

# constructor



## “Cadillac Tax” has More Employers Considering Private Insurance Exchanges

According to a recent report from management consulting and technology firm Accenture, about 6 million people in the U.S. enrolled in private insurance exchanges for their 2015 employer benefits. That’s double the amount for 2014.

Accenture forecasts that enrollment in private exchanges will grow to 12 million in 2016 and 22 million in 2017 and will reach 40 million by 2018, surpassing state and federally funded exchanges operating under the Affordable Care Act.

By 2018, this means that one-quarter of employees who get insurance from

work will pick a plan through the private marketplace.

ACA’s excise tax, which takes effect in 2018, will put about one-third of employers at risk of hitting the excise or “Cadillac tax” threshold if they don’t change what they offer through their employer-sponsored plans. More specifically, health coverage costing more than \$10,200 per individual and \$27,500 for a family is putting pressure on employers to find ways to offer more affordable health coverage.

So, what does this shift mean for AGC member firms?

For one thing, instead of choosing a one-size-fits-all companywide medical plan, employers are finding that giving workers financial support to choose their own plan from a menu of options can make employee benefits budgeting more predictable.

A private exchange solution, such as The AGC Alternative, moves companies from traditional health plans, in which the employer pays a percentage of each employee’s premium, to a defined contribution model, in which the employer pays a defined dollar amount per employee, which employees can then use to individually purchase health insurance and other benefits directly from selected carriers through the private exchange.

**Find out how *the AGC Alternative* can help you build a better benefits package – one that benefits you and your employees.**

**AGC of America**  
THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA



Quality People. Quality Projects.

# Better Benefits with The AGC Alternative

A Private Insurance  
Exchange Built *Exclusively*  
for AGC Members.

AGC of America  
THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA

Quality People. Quality Projects.



## Save Money

Not only do competitive employee benefit programs help you reduce costly employee turnover, but AGC member firms can save even more through premium discounts\* exclusively through The AGC Alternative.

## Take Control

Take the guesswork out of your budget process by setting a fixed dollar amount to contribute to each employee's benefits regardless of plan selections.



## Simplify

Because your plans are hosted on your own private online exchange and backed by dedicated customer support, you can empower employees to shop for benefits all on their own.

## Give Employees

### Choice and Flexibility

The AGC Alternative offers each employer up to 6 medical plans, 3 dental plans, 2 vision plans, disability, life and legal services, providing your employees with the flexibility to choose a comprehensive benefits portfolio tailored to their individual lifestyle.

1-800-210-5290 [www.agc.org/exchange](http://www.agc.org/exchange)

GET A QUOTE

Willis

aetna

GroupVision  
SERVICE

MetLife

LIAZON

\*Discounts will vary by state and number of employees enrolled. AGC and its representatives are not licensed insurance producers and are not attempting to sell, solicit or negotiate any insurance product or plan. The contents of this communication are for general informational purposes only. Willis of Maryland, Inc., a licensed insurance producer, is the broker of record for all insurance products offered on AGC's private insurance exchange, known as the AGC Alternative. To get information about coverage terms or benefits of insurance products or to obtain a quote, please contact Willis at 1-800-210-5290 or go to [www.agc.org/exchange](http://www.agc.org/exchange).