VERMONT HEALTH CONNECT
Find the plan that's right for you.

For Employers: 2 Step Process to Determine if Your Business is Subject to the Employer Responsibility Penalty

Starting in 2014, the federal Affordable Care Act requires large businesses to provide health coverage or pay the employer responsibility penalty. This worksheet is intended to help you determine if your business is a large employer subject to the penalty.

It is important to note that the penalty calculation may be different than how you calculate if your business is considered a Vermont Health Connect eligible small business. See the *Counting to 50* worksheet to calculate your business' Vermont Health Connect eligibility.

Step 1: Determine total number of employees of all employer-controlled businesses

Full-Time Employees
\+
Full-Time Equivalents

Total ≥ 50 = Large Employer

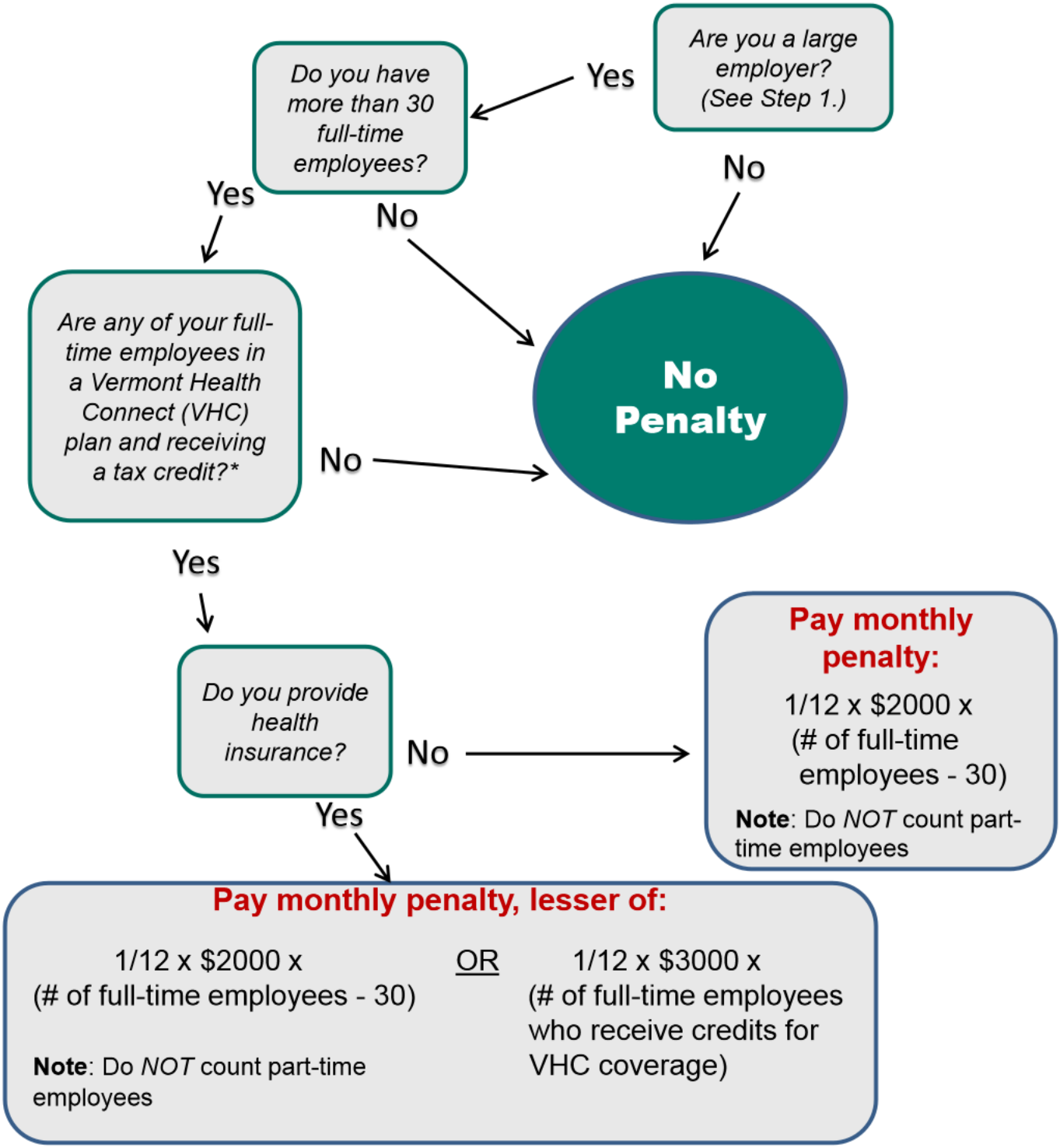
Count **Full-Time Employees** by adding all employees who work an average of 30-hours or more per work week.

Count **Full-Time Equivalents** by adding the overall hours worked by part-time employees during an average month and dividing by 120.

Do not count **Seasonal Employees**—employees who work under 120 days per year.

THIS WORKSHEET IS FOR INFORMATIONAL PURPOSES ONLY.

Step 2: Determine if the business is subject to the employer responsibility penalty



***Note:** Employees may be eligible to choose a plan through Vermont Health Connect and may receive a tax credit if employer sponsored insurance:

1. Does not pay for at least 60% of covered health care expenses for a typical population; and/or
2. Employees have to pay more than 9.5% of W-2 income in premiums for self-only portion of total premiums.