Sample data. Fictional employer and census, shown to review the proposal layout. Not a quote or an analysis of a real group.

YA Your Agency

EMPLOYEE BENEFITS STRATEGY · PLAN YEAR 2027–28

Health benefit options: group plan or CHOICE Arrangement (ICHRA)

Options analysis and affordability report for **Sample Employer Co.**

PLAN YEAR
April 1, 2027
through March 31, 2028

OPTIONS COMPARED
Renew · ICHRA · Hybrid
Same census, same plan year, same assumptions

EMPLOYEES ANALYZED
72 employees
62 full-time · 10 part-time

WHERE THEY LIVE
5 counties, Minnesota
Hennepin, Ramsey, Dakota, Washington and Anoka

AFFORDABILITY TEST
Federal poverty line safe harbor
10.22% for 2027 plan years · $135.93 per month

NOTICE DEADLINE
January 1, 2027
90 days before the plan year starts

PREPARED BY
Bodhi, Benefits Advisor
Your Agency · bodhi@example.com · (612) 555-0142

PREPARED ON
November 23, 2026

Confidential. Prepared for Sample Employer Co. and its advisors. Figures are estimates based on the census provided, 2027 Minnesota individual-market rates, the group plan's Apr 1, 2027 renewal and IRS guidance; see Appendix B. Not tax, legal or insurance advice.

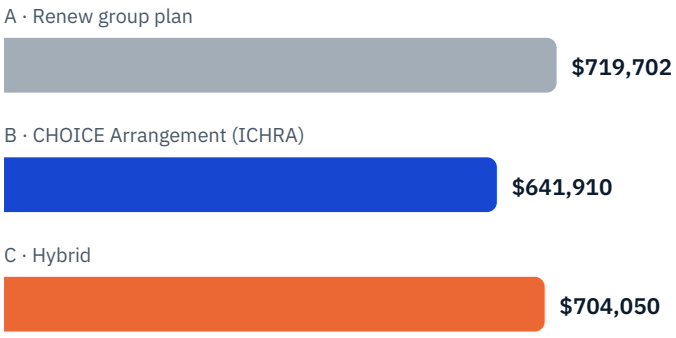
01 · EXECUTIVE SUMMARY

Three ways to cover your people in 2027

We compared renewing the group plan, switching everyone to a CHOICE Arrangement (ICHRA), and a hybrid of the two. **The ICHRA costs the least: $77,792 (10.8%) below the renewal in year one.** It covers 10 part-time employees the group plan leaves out, and 53 of 62 full-time employees would pay less than today even if they bought a gold plan.

$77,792	53 of 62	$0	+10
Employer savings with the ICHRA, year 1	Full-time employees who pay less than today	Employer-mandate penalty exposure	Part-time employees newly covered
$321,224 over 3 years (illustrative)	Buying the cheapest gold plan; 60 of 62 on silver	Every allowance passes the 2027 test	Only 18–27% of employers cover part-timers

Annual employer cost by option



Group cost: employer share at the Apr 1, 2027 renewal. ICHRA cost: maximum allowance budget plus administration at $35.00 per employee per month. Section 03 compares every option.

Our recommendation

Option B, the full ICHRA. It saves the most, covers the most people and passes affordability for every employee. The hybrid saves 2.2% and keeps two sets of rules.

Watch: 9 older employees with dependents would pay more for gold coverage than today. Section 05 shows who they are and how to soften it.

Decisions for Sample Employer Co.

- Choose an option: A, B or C (section 02).
- If B or C: approve the classes and allowance schedule (section 09).
- Confirm the Apr 1, 2027 start, so notices go out by Jan 1, 2027.

What's in this report

Options and costs (02–04) · How employees come out (05) · How you compare to other employers (06) · Ways to set it up, service models and pricing (07–09) · Affordability and what drives it (10–11) · The plans on the market (12) · Enrollment, risk and timeline (13–15) · A one-page brief for leadership and a handout for employees (16–17).

02 · YOUR OPTIONS

Group plan, ICHRA or both, side by side

Same census, same plan year, same assumptions. The employer picks one. Option C keeps the group plan for one class and moves the others to ICHRA.

	A · Renew the group plan	B · ICHRA for everyone RECOMMENDED	C · Hybrid
Who's in it	62 full-time employees	All 72: full-time and part-time	Group: 24 salaried. ICHRA: 48 hourly and part-time
Employer cost, year 1	$719,702	$641,910 **(–$77,792)**	$704,050 **(–$15,652)**
Employer cost, 3 years	$2,359,256	$2,038,032	$2,265,091
Employees pay, year 1	$295,306 in payroll contributions	$107,332 if everyone buys the cheapest silver; $220,520 at gold	$195,410 (silver basis)
Plan options	One plan, one network	Any of 178 individual plans in their county	Salaried: one plan. Others: any plan
Who sets next year's cost	The carrier, at renewal	The employer, by setting allowances	Carrier for salaried; employer for the rest
Participation and underwriting	Carrier participation minimums; renewal underwritten on the group	None	Group side only; expect a re-quote for a smaller group
Affordability	Passes only on pay: employee-only cost $173.60/month exceeds the $135.93 poverty-line limit	Passes the poverty-line test for every employee	Both tests, plus minimum class sizes
Disruption for employees	None	Everyone shops for a new plan; doctor check built in	Hourly and part-time shop; salaried stay
Administration	Carrier and payroll as today	ICHRA administrator, $35.00 PEPM (est.)	Both

The rule that shapes option C

An employer can't offer the same class of employees both the group plan and an ICHRA. The split has to follow permitted classes: full-time / part-time, salaried / hourly, location, and similar.

With some classes on the group plan, each ICHRA class needs at least **10 employees** (fewer than 100 employees; 10% at 100–200; 20 above 200). Here: hourly 38, part-time **10, exactly at the minimum**. One departure before the plan year breaks it.

Where the group numbers come from

With 72 employees, Sample Employer Co. is in Minnesota's large-group market. Group rates are underwritten for the group, so options A and C use the carrier's Apr 1, 2027 renewal.

Option C assumes the carrier keeps today's rates for the smaller salaried group. Get a re-quote before choosing it.

Employer's decision: ☐ A · Renew ☐ B · ICHRA for everyone ☐ C · Hybrid Signed _____ Date _____

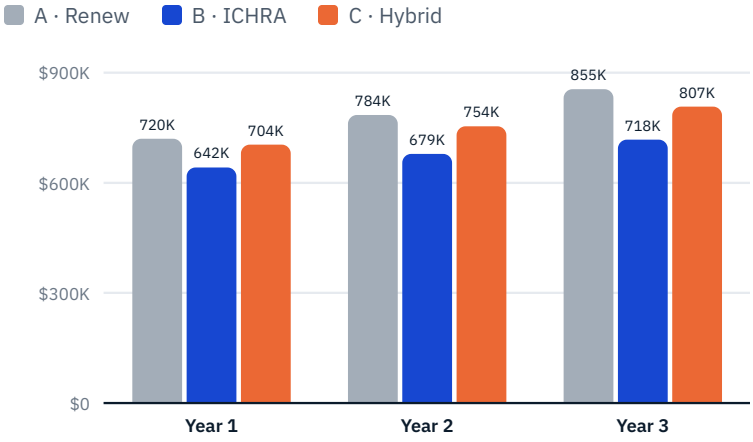
03 · COST COMPARISON

What each option costs the employer

Plan year starting April 1, 2027. ICHRA figures are a ceiling: employees are reimbursed only for premiums they actually pay.

