> <li>If an employer DOES NOT offer health insurance and an individual qualifies for a tax subsidy in the individual exchange they must pay a penalty of \$2,000 for each employee they have over 30 employees. Ex. <math>(51-30 = 21. 21 \times \\$2,000 = \\$42,000)</math></li> <li>If an employer DOES offer insurance but an employee still qualifies for a tax credit in the individual exchange the employer pays a penalty of \$3,000 per employee receiving the tax credit (or the amount of the above tax if it is lesser)</li> </ul>
Employers 200+	<ul style="list-style-type: none"> <li>Required to offer affordable health insurance to employees. Large employers are subject to the same penalties as employers with 50-200 employees.</li> </ul>

### Resources

- Fill out tax form 8941 at <http://www.irs.gov/pub/irs-pdf/f8941.pdf> to claim your tax credit.
- Use Small Business Majority's [tax credit calculator](#) see if your business is eligible for tax credits.
- Learn more about Colorado's Health Benefit Exchange at [getcoveredco.org](http://getcoveredco.org).
- Find health insurance for your employees at [finder.healthcare.gov](http://finder.healthcare.gov)
- Learn more about the Early Retiree Reinsurance Program at [ERRP.gov](http://ERRP.gov)
- Find out more at [cohealthinitiative.org](http://cohealthinitiative.org) and [smallbusinessmajority.org](http://smallbusinessmajority.org).