



## Health Reform: A Four-Tranche System (Updated and Revised)

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This package of tables considers interactions between four different provisions of government support for health care that exist under the new Health Reform law (the Patient Protection and Affordable Care Act, or PPACA): Medicare, Medicaid, Insurance Subsidies offered through the Exchange, and Employer Sponsored Insurance (ESI). The summary table estimates the value of health benefits to families and singles at various income levels under the four options, and the charts show how these benefit levels change as income rises. Estimates for Medicare benefits are from CMS; estimates of Medicaid premiums are from the Health Policy Center. Backup tables work through the calculations for the value of the exchange subsidy and the tax subsidy for ESI.

The backup tables provide a comparison of health subsidies in the employer-provided system and the subsidy exchange in the Health Care and Education Reconciliation Act that was signed into law on March 30, 2010. This is an update to tables that compared health subsidies under the employer-provided system and the subsidy exchange in the earlier versions health reform proposals. The main provisions of the law are found in the Patient Protection and Affordable Care Act (PPACA), originally passed by the Senate on December 24, 2009. The changes in the latest Reconciliation Act that are relevant to this analysis include: (1) premium contributions range from 2% of income for people earning up to 133% of the federal poverty line to 9.5% of income for earners in the 300%-400% FPL range; (2) the employer penalty for not providing coverage in 2014 is \$2,000 per full time worker and is indexed in subsequent years; and (3) cost share subsidies ensure an actuarial value of the health premium of 94% for those under 150% FPL; of 85% for 150-200% FPL; of 73% for 200-250% FPL and of 70% for 250% and higher.

We made several assumptions when calculating these estimates. First, we assume that the employer provides only cash wages and health insurance benefits (where applicable), and pays the appropriate employer payroll taxes. Secondly, our starting point was to set the employee's cost to the employer equal under the subsidy and ESI scenarios; this represents the amount of extra or less subsidy to be shared by employee or employer by adding or removing employer-provided insurance. In a simple case where the employer gives the employee the extra benefits from switching to the exchange, for instance, those benefits would be net of any employer penalty that had to be paid. Finally, the two earner scenario assumes that both employees either: (1) both have ESI available; or (2) are both eligible for the exchange. In the exchange situation, we assume that both employers incur a penalty that is passed on to the employee. A family with two earners where only one worker's employer incurs a penalty would resemble the one-earner situation at an equal income level.

### Estimated Benefits under a Four Tranche Health System in 2016

	<u>Medicaid Benefit (average)</u>	<u>Medicare Benefit</u>	<u>PPACA Exchange less penalty(ies)</u>		<u>ESI</u>
<b>Who is Eligible?</b>	Earnings below 133% FPL	Individuals 65+	133% < earnings < 400% FPL, if employer does not offer ESI		Individuals and dependents of individuals whose employers offer ESI
			# penalties (2016 value)	2016 Subsidy, net penalties	
Single adult earning \$14,700 (125% FPL)	\$ 4,000				\$ 1,100
Family of 4 earning \$30,000 (125% FPL)	\$ 13,000				\$ 2,300
Family of 4, one earner, \$54,000 (225% FPL)			1 (\$2,247)	\$ 8,200	\$ 4,500
Family of 4, two earner, \$54,000 (225% FPL)			2 (\$4,494)	\$ 6,000	\$ 4,200
Family of 4, one earner, \$90,000 (375% FPL)			1 (\$2,247)	\$ 2,900	\$ 3,500
Family of 4, two earner, \$90,000 (375% FPL)			2 (\$4,494)	\$ 700	\$ 3,200
Single, \$26,500 (225% FPL)			1 (\$2,247)	\$ 1,100	\$ 1,000
Single, \$44,200 (375% FPL)			1 (\$2,247)	\$ (1,400)	\$ 1,000
Working couple, both 65+, \$54,000 (225% FPL)		\$ 12,200	2 (\$4,494)	\$ 6,000	\$ 4,200
Working Single, 65+, \$26,500 (225% FPL)		\$ 6,100	1 (\$2,247)	\$ 1,100	\$ 1,000

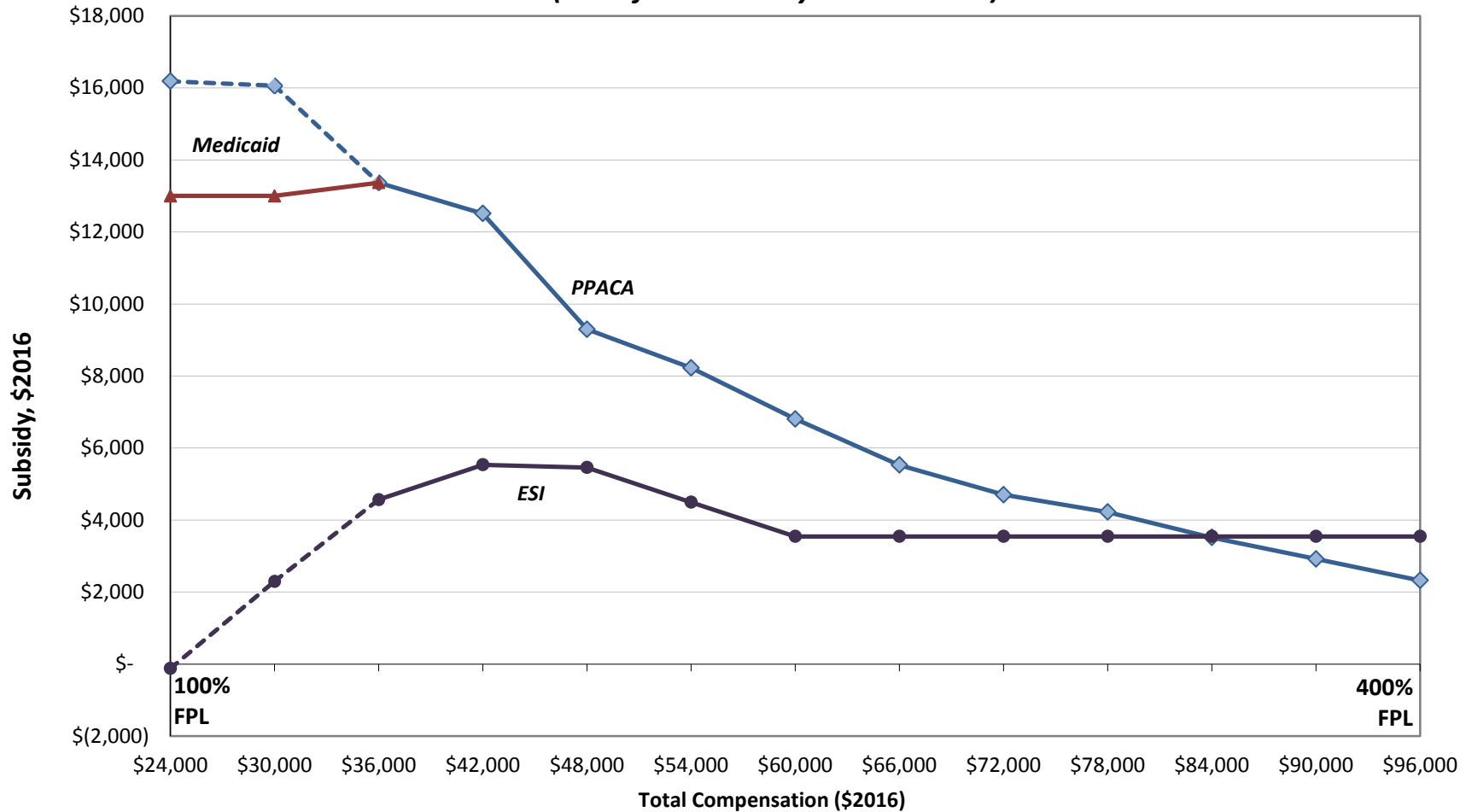
Notes: C.E. Steuerle and S. Rennane, the Urban Institute 2011. Calculations for Exchange Benefit and ESI are based on tables by Rennane & Steuerle 2010: <http://www.taxpolicycenter.org/library/displayatab.cfm?Docid=2699>.

Medicaid premiums based on the Health Policy Center's estimates of premiums for new Medicaid enrollees: <http://www.urban.org/uploadedpdf/412267-america-under-aca.pdf>

Average Medicare benefit reflects average cost per enrollee age 65-74 (ages most likely to be working) as stated in the statistical supplement from CMS, Table 3.4, 2008.

