

ACA Solution

MEC



- ✓ Minimum Essential Coverage
- ✓ Self Funded
- ✓ Preventive Services
- ✓ 63 Benefits

MVP



- ✓ Minimum Value Plan
- ✓ Self Funded
- ✓ Custom Hospital Carve Out
- ✓ 60% plan

Limited Med



- ✓ Fully Insured for Gaps
- ✓ Flexible Design
- ✓ PPO Access
- ✓ Doctors, Hospital, Rx



ACA Solution: Avoiding the Mandate Penalties

1

Minimum Essential Coverage (MEC)

- ✓ **63 listed benefits must be provided.**
- ✓ **When an employer *offers* these**, the \$2,000 per employee fine is avoided.
- ✓ **When an employee is *covered***, the personal tax penalty is avoided.

2

Minimum Value Plan (MVP)

- ✓ **Defined in the law** (60% actuarial benefit).
- ✓ **Also called “bronze plan”** in healthcare exchange.
- ✓ Generally a very high deductible, such as \$5,000.
- ✓ **When an employer *offers***, at less than 9.5% of “employee household income”, employer avoids \$3,000 penalty for people who get public exchange subsidies.
- ✓ **When “affordable coverage” is offered** (9.5% or less of household income), employee is not eligible for subsidy.
- ✓ **Low income employees won’t want to pay \$125 per month or more for a \$5,000 deductible policy.**

3

Limited Benefit Policy

- ✓ **Fully insured.** Separate from MEC and MVP, above. Not “integrated”.
- ✓ **Pays first dollar benefits for care incurred.** No “annual” or “lifetime” maximums. PPO network.
- ✓ **Appropriate Coverage.** Combined with MEC only, or filling large GAP between MEC and MVP.

Western Region—Jim Davidson • jdavidson@eoiservice.com • 714.656.3303

Midwest Region—John Allen • jallen@eoiservice.com • 630.272.0966

Texas—Shane Stanforth • sstanforth@eoiservice.com • 817.456.6033

Eastern Region—Garry Sullivan • gsullivan@eoiservice.com • 516.972.4529