EMPLOYER COST	A · RENEW	B · ICHRA	C · HYBRID
Per month	$59,975.20	$53,492.46	$58,670.86
Per plan year	**$719,702**	**$641,910**	**$704,050**
Difference from renewal	—	**–$77,792 (10.8%)**	**–$15,652 (2.2%)**
Includes ICHRA administration	—	$30,240	$20,160
People covered	62	72	72

Three-year view (illustrative)



OPTION	3-YEAR TOTAL	VS. RENEW
A · Renew	$2,359,256	—
B · ICHRA	**$2,038,032**	**–$321,224**
C · Hybrid	$2,265,091	**–$94,165**

Assumptions: group renewals rise 9% a year; allowances rise 6% a year; administration flat; headcount unchanged. Planning assumptions, not forecasts.

Current group plan at renewal

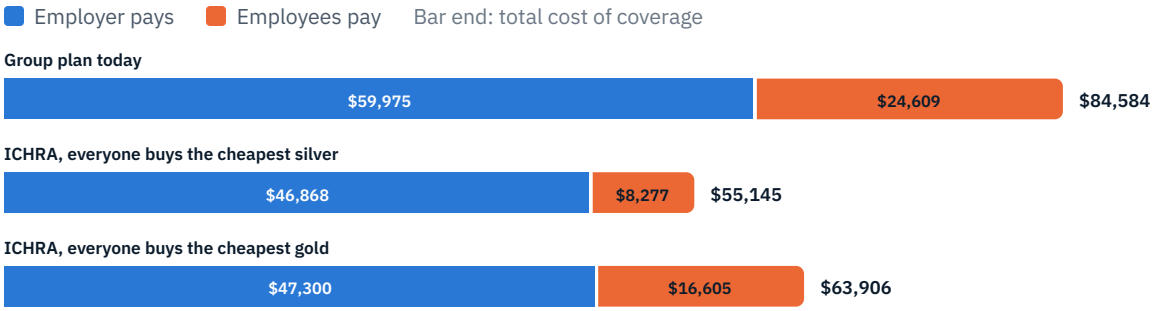
COVERAGE TIER	FULL-TIME ENROLLED	MONTHLY PREMIUM	EMPLOYER PAYS	EMPLOYEE PAYS
Employee only	38	$868.00	$694.40	$173.60
Employee + 1 dependent	12	$1,762.00	$1,186.10	$575.90
Employee + 2 or more	12	$2,538.00	$1,612.90	$925.10
Total per month	**62**	**$84,584.00**	**$59,975.20**	**$24,608.80**

Employer pays 80% of the employee-only premium plus 55% of the added cost of dependents. Part-time employees are not eligible for the group plan.

04 · TOTAL COST OF COVERAGE

Employer plus employee, at a comparable plan level

The fair comparison counts both shares and holds coverage roughly constant. Below are the 62 full-time employees and their families, who are covered under every option. Monthly totals.



PER MONTH, 62 FULL-TIME EMPLOYEES	GROUP PLAN TODAY	ICHRA · CHEAPEST SILVER	ICHRA · CHEAPEST GOLD
Employer	$59,975.20	$46,867.78	$47,300.44
Employees	$24,608.80	$8,277.30	$16,605.28
Total cost of coverage	**$84,584.00**	**$55,145.08**	**$63,905.72**
Per employee per month	$1,364.26	$889.44	$1,030.74
Difference from today	—	**–$29,438.92 (34.8%)**	**–$20,678.28 (24.4%)**

Why gold is the "on par" column

Typical employer group plans pay about 80% of covered costs, which is gold level in the individual market. Silver plans pay about 70%. Confirm the group plan's level from its summary of benefits before presenting.

[Group plan actuarial value]

Why the employer column drops below budget

The allowance is a ceiling. When a household's plan costs less than its allowance, the employer pays only the premium. The $50,972.46 monthly budget for all 72 employees is the worst case.

ICHRA columns assume every full-time household buys the cheapest silver (or gold) plan in its county for everyone it covers today; employer cost includes administration. Part-time employees are left out of this page because they have no coverage today; adding them costs $6,192.02 a month at gold.

05 · HOW EMPLOYEES COME OUT

Most employees pay less. Older families need a look.

Each full-time employee's monthly cost today (payroll contribution) against what they would pay under the ICHRA for the cheapest silver or gold plan covering the same family.

60 of 62
Pay less on the cheapest silver plan
Average change – $263.41/month

53 of 62
Pay less on the cheapest gold plan
Average change – $129.09/month

9
Pay more for gold than today
Mostly 55+ with dependents

10
Part-time employees gain coverage
Average allowance $584.20/month

COVERAGE	AGE	EMPLOYEES	TODAY, AVG.	ICHRA SILVER, AVG.	ICHRA GOLD, AVG.	AT GOLD
Employee only	Under 40	14	$173.60	$28.36	$100.50	14 of 14 pay less
Employee only	40–54	22	$173.60	$31.65	$121.74	22 of 22 pay less
Employee only	55+	2	$173.60	$48.77	$212.06	0 of 2 pay less · **2 pay more**
Employee + 1	Under 40	2	$575.90	$60.43	$166.21	2 of 2 pay less
Employee + 1	40–54	8	$575.90	$173.13	$337.95	6 of 8 pay less · **2 pay more**
Employee + 1	55+	2	$575.90	$513.03	$807.92	0 of 2 pay less · **2 pay more**
Employee + 2 or more	Under 40	6	$925.10	$171.85	$359.33	6 of 6 pay less
Employee + 2 or more	40–54	4	$925.10	$380.50	$600.83	3 of 4 pay less · **1 pay more**
Employee + 2 or more	55+	2	$925.10	$1,000.70	$1,442.37	0 of 2 pay less · **2 pay more**

Who pays more at gold

ID	CLASS	AGE	COVERAGE	COUNTY	TODAY	GOLD	CHANGE
E-029	FT hourly	59	Employee + 2 or more	Hennepin	$925.10	$1,595.40	**+$670.30**
E-050	FT hourly	56	Employee + 2 or more	Anoka	$925.10	$1,289.33	**+$364.23**
E-001	FT salaried	56	Employee + 1	Hennepin	$575.90	$886.61	**+$310.71**
E-048	FT hourly	56	Employee + 1	Anoka	$575.90	$729.23	**+$153.33**
E-005	FT salaried	42	Employee + 2 or more	Washington	$925.10	$1,040.18	**+$115.08**

Ways to soften it

- Raise the "+2 or more" dependent amount. Each $100 a month costs $14,400 a year for the 12 households in that tier.
- Steer these households to silver: on silver, all but 2 of the 62 pay less than today.
- Offer pre-tax payroll for premiums above the allowance (section 07).

06 · MARKET COMPARISON

How your benefit compares with other employers

What other employers pay, and how much of the premium their employees carry, against your plan today and the ICHRA.