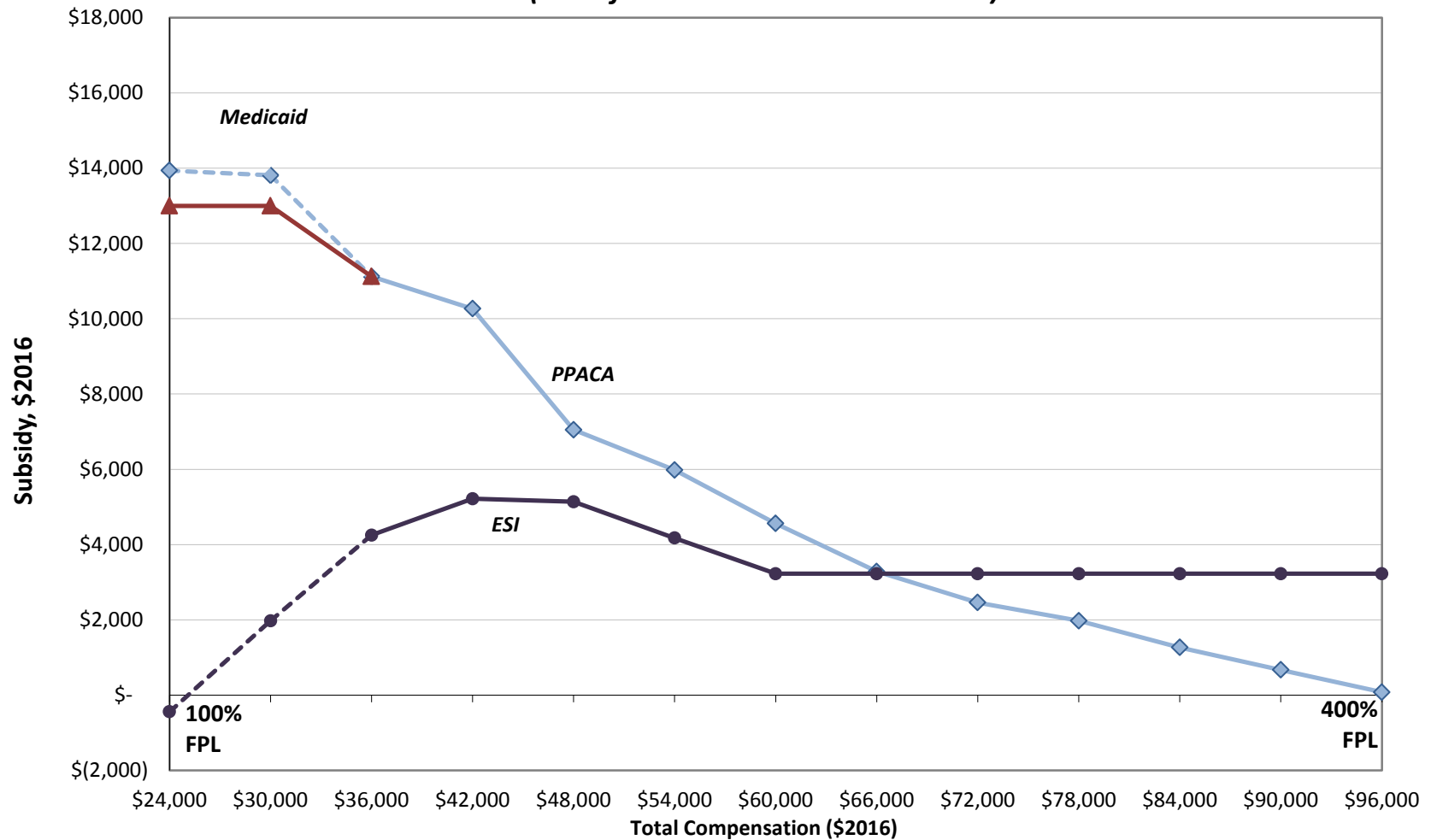
Assume the employer pays an equal cost for employees regardless of the provision of health insurance - the full incidence of the penalty is passed on the employee in lower wages.

### Subsidy under PPACA and ESI in 2016, Family of Four with One Earner (Net of One Penalty under PPACA)



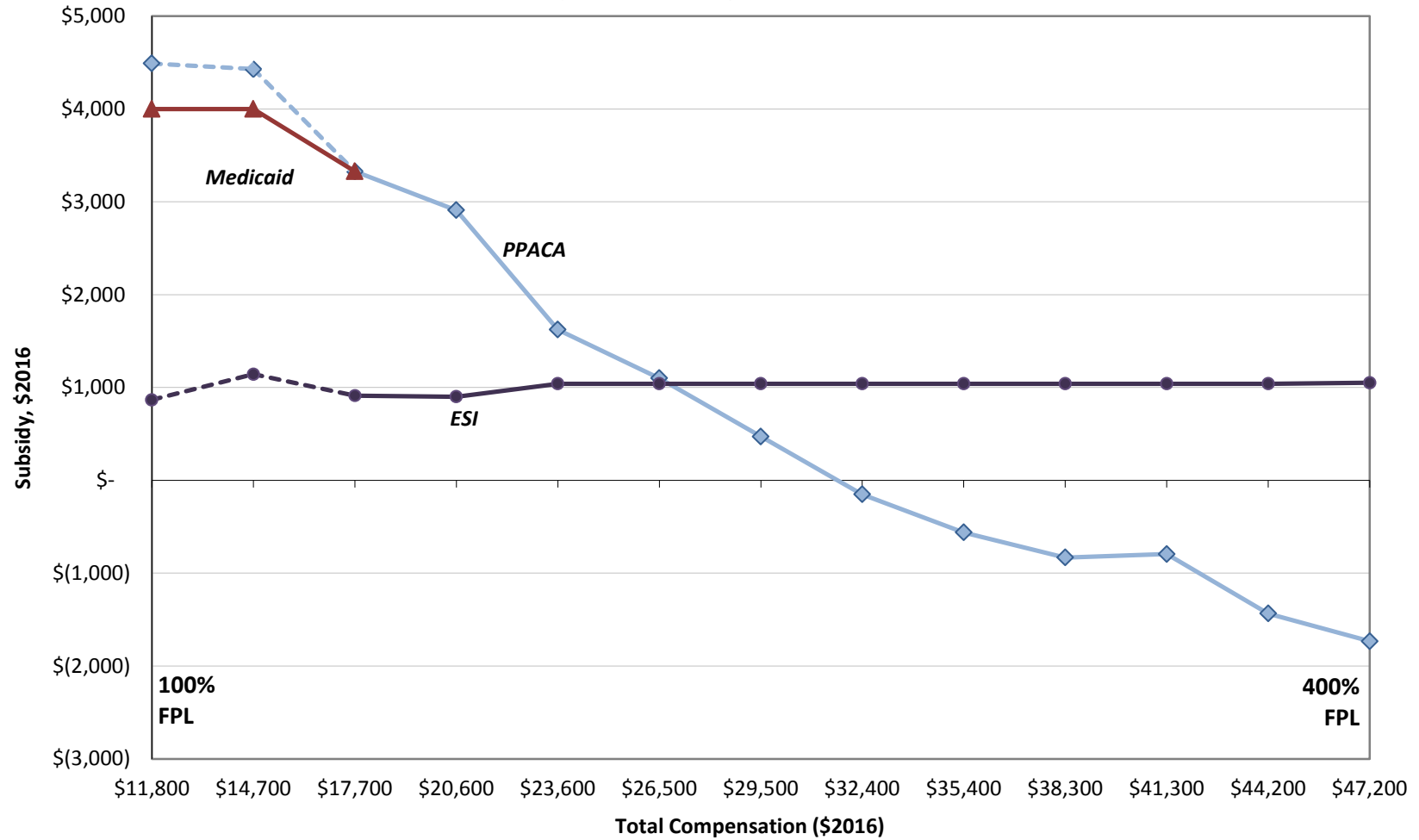
Source: C. E. Steuerle and S. Rennane, the Urban Institute, 2010. Assumes a premium value of \$14,100 and estimated cost share of \$5,000 for a family of four in 2016. Based on CBO estimates for the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser Family Foundation. Medicaid premiums based on the Health Policy Center's estimates of premiums for new Medicaid enrollees. All costs, including the value of the penalty, are calculated in 2016 dollars. 100% FPL is estimated to be \$24,000 for a family of 4 in 2016.

