

RATE OF PAY AFFORDABILITY CHART: CALIFORNIA 2020

Hourly Rate	Monthly Salary (Hourly Rate x 130 Hours)	Affordability Amount (9.78% of Monthly Salary)
\$ 12.00	\$ 1,560.00	\$ 152.56
\$ 12.25	\$ 1,592.50	\$ 155.74
\$ 12.50	\$ 1,625.00	\$ 158.92
\$ 12.75	\$ 1,657.50	\$ 162.10
\$ 13.00	\$ 1,690.00	\$ 165.28
\$ 13.25	\$ 1,722.50	\$ 168.46
\$ 13.50	\$ 1,755.00	\$ 171.63
\$ 13.75	\$ 1,787.50	\$ 174.81
\$ 14.00	\$ 1,820.00	\$ 177.99
\$ 14.25	\$ 1,852.50	\$ 181.17
\$ 14.50	\$ 1,885.00	\$ 184.35
\$ 14.75	\$ 1,917.50	\$ 187.53
\$ 15.00	\$ 1,950.00	\$ 190.71
\$ 15.25	\$ 1,982.50	\$ 193.88
\$ 15.50	\$ 2,015.00	\$ 197.06
\$ 15.75	\$ 2,047.50	\$ 200.24
\$ 16.00	\$ 2,080.00	\$ 203.42

Hourly Rate	Monthly Salary (Hourly Rate x 130 Hours)	Affordability Amount (9.78% of Monthly Salary)
\$ 16.25	\$ 2,112.50	\$ 206.60
\$ 16.50	\$ 2,145.00	\$ 209.78
\$ 16.75	\$ 2,177.50	\$ 212.95
\$ 17.00	\$ 2,210.00	\$ 216.13
\$ 17.25	\$ 2,242.50	\$ 219.31
\$ 17.50	\$ 2,275.00	\$ 222.49
\$ 17.75	\$ 2,307.50	\$ 225.67
\$ 18.00	\$ 2,340.00	\$ 228.85
\$ 18.25	\$ 2,372.50	\$ 232.03
\$ 18.50	\$ 2,405.00	\$ 235.20
\$ 18.75	\$ 2,437.50	\$ 238.38
\$ 19.00	\$ 2,470.00	\$ 241.56
\$ 19.25	\$ 2,502.50	\$ 244.74
\$ 19.50	\$ 2,535.00	\$ 247.92
\$ 19.75	\$ 2,567.50	\$ 251.10
\$ 20.00	\$ 2,600.00	\$ 254.28

For employees that make more than \$20/hour please reference Word & Brown's Affordability calculator to determine affordability based on the rate of pay safe harbor.

A full time employee should not pay more than 9.78% of his or her rate of pay for employee-only coverage on the lowest cost plan offered by the employer that meets minimum value in order to meet the ACA affordability criteria. The amounts listed in the final column in the chart above show 9.78% of the corresponding rates of pay.

- Employers must use 130 hours for this calculation. Overtime hours are excluded from this calculation.
- Employers should use employees' rates of pay at the beginning of the plan year.
- Beginning January 1, 2017 the California state minimum wage varies by employer size. For For January 1, 2020 - December 31, 2020:
 - Employers with 26 or more employees: \$13.00 per hour
 - Employers with fewer than 26 employees: \$12.00 per hour
- California's state minimum wage will continue to increase each year.