

Guidance for Employers Receiving EMAC Supplement Assessments

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In 2017 we provided several updates on Massachusetts legislation that Governor Charlie Baker signed into law imposing [new fees on employers with 6 or more employees](#). These new fees took effect January 1, 2018 and are scheduled to end in two years. The intent of the legislation is to help offset the state's anticipated \$300 million increase in costs for MassHealth (Massachusetts' Medicaid program).

This alert focuses on the **Employer Medical Assistance Contribution (EMAC) Supplement**. The Massachusetts Department of Unemployment Assistance (DUA) has begun sending determination notices to employers highlighting their assessment (fees) for the first quarter of 2018. We have received calls from clients looking for guidance and explanation around the assessments and how they are determined.

How much is the EMAC Supplement fee?

The fee is equal to 5% of an employee's annual wages, not to exceed \$750 per employee per year.

Which of my employees will this fee apply to?

- If a non-disabled employee has been enrolled in MassHealth for at least 56 consecutive days, you are responsible for the fee.
- If a non-disabled employee has been enrolled on ConnectorCare for at least 56 consecutive days and your coverage is not affordable (your lowest cost plan's self-only contribution exceeds 9.56% of the employee's income) and/or does not meet minimum value, you are responsible for the fee.

I believe my determination notice includes fees for employees that are not applicable to the above scenarios, can I appeal?

As noted in the EMAC supplement determination, appeals must be filed with the DUA within 10 days of receiving the determination notice. Here are several scenarios you may encounter that could be grounds for appeal:

- An employee has been enrolled on your company medical program for the entire quarter; we have had several clients with this scenario.

- An employee has been enrolled on ConnectorCare for at least 56 consecutive days and your coverage is deemed affordable (your lowest cost plan's self-only contribution is below 9.56% of the employee's income) and meets minimum value.

If you intend on filing an appeal, please read Mintz Levin's article below and/or the state's informational documents for further details and items for consideration on the EMAC Supplement.

- [Appealing Massachusetts Employer Medical Assistance Contribution \(EMAC\) Supplement Determinations Based on ConnectorCare Coverage](#) (Mintz Levin)
- [FAQ's: Updates in Employer Health Care Contributions & Experience Rates](#) (mass.gov)
- [Learn about the Employer Medical Assistance Contribution \(EMAC\) Supplement](#) (mass.gov)

As always, contact any member of the [Sullivan Benefits](#) Team with any questions, comments or requests for more information.