The Requirement to Buy Coverage Under the Affordable Care Act 2017 and Beyond

Do any of the following apply?
- You are part of a religion opposed to acceptance of benefits from a health insurance policy.
- You are an undocumented immigrant.
- You are incarcerated.
- You are a member of an Indian tribe.
- Your family income is below the threshold for filing a tax return ($10,400 for an individual, $20,800 for a family in 2017).
- You have to pay more than 8.16% of your income for health insurance in 2017 or 8.05% in 2018, after taking into account any employer contributions or tax credits.
- You are eligible for a hardship exemption (for example, you applied for Medicaid but were determined to be ineligible due to your state’s decision not to expand the program).

Yes  
There is no penalty for being without health insurance.

No  
Were you insured for the whole year* through a combination of any of the following sources?
- Medicare.
- Medicaid or the Children's Health Insurance Program (CHIP).
- TRICARE (for service members, retirees, and their families).
- The veteran’s health program.
- A plan offered by an employer.
- Insurance bought on your own that is at least at the Bronze level.
- A grandfathered health plan in existence before the health reform law was enacted.

Yes  
The requirement to have health insurance is satisfied and no penalty is assessed.

No  
There is a penalty for being without health insurance.

2017 and Beyond
Penalty is $695 per adult and $347.50 per child (up to $2,085 for a family) or 2.5% of family income, whichever is greater.

Income is defined as total income in excess of the prior year’s filing threshold ($10,400 for an individual and $20,800 for a family in 2017). The penalty is pro-rated by the number of months without coverage. The penalty cannot be greater than the national average premium for Bronze coverage in an Exchange ($2,676 in 2016 for single coverage and $13,380 for a family with five or more members). After 2016 penalty amounts are increased annually by the cost of living.

* There is no penalty for a single gap in coverage of less than 3 months in a year.

Key Facts:
- In 2016 employees paid $1,129 on average towards the cost of individual coverage in an employer plan and $5,277 for a family of four.
- A Kaiser Family Foundation subsidy calculator illustrating premiums and tax credits for people in different circumstances is available at http://www.kff.org/interactive/subsidy-calculator.