## Subsidy under PPACA and ESI in 2016, Family of Four with Two Earner (Net of Two Penalties under PPACA)



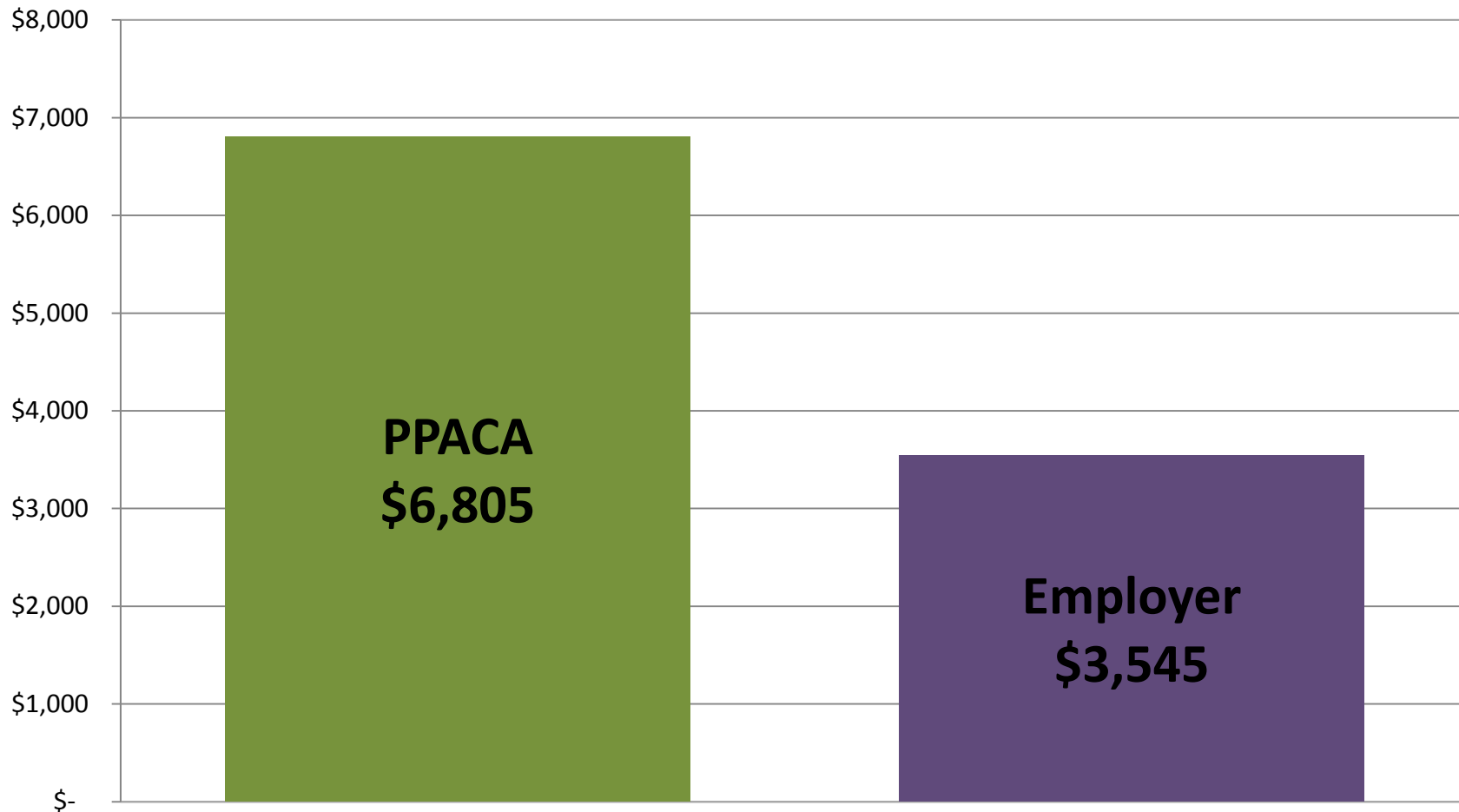
Source: C. E. Steuerle and S. Rennane, the Urban Institute, 2010. Assumes a premium value of \$14,100 and estimated cost share of \$5,000 for a family of four in 2016. Based on CBO estimates for the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser Family Foundation. Medicaid premiums based on the Health Policy Center's estimates of premiums for new Medicaid enrollees. All costs, including the value of the penalty, are calculated in 2016 dollars. 100% FPL is estimated to be \$24,000 for a family of 4 in 2016.

### Subsidy under PPACA and ESI in 2016, Singles (Net of One Penalty Under PPACA)



Source: C. E. Steuerle and S. Rennane, the Urban Institute, 2010. Assumes a premium value of \$5,200 and estimated cost share of \$1,900 (part of which may be covered under subsidy, depending on income level) for singles in 2016. Based on CBO calculations of the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser Family Foundation. Medicaid estimate based on data from the CBO March baseline. All costs, including the value of the penalty, are calculated in 2016 dollars. 100% FPL for singles is estimated to be \$11,800 in 2016.

## Estimated Subsidy Value for a Family of Four under PPACA and Employer Sponsored Insurance



**Family of Four, Cash Compensation \$60,000**

Source: C. E. Steuerle and S. Rennane, the Urban Institute, 2010. Assumes a premium value of \$14,100 and estimated cost share of \$5,000 for a family of four in 2016. Based on CBO estimates for the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser Family Foundation

<b>Household Gain/Loss under PPACA Exchange or Employer Provision</b>								
<b>Total Comp</b>	<b>\$ 24,000</b>	<b>\$ 30,000</b>	<b>\$ 36,000</b>	<b>\$ 42,000</b>	<b>\$ 48,000</b>	<b>\$ 54,000</b>	<b>\$ 60,000</b>	<b>\$ 66,000</b>
<b>% FPL</b>	<b>100%</b>	<b>125%</b>	<b>150%</b>	<b>175%</b>	<b>200%</b>	<b>225%</b>	<b>250%</b>	<b>275%</b>
PPACA	\$ 16,185	\$ 16,060	\$ 13,369	\$ 12,512	\$ 9,297	\$ 8,226	\$ 6,805	\$ 5,528
Medicaid	\$ 13,000	\$ 13,000	\$ 13,369					
Employer	\$ (123)	\$ 2,298	\$ 4,569	\$ 5,536	\$ 5,457	\$ 4,493	\$ 3,545	\$ 3,545
<b>Net Gain/Loss</b>	<b>\$ 16,309</b>	<b>\$ 13,762</b>	<b>\$ 8,801</b>	<b>\$ 6,976</b>	<b>\$ 3,840</b>	<b>\$ 3,733</b>	<b>\$ 3,261</b>	<b>\$ 1,984</b>

<b>Household 2 Earner Gain/Loss under PPACA Exchange or Employer Provision</b>								
<b>Total Comp</b>	<b>\$ 24,000</b>	<b>\$ 30,000</b>	<b>\$ 36,000</b>	<b>\$ 42,000</b>	<b>\$ 48,000</b>	<b>\$ 54,000</b>	<b>\$ 60,000</b>	<b>\$ 66,000</b>
<b>% FPL</b>	<b>100%</b>	<b>125%</b>	<b>150%</b>	<b>175%</b>	<b>200%</b>	<b>225%</b>	<b>250%</b>	<b>275%</b>
PPACA	\$ 13,938	\$ 13,813	\$ 11,122	\$ 10,265	\$ 7,050	\$ 5,979	\$ 4,558	\$ 3,281
Medicaid	\$ 13,000	\$ 13,000	\$ 11,122					
Employer	\$ (443)	\$ 1,978	\$ 4,249	\$ 5,217	\$ 5,138	\$ 4,174	\$ 3,225	\$ 3,225
<b>Net Gain/Loss</b>	<b>\$ 14,381</b>	<b>\$ 11,835</b>	<b>\$ 6,873</b>	<b>\$ 5,048</b>	<b>\$ 1,912</b>	<b>\$ 1,805</b>	<b>\$ 1,333</b>	<b>\$ 56</b>

<b>Single Gain/Loss under PPACA Exchange or Employer Provision</b>								
<b>Total Comp</b>	<b>\$ 11,800</b>	<b>\$ 14,700</b>	<b>\$ 17,700</b>	<b>\$ 20,600</b>	<b>\$ 23,600</b>	<b>\$ 26,500</b>	<b>\$ 29,500</b>	<b>\$ 32,400</b>
<b>% FPL</b>	<b>100%</b>	<b>125%</b>	<b>150%</b>	<b>175%</b>	<b>200%</b>	<b>225%</b>	<b>250%</b>	<b>275%</b>
PPACA	\$ 4,489	\$ 4,428	\$ 3,327	\$ 2,909	\$ 1,622	\$ 1,099	\$ 471	\$ (152)
Medicaid	\$ 4,000	\$ 4,000	\$ 3,327					
Employer	\$ 866	\$ 1,142	\$ 913	\$ 901	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040
<b>Net Gain/Loss</b>	<b>\$ 3,623</b>	<b>\$ 3,286</b>	<b>\$ 2,414</b>	<b>\$ 2,008</b>	<b>\$ 582</b>	<b>\$ 60</b>	<b>\$ (569)</b>	<b>\$ (1,192)</b>

**vided Tax Subsidy**

<b>\$ 72,000</b>	<b>\$ 78,000</b>	<b>\$ 84,000</b>	<b>\$ 90,000</b>	<b>\$ 96,000</b>
<b>300%</b>	<b>325%</b>	<b>350%</b>	<b>375%</b>	<b>400%</b>
\$ 4,705	\$ 4,221	\$ 3,514	\$ 2,918	\$ 2,322
\$ 3,545	\$ 3,545	\$ 3,545	\$ 3,545	\$ 3,545
<b>\$ 1,160</b>	<b>\$ 676</b>	<b>\$ (31)</b>	<b>\$ (627)</b>	<b>\$ (1,222)</b>

**Provided Tax Subsidy**

<b>\$ 72,000</b>	<b>\$ 78,000</b>	<b>\$ 84,000</b>	<b>\$ 90,000</b>	<b>\$ 96,000</b>
<b>300%</b>	<b>325%</b>	<b>350%</b>	<b>375%</b>	<b>400%</b>
\$ 2,458	\$ 1,973	\$ 1,267	\$ 671	\$ 75
\$ 3,225	\$ 3,225	\$ 3,225	\$ 3,225	\$ 3,225
<b>\$ (768)</b>	<b>\$ (1,252)</b>	<b>\$ (1,959)</b>	<b>\$ (2,555)</b>	<b>\$ (3,150)</b>

**ed Tax Subsidy**

<b>\$ 35,400</b>	<b>\$ 38,300</b>	<b>\$ 41,300</b>	<b>\$ 44,200</b>	<b>\$ 47,200</b>
<b>300%</b>	<b>325%</b>	<b>350%</b>	<b>375%</b>	<b>400%</b>
\$ (562)	\$ (832)	\$ (795)	\$ (1,435)	\$ (1,733)
\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,040	\$ 1,050
<b>\$ (1,601)</b>	<b>\$ (1,872)</b>	<b>\$ (1,835)</b>	<b>\$ (2,475)</b>	<b>\$ (2,783)</b>



