

Ball State Business Roundtable

Sponsored by:



Katherine Onieal
INVESTMENT SERVICES, LLC

RAYMOND JAMES



Welcome

Richard Gill

Roundtable Chair

Co-owner, Gill Brothers Furniture



BSU Business Roundtable

Richard Gill



The Affordable Care Act

- **What Does a Small Business Do?**
 - **Renew December 1st, 2013**
 - **Drop Health Care Coverage**
 - **Go to The Health Care Exchange**

Health Insurance Renewal 2014

- **Plan Not Grandfathered – Why?**
 - **Changed Deductible in 2011**
 - **Enrolled New Employees since 2010**
- **Premium Increase 16% for 12/1 Renewal**
- **Premium Increase 25% for 1/1 Renewal**
- **Options are Bad and Worse**
- **\$100,000 cost increase from 2011-2014**

Example #1 – Actual Employee

The Subsidy Calculator

Subsidy Calculator

Premium Assistance for Coverage in Exchanges

ABOUT THIS TOOL



Enter Information About Your Household

1. Select a State

Indiana ▼



Enter your zip code

47302

Select county

Delaware ▼

2. Enter income as

2014 Dollars ▼

3. Enter annual income (dollars)

27000



4. Is employer coverage available?

No ▼



5. Number of people in family

4



6. Number of adults (21 and older)
enrolling in exchange coverage

2 Adults ▼

Age? 28 ▼ Uses Tobacco? Yes ▼



Age? 26 ▼ Uses Tobacco? Yes ▼

7. Number of children (20 and younger)
enrolling in exchange coverage

2 Children ▼

How many Children use Tobacco?

0 ▼

Clear

Submit

Kaiser Foundation Calculator

Example #1 - Lower income younger employee

Because your income is equal to **115%** of the poverty level, you may be eligible for tax credits in the exchanges. Tax credits are only available to people with incomes between 100% and 400% of the poverty level. The information below is about **subsidized** exchange coverage:

Household income in 2014:

115% of poverty level

Maximum % of income you have to pay for the premium, if eligible for a subsidy:

2%
(before accounting for a tobacco surcharge, if applicable)

Health Insurance premium in 2014 (for a silver plan, before tax credit):

\$10,685 per year
In most states, insurers can charge a tobacco surcharge of up to 50% of your total premium before the tax credit. The tax credit cannot be applied to the tobacco surcharge.

You could receive a government tax credit subsidy of up to:

\$10,145 per year
(which covers 95% of the overall premium)

Amount you pay for the premium:

\$540 per year
(which equals 2% of your household income and covers 5% of the overall premium)

Example #2 – Actual Employee

The Subsidy Calculator

Subsidy Calculator

Premium Assistance for Coverage in Exchanges

ABOUT THIS TOOL



Enter Information About Your Household

1. Select a State ?
Enter your zip code

2. Enter income as

3. Enter annual income (dollars) ?

4. Is employer coverage available? ?

5. Number of people in family ?

6. Number of adults (21 and older) enrolling in exchange coverage

Age? Uses Tobacco? ?

Age? Uses Tobacco?

7. Number of children (20 and younger) enrolling in exchange coverage

How many Children use Tobacco?

Clear

Submit

Kaiser Foundation Calculator

Example #1 - Higher income older employee

RESULTS

Because your income is more than 400% of the poverty level, you would not qualify for subsidized exchange coverage. The information below is about unsubsidized exchange coverage.

Household income in 2014:	425% of poverty level
Maximum % of income you have to pay for the premium, if eligible for a subsidy:	None
Health Insurance premium in 2014 (for a silver plan, before tax credit):	\$19,664 per year
You could receive a government tax credit subsidy of up to:	\$0 per year (which covers 0% of the overall premium)
Amount you pay for the premium:	\$19,664 per year (which equals 23.69% of your household income and covers 100% of the overall premium)

Decisions?

- **Benefit the younger employees by dropping health coverage?**
- **If we do will they actually go to Healthcare.gov, enroll & pay their premiums?**
- **Benefit the older employees by keeping the health coverage?**
- **Limit the benefit we offer to stem the exploding cost to the company?**



U.S. Economic Outlook

Michael Hicks, PhD

***Director, Center for Business and
Economic Research***

Ball State University



The Short-term National Outlook

US ECONOMY IN 2014

	2013 Avg. (%)	Time Series Forecast 2014 (%)				2014 Avg. (%)	Blue Chip
		Q1	Q2	Q3	Q4		
Real GDP Growth	2.8	1.2	2.0	3.1	3.4	2.4	2.6
Inflation Rate	1.4	1.7	1.5	1.9	1.9	1.8	1.8
Unemployment Rate	7.5	7.9	8.0	8.1	8.3	8.1	7.0
10-year Treasury Bond	2.2	2.6	2.6	2.6	2.4	2.5	3.1

Thank you



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