EMPLOYEE SHARE OF THE PREMIUM	YOUR PLAN TODAY	ICHRA: EMPLOYER COVERS	MINNESOTA AVERAGE	U.S. AVERAGE
Single coverage	20%	93% of cheapest silver 80% of cheapest gold	—	20% (MEPS-IC) 16% (KFF)
Employee + 1	**32.7%**	79% of cheapest silver 69% of cheapest gold	26.5%	—
Family	**36.4%**		27.4%	25% (KFF)
Covers part-time employees	No	Yes	—	18–27% of firms

What this says

- **Single coverage today is in line with the market.** Your employees pay 20% of the premium, the national average is 16%–20%.
- **Dependent coverage today is below market.** Your employees pay 33%–36% to add family; Minnesota employees average about 26%–27%.
- **The ICHRA closes that gap on silver** and stays near market on gold. Covering part-time employees puts you ahead of most employers.

What other employers pay in total

ANNUAL PREMIUM, 2025	SINGLE	FAMILY
U.S. average (KFF)	$9,325	$26,993
Employees' share (KFF)	$1,440	$6,850
Your group plan, 2027 renewal	$10,416	$30,456

MONTHLY ICHRA ALLOWANCE	EMPLOYEE ONLY	WITH DEPENDENTS
U.S. ICHRA employers, average (2026)	$591	$776
Your proposed ICHRA, average	$514	$1,072

Benchmarks are 2023–2025 figures and your renewal is for 2027, so dollar amounts run about two years apart. Compare the shares, not the dollars.

Sources: KFF 2025 Employer Health Benefits Survey (premiums, worker contributions, part-time offer rates). AHRQ MEPS-Insurance Component 2025, private sector, via KFF State Health Facts (U.S. single). Minnesota Department of Health analysis of MEPS-IC, 2023/2024 (Minnesota employee-plus-one and family shares; Minnesota single not published there). PeopleKeep and Remodel Health, 2026 National ICHRA Report (average ICHRA allowances). "ICHRA: employer covers" = allowance as a share of each employee's cheapest silver or gold premium, averaged.

07 · WAYS TO SET UP AN ICHRA

The decisions that shape cost and fairness

How the allowance is set, priced for this census

STRUCTURE	EMPLOYER COST / YEAR	VS. RENEWAL	PASS AFFORDABILITY
Age-based + family add-on (recommended) Class base × federal age curve, plus a flat amount per dependent tier	$641,910	**–$77,792**	72 of 72
Flat by class + family add-on One amount for every age in a class, set high enough for the oldest employee	$956,280	**+$236,578**	72 of 72
Age-based, employee only Same age schedule, no dependent add-on; families pay the rest	$480,150	**–$239,552**	72 of 72
Minimum affordable (poverty-line test) Lowest age-based schedule that passes for every employee	$608,807	**–$110,895**	72 of 72

Flat amounts must be high enough for the oldest employee in each class, so younger employees are overpaid. Employee-only saves $161,760 a year but shifts it all onto the 25 employees who cover family. All structures include administration.

DECISION	OPTIONS	FOR SAMPLE EMPLOYER CO.
What it pays for	Premiums only, or premiums plus out-of-pocket medical costs (deductibles, copays)	Premiums only: simpler and predictable
Who is eligible	Classes (section 09); a waiting period of up to 90 days for new hires	Three classes; eligible the first of the month after hire
Who runs it, how money moves	Self-service software, a broker portal, an administrator or a full-service firm; reimbursement or direct pay	See section 08
The rest of the premium	Employee pays after tax, or pre-tax through a Section 125 cafeteria plan (off-exchange plans only)	Offer pre-tax: see below

Paying the difference pre-tax: Section 125

When a plan costs more than the allowance, the employee pays the difference. If the employer's cafeteria plan allows it, that difference comes out of payroll **before tax**.

The catch: only plans bought **off** MNsure qualify. The tax code bars running exchange-plan premiums through a cafeteria plan (IRC §125(f)(3)). The employer needs a Section 125 plan document that allows it; the administrator handles payroll.

Off-exchange premium	$620.00
Allowance	–$470.00
Employee pays, pre-tax	**$150.00**
Employee tax saved (~25%)	**$37.50/mo · $450/yr**
Employer payroll tax saved (7.65%)	**$11.48/mo · $138/yr**

Example only. Tax rate assumes the 12% federal bracket, 7.65% Social Security and Medicare, and Minnesota's 5.35% lowest bracket.

08 · WAYS TO DELIVER IT: SERVICE MODELS AND PRICING

Who runs the ICHRA, and what it costs

An ICHRA needs someone to send notices, collect proof of coverage, move the money and keep records. Here are the common models, with published prices, applied to Sample Employer Co.'s 72 eligible employees.

MODEL	TYPICAL PUBLISHED PRICE	BEST FIT	COST / YEAR HERE	YEAR-1 SAVINGS LEFT
Self-service software The employer runs it; software handles notices, proof and payments	$20–25 PEPM + $40–50/mo base; some add ~$150 setup	Small, simple groups with HR to run it	$22,350	$85,682
Broker-channel portal The broker's own platform: quoting, enrollment and admin in one place	~$25 per participating employee + ~$100/mo	One point of contact for design and service	$22,800	$85,232
Broker-partnered administrator Dedicated administrator with large-employer compliance (affordability tracking, 1095-C)	$30–40 PEPM + ~$100/mo per 50 employees; broker pay built in	Large employers like this one	$36,960	$71,072
Full-service (white-glove) Personal design, onboarding and one-on-one shopping help	~$120 PEPM	Many first-time individual-market buyers	$103,680	$4,352
Payroll or PEO bundle Added to an existing payroll, HR or PEO contract	Varies; often inside the payroll or PEO fee	One vendor for payroll and benefits	Varies	—

Assumes all 72 employees take part. "Savings left": year-1 savings with this model's cost in place of the $35.00 PEPM estimate used elsewhere. Published prices, Nov. 2026; quotes vary by group size and state.

How administrators charge

- **Per employee per month (PEPM).** Check whether it counts every eligible employee, only those who enroll, or a minimum number of seats.
- **Platform or base fee.** A flat monthly charge, sometimes scaled per 50 employees.
- **Setup fee.** One-time, often waived for broker-placed groups.

How the broker is paid (get all three in writing)

- **Built into the administrator's fee:** a few dollars of the PEPM go to the broker.
- **Carrier commissions** on the individual policies employees buy, where carriers pay them.
- **A consulting fee** billed to the employer instead of, or on top of, the above.

How premiums get paid

PAYMENT MODEL	HOW IT WORKS	TRADE-OFF
Reimbursement	The employee pays the carrier, uploads proof, and is repaid tax-free on payroll	Simple; the employee fronts the premium for a few weeks
Direct pay	The administrator pays the carrier from employer funds; the employee pays only any difference	No out-of-pocket gap; not every carrier supports it

09 · RECOMMENDED ALLOWANCE DESIGN

Allowances by class, age and family size

Each class gets one schedule. Allowances rise with age on the federal default age curve, which stays within the 3:1 limit, plus a flat amount for dependents. Everyone in a class gets the same schedule.

