

The connection between tax filing and health coverage- what does it mean for Ryan White Programs?

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Disclosures

Presenters have no financial interest to disclose.

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Learning Objectives

At the conclusion of this activity, the participant will be able to:

1. Recognize what clients need to do at tax time based on their type of health coverage
2. Describe the requirement to file and reconcile taxes to be eligible for tax credits next year
3. Describe examples of Ryan White Program processes to address overpayment or underpayment of the premium tax credit when the Ryan White Program provided premium assistance



Roadmap of today's session



**WHAT DO TAXES
HAVE TO DO WITH
HEALTH COVERAGE?**



**TAX RECONCILIATION
FOR PEOPLE WITH
MARKETPLACE QHPS**



**TAXES AND OTHER
HEALTH COVERAGE OR
NO INSURANCE
COVERAGE**



**EXEMPTIONS FROM
HEALTH COVERAGE**

Do you have a clicker?

- Do not press any buttons unless we ask you to!
- Before leaving this room...
 - Leave it on your chair.
 - Leave it with one of us.

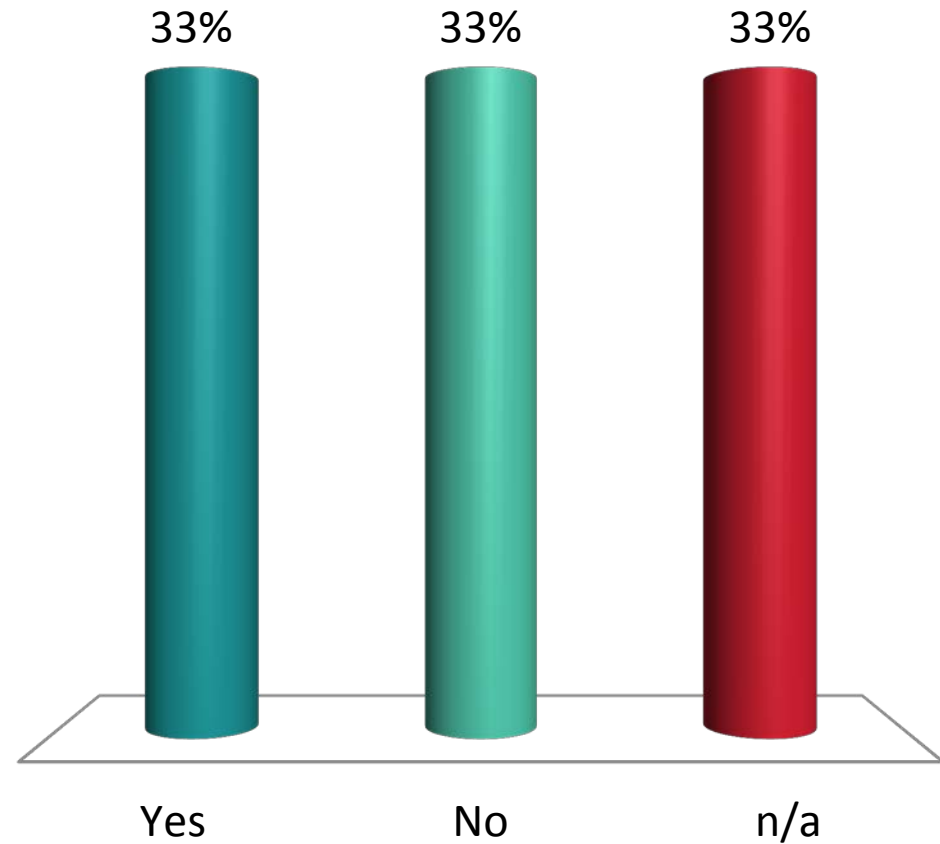


Now, let's get going.



Have you had to educate your clients about tax credits in the past?

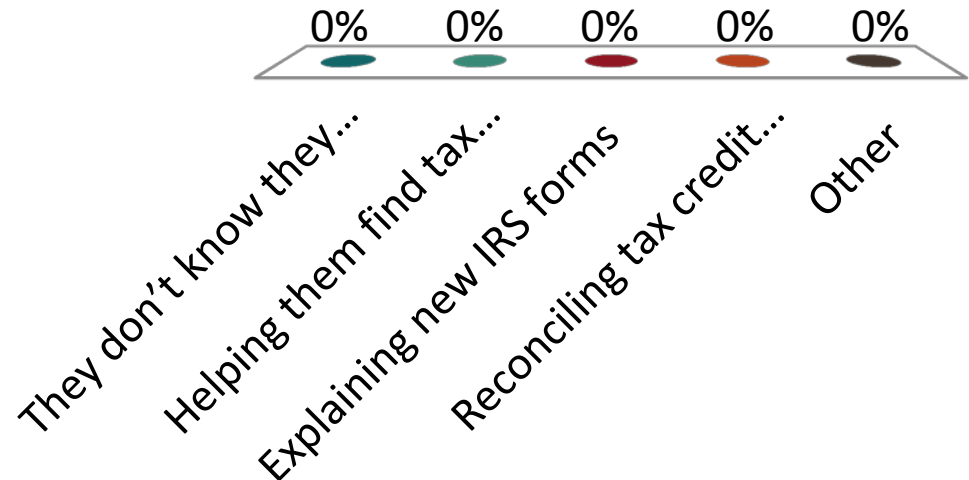
- A. Yes
- B. No
- C. n/a





What is the most challenging part of helping clients understand how health coverage impacts tax filing?

