

# COVERAGE or PENALTY?

**Am I required to offer coverage?**

It depends on whether your business has 50 or more full-time equivalents (FTEs).

**Yes**

**No**

No Penalty

**Do I offer coverage?**

**No**

**Yes**

Is at least **one FT employee** eligible for a **tax credit** to purchase coverage on the exchange?

Does the coverage meet the **minimum value** requirement?

**No**

**Yes**

**No**

**Yes**

No Penalty

May have to **pay a penalty** of:  
 $\$2,000 \times (\# \text{ of FT employees} - 30)$

Is the coverage **affordable**?

**No**

**Yes**

May have to **pay the lesser penalty** of:  
 $\$2,000 \times (\# \text{ of FT employees} - 30)$   
or  
 $\$3,000 \times (\# \text{ of FT employees receiving a tax credit})$

No Penalty

**Not sure how to answer these questions?**

Visit our FAQ page at  
[www.uschamber.com/health-reform](http://www.uschamber.com/health-reform)  
for more information.



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