Employee and Employer Payments Under Subsidy Exchange in Reconciliation Bill																			
Individual, 2016																			
FPL <sup>1</sup>	Compensation: Cash Income <sup>2</sup>	Health Care Payments			Direct Subsidies Provided by Government			Employee Tax Payments		Employee Totals				Employer Payments					Percent of Cash and Health Benefits/ Subsidies Spent on Health Care ((C+D)/J)
		Value of Silver Plan Premium (paid by employee using subsidy received)	Average Value of Cost Share (paid by employee using subsidy received)	Percent of Income allocated to Premium (indexed)	Value of Subsidy Received <sup>3</sup>	Value of Cost Share Subsidy Received <sup>4</sup>	Payroll Taxes paid by employee	Income Tax Paid by Employee <sup>5</sup>	Cash Income + Direct Gov't Subsidies + Employer Provided Health Benefits (B+F+G+O)	Health Care Costs Paid by Employee (C+D-F-G-O)	Payments made by Employee (H+I+K)	Net After-tax, After-health cost Income <sup>8</sup> (J-L-F-G-O)	Cash Income	Health Care Benefits Provided by Employer	Maximum Employer Penalty <sup>6</sup>	Payroll Taxes Paid by Employer	Total Cost to Employer (N+O+P+Q)		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	
100	\$ 11,800	\$ 5,200	\$ 1,900	2.09%	\$ 4,953	\$ 1,783	\$ 903	\$ (50)	\$ 18,536	\$ 364	\$ 1,217	\$ 10,583	\$ 11,800	\$ -	\$ 2,247	\$ 903	\$ 14,950	38.30%	
125	\$ 14,700	\$ 5,200	\$ 1,900	2.09%	\$ 4,893	\$ 1,783	\$ 1,125	\$ 455	\$ 21,376	\$ 424	\$ 2,004	\$ 12,696	\$ 14,700	\$ -	\$ 2,247	\$ 1,125	\$ 18,072	33.22%	
150	\$ 17,700	\$ 5,200	\$ 1,900	4.18%	\$ 4,460	\$ 1,114	\$ 1,354	\$ 755	\$ 23,274	\$ 1,526	\$ 3,635	\$ 14,065	\$ 17,700	\$ -	\$ 2,247	\$ 1,354	\$ 21,301	30.51%	
175	\$ 20,600	\$ 5,200	\$ 1,900	5.62%	\$ 4,041	\$ 1,114	\$ 1,576	\$ 1,113	\$ 25,756	\$ 1,944	\$ 4,633	\$ 15,967	\$ 20,600	\$ -	\$ 2,247	\$ 1,576	\$ 24,423	27.57%	
200	\$ 23,600	\$ 5,200	\$ 1,900	6.58%	\$ 3,646	\$ 223	\$ 1,805	\$ 1,563	\$ 27,469	\$ 3,231	\$ 6,599	\$ 17,001	\$ 23,600	\$ -	\$ 2,247	\$ 1,805	\$ 27,653	25.85%	
225	\$ 26,500	\$ 5,200	\$ 1,900	7.84%	\$ 3,124	\$ 223	\$ 2,027	\$ 1,998	\$ 29,847	\$ 3,753	\$ 7,778	\$ 18,722	\$ 26,500	\$ -	\$ 2,247	\$ 2,027	\$ 30,774	23.79%	
250	\$ 29,500	\$ 5,200	\$ 1,900	8.41%	\$ 2,718	\$ -	\$ 2,257	\$ 2,448	\$ 32,218	\$ 4,382	\$ 9,086	\$ 20,414	\$ 29,500	\$ -	\$ 2,247	\$ 2,257	\$ 34,004	22.04%	
275	\$ 32,400	\$ 5,200	\$ 1,900	9.58%	\$ 2,095	\$ -	\$ 2,479	\$ 2,883	\$ 34,495	\$ 5,005	\$ 10,366	\$ 22,034	\$ 32,400	\$ -	\$ 2,247	\$ 2,479	\$ 37,126	20.58%	
300	\$ 35,400	\$ 5,200	\$ 1,900	9.93%	\$ 1,686	\$ -	\$ 2,708	\$ 3,333	\$ 37,086	\$ 5,414	\$ 11,455	\$ 23,945	\$ 35,400	\$ -	\$ 2,247	\$ 2,708	\$ 40,355	19.14%	
325	\$ 38,300	\$ 5,200	\$ 1,900	9.79%	\$ 1,452	\$ -	\$ 2,930	\$ 3,768	\$ 39,752	\$ 5,648	\$ 12,345	\$ 25,955	\$ 38,300	\$ -	\$ 2,247	\$ 2,930	\$ 43,477	17.86%	
350	\$ 41,300	\$ 5,200	\$ 1,900	9.93%	\$ 1,100	\$ -	\$ 3,159	\$ 4,218	\$ 42,400	\$ 6,000	\$ 13,377	\$ 27,923	\$ 41,300	\$ -	\$ 2,247	\$ 3,159	\$ 46,707	16.75%	
375	\$ 44,200	\$ 5,200	\$ 1,900	9.93%	\$ 812	\$ -	\$ 3,381	\$ 4,653	\$ 45,012	\$ 6,288	\$ 14,322	\$ 29,878	\$ 44,200	\$ -	\$ 2,247	\$ 3,381	\$ 49,829	15.77%	
400	\$ 47,200	\$ 5,200	\$ 1,900	9.93%	\$ 514	\$ -	\$ 3,611	\$ 5,113	\$ 47,714	\$ 6,586	\$ 15,309	\$ 31,891	\$ 47,200	\$ -	\$ 2,247	\$ 3,611	\$ 53,058	14.88%	
425	\$ 50,100	\$ 5,200	\$ 1,900	n/a	\$ -	\$ -	\$ 3,833	\$ 5,838	\$ 50,100	\$ 7,100	\$ 16,770	\$ 33,330	\$ 50,100	\$ -	\$ 2,247	\$ 3,833	\$ 56,180	14.17%	
450	\$ 53,100	\$ 5,200	\$ 1,900	n/a	\$ -	\$ -	\$ 4,062	\$ 6,588	\$ 53,100	\$ 7,100	\$ 17,750	\$ 35,350	\$ 53,100	\$ -	\$ 2,247	\$ 4,062	\$ 59,409	13.37%	

Employee and Employer Payments Under Employer Provided Health System																			
Individual, 2016																			
FPL	Cash Income <sup>7</sup>	Health Care Payments			Direct Subsidies Provided by Government			Employee Tax Payments		Employee Totals				Employer Payments					Percent of Cash and Health Benefits/ Subsidies Spent on Health Care ((C+D)/J)
		Value of Silver Plan Premium (paid by employer)	Average Value of Cost Share (paid by employee)	Percent of Income allocated to Premium (indexed)	Value of Subsidy Received	Value of Cost Share Subsidy Received	Payroll Taxes paid by employee	Income Tax Paid by Employee <sup>5</sup>	Cash Income + Direct Gov't Subsidies + Employer Provided Health Benefits (B+F+G+O)	Health Care Costs Paid by Employee (C+D-F-G-O)	Payments made by Employee (H+I+K)	Net After-tax, After-health cost Income <sup>8</sup> (J-L-F-G-O)	Cash Income <sup>7</sup>	Health Care Benefits Provided by Employer	Maximum Employer Penalty	Payroll Taxes Paid by Employer	Total Cost to Employer (N+O+P+Q)		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	
100	\$ 9,057	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 693	\$ (496)	\$ 14,257	\$ 1,900	\$ 2,096	\$ 6,961	\$ 9,057	\$ 5,200	\$ -	\$ 693	\$ 14,950	49.80%	
125	\$ 11,957	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 915	\$ (268)	\$ 17,157	\$ 1,900	\$ 2,547	\$ 9,410	\$ 11,957	\$ 5,200	\$ -	\$ 915	\$ 18,072	41.38%	
150	\$ 14,957	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 1,144	\$ 262	\$ 20,157	\$ 1,900	\$ 3,306	\$ 11,651	\$ 14,957	\$ 5,200	\$ -	\$ 1,144	\$ 21,301	35.22%	
175	\$ 17,857	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 1,366	\$ 632	\$ 23,057	\$ 1,900	\$ 3,898	\$ 13,959	\$ 17,857	\$ 5,200	\$ -	\$ 1,366	\$ 24,423	30.79%	
200	\$ 20,857	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 1,596	\$ 942	\$ 26,057	\$ 1,900	\$ 4,438	\$ 16,419	\$ 20,857	\$ 5,200	\$ -	\$ 1,596	\$ 27,653	27.25%	
225	\$ 23,757	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 1,817	\$ 1,377	\$ 28,957	\$ 1,900	\$ 5,095	\$ 18,662	\$ 23,757	\$ 5,200	\$ -	\$ 1,817	\$ 30,774	24.52%	
250	\$ 26,757	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 2,047	\$ 1,827	\$ 31,957	\$ 1,900	\$ 5,774	\$ 20,983	\$ 26,757	\$ 5,200	\$ -	\$ 2,047	\$ 34,004	22.22%	
275	\$ 29,657	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 2,269	\$ 2,262	\$ 34,857	\$ 1,900	\$ 6,431	\$ 23,226	\$ 29,657	\$ 5,200	\$ -	\$ 2,269	\$ 37,126	20.37%	
300	\$ 32,657	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 2,498	\$ 2,712	\$ 37,857	\$ 1,900	\$ 7,111	\$ 25,546	\$ 32,657	\$ 5,200	\$ -	\$ 2,498	\$ 40,355	18.75%	
325	\$ 35,557	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 2,720	\$ 3,147	\$ 40,757	\$ 1,900	\$ 7,768	\$ 27,790	\$ 35,557	\$ 5,200	\$ -	\$ 2,720	\$ 43,477	17.42%	
350	\$ 38,557	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 2,950	\$ 3,597	\$ 43,757	\$ 1,900	\$ 8,447	\$ 30,110	\$ 38,557	\$ 5,200	\$ -	\$ 2,950	\$ 46,707	16.23%	
375	\$ 41,457	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 3,171	\$ 4,032	\$ 46,657	\$ 1,900	\$ 9,104	\$ 32,353	\$ 41,457	\$ 5,200	\$ -	\$ 3,171	\$ 49,829	15.22%	
400	\$ 44,457	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 3,401	\$ 4,482	\$ 49,657	\$ 1,900	\$ 9,783	\$ 34,674	\$ 44,457	\$ 5,200	\$ -	\$ 3,401	\$ 53,058	14.30%	
425	\$ 47,357	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 3,623	\$ 4,917	\$ 52,557	\$ 1,900	\$ 10,440	\$ 36,917	\$ 47,357	\$ 5,200	\$ -	\$ 3,623	\$ 56,180	13.51%	
450	\$ 50,357	\$ 5,200	\$ 1,900	\$ -	\$ -	\$ -	\$ 3,852	\$ 5,554	\$ 55,557	\$ 1,900	\$ 11,306	\$ 39,051	\$ 50,357	\$ 5,200	\$ -	\$ 3,852	\$ 59,409	12.78%	

