

# Minimum Coverage Charts

## Minimum Creditable Coverage (MCC), Minimum Essential Coverage (MEC), Essential Health Benefits (EHBs)



	MASSACHUSETTS HEALTHCARE REFORM	FEDERAL HEALTHCARE REFORM Affordable Care Act (ACA)	
Term	Minimum Creditable Coverage (MCC)	Minimum Essential Coverage (MEC)	Essential Health Benefits (EHBs)
<b>What Is It?</b>	State MCC is the minimum level of benefits that must be included in a person's health insurance plan to satisfy the Massachusetts individual mandate. The Health Connector sets MCC benefit levels and services and issues regulations.	Federal MEC is the minimum standard of coverage necessary to comply with the ACA's individual mandate. Unlike the state's MCC, MEC includes a few broad categories of coverage that satisfy the individual mandate. MEC does not have to include essential health benefits to be minimum essential coverage.	EHBs are required to be offered by small group and nongroup plans starting in 2014. EHBs are not subject to annual and lifetime dollar limits based on the requirements.
<b>Individual Mandate</b>	Adults in Massachusetts are currently required to have health insurance that meets the state's MCC standard or be subject to tax penalties.	Effective 2014, both adults and children will be required to have health insurance that meets federal MEC or be subject to tax penalties.	
<b>Penalties</b>	Based on Federal Poverty Level. May be anywhere from \$158/year to \$1,260/year.	<ul style="list-style-type: none"> <li>• <b>2014</b> – \$95 per uninsured person or 1% of household income over the filing threshold</li> <li>• <b>2015</b> – \$325 per uninsured person or 2% of household income over the filing threshold</li> <li>• <b>2016 and beyond</b> – \$695 per uninsured person or 2.5% of household income over the filing threshold</li> </ul>	
<b>Will an Individual be Subject to Both Penalties?</b>	No, Massachusetts will take a credit approach: if someone owes both state and federal fines, they will not pay both the federal and state fines in full.		