

# Employment Alert: New Assessments from Department of Unemployment Assistance

By Dave Robinson on April 30, 2018



*If your company has more than five employees with health insurance from MassHealth or Connect Care, you should be aware of new assessments levied by the state.*

Last week, many employers received a new bill from the Department of Unemployment Assistance ("DUA"), which implemented the first assessments under the supplemental employer medical assistance contribution program ("EMAC"). The DUA levied these assessments against employers with employees who are enrolled in the state sponsored MassHealth or ConnectorCare health insurance programs. EMAC supplemental assessments are intended to be a temporary offset to the growing cost of these programs until longer-term reform measures can be put into place. Under the authorizing statute, the assessments will gradually phase out over the next two years.

The supplemental assessment applies to all employers with more than five employees in Massachusetts, whose non-disabled employees obtain health insurance from either the MassHealth or ConnectorCare programs. If the employee is covered by these state sponsored programs for more than eight weeks during the quarter, the employer must contribute 5% of annual wages for each employee, up to the annual cap of \$15,000, for a maximum of \$750 per affected employee per year. The contribution does not apply to employees who earn less than \$500 in wages per quarter. The DUA can collect against employers who fail to pay their assessments with the same powers as collecting regular unemployment insurance contributions (interest, penalties, property liens, etc.).

To help employees to remain on or join their employer-sponsored health plan, MassHealth has established a Premium Assistance Program. Employees enrolled in this program will not subject their employer to an EMAC assessment. More information regarding this program can be found at

[www.mass.gov/service-details/other-health-insurance-and-masshealth-premium-assistance](http://www.mass.gov/service-details/other-health-insurance-and-masshealth-premium-assistance).

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