

Employer Health Insurance Too Expensive for Spouses or Dependents?

This “Family Glitch” occurred when an employee was offered health insurance from their employer, but once coverage was added for their spouse or dependents the costs becomes unaffordable.

What can Families Do?

The Federal Rule was changed. Now, more Kentucky families may get financial assistance when enrolling in a Qualified Health Plan (QHP) through kynect.

Who is Eligible?

Eligibility depends on whether the family’s employer-sponsored insurance plan is deemed affordable, which is typically around 9%* of total household income.

Example:

Bob (45) and Mary (43) have a total household income of \$40,000. Bob’s employer-sponsored health insurance costs \$250/month (\$3,000/year) to cover himself, but \$400/month (\$4,800/year) to cover his spouse, Mary.

Affordability test: $\$40,000$ [Total House Income] x 9% [IRS Affordability Rate]* = \$3,600

Since Bob’s employer-sponsored insurance is less than the affordability test, his insurance is determined affordable. However, the cost will be above this threshold to cover his spouse Mary, making it **unaffordable**.

How can kynect Help?

If your Employer-Sponsored Insurance is unaffordable, assistance with enrolling in a QHP can be found online at kynect.ky.gov/healthcoverage and contacting a kynector or an Agent. Assistance can also be received by calling 1-855-4kynect. All these options are available at no cost to the individual.

Open Enrollment for Qualified Health Plans is November 1 - January 15.

If you have a qualifying life event you may be eligible for a Special Enrollment and be able to enroll outside of this Open Enrollment

**The Affordability Rate changes each year and is determined by the IRS.*