Monthly self-only allowance by age

CLASS	EMPLOYEES	AGE 21	AGE 30	AGE 40	AGE 50	AGE 60	AGE 64
Full-time salaried	24	$360.00	$408.60	$460.08	$642.96	$977.04	$1,080.00
Full-time hourly	38	$345.00	$391.58	$440.91	$616.17	$936.33	$1,035.00
Part-time	10	$335.00	$380.23	$428.13	$598.31	$909.19	$1,005.00

Dependent add-on (per month)

CLASS	+1 DEPENDENT	+2 OR MORE	CLASS BUDGET / MONTH
FT salaried	$380	$720	$18,125.00
FT hourly	$380	$720	$27,005.44
Part-time	$280	$520	$5,842.02
All classes			**$50,972.46**

Why not the minimum?

The lowest schedule that keeps everyone affordable costs $608,807 a year, $33,102 less than recommended. The difference buys a cushion: a move to a pricier county or an older new hire won't push anyone over the limit.

Class design

CLASS	WHO IS IN IT	AGE-21 BASE	MINIMUM BASE	SMALLEST CUSHION
Full-time salaried	Full-time employees paid on salary	$360.00	$314.00	$106.76
Full-time hourly	Full-time employees paid hourly	$345.00	$325.00	$59.88
Part-time	Employees averaging under 30 hours a week	$335.00	$332.00	$10.17

Minimum base: the lowest age-21 allowance at which every employee in the class still passes. Smallest cushion: how far the closest employee sits below the $135.93 limit.

10 · AFFORDABILITY

Every employee passes the 2027 affordability test

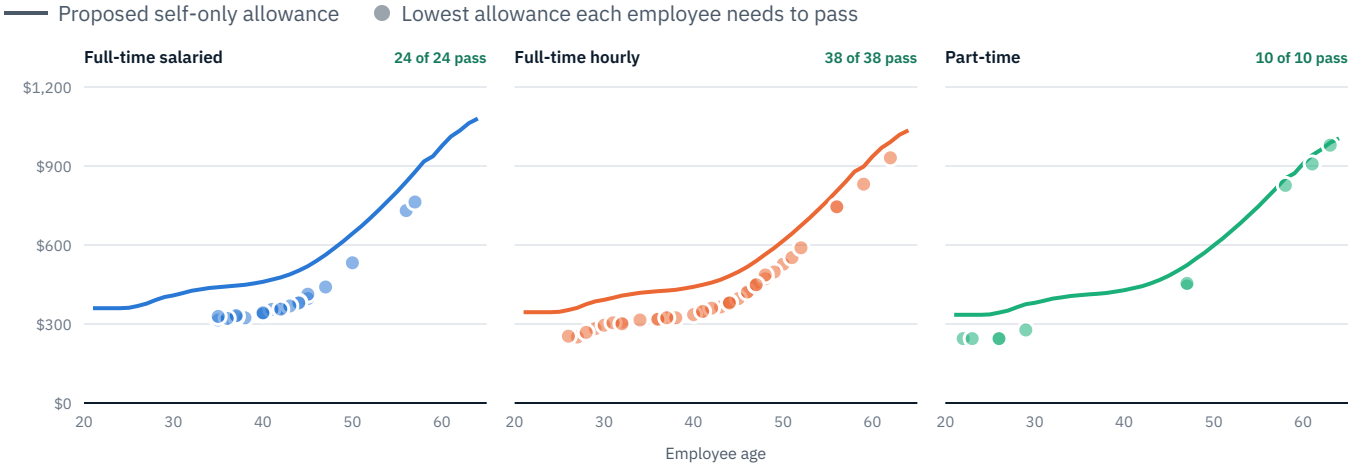
An allowance is affordable when the employee's cost for the cheapest silver plan where they live, after the self-only allowance, is no more than the safe-harbor limit.

Safe-harbor limit (2027 plan years)
$15,960 × 10.22% ÷ 12 = $135.93 per month
Test for each employee
cheapest silver − self-only allowance ≤ $135.93

$15,960 is the 2026 HHS poverty guideline for one person (48 states and DC). 10.22% is the IRS required contribution percentage for plan years beginning in 2027 (Rev. Proc. 2026-26). Passing at the poverty line makes the offer affordable at any household income, so no employee can turn it down in favor of premium tax credits.

CLASS	EMPLOYEES	AVG. ALLOWANCE (SELF-ONLY)	AVG. CHEAPEST SILVER	AVG. EMPLOYEE COST	HIGHEST EMPLOYEE COST	RESULT
FT salaried	24	$511.88	$529.83	$17.96	$29.17	24 of 24
FT hourly	38	$516.99	$558.40	$41.42	$76.05	38 of 38
Part-time	10	$556.20	$622.49	$66.29	$125.76	10 of 10
All employees	**72**				**limit $135.93**	72 of 72

Proposed allowance vs. the minimum each employee needs



Every dot sits below its class line, so every employee passes; the gap is that employee's cushion. Premiums are 2027 self-only cheapest-silver rates at each employee's home ZIP code. Detail by employee: Appendix A.

11 · WHAT DRIVES AFFORDABILITY

Age, address, class and the test you choose

Four things decide whether an allowance passes. They explain where this design has room and where it is tight.

1 · Age: the biggest driver

The cheapest silver premium for the oldest employee ($1,114.68) is about three times the youngest's ($380.20). An age-based allowance tracks this; a flat one has to be set for the oldest person.

2 · Address

At age 40 the cheapest silver runs from $471.45 in Ramsey to $485.90 in Dakota County. The test uses each employee's home ZIP, so a move can change the result.

3 · Class base

Part-time employees have the lowest base ($335.00 at 21), so they sit closest to the limit. They don't count toward employer-mandate penalties, but their tax-credit eligibility still turns on it.

4 · Which safe harbor

The poverty-line limit is $135.93 for everyone. Using pay instead gives each employee a higher limit: $252.43–$451.72 for full-time hourly and $498.23–$1,166.78 for salaried.

Closest to the limit

ID	CLASS	AGE	COUNTY	CHEAPEST SILVER	ALLOWANCE	EMPLOYEE COST	CUSHION
E-066	Part-time	63	Anoka	$1,114.68	$988.92	$125.76	$10.17
E-063	Part-time	58	Anoka	$962.12	$853.58	$108.54	$27.39
E-067	Part-time	61	Hennepin	$1,043.63	$941.35	$102.28	$33.65
E-048	FT hourly	56	Anoka	$880.94	$804.89	$76.05	$59.88
E-050	FT hourly	56	Anoka	$880.94	$804.89	$76.05	$59.88
E-045	FT hourly	62	Hennepin	$1,067.03	$991.19	$75.84	$60.09

Your group plan relies on pay, not the poverty line

Employees pay $173.60 a month for employee-only coverage today. That is above the $135.93 poverty-line limit, so the group plan passes only under the rate-of-pay or W-2 test (anyone earning at least $13.07 an hour). It works, but it needs payroll data every year.

What if the ICHRA used pay too?