Stephanie Rennane and C. Eugene Steuerle, the Urban Institute 2010. Based on CBO calculations of the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser Family Foundation.

1) FPL - Federal poverty level

2) Cash income calculated according to CBO projections of the Federal Poverty Level in 2016.

3) The value of the subsidy is equal to the average premium cost of the second lowest-cost "Silver" plan less the share of income allocated to the premium. Premium is estimated to have an actuarial value of 70%. (CBO, November 30, 2009)

4) Under the Reconciliation proposals, subsidies are set at the level that would ensure a premium with actuarial value of (1) 94% for 100-150% FPL, (2) 85% for 150-200% FPL, (3) 73% for 200-250% FPL, (4) 70% for 250%+ FPL.

5) Income tax calculated using the Urban-Brookings Tax Policy Center Microsimulation Model (version 0509-3). Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Assumes wages and salary is the only type of income for all tax units. Single individual with no dependents who is under age 65. The individual claims the standard deduction; the only credit claimed is the EITC if applicable.

6) Assumes that all employers have over 50 employees and are subject to employer penalty for not providing health insurance. Also assumes employers are not eligible for small employee tax credit. Penalty is set to go into effect in 2014, and is indexed afterwards for medical inflation. According to Kaiser Family Foundation, average health care cost inflation was 6% from 2004-2009.

7) Cash income is calculated assuming the same total cost to employers under the two scenarios, adjusting for the value of the premium, the value of the employer penalty, and lower employer payroll taxes.

8) Assumes employee bears the average cost share amount as indicated in column D.

Changes in Payments by Switching to Exchange from Employer Provided Coverage <sup>1</sup>								
Individual, 2016								
	Compensation: Cash Income	Increase in Payroll taxes paid by Employee under Subsidy Exchange (H)	Increase in Payroll taxes paid by Employer under Subsidy Exchange (P)	Increase in income tax paid under Subsidy Exchange (I)	Value of Subsidy (D+E)	Maximum Value of Employer Penalty for not providing health insurance (O)	Net change in income under Subsidy Exchange <sup>2</sup> (E-B-C-D-F)	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	
100	\$ 11,800	\$ 210	\$ 210	\$ 447	\$ 6,736	\$ 2,247	\$ 3,623	\$ 3,623
125	\$ 14,700	\$ 210	\$ 210	\$ 723	\$ 6,676	\$ 2,247	\$ 3,286	\$ 3,286
150	\$ 17,700	\$ 210	\$ 210	\$ 493	\$ 5,574	\$ 2,247	\$ 2,414	\$ 2,414
175	\$ 20,600	\$ 210	\$ 210	\$ 481	\$ 5,156	\$ 2,247	\$ 2,008	\$ 2,008
200	\$ 23,600	\$ 210	\$ 210	\$ 620	\$ 3,869	\$ 2,247	\$ 582	\$ 582
225	\$ 26,500	\$ 210	\$ 210	\$ 620	\$ 3,347	\$ 2,247	\$ 60	\$ 60
250	\$ 29,500	\$ 210	\$ 210	\$ 620	\$ 2,718	\$ 2,247	\$ (569)	\$ (569)
275	\$ 32,400	\$ 210	\$ 210	\$ 620	\$ 2,095	\$ 2,247	\$ (1,192)	\$ (1,192)
300	\$ 35,400	\$ 210	\$ 210	\$ 620	\$ 1,686	\$ 2,247	\$ (1,601)	\$ (1,601)
325	\$ 38,300	\$ 210	\$ 210	\$ 620	\$ 1,452	\$ 2,247	\$ (1,835)	\$ (1,835)
350	\$ 41,300	\$ 210	\$ 210	\$ 620	\$ 1,100	\$ 2,247	\$ (2,187)	\$ (2,187)
375	\$ 44,200	\$ 210	\$ 210	\$ 620	\$ 812	\$ 2,247	\$ (2,475)	\$ (2,475)
400	\$ 47,200	\$ 210	\$ 210	\$ 630	\$ 514	\$ 2,247	\$ (2,783)	\$ (2,783)
425	\$ 50,100	\$ 210	\$ 210	\$ 920	\$ -	\$ 2,247	\$ (3,587)	\$ (3,587)
450	\$ 53,100	\$ 210	\$ 210	\$ 1,034	\$ -	\$ 2,247	\$ (3,700)	\$ (3,700)

1) Subtracts current employer provided coverage columns from Exchange columns

2) This is equal to L-L' in the table above.

