



## Your Family May Qualify for ACA Health Plan Subsidies

The IRS fixed the “family glitch,” making more working families eligible for subsidized Affordable Care Act (ACA) health plans.



### What is the family glitch?

Before 2023, workers were not eligible for Affordable Care Act (ACA) marketplace premium subsidies if their job-based health insurance provided minimum value and was considered affordable based on the cost of individual coverage. It did not take into account the added cost for spouses and children. But the glitch was fixed.

### Can my plan be affordable for me, but not for my family?

Yes. In 2024, if your job-based coverage costs less than 8.39% of your household income for you alone, you would not qualify to enroll in an ACA plan. But if the health plan is not affordable when you add your spouse and children, they may qualify for tax credits through the ACA marketplace. The threshold changes each year.

That means you would keep your individual job-based coverage, and your family could enroll in an ACA health plan. The subsidies they would get to lower plan costs would be based on your total household income.

### How do I calculate the affordability of my job-based plan?

Multiply your household income by .0839 to get the 2024 affordable threshold. Here is an example.

You are married and have two children. Your household income is \$70,000.

The affordability threshold is  $\$70,000 \times .0839 = \$5,873$



#### Individual Coverage

Your employer plan costs \$2,500

The plan cost is less than the \$5,873 threshold, so you would not be eligible for an ACA plan.



#### Family Coverage

Your employer plan costs \$6,000

The plan cost is higher than the \$5,873 threshold, so your spouse and children would be eligible for a subsidized ACA plan.

### American Exchange Can Help Find the Right Plan for Your Family

If you or your family qualify to enroll for ACA coverage, our enrollment experts can find the right plan and ensure you/they get all available tax credits.



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