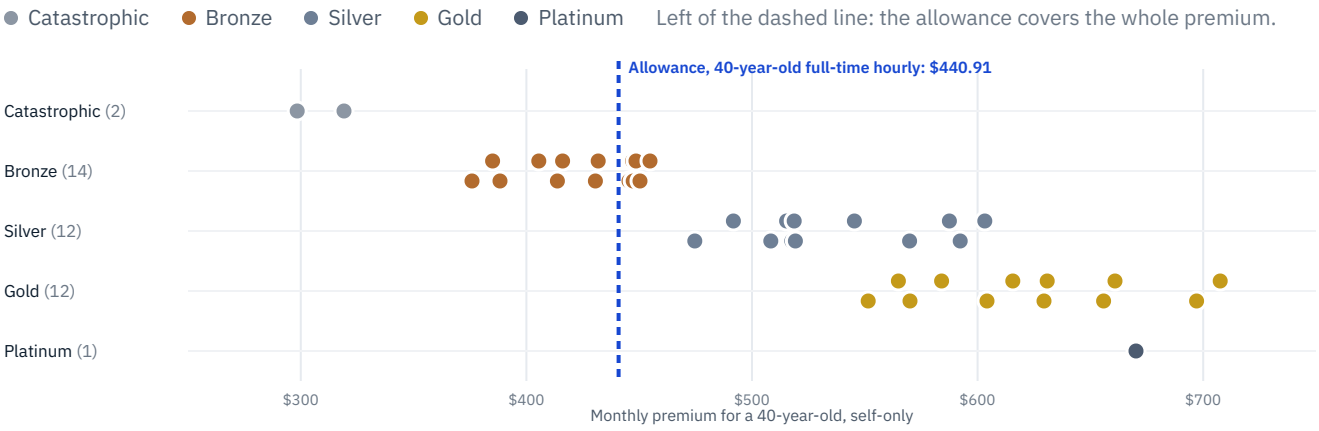
The lowest affordable budget would fall from $608,807 to $438,999 a year, and salaried employees could legally get $0. We don't recommend it: the poverty-line test needs no payroll data and is affordable at any household income.

12 · THE MARKETPLACE AT A GLANCE

178 plans from 6 carriers where your employees live

COUNTY	EMP.	CARRIERS	PLANS	CATAS.	BRONZE	SILVER	GOLD	PLAT.	OFF-EXCH. ONLY	HMO / EPO / PPO	RANGE, AGE 40
Hennepin	27	6	**41**	2	14	12	12	1	9	22 / 14 / 5	$376–$708
Ramsey	18	6	**38**	2	13	11	11	1	8	23 / 12 / 3	$382–$702
Dakota	10	5	**34**	2	12	10	10	—	7	23 / 7 / 4	$393–$729
Washington	10	5	**33**	2	11	10	10	—	6	23 / 8 / 2	$387–$696
Anoka	7	5	**32**	2	11	10	9	—	6	20 / 9 / 3	$392–$716

Every plan in Hennepin County, by price for a 40-year-old



Featured plans, Hennepin County

PLAN	METAL	NETWORK	SOLD	DEDUCTIBLE	OUT-OF-POCKET MAX	PREMIUM, AGE 40	EMPLOYEE PAYS*
Example Health Bronze 7500 HSA · HSA	Bronze	HMO	Both	$7,500	$7,500	$375.92	**$0**
Sample Care Bronze 6000	Bronze	EPO	MNsure	$6,000	$9,200	$388.26	**$0**
Example Health Silver 3500	Silver	HMO	Both	$3,500	$9,000	$474.65	**$33.74**
Sample Care Silver HSA 3000 · HSA	Silver	EPO	MNsure	$3,000	$7,000	$491.74	**$50.83**
Demo Mutual Silver Value	Silver	PPO	Off-exchange	$4,000	$9,200	$508.35	**$67.44**
Northfield Example Silver 2500	Silver	HMO	MNsure	$2,500	$8,500	$519.27	**$78.36**
Example Health Gold 1000	Gold	HMO	Both	$1,000	$6,000	$551.54	**$110.63**
Sample Care Gold 1500	Gold	EPO	MNsure	$1,500	$6,500	$570.05	**$129.14**
Demo Mutual Gold PPO 750	Gold	PPO	Off-exchange	$750	$5,500	$615.62	**$174.71**
Northfield Example Platinum 0	Platinum	HMO	Off-exchange	$0	$4,000	$670.21	**$229.30**

*After the $440.91 allowance for a 40-year-old full-time hourly employee, self-only. 8 of 41 Hennepin plans cost that employee nothing. Catastrophic plans are open only to people under 30 or with a hardship exemption. Source: CHOICE Arrangement Deck Plan Data, Minnesota, 2027 plan year, retrieved Nov 23, 2026. Sample: plan names, counts and premiums are fictional.

13 · ENROLLMENT AND THE EMPLOYEE EXPERIENCE

Where employees shop, and what they see

Where employees enroll

Employees shop, enroll and upload proof of coverage at **[Enrollment portal]**. Your Agency sets up the employer's account, loads the census and allowances, and supports employees through enrollment. Employees who prefer can buy directly from a carrier or on MNsure and submit proof of coverage there.

What employees will see when they shop

Their allowance, up front
The monthly amount, and what it covers on every plan in their ZIP code.

Plans that keep their doctors and drugs
Network and formulary checks against the providers and prescriptions they enter.

Cost after the allowance
Premium minus allowance for each plan, with pre-tax payroll shown for off-exchange plans.

Help from Your Agency
Licensed agents walk employees through plan selection and enrollment, on or off MNsure.

Doctor check

41 employees listed their doctors. On the cheapest silver plan in their county, **30** keep every doctor they listed.

The other 11 will see which plans keep their doctors when they shop. Results by employee: Appendix A.

Why the plan data matters

Minnesota runs its own exchange, MNsure, so its plans are not in HealthCare.gov's plan data. Off-exchange plans are in no exchange file at all. This analysis tests affordability against every plan sold in each county, off-exchange plans included.

What employees do

- **Read the notice.** It states their allowance and how the ICHRA affects premium tax credits. Every eligible employee gets it by Jan 1, 2027.
- **Choose a plan** at **[Enrollment portal]**, with help from Your Agency. Being offered an ICHRA opens a special enrollment period, so coverage can start Apr 1, 2027.
- **Show proof of coverage** before the first reimbursement.
- **Get paid back** up to the allowance each month, or the premium is paid directly to the carrier.

14 · RISK AND SAFEGUARDS

What could go wrong, and what protects you

Employer-mandate penalties, 2027

SITUATION	PENALTY	YOUR EXPOSURE
No coverage offered to full-time employees (IRC §4980H(a))	$3,780 a year for each full-time employee after the first 30	$120,960 a year
Coverage offered but unaffordable, and the employee gets a premium tax credit (§4980H(b))	$5,670 a year for each such employee, capped at the (a) amount	$5,670 per employee
The recommended design	**Every full-time employee gets an affordable offer**	**$0**

WHAT COULD HAPPEN	WHAT PROTECTS YOU
An employee moves to a pricier ZIP code	The schedule passes for an employee of any age in any of these five counties. The administrator re-tests on address changes.
An older employee is hired	Allowances follow the age curve automatically. Worst case at 64: full-time salaried $60.61, hourly $105.61, part-time **$135.61** against the $135.93 limit. Raise the part-time base by $5 for a real cushion.
Premiums rise next year	With an April plan year, next year's individual rates are public in the fall, before notices are due on January 1. Re-test and adjust allowances each year.
A carrier leaves the market	Employees pick another plan at open enrollment; the allowance doesn't change.
An employee turns the offer down	Because the offer is affordable, they can't claim premium tax credits instead, so no penalty follows.
Paperwork mistakes	The administrator handles notices, proof of coverage, reimbursements and year-end records. Ask for its security audit (SOC 2) and error guarantees.

