

"RATE OF PAY" SAFE HARBOR CHART - CALIFORNIA

AFFORDABILITY FOR PLAN YEARS BEGINNING IN 2023

Hourly Rate	Monthly Salary (Hourly Rate x 130 Hours)	Affordability Amount (9.12% of Monthly Salary)
\$ 15.00	\$ 1,950.00	\$ 177.84
\$ 15.25	\$ 1,982.50	\$ 180.80
\$ 15.50	\$ 2,015.00	\$ 183.76
\$ 15.75	\$ 2,047.50	\$ 186.73
\$ 16.00	\$ 2,080.00	\$ 189.69
\$ 16.25	\$ 2,112.50	\$ 192.66
\$ 16.50	\$ 2,145.00	\$ 195.62
\$ 16.75	\$ 2,177.50	\$ 198.58
\$ 17.00	\$ 2,210.00	\$ 201.55
\$ 17.25	\$ 2,242.50	\$ 204.51
\$ 17.50	\$ 2,275.00	\$ 207.48
\$ 17.75	\$ 2,307.50	\$ 210.44
\$ 18.00	\$ 2,340.00	\$ 213.40
\$ 18.25	\$ 2,372.50	\$ 216.37
\$ 18.50	\$ 2,405.00	\$ 219.33
\$ 18.75	\$ 2,437.50	\$ 222.30
\$ 19.00	\$ 2,470.00	\$ 225.26
\$ 19.25	\$ 2,502.50	\$ 228.22
\$ 19.50	\$ 2,535.00	\$ 231.19
\$ 19.75	\$ 2,567.50	\$ 234.15
\$ 20.00	\$ 2,600.00	\$ 237.12
\$ 20.25	\$ 2,632.50	\$ 240.08
\$ 20.50	\$ 2,665.00	\$ 243.04
\$ 20.75	\$ 2,697.50	\$ 246.01
\$ 21.00	\$ 2,730.00	\$ 248.97
\$ 21.25	\$ 2,762.50	\$ 251.94
\$ 21.50	\$ 2,795.00	\$ 254.90
\$ 21.75	\$ 2,827.50	\$ 257.86
\$ 22.00	\$ 2,860.00	\$ 260.83
\$ 22.25	\$ 2,892.50	\$ 263.79
\$ 22.50	\$ 2,925.00	\$ 266.76

Hourly Rate	Monthly Salary (Hourly Rate x 130 Hours)	Affordability Amount (9.12% of Monthly Salary)
\$ 22.75	\$ 2,957.50	\$ 269.72
\$ 23.00	\$ 2,990.00	\$ 272.68
\$ 23.25	\$ 3,022.50	\$ 275.65
\$ 23.50	\$ 3,055.00	\$ 278.61
\$ 23.75	\$ 3,087.50	\$ 281.58
\$ 24.00	\$ 3,120.00	\$ 284.54
\$ 24.25	\$ 3,152.50	\$ 287.50
\$ 24.50	\$ 3,185.00	\$ 290.47
\$ 24.75	\$ 3,217.50	\$ 293.43
\$ 25.00	\$ 3,250.00	\$ 296.40
\$ 25.25	\$ 3,282.50	\$ 299.36
\$ 25.50	\$ 3,315.00	\$ 302.32
\$ 25.75	\$ 3,347.50	\$ 305.29
\$ 26.00	\$ 3,380.00	\$ 308.25
\$ 26.25	\$ 3,412.50	\$ 311.22
\$ 26.50	\$ 3,445.00	\$ 314.18
\$ 26.75	\$ 3,477.50	\$ 317.14
\$ 27.00	\$ 3,510.00	\$ 320.11
\$ 27.25	\$ 3,542.50	\$ 323.07
\$ 27.50	\$ 3,575.00	\$ 326.04
\$ 27.75	\$ 3,607.50	\$ 329.00
\$ 28.00	\$ 3,640.00	\$ 331.96
\$ 28.25	\$ 3,672.50	\$ 334.93
\$ 28.50	\$ 3,705.00	\$ 337.89
\$ 28.75	\$ 3,737.50	\$ 340.86
\$ 29.00	\$ 3,770.00	\$ 343.82
\$ 29.25	\$ 3,802.50	\$ 346.78
\$ 29.50	\$ 3,835.00	\$ 349.75
\$ 29.75	\$ 3,867.50	\$ 352.71
\$ 30.00	\$ 3,900.00	\$ 355.68

For employees that make more than \$30/hour please reference Word & Brown's Affordability Calculator to determine affordability based on the "Rate of Pay" Safe Harbor.

If an Applicable Large Employer (ALE) uses the "Rate of Pay" Safe Harbor to determine affordability under the ACA's Employer Mandate, a Full-Time (FT) employee's coverage is considered "affordable" – for plan years beginning in 2023 – if the lowest cost, self-only coverage option offered by the ALE does not exceed 9.12% of the employee's monthly rate of pay, calculated at 130 hours per month. ACA law requires employers to use 130 hours per month in this calculation, even if the employee works additional hours – including overtime. Under most circumstances, ALEs should use employees' rates of pay at the beginning of the plan year when using this Safe Harbor.