

Legal Alternatives to Obamacare Enrollment

Not enrolling in the Obamacare Exchanges is *perfectly legal*.

The U.S. Supreme Court ruled that it is **unconstitutional** to force any citizen to be insured. You have a **constitutional right** to be uninsured and to refuse to enroll in Obamacare exchange coverage. The “uninsured tax” penalty will only apply to non-exempt individuals that do not have health insurance or government coverage of any kind. That coverage need not be acquired through the government exchanges.

There are **three legal ways** to comply with Obamacare without enrolling in an exchange:

one

Obtain private health insurance.

Find an insurance policy *off* the government exchange that meets the law’s “minimum essential coverage” mandate. This may include a private individual policy, *non-exchange* employer-sponsored coverage, a state high-risk pool for people with pre-existing conditions, a catastrophic policy if you meet ACA’s “affordability” exemption, or a policy bought using a private insurance exchange.

two

Claim one or more of the nine exemptions to Obamacare.

There are **four** exemptions from the individual mandate and **five** exemptions (including an additional list of 14 hardship waivers) from the “uninsured tax.” The exempt include:

- Members of health-sharing organizations, certain religious groups that receive no Social Security and Native American tribes.
- Undocumented immigrants, incarcerated individuals, people with insufficient income to pay taxes, and people for whom health insurance is considered unaffordable (premiums after subsidies/contributions exceed 8% of income).

Complete list at: <https://www.healthcare.gov/exemptions/>

three

Go uninsured and pay the “uninsured tax.”

Penalties for adults without required coverage begin at \$695 or up to 2.5% of your 2016 household income above the yearly tax filing threshold, whichever is greater. Penalties for children under age 18 begin at \$347.50. Maximum penalty/family: \$2085.

NOTE:

If you were not exempt and did not have “minimum essential coverage” in 2015, you’ll pay the higher of the following penalty amounts when you file your taxes:

- **2% of your household income** if your income was over \$10,150.
- **\$325 per person** (\$162.50 per child). The maximum penalty per family is \$975.