Can we go back to a group plan?

Yes, at the start of any plan year. With 72 employees you are in Minnesota's large-group market, where carriers price on your census and claims, so expect a new quote rather than today's rates. Employees keep their individual plans through the end of that plan year.

15 · IMPLEMENTATION

From decision to an April 1 start

The notice deadline drives the schedule: to start on April 1, 2027, employees must have their written notice by January 1, 2027.

Nov 23, 2026 — **Options delivered**
Review the options with your advisors and leadership (brief: section 16).

Dec 11, 2026 — **Choose an option**
If B or C: confirm classes and allowances, pick an administrator, set up [Enrollment portal].

Dec 18, 2026 — **Sign plan documents**
ICHRA plan document and summary plan description. Amend the cafeteria plan for pre-tax off-exchange premiums.

Jan 1, 2027 — **Employee notices go out**
Written notice to every eligible employee, at least 90 days before the plan year. Give the group carrier notice of termination as the contract requires.

Jan – Mar 2027 — **Education and shopping**
Employee sessions, then plan selection. The ICHRA offer opens a special enrollment period, so coverage can start April 1.

Mar 31, 2027 — **Group plan ends**
Last day of group coverage (options B and C; salaried stay on it in C).

Apr 1, 2027 — **Allowances begin**
Individual coverage starts. Premiums are reimbursed monthly or paid directly after proof of coverage.

Each plan year — **Re-test and renew**
New rates, new IRS percentage and census changes. Re-test affordability and adjust allowances.

What the employer does

- Choose an option and approve the design
- Sign plan documents
- Send the census updates as people join or leave
- Fund allowances each month

What the administrator handles

- Notices, attestations and proof of coverage
- Monthly reimbursement or direct premium payment
- Year-end records for ACA reporting (Forms 1094-C and 1095-C)

COMPLIANCE AND NEXT STEPS

Rules this design is built to meet

Employer mandate

With 62 full-time employees, Sample Employer Co. is an applicable large employer. An affordable ICHRA offered to all full-time employees and their dependents satisfies IRC §4980H. Part-time employees don't count toward penalties.

Safe harbor used

Federal poverty line: 10.22% of $15,960, or $135.93 a month, for plan years beginning in 2027. W-2 wages and rate of pay are the other permitted safe harbors.

Where affordability is measured

At each employee's home ZIP code, which also governs premium tax credit eligibility. IRS proposed regulations let large employers use the primary worksite instead.

Self-only test

Compares the self-only cheapest-silver premium with the self-only allowance. Dependent add-ons don't count.

Classes and age

Full-time salaried, full-time hourly and part-time are permitted classes. Same terms within a class; age-based amounts within a 3:1 ratio. Minimum class sizes apply only in a hybrid (section 02).

Notice

Written ICHRA notice to each eligible employee at least 90 days before the plan year: by January 1, 2027.

Proof of coverage

Employees must show enrollment in individual coverage (or Medicare) before the first reimbursement and confirm it with each claim.

Premium tax credits

Employees offered an affordable ICHRA can't get premium tax credits, even if they decline it. Anyone who accepts an ICHRA can't get them either.

ERISA and plan selection

The ICHRA is an ERISA plan with a plan document and SPD. The employer must not select or endorse plans; broker help with plan selection is fine.

Fees, reporting, Section 125

Annual PCORI fee (IRS Form 720); Forms 1094-C/1095-C. Pre-tax payroll only for off-exchange premiums (IRC §125(f)(3)).

Authorities: 26 CFR 54.9802-4 and 1.36B-2(c)(5); IRC §§4980H and 125(f)(3); Rev. Procs. 2026-22 and 2026-26; 2026 HHS poverty guidelines (91 FR 1797). Summary only; not tax or legal advice.

Next steps

- Confirm the census: hire dates, hours, pay, home ZIP codes and dependents.
- Choose option A, B or C, or ask for another scenario.
- Select an ICHRA administrator and payment method.
- Sign plan documents by Dec 18, 2026; notices go out by Jan 1, 2027.
- Schedule employee education sessions for January.

QUESTIONS

Bodhi
Benefits Advisor, Your Agency

bodhi@example.com
(612) 555-0142

16 · FOR YOUR LEADERSHIP TEAM

One-page brief: 2027 health benefits decision

For the owner, CFO and anyone else who signs off. Built to be forwarded on its own.

THE DECISION

Renew the group plan, move to a CHOICE Arrangement (ICHRA), or split the two, for the plan year starting April 1, 2027. We need a decision by Dec 11, 2026 to meet the Jan 1, 2027 notice deadline.

THE NUMBERS

OPTION	EMPLOYER, YEAR 1	3 YEARS	PEOPLE COVERED
A · Renew	$719,702	$2,359,256	62
B · ICHRA (recommended)	**$641,910**	**$2,038,032**	72
C · Hybrid	$704,050	$2,265,091	72

WHY B

Saves $77,792 in year one and $321,224 over three years. Future increases are set by us, not the carrier. Adds coverage for 10 part-time employees.

EMPLOYEES

53 of 62 full-time employees pay less than today even on a gold plan. 9 older employees with families would pay more for gold; we can raise the family allowance for about $14,400 a year per $100 a month.

MARKET

Our single coverage is in line with the market today; our family coverage costs employees more than the Minnesota average. The ICHRA closes that gap.

RISK

Every allowance passes the IRS affordability test, so penalty exposure is $0 (versus up to $120,960 a year if we offered nothing). We can return to a group plan at any plan-year start, at a new quote.

WHAT IT TAKES

Plan documents in December, employee notices by Jan 1, 2027, enrollment January–March, about $35.00 per employee per month for administration.

THE ASK

Approve option B and the allowance budget of $611,670 a year.

17 · EMPLOYEE HANDOUT (TEMPLATE)

Your health benefit is changing on April 1, 2027

Sample Employer Co. will give you a monthly allowance to buy the individual health plan you choose. You pick the plan, the network and the carrier. The plan is yours, even if you leave.

Your monthly allowance

YOUR GROUP	AGE 30	AGE 40	AGE 50	AGE 60	FAMILY ADD-ON (+1 / +2 OR MORE)
Full-time salaried	$408.60	$460.08	$642.96	$977.04	+$380 / +$720
Full-time hourly	$391.58	$440.91	$616.17	$936.33	+$380 / +$720
Part-time	$380.23	$428.13	$598.31	$909.19	+$280 / +$520

How do I sign up?

Go to **[Enrollment portal]** between January and March 2027. Compare plans, pick one, and upload proof of coverage. Coverage starts Apr 1, 2027.

What if my plan costs more than my allowance?

You pay the difference. If you buy off MNsure, you can pay it through payroll before taxes.

Can I get a tax credit from MNsure instead?

No. Because your allowance meets the federal affordability rules, you can't get premium tax credits, even if you turn the allowance down.

How do I get paid back?

Upload your premium receipt each month, or have the premium paid directly to your carrier. Either way, you're covered from day one.

Can I keep my doctor?

Enter your doctors and prescriptions when you shop. Plans that cover them are marked.

What if it costs less?

You get the plan for the premium. Unused allowance isn't paid out.

What about my family?

Your allowance includes an extra amount if you cover a spouse or children. You can buy one plan for the whole family or separate plans.