- A. They don't know they need to file
- B. Helping them find tax filing help
- C. Explaining new IRS forms
- D. Reconciling tax credit payments
- E. Other





What do taxes have to do with health coverage?



Tax filing and health coverage

1. Provide proof of coverage
2. Reconcile tax credits for individuals who had coverage through the Marketplace and received an Advance Premium Tax Credit (APTC)



Proof of health coverage

Client must prove they had health coverage during the last year when filing their tax return.

Documentation includes:

- IRS information forms (1095-A, 1095-B, 1095-C)
- Insurance cards
- Explanation of benefits
- Statements from your insurer
- W-2 or payroll statements reflecting health insurance deductions,
- Records of advance payments of the premium tax credit
- Statements indicating that you, or a member of your family, had health care coverage.

Source: <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Gathering-Your-Health-Coverage-Documentation-for-the-Tax-Filing-Season>



Premium Tax Credit (PTC)

A **tax credit** to lower the cost of insurance **premiums** for Marketplace coverage.

Persons in Household	2016 Federal Poverty Level (100% FPL)	Max Income for CSR (250% FPL)	Max Income for PTC (400% FPL)
1	\$11,770	\$29,425	\$47,080
2	\$15,930	\$39,825	\$63,720
3	\$20,090	\$50,225	\$80,360
4	\$24,250	\$60,625	\$97,000
5	\$28,410	\$71,025	\$113,640
6	\$32,570	\$81,425	\$130,280
7	\$36,730	\$91,825	\$146,920
8	\$40,890	\$102,225	\$160,360





Two ways to get PTCs

- **In advance**

- Have some or all of the credit paid in advance directly to the insurer
- The client pays a lower monthly premium
- *In most cases, RWHAP clients are required to take the APTC*

- **After filing taxes**

- Clients get a lump sum when they file their federal income tax
- Client pays full monthly premium



Who needs to file a return?

Individuals who receive advance premium tax credits (APTCs) **must file a tax return!**

Clients who did not receive an APTC may still be eligible for the credit, but will need to file a return to find out.



APTCs & Open Enrollment

Why would a client receive an APTC one year but not the next?

- **Change in income or household** may make client ineligible for an APTC.
- Client **did not file taxes** for a tax year when they received an APTC.
- Client **did not check box on application** allowing Marketplace to use information from other groups, such as the IRS.

Cost Sharing Reductions

- Given in the form of **discounts**
- Reduces deductibles, copays, and coinsurance –
no reimbursements necessary
- **CSRs are not connected to taxes**



FAQ: PTCs and CSRs



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ADAP: AIDS Drug Assistance Program

Consumers/Patients

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Fiscal Management

Global HIV/AIDS Programs

Health Care Reform

HIV Care Continuum

Medical & Support Services

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Planning

Populations

Program Management

FAQ: Premium Tax Credits (PTCs) and Cost-Sharing Reductions (CSRs)

November 2015

ACE TA Center

The federal government provides financial support for many consumers who get health coverage through the Marketplace. Learn how **Premium Tax Credits** (PTCs) and **Cost-Sharing Reductions** (CSRs) can help Ryan White HIV/AIDS Program (RWHAP) clients pay for health insurance.



Premium Tax Credit (PTC)

The Affordable Care Act provides a new tax credit to help lower the cost of premiums for health care coverage purchased through the Health Insurance Marketplace. Advance payments of the tax credit can be used right away to lower your monthly premium costs.

Cost-Sharing Reduction (CSR)

A discount that lowers the amount individuals and families have to pay out-of-pocket for deductibles, coinsurance, and copayments. CSRs are NOT used to pay premiums.

A person may receive **both** a PTC and a CSR. People who apply for PTCs are

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Source Type: [Cooperative Agreement](#)

Topic Areas: [Enrolling & Accessing ACA Health Coverage](#)