Employee and Employer Payments Under Subsidy Exchange in Reconciliation Act																		
Family of Four, 2016																		
FPL <sup>1</sup>	Compensation: Cash Income <sup>2</sup>	Health Care Payments		Direct Subsidies Provided by Government			Employee Tax Payments		Employee Totals				Employer Payments				Percent of Cash and Health Benefits/ Subsidies Spent on Health Care ((C+D)/J)	
		Value of Silver Plan Premium (paid by employee using subsidy received)	Average Value of Cost Share (paid by employee using subsidy received)	Percent of Income allocated to Premium (indexed)	Value of Subsidy Received <sup>3</sup>	Value of Cost Share Subsidy Received <sup>4</sup>	Payroll Taxes paid by employee	Income Tax Paid by Employee <sup>5</sup>	Cash Income + Direct Gov't Subsidies + Employer Provided Health Benefits (B+F+G+O)	Health Care Costs Paid by Employee (C+D-F-G-O)	Payments made by Employee (H+I+K)	Net After-tax, After-health cost Income <sup>8</sup> (J-L-F-G-O)	Compensation: Cash Income	Health Care Benefits Provided by Employer	Maximum Employer Penalty <sup>6</sup>	Payroll Taxes Paid by Employer		Total Cost to Employer (N+O+P+Q)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)
100	\$ 24,000	\$ 14,100	\$ 5,000	2.09%	\$ 13,598	\$ 4,834	\$ 1,836	\$ (6,447)	\$ 42,433	\$ 667	\$ (3,944)	\$ 27,944	\$ 24,000	\$ -	\$ 2,247	\$ 1,836	\$ 28,083	45.01%
125	\$ 30,000	\$ 14,100	\$ 5,000	2.09%	\$ 13,473	\$ 4,834	\$ 2,295	\$ (5,451)	\$ 48,307	\$ 793	\$ (2,364)	\$ 32,364	\$ 30,000	\$ -	\$ 2,247	\$ 2,295	\$ 34,542	39.54%
150	\$ 36,000	\$ 14,100	\$ 5,000	4.18%	\$ 12,595	\$ 3,021	\$ 2,754	\$ (3,588)	\$ 51,617	\$ 3,483	\$ 2,650	\$ 33,350	\$ 36,000	\$ -	\$ 2,247	\$ 2,754	\$ 41,001	37.00%
175	\$ 42,000	\$ 14,100	\$ 5,000	5.62%	\$ 11,738	\$ 3,021	\$ 3,213	\$ (1,724)	\$ 56,759	\$ 4,341	\$ 5,829	\$ 36,171	\$ 42,000	\$ -	\$ 2,247	\$ 3,213	\$ 47,460	33.65%
200	\$ 48,000	\$ 14,100	\$ 5,000	6.58%	\$ 10,940	\$ 604	\$ 3,672	\$ 60	\$ 59,544	\$ 7,556	\$ 11,288	\$ 36,712	\$ 48,000	\$ -	\$ 2,247	\$ 3,672	\$ 53,919	32.08%
225	\$ 54,000	\$ 14,100	\$ 5,000	7.84%	\$ 9,869	\$ 604	\$ 4,131	\$ 90	\$ 64,473	\$ 8,627	\$ 13,718	\$ 40,282	\$ 54,000	\$ -	\$ 2,247	\$ 4,131	\$ 60,378	29.62%
250	\$ 60,000	\$ 14,100	\$ 5,000	8.41%	\$ 9,053	\$ -	\$ 4,590	\$ 1,860	\$ 69,053	\$ 10,047	\$ 16,497	\$ 43,503	\$ 60,000	\$ -	\$ 2,247	\$ 4,590	\$ 66,837	27.66%
275	\$ 66,000	\$ 14,100	\$ 5,000	9.58%	\$ 7,776	\$ -	\$ 5,049	\$ 2,760	\$ 73,776	\$ 11,324	\$ 19,133	\$ 46,867	\$ 66,000	\$ -	\$ 2,247	\$ 5,049	\$ 73,296	25.89%
300	\$ 72,000	\$ 14,100	\$ 5,000	9.93%	\$ 6,952	\$ -	\$ 5,508	\$ 3,660	\$ 78,952	\$ 12,148	\$ 21,316	\$ 50,684	\$ 72,000	\$ -	\$ 2,247	\$ 5,508	\$ 79,755	24.19%
325	\$ 78,000	\$ 14,100	\$ 5,000	9.79%	\$ 6,468	\$ -	\$ 5,967	\$ 4,560	\$ 84,468	\$ 12,632	\$ 23,159	\$ 54,841	\$ 78,000	\$ -	\$ 2,247	\$ 5,967	\$ 86,214	22.61%
350	\$ 84,000	\$ 14,100	\$ 5,000	9.93%	\$ 5,761	\$ -	\$ 6,426	\$ 5,460	\$ 89,761	\$ 13,339	\$ 25,225	\$ 58,775	\$ 84,000	\$ -	\$ 2,247	\$ 6,426	\$ 92,673	21.28%
375	\$ 90,000	\$ 14,100	\$ 5,000	9.93%	\$ 5,165	\$ -	\$ 6,885	\$ 6,360	\$ 95,165	\$ 13,935	\$ 27,180	\$ 62,820	\$ 90,000	\$ -	\$ 2,247	\$ 6,885	\$ 99,132	20.07%
400	\$ 96,000	\$ 14,100	\$ 5,000	9.93%	\$ 4,570	\$ -	\$ 7,344	\$ 7,260	\$ 100,570	\$ 14,530	\$ 29,134	\$ 66,866	\$ 96,000	\$ -	\$ 2,247	\$ 7,344	\$ 105,591	18.99%
425	\$ 102,000	\$ 14,100	\$ 5,000	n/a	\$ -	\$ -	\$ 7,803	\$ 8,160	\$ 102,000	\$ 19,100	\$ 35,063	\$ 66,937	\$ 102,000	\$ -	\$ 2,247	\$ 7,803	\$ 112,050	18.73%
450	\$ 108,000	\$ 14,100	\$ 5,000	n/a	\$ -	\$ -	\$ 8,262	\$ 9,650	\$ 108,000	\$ 19,100	\$ 37,012	\$ 70,988	\$ 108,000	\$ -	\$ 2,247	\$ 8,262	\$ 118,509	17.69%

Employee and Employer Payments Under Employer Provided Health System																		
Family of Four, 2016																		
FPL	Cash Income <sup>7</sup>	Health Care Payments		Direct Subsidies Provided by Government			Employee Tax Payments		Employee Totals				Employer Payments				Percent of Cash and Health Benefits/ Subsidies Spent on Health Care ((C+D)/J)	
		Value of Silver Plan Premium (paid by employer)	Average Value of Cost Share (paid by employee)	Percent of Income allocated to Premium (indexed)	Value of Subsidy Received	Value of Cost Share Subsidy Received	Payroll Taxes paid by employee	Income Tax Paid by Employee <sup>5</sup>	Cash Income + Direct Gov't Subsidies + Employer Provided Health Benefits (B+F+G+O)	Health Care Costs Paid by Employee (C+D-F-G-O)	Payments made by Employee (H+I+K)	Net After-tax after-health cost Income <sup>8</sup> (J-L-F-G-O)	Cash Income <sup>7</sup>	Health Care Benefits Provided by Employer	Maximum Employer Penalty	Payroll Taxes paid by Employer		Total Cost to Employer (N+O+P+Q)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)
100	\$ 12,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 994	\$ (4,640)	\$ 27,090	\$ 5,000	\$ 1,354	\$ 11,635	\$ 12,990	\$ 14,100	\$ -	\$ 994	\$ 28,083	70.51%
125	\$ 18,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 1,453	\$ (6,064)	\$ 33,090	\$ 5,000	\$ 388	\$ 18,601	\$ 18,990	\$ 14,100	\$ -	\$ 1,453	\$ 34,542	57.72%
150	\$ 24,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 1,912	\$ (6,472)	\$ 39,090	\$ 5,000	\$ 440	\$ 24,550	\$ 24,990	\$ 14,100	\$ -	\$ 1,912	\$ 41,001	48.86%
175	\$ 30,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 2,371	\$ (5,576)	\$ 45,090	\$ 5,000	\$ 1,795	\$ 29,195	\$ 30,990	\$ 14,100	\$ -	\$ 2,371	\$ 47,460	42.36%
200	\$ 36,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 2,830	\$ (3,712)	\$ 51,090	\$ 5,000	\$ 4,117	\$ 32,872	\$ 36,990	\$ 14,100	\$ -	\$ 2,830	\$ 53,919	37.39%
225	\$ 42,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 3,289	\$ (1,849)	\$ 57,090	\$ 5,000	\$ 6,440	\$ 36,550	\$ 42,990	\$ 14,100	\$ -	\$ 3,289	\$ 60,378	33.46%
250	\$ 48,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 3,748	\$ (0)	\$ 63,090	\$ 5,000	\$ 8,748	\$ 40,242	\$ 48,990	\$ 14,100	\$ -	\$ 3,748	\$ 66,837	30.27%
275	\$ 54,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 4,207	\$ 900	\$ 69,090	\$ 5,000	\$ 10,107	\$ 44,883	\$ 54,990	\$ 14,100	\$ -	\$ 4,207	\$ 73,296	27.65%
300	\$ 60,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 4,666	\$ 1,800	\$ 75,090	\$ 5,000	\$ 11,466	\$ 49,524	\$ 60,990	\$ 14,100	\$ -	\$ 4,666	\$ 79,755	25.44%
325	\$ 66,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,125	\$ 2,700	\$ 81,090	\$ 5,000	\$ 12,825	\$ 54,165	\$ 66,990	\$ 14,100	\$ -	\$ 5,125	\$ 86,214	23.55%
350	\$ 72,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,584	\$ 3,600	\$ 87,090	\$ 5,000	\$ 14,184	\$ 58,806	\$ 72,990	\$ 14,100	\$ -	\$ 5,584	\$ 92,673	21.93%
375	\$ 78,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 6,043	\$ 4,500	\$ 93,090	\$ 5,000	\$ 15,543	\$ 63,447	\$ 78,990	\$ 14,100	\$ -	\$ 6,043	\$ 99,132	20.52%
400	\$ 84,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 6,502	\$ 5,400	\$ 99,090	\$ 5,000	\$ 16,902	\$ 68,088	\$ 84,990	\$ 14,100	\$ -	\$ 6,502	\$ 105,591	19.28%
425	\$ 90,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 6,961	\$ 6,300	\$ 105,090	\$ 5,000	\$ 18,261	\$ 72,729	\$ 90,990	\$ 14,100	\$ -	\$ 6,961	\$ 112,050	18.17%
450	\$ 96,990	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 7,420	\$ 7,200	\$ 111,090	\$ 5,000	\$ 19,620	\$ 77,370	\$ 96,990	\$ 14,100	\$ -	\$ 7,420	\$ 118,509	17.19%

Stephanie Rennane and C. Eugene Steuerle, the Urban Institute 2010. Based on CBO calculations of the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser Family Foundation.

1) FPL - Federal poverty level

2) Cash income calculated according to CBO projections of the Federal Poverty Level in 2016.

3) The value of the subsidy is equal to the average premium cost of the second lowest-cost "Silver" plan less the share of income allocated to the premium. Premium is estimated to have an actuarial value of 70%. (CBO, November 30, 2009)

4) Under the Reconciliation proposals, subsidies are set at the level that would ensure a premium with actuarial value of (1) 94% for 100-150% FPL, (2) 85% for 150-200% FPL, (3) 73% for 200-250% FPL, (4) 70% for 250%+ FPL.

5) Income tax calculated using the Urban-Brookings Tax Policy Center Microsimulation Model ( version 0509-3). Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003 JGTRRA; extends the 2009 AMT Patch and indexes the AMT exemption, rate bracket threshold, and phase-out exemption threshold for inflation. Assumes wages and salary is the only type of income for all tax units. Single individual with no dependents who is under age 65. The individual claims the standard deduction; the only credit claimed is the EITC if applicable.