Who can help?

Licensed agents at Your Agency: (612) 555-0142. Questions about eligibility: **[HR contact]**.

Template for Sample Employer Co. to send to employees. Replace bracketed items before sending. This handout does not replace the required written ICHRA notice.

APPENDIX A · EMPLOYEE DETAIL

Employee-by-employee results

Every employee in the census. Employee cost = cheapest silver (self-only) minus the self-only allowance, the figure tested against $135.93. Household cost = what the employee would pay for the cheapest silver plan covering everyone in their household, after the total allowance. LCSP = lowest-cost silver plan.

ID	CLASS	AGE	ZIP · COUNTY	COVERAGE	ALLOWANCE, SELF-ONLY	ALLOWANCE, TOTAL	LCSP, SELF-ONLY	EMPLOYEE COST	TEST	HOUSEHOLD COST	DOCTORS KEPT
E-001	FT salaried	56	55416 · Hennepin	EE + 1	$839.88	$1,219.88	$866.48	$26.60	Pass	$592.93	2 of 2
E-002	FT salaried	42	55401 · Hennepin	EE	$477.00	$477.00	$492.11	$15.11	Pass	$15.11	1 of 1
E-003	FT salaried	45	55104 · Ramsey	EE	$519.84	$519.84	$532.69	$12.85	Pass	$12.85	—
E-004	FT salaried	36	55118 · Dakota	EE	$442.80	$442.80	$467.65	$24.85	Pass	$24.85	—
E-005	FT salaried	42	55125 · Washington	EE + 2+	$477.00	$1,197.00	$495.68	$18.68	Pass	$718.39	—
E-006	FT salaried	40	55305 · Hennepin	EE	$460.08	$460.08	$474.65	$14.57	Pass	$14.57	0 of 1
E-007	FT salaried	45	55118 · Dakota	EE + 2+	$519.84	$1,239.84	$549.01	$29.17	Pass	$461.18	0 of 1
E-008	FT salaried	36	55407 · Hennepin	EE	$442.80	$442.80	$456.82	$14.02	Pass	$14.02	0 of 1
E-009	FT salaried	41	55434 · Anoka	EE	$468.72	$468.72	$491.64	$22.92	Pass	$22.92	—
E-010	FT salaried	38	55101 · Ramsey	EE	$448.56	$448.56	$459.65	$11.09	Pass	$11.09	—
E-011	FT salaried	35	55105 · Ramsey	EE + 2+	$439.92	$1,159.92	$450.80	$10.88	Pass	$137.51	—
E-012	FT salaried	47	55106 · Ramsey	EE	$562.68	$562.68	$576.59	$13.91	Pass	$13.91	—
E-013	FT salaried	44	55369 · Hennepin	EE	$502.92	$502.92	$518.85	$15.93	Pass	$15.93	—
E-014	FT salaried	37	55016 · Washington	EE + 2+	$445.68	$1,165.68	$463.14	$17.46	Pass	$0.00	—
E-015	FT salaried	37	55304 · Anoka	EE	$445.68	$445.68	$467.47	$21.79	Pass	$21.79	2 of 2
E-016	FT salaried	40	55407 · Hennepin	EE + 1	$460.08	$840.08	$474.65	$14.57	Pass	$126.68	2 of 2
E-017	FT salaried	44	55104 · Ramsey	EE + 1	$502.92	$882.92	$515.35	$12.43	Pass	$112.74	1 of 1
E-018	FT salaried	36	55343 · Hennepin	EE + 2+	$442.80	$1,162.80	$456.82	$14.02	Pass	$146.38	—
E-019	FT salaried	57	55108 · Ramsey	EE	$877.32	$877.32	$899.01	$21.69	Pass	$21.69	1 of 1
E-020	FT salaried	43	55345 · Hennepin	EE	$488.52	$488.52	$503.99	$15.47	Pass	$15.47	—
E-021	FT salaried	35	55118 · Dakota	EE + 2+	$439.92	$1,159.92	$464.60	$24.68	Pass	$36.18	—
E-022	FT salaried	40	55128 · Washington	EE	$460.08	$460.08	$478.10	$18.02	Pass	$18.02	1 of 1
E-023	FT salaried	50	55016 · Washington	EE + 1	$642.96	$1,022.96	$668.14	$25.18	Pass	$375.42	2 of 2
E-024	FT salaried	42	55369 · Hennepin	EE	$477.00	$477.00	$492.11	$15.11	Pass	$15.11	—
E-025	FT hourly	43	55105 · Ramsey	EE + 1	$468.17	$848.17	$500.60	$32.43	Pass	$229.02	2 of 2
E-026	FT hourly	50	55407 · Hennepin	EE	$616.17	$616.17	$663.32	$47.15	Pass	$47.15	2 of 2
E-027	FT hourly	37	55082 · Washington	EE	$427.11	$427.11	$463.14	$36.03	Pass	$36.03	1 of 2
E-028	FT hourly	38	55117 · Ramsey	EE	$429.87	$429.87	$459.65	$29.78	Pass	$29.78	0 of 1
E-029	FT hourly	59	55408 · Hennepin	EE + 2+	$898.04	$1,618.04	$966.75	$68.71	Pass	$1,147.40	1 of 1
E-030	FT hourly	47	55124 · Dakota	EE	$539.24	$539.24	$594.25	$55.01	Pass	$55.01	—
E-031	FT hourly	29	55128 · Washington	EE	$386.06	$386.06	$418.62	$32.56	Pass	$32.56	2 of 2
E-032	FT hourly	27	55104 · Ramsey	EE	$361.56	$361.56	$386.61	$25.05	Pass	$25.05	2 of 2
E-033	FT hourly	46	55105 · Ramsey	EE + 1	$517.50	$897.50	$553.35	$35.85	Pass	$144.64	—

APPENDIX A · EMPLOYEE DETAIL (CONTINUED)

