

EMPLOYER SPONSORED INSURANCE (ESI) AFFORDABILITY

OBJECTIVE: TO USE THE VHC ONLINE ESI AFFORDABILITY CALCULATOR TO DETERMINE WHICH HOUSEHOLD MEMBERS MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE FOR THEIR QHP.

Overview

Starting for the plan year 2023 and beyond, the ESI affordability rule has changed.

- Prior to 2023, if your employer offered health insurance that is affordable, you were not eligible for APTC.
- To decide if ESI was affordable, the monthly cost for an employee-only plan was used, no matter how many ESI eligible people were in the household.
- This meant if the cost of a single plan is affordable, no one in the family can get APTC even if the cost of a family plan was not affordable.

Current ESI Affordability Rules

The updated application will ask for the premium amount for both employee self-only coverage and the premium for the cost of covering family members when applicable.

- For 2025, the affordability percentage is **9.02%**
- For 2024, the affordability percentage is **8.39%**
- The ESI affordability calculation will be applied to the two premiums and eligibility for APTC will be determined separately for the employee vs. the family members.
- This will ensure that family members can still be eligible for APTC even if the employee is not eligible due to access to affordable self-only ESI.
- This means that workers may run into cases where the family members are found eligible for APTC (because the family plan is not affordable), but the employee is not eligible for APTC (because the individual-only plan is affordable).

Affordability Calculator

Please use the below link to access the tool to assist in calculations for determining if ESI is affordable for both an individual and family:

- Note that to use the online tool, staff will need to have info on what the customer would pay for BOTH:
 - The lowest cost plan for the employee only, AND
 - The lowest cost plan for all household members who are eligible for the ESI plan (as applicable).
- If more than one person in the household has a job that offers ESI, both these figures will be needed for **each** job offering ESI.

<https://vt-affordabilityestimator.checkbookhealth.org/#/>