6) Assumes that all employers have over 50 employees and are subject to employer penalty for not providing health insurance. Also assumes employers are not eligible for small employer tax credit. Penalty is set to go into effect in 2014, and is indexed afterwards for medical inflation. According to Kaiser Family Foundation, average health care cost inflation was 6% from 2004-2009.

7) Cash income is calculated assuming the same total cost to employers under the two scenarios, adjusting for the value of the premium, the value of the employer penalty, and lower employer payroll taxes.

8) Assumes employee bears the average cost share amount as indicated in column D.

Changes in Payments by Switching to Exchange from Employer Provided Coverage <sup>1</sup>							
Family of Four, 2016							
	Compensation: Cash Income	Increase in Payroll taxes paid by Employee under Subsidy Exchange (H)	Increase in Payroll taxes paid by Employer under Subsidy Exchange (P)	Increase in income tax paid under Subsidy Exchange (I)	Value of Subsidy (D+E)	Maximum Value of Employer Penalty for not providing health insurance (O)	Net change in income under Subsidy Exchange <sup>2</sup> (E-B-C-D-F)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
100	\$ 24,000	\$ 842	\$ 842	\$ (1,808)	\$ 18,433	\$ 2,247	\$ 16,309
125	\$ 30,000	\$ 842	\$ 842	\$ 613	\$ 18,307	\$ 2,247	\$ 13,762
150	\$ 36,000	\$ 842	\$ 842	\$ 2,884	\$ 15,617	\$ 2,247	\$ 8,801
175	\$ 42,000	\$ 842	\$ 842	\$ 3,852	\$ 14,759	\$ 2,247	\$ 6,976
200	\$ 48,000	\$ 842	\$ 842	\$ 3,772	\$ 11,544	\$ 2,247	\$ 3,840
225	\$ 54,000	\$ 842	\$ 842	\$ 2,809	\$ 10,473	\$ 2,247	\$ 3,733
250	\$ 60,000	\$ 842	\$ 842	\$ 1,860	\$ 9,053	\$ 2,247	\$ 3,261
275	\$ 66,000	\$ 842	\$ 842	\$ 1,860	\$ 7,776	\$ 2,247	\$ 1,984
300	\$ 72,000	\$ 842	\$ 842	\$ 1,860	\$ 6,952	\$ 2,247	\$ 1,160
325	\$ 78,000	\$ 842	\$ 842	\$ 1,860	\$ 6,468	\$ 2,247	\$ 676
350	\$ 84,000	\$ 842	\$ 842	\$ 1,860	\$ 5,761	\$ 2,247	\$ (31)
375	\$ 90,000	\$ 842	\$ 842	\$ 1,860	\$ 5,165	\$ 2,247	\$ (627)
400	\$ 96,000	\$ 842	\$ 842	\$ 1,860	\$ 4,570	\$ 2,247	\$ (1,222)
425	\$ 102,000	\$ 842	\$ 842	\$ 1,860	\$ -	\$ 2,247	\$ (5,792)
450	\$ 108,000	\$ 842	\$ 842	\$ 2,450	\$ -	\$ 2,247	\$ (6,382)

1) Subtracts current employer provided coverage columns from Exchange columns

2) This is equal to L-L' in the table above.

Employee and Employer Payments Under Subsidy Exchange in Reconciliation Act																			
Family of Four, 2016																			
FPL <sup>1</sup>	Compensation: Cash Income <sup>2</sup>	Health Care Payments		Direct Subsidies Provided by Government			Employee Tax Payments		Employee Totals				Employer Payments					Percent of Cash and Health Benefits/ Subsidies Spent on Health Care ((C+D)/J)	
		Value of Silver Plan Premium (paid by employee using subsidy received)	Average Value of Cost Share (paid by employee using subsidy received)	Percent of Income allocated to Premium (indexed)	Value of Subsidy Received <sup>3</sup>	Value of Cost Share Subsidy Received <sup>4</sup>	Payroll Taxes paid by employee	Income Tax Paid by Employee <sup>5</sup>	Cash Income + Direct Gov't Subsidies + Employer Provided Health Benefits (B+F+G+O)	Health Care Costs Paid by Employee (C+D-F-G-O)	Payments made by Employee (H+I+K)	Net After-tax, After-health cost Income <sup>8</sup> (J-L-F-G-O)	Compensation: Cash Income	Health Care Benefits Provided by Employer	Maximum Employer Penalty <sup>6</sup>	Payroll Taxes Paid by Employer	Total Cost to Employer (N+O+P+Q)		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	
100	\$ 24,000	\$ 14,100	\$ 5,000	2.09%	\$ 13,598	\$ 4,834	\$ 1,836	\$ (6,447)	\$ 42,433	\$ 667	\$ (3,944)	\$ 27,944	\$ 24,000	\$ -	\$ 4,494	\$ 1,836	\$ 30,330	45.01%	
125	\$ 30,000	\$ 14,100	\$ 5,000	2.09%	\$ 13,473	\$ 4,834	\$ 2,295	\$ (5,451)	\$ 48,307	\$ 793	\$ (2,364)	\$ 32,364	\$ 30,000	\$ -	\$ 4,494	\$ 2,295	\$ 36,789	39.54%	
150	\$ 36,000	\$ 14,100	\$ 5,000	4.18%	\$ 12,595	\$ 3,021	\$ 2,754	\$ (3,588)	\$ 51,617	\$ 3,483	\$ 2,650	\$ 33,350	\$ 36,000	\$ -	\$ 4,494	\$ 2,754	\$ 43,248	37.00%	
175	\$ 42,000	\$ 14,100	\$ 5,000	5.62%	\$ 11,738	\$ 3,021	\$ 3,213	\$ (1,724)	\$ 56,759	\$ 4,341	\$ 5,829	\$ 36,171	\$ 42,000	\$ -	\$ 4,494	\$ 3,213	\$ 49,707	33.65%	
200	\$ 48,000	\$ 14,100	\$ 5,000	6.58%	\$ 10,940	\$ 604	\$ 3,672	\$ 60	\$ 59,544	\$ 7,556	\$ 11,288	\$ 36,712	\$ 48,000	\$ -	\$ 4,494	\$ 3,672	\$ 56,166	32.08%	
225	\$ 54,000	\$ 14,100	\$ 5,000	7.84%	\$ 9,869	\$ 604	\$ 4,131	\$ 90	\$ 64,473	\$ 8,627	\$ 13,718	\$ 40,282	\$ 54,000	\$ -	\$ 4,494	\$ 4,131	\$ 62,625	29.62%	
250	\$ 60,000	\$ 14,100	\$ 5,000	8.41%	\$ 9,053	\$ -	\$ 4,590	\$ 1,860	\$ 69,053	\$ 10,047	\$ 16,497	\$ 43,503	\$ 60,000	\$ -	\$ 4,494	\$ 4,590	\$ 69,084	27.66%	
275	\$ 66,000	\$ 14,100	\$ 5,000	9.58%	\$ 7,776	\$ -	\$ 5,049	\$ 2,760	\$ 73,776	\$ 11,324	\$ 19,133	\$ 46,867	\$ 66,000	\$ -	\$ 4,494	\$ 5,049	\$ 75,543	25.89%	
300	\$ 72,000	\$ 14,100	\$ 5,000	9.93%	\$ 6,952	\$ -	\$ 5,508	\$ 3,660	\$ 78,952	\$ 12,148	\$ 21,316	\$ 50,684	\$ 72,000	\$ -	\$ 4,494	\$ 5,508	\$ 82,002	24.19%	
325	\$ 78,000	\$ 14,100	\$ 5,000	9.79%	\$ 6,468	\$ -	\$ 5,967	\$ 4,560	\$ 84,468	\$ 12,632	\$ 23,159	\$ 54,841	\$ 78,000	\$ -	\$ 4,494	\$ 5,967	\$ 88,461	22.61%	
350	\$ 84,000	\$ 14,100	\$ 5,000	9.93%	\$ 5,761	\$ -	\$ 6,426	\$ 5,460	\$ 89,761	\$ 13,339	\$ 25,225	\$ 58,775	\$ 84,000	\$ -	\$ 4,494	\$ 6,426	\$ 94,920	21.28%	
375	\$ 90,000	\$ 14,100	\$ 5,000	9.93%	\$ 5,165	\$ -	\$ 6,885	\$ 6,360	\$ 95,165	\$ 13,935	\$ 27,180	\$ 62,820	\$ 90,000	\$ -	\$ 4,494	\$ 6,885	\$ 101,379	20.07%	
400	\$ 96,000	\$ 14,100	\$ 5,000	9.93%	\$ 4,570	\$ -	\$ 7,344	\$ 7,260	\$ 100,570	\$ 14,530	\$ 29,134	\$ 66,866	\$ 96,000	\$ -	\$ 4,494	\$ 7,344	\$ 107,838	18.99%	
425	\$ 102,000	\$ 14,100	\$ 5,000	n/a	\$ -	\$ -	\$ 7,803	\$ 8,160	\$ 102,000	\$ 19,100	\$ 35,063	\$ 66,937	\$ 102,000	\$ -	\$ 4,494	\$ 7,803	\$ 114,297	18.73%	
450	\$ 108,000	\$ 14,100	\$ 5,000	n/a	\$ -	\$ -	\$ 8,262	\$ 9,650	\$ 108,000	\$ 19,100	\$ 37,012	\$ 70,988	\$ 108,000	\$ -	\$ 4,494	\$ 8,262	\$ 120,756	17.69%	