ID	CLASS	AGE	ZIP · COUNTY	COVERAGE	ALLOWANCE, SELF-ONLY	ALLOWANCE, TOTAL	LCSP, SELF-ONLY	EMPLOYEE COST	TEST	HOUSEHOLD COST	DOCTORS KEPT
E-034	FT hourly	44	55305 · Hennepin	EE	$481.97	$481.97	$518.85	$36.88	Pass	$36.88	1 of 1
E-035	FT hourly	41	55105 · Ramsey	EE	$449.19	$449.19	$480.31	$31.12	Pass	$31.12	1 of 2
E-036	FT hourly	30	55123 · Dakota	EE	$391.58	$391.58	$431.53	$39.95	Pass	$39.95	1 of 1
E-037	FT hourly	49	55408 · Hennepin	EE + 1	$588.57	$968.57	$633.61	$45.04	Pass	$0.00	—
E-038	FT hourly	32	55082 · Washington	EE + 2+	$408.14	$1,128.14	$442.56	$34.42	Pass	$343.94	2 of 2
E-039	FT hourly	31	55068 · Dakota	EE + 2+	$399.86	$1,119.86	$440.65	$40.79	Pass	$367.10	1 of 1
E-040	FT hourly	45	55104 · Ramsey	EE	$498.18	$498.18	$532.69	$34.51	Pass	$34.51	—
E-041	FT hourly	34	55403 · Hennepin	EE	$418.83	$418.83	$450.88	$32.05	Pass	$32.05	—
E-042	FT hourly	48	55408 · Hennepin	EE	$564.08	$564.08	$607.24	$43.16	Pass	$43.16	—
E-043	FT hourly	36	55305 · Hennepin	EE	$424.35	$424.35	$456.82	$32.47	Pass	$32.47	—
E-044	FT hourly	26	55118 · Dakota	EE	$353.28	$353.28	$389.32	$36.04	Pass	$36.04	1 of 1
E-045	FT hourly	62	55416 · Hennepin	EE	$991.19	$991.19	$1,067.03	$75.84	Pass	$75.84	—
E-046	FT hourly	44	55410 · Hennepin	EE + 2+	$481.97	$1,201.97	$518.85	$36.88	Pass	$0.00	—
E-047	FT hourly	36	55108 · Ramsey	EE + 1	$424.35	$804.35	$453.75	$29.40	Pass	$120.85	—
E-048	FT hourly	56	55433 · Anoka	EE + 1	$804.89	$1,184.89	$880.94	$76.05	Pass	$433.13	1 of 2
E-049	FT hourly	46	55305 · Hennepin	EE	$517.50	$517.50	$557.10	$39.60	Pass	$39.60	2 of 2
E-050	FT hourly	56	55433 · Anoka	EE + 2+	$804.89	$1,524.89	$880.94	$76.05	Pass	$853.99	—
E-051	FT hourly	51	55126 · Ramsey	EE	$643.43	$643.43	$688.00	$44.57	Pass	$44.57	0 of 1
E-052	FT hourly	47	55082 · Washington	EE	$539.24	$539.24	$584.72	$45.48	Pass	$45.48	0 of 1
E-053	FT hourly	32	55105 · Ramsey	EE + 1	$408.14	$788.14	$436.41	$28.27	Pass	$0.00	—
E-054	FT hourly	48	55118 · Dakota	EE	$564.08	$564.08	$621.63	$57.55	Pass	$57.55	3 of 3
E-055	FT hourly	37	55405 · Hennepin	EE	$427.11	$427.11	$459.79	$32.68	Pass	$32.68	1 of 1
E-056	FT hourly	47	55125 · Washington	EE	$539.24	$539.24	$584.72	$45.48	Pass	$45.48	3 of 3
E-057	FT hourly	42	55042 · Washington	EE	$457.13	$457.13	$495.68	$38.55	Pass	$38.55	1 of 1
E-058	FT hourly	28	55403 · Hennepin	EE	$375.02	$375.02	$403.71	$28.69	Pass	$28.69	—
E-059	FT hourly	52	55345 · Hennepin	EE + 1	$673.44	$1,053.44	$724.97	$51.53	Pass	$396.50	—
E-060	FT hourly	44	55106 · Ramsey	EE	$481.97	$481.97	$515.35	$33.38	Pass	$33.38	—
E-061	FT hourly	40	55126 · Ramsey	EE + 1	$440.91	$820.91	$471.45	$30.54	Pass	$0.00	3 of 3
E-062	FT hourly	41	55369 · Hennepin	EE + 2+	$449.19	$1,169.19	$483.56	$34.37	Pass	$342.41	1 of 1
E-063	Part-time	58	55433 · Anoka	EE	$853.58	$853.58	$962.12	$108.54	Pass	$108.54	—
E-064	Part-time	26	55406 · Hennepin	EE + 1	$343.04	$623.04	$380.31	$37.27	Pass	$41.39	—
E-065	Part-time	29	55108 · Ramsey	EE	$374.87	$374.87	$412.80	$37.93	Pass	$37.93	0 of 1
E-066	Part-time	63	55434 · Anoka	EE	$988.92	$988.92	$1,114.68	$125.76	Pass	$125.76	—
E-067	Part-time	61	55305 · Hennepin	EE	$941.35	$941.35	$1,043.63	$102.28	Pass	$102.28	1 of 1
E-068	Part-time	22	55076 · Dakota	EE	$335.00	$335.00	$380.20	$45.20	Pass	$45.20	1 of 1
E-069	Part-time	47	55369 · Hennepin	EE	$523.61	$523.61	$580.50	$56.89	Pass	$56.89	3 of 3
E-070	Part-time	23	55123 · Dakota	EE	$335.00	$335.00	$380.20	$45.20	Pass	$45.20	2 of 2
E-071	Part-time	47	55434 · Anoka	EE	$523.61	$523.61	$590.19	$66.58	Pass	$66.58	1 of 2
E-072	Part-time	26	55416 · Hennepin	EE	$343.04	$343.04	$380.31	$37.27	Pass	$37.27	1 of 1
All 72 employees · monthly totals · 72 of 72 pass						**$50,972**				**$8,944**	

Coverage: EE = employee only; EE + 1 = one dependent; EE + 2+ = two or more. Doctors kept = listed doctors in network on the cheapest silver plan in their county; — = none listed. Names withheld; IDs match the census file.

APPENDIX B · METHODOLOGY, SOURCES AND DISCLOSURES

How the numbers were built

Plan year	April 1, 2027 – March 31, 2028
Affordability	10.22% (Rev. Proc. 2026-26) of $15,960 (2026 HHS poverty guideline, one person) = $135.93 a month
Premium basis	2027 cheapest silver and cheapest gold premiums at each employee's home ZIP code and age
Allowances	Class base × federal default age curve (3:1 maximum), plus flat dependent add-ons
Group plan	Carrier renewal effective Apr 1, 2027; employer pays 80% of employee-only and 55% of dependent cost
Comparable plan	Group plan assumed near gold level (about 80% actuarial value); confirm with its summary of benefits
Hybrid	Salaried keep the group plan at today's rates (re-quote needed); hourly and part-time move to the ICHRA
Administration	$35.00 per employee per month (estimate)
Three-year trends	Group +9% a year; allowances +6% a year
Penalties	2027 IRC §4980H amounts: $3,780 and $5,670 (Rev. Proc. 2026-22)

Sources

- Census from Sample Employer Co.: class, pay, date of birth, home ZIP, dependents, current tier.
- Individual plans and rates: CHOICE Arrangement Deck Plan Data, Minnesota (MNsure and off-exchange filings), 2027; retrieved Nov 23, 2026.
- IRS Rev. Procs. 2026-26 and 2026-22; 2026 HHS poverty guidelines.
- KFF 2025 Employer Health Benefits Survey; AHRQ MEPS-IC 2025; Minnesota Dept. of Health (MEPS-IC 2023/2024).
- PeopleKeep/Remodel Health 2026 National ICHRA Report; published administrator pricing, Nov. 2026.

What could change the results

- Census changes: hires, departures, moves, birthdays.
- Carrier rate corrections or plan withdrawals before the plan year.
- A re-quote of the group plan for option C.
- Which plans employees actually choose; spending is usually below the maximum budget.

Disclosures

Estimates from the census provided, 2027 individual-market rates, the group renewal and IRS guidance in effect on November 23, 2026. Actual premiums, plan availability, tax treatment and premium tax credit eligibility may differ. Your Agency does not endorse or require any individual plan; employees choose their own coverage. Not tax, legal or insurance advice.

Sample data: the employer, census, group plan, plan names, plan counts and premiums are fictional. Regulatory figures and market benchmarks are real.