Employee and Employer Payments Under Employer Provided Health System																			
Family of Four, 2016																			
FPL	Cash Income <sup>7</sup>	Health Care Payments		Direct Subsidies Provided by Government			Employee Tax Payments		Employee Totals				Employer Payments					Percent of Cash and Health Benefits/ Subsidies Spent on Health Care ((C+D)/J)	
		Value of Silver Plan Premium (paid by employer)	Average Value of Cost Share (paid by employee)	Percent of Income allocated to Premium (indexed)	Value of Subsidy Received	Value of Cost Share Subsidy Received	Payroll Taxes paid by employee	Income Tax Paid by Employee <sup>5</sup>	Cash Income + Direct Gov't Subsidies + Employer Provided Health Benefits (B+F+G+O)	Health Care Costs Paid by Employee (C+D-F-G-O)	Payments made by Employee (H+I+K)	Net After-tax, after-health cost Income <sup>8</sup> (J-L-F-G-O)	Cash Income <sup>7</sup>	Health Care Benefits Provided by Employer	Maximum Employer Penalty	Payroll Taxes paid by Employer	Total Cost to Employer (N+O+P+Q)		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	
100	\$ 15,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 1,153	\$ (4,640)	\$ 29,177	\$ 5,000	\$ 1,514	\$ 13,563	\$ 15,077	\$ 14,100	\$ -	\$ 1,153	\$ 30,330	65.46%	
125	\$ 21,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 1,612	\$ (6,064)	\$ 35,177	\$ 5,000	\$ 548	\$ 20,529	\$ 21,077	\$ 14,100	\$ -	\$ 1,612	\$ 36,789	54.30%	
150	\$ 27,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 2,071	\$ (6,472)	\$ 41,177	\$ 5,000	\$ 600	\$ 26,477	\$ 27,077	\$ 14,100	\$ -	\$ 2,071	\$ 43,248	46.39%	
175	\$ 33,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 2,530	\$ (5,576)	\$ 47,177	\$ 5,000	\$ 1,954	\$ 31,123	\$ 33,077	\$ 14,100	\$ -	\$ 2,530	\$ 49,707	40.49%	
200	\$ 39,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 2,989	\$ (3,712)	\$ 53,177	\$ 5,000	\$ 4,277	\$ 34,800	\$ 39,077	\$ 14,100	\$ -	\$ 2,989	\$ 56,166	35.92%	
225	\$ 45,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 3,448	\$ (1,849)	\$ 59,177	\$ 5,000	\$ 6,600	\$ 38,477	\$ 45,077	\$ 14,100	\$ -	\$ 3,448	\$ 62,625	32.28%	
250	\$ 51,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 3,907	\$ (0)	\$ 65,177	\$ 5,000	\$ 8,907	\$ 42,170	\$ 51,077	\$ 14,100	\$ -	\$ 3,907	\$ 69,084	29.30%	
275	\$ 57,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 4,366	\$ 900	\$ 71,177	\$ 5,000	\$ 10,266	\$ 46,811	\$ 57,077	\$ 14,100	\$ -	\$ 4,366	\$ 75,543	26.83%	
300	\$ 63,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 4,825	\$ 1,800	\$ 77,177	\$ 5,000	\$ 11,625	\$ 51,452	\$ 63,077	\$ 14,100	\$ -	\$ 4,825	\$ 82,002	24.75%	
325	\$ 69,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,284	\$ 2,700	\$ 83,177	\$ 5,000	\$ 12,984	\$ 56,093	\$ 69,077	\$ 14,100	\$ -	\$ 5,284	\$ 88,461	22.96%	
350	\$ 75,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,743	\$ 3,600	\$ 89,177	\$ 5,000	\$ 14,343	\$ 60,734	\$ 75,077	\$ 14,100	\$ -	\$ 5,743	\$ 94,920	21.42%	
375	\$ 81,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 6,202	\$ 4,500	\$ 95,177	\$ 5,000	\$ 15,702	\$ 65,375	\$ 81,077	\$ 14,100	\$ -	\$ 6,202	\$ 101,379	20.07%	
400	\$ 87,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 6,661	\$ 5,400	\$ 101,177	\$ 5,000	\$ 17,061	\$ 70,016	\$ 87,077	\$ 14,100	\$ -	\$ 6,661	\$ 107,838	18.88%	
425	\$ 93,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 7,120	\$ 6,300	\$ 107,177	\$ 5,000	\$ 18,420	\$ 74,657	\$ 93,077	\$ 14,100	\$ -	\$ 7,120	\$ 114,297	17.82%	
450	\$ 99,077	\$ 14,100	\$ 5,000	\$ -	\$ -	\$ -	\$ 7,579	\$ 7,200	\$ 113,177	\$ 5,000	\$ 19,779	\$ 79,298	\$ 99,077	\$ 14,100	\$ -	\$ 7,579	\$ 120,756	16.88%	

Stephanie Rennane and C. Eugene Steuerle, the Urban Institute 2010. Based on CBO calculations of the Patient Protection and Affordable Care Act. Updated employer penalty, premium and cost share subsidy information for Reconciliation Bill from the Kaiser F

1) FPL - Federal poverty level

2) Cash income calculated according to CBO projections of the Federal Poverty Level in 2016.

3) The value of the subsidy is equal to the average premium cost of the second lowest-cost "Silver" plan less the share of income allocated to the premium. Premium is estimated to have an actuarial value of 70%. (CBO, November 30, 2009)

4) Under the Reconciliation proposals, subsidies are set at the level that would ensure a premium with actuarial value of (1) 94% for 100-150% FPL, (2) 85% for 150-200% FPL, (3) 73% for 200-250% FPL, (4) 70% for 250%+ FPL.

5) Income tax calculated using the Urban-Brookings Tax Policy Center Microsimulation Model ( version 0509-3). Calendar year. Baseline is an Administration baseline, which extends all of the individual income tax provisions included in 2001 EGTRRA and 2003

6) Assumes that all employers have over 50 employees and are subject to employer penalty for not providing health insurance. Also assumes employers are not eligible for small employee tax credit. Penalty is set to go into effect in 2014, and is indexed a

7) Cash income is calculated assuming the same total cost to employers under the two scenarios, adjusting for the value of the premium, the value of the employer penalty, and lower employer payroll taxes.

8) Assumes employee bears the average cost share amount as indicated in column D.

Changes in Payments by Switching to Exchange from Employer Provided Coverage <sup>1</sup>							
Family of Four, 2016							
	Compensation: Cash Income	Increase in Payroll taxes paid by Employee under Subsidy Exchange (H)	Increase in Payroll taxes paid by Employer under Subsidy Exchange (P)	Increase in income tax paid under Subsidy Exchange (I)	Value of Subsidy (D-E)	Maximum Value of Employer Penalty for not providing health insurance (O)	Net change in income under Subsidy Exchange <sup>2</sup> (E-B-C-D-F)
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
100	\$ 24,000	\$ 683	\$ 683	\$ (1,808)	\$ 18,433	\$ 4,494	\$ 14,381
125	\$ 30,000	\$ 683	\$ 683	\$ 613	\$ 18,307	\$ 4,494	\$ 11,835
150	\$ 36,000	\$ 683	\$ 683	\$ 2,884	\$ 15,617	\$ 4,494	\$ 6,873
175	\$ 42,000	\$ 683	\$ 683	\$ 3,852	\$ 14,759	\$ 4,494	\$ 5,048
200	\$ 48,000	\$ 683	\$ 683	\$ 3,772	\$ 11,544	\$ 4,494	\$ 1,912
225	\$ 54,000	\$ 683	\$ 683	\$ 2,809	\$ 10,473	\$ 4,494	\$ 1,805
250	\$ 60,000	\$ 683	\$ 683	\$ 1,860	\$ 9,053	\$ 4,494	\$ 1,333
275	\$ 66,000	\$ 683	\$ 683	\$ 1,860	\$ 7,776	\$ 4,494	\$ 56
300	\$ 72,000	\$ 683	\$ 683	\$ 1,860	\$ 6,952	\$ 4,494	\$ (768)
325	\$ 78,000	\$ 683	\$ 683	\$ 1,860	\$ 6,468	\$ 4,494	\$ (1,252)
350	\$ 84,000	\$ 683	\$ 683	\$ 1,860	\$ 5,761	\$ 4,494	\$ (1,959)
375	\$ 90,000	\$ 683	\$ 683	\$ 1,860	\$ 5,165	\$ 4,494	\$ (2,555)
400	\$ 96,000	\$ 683	\$ 683	\$ 1,860	\$ 4,570	\$ 4,494	\$ (3,150)
425	\$ 102,000	\$ 683	\$ 683	\$ 1,860	\$ -	\$ 4,494	\$ (7,720)
450	\$ 108,000	\$ 683	\$ 683	\$ 2,450	\$ -	\$ 4,494	\$ (8,310)

1) Subtracts current employer provided coverage columns from Exchange columns

2) This is equal to L-L' in the table above.