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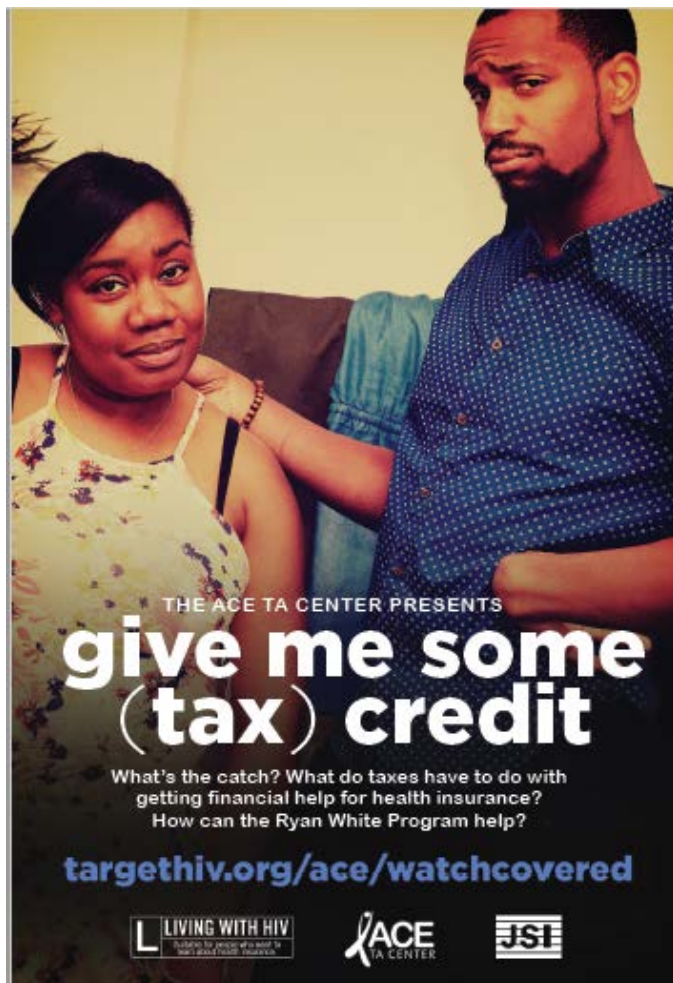
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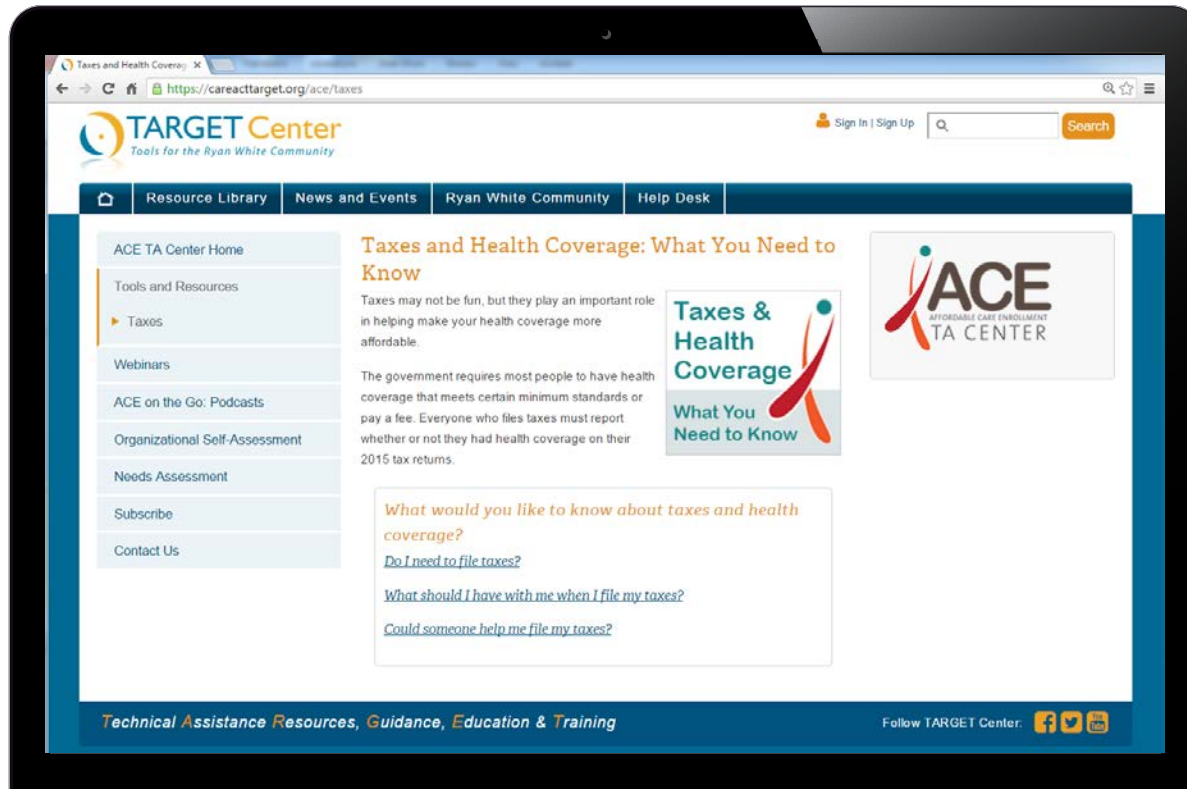
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ACE consumer tax tool



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Taxes and Health Coverage: What You Need to Know

Taxes may not be fun, but they play an important role in helping make your health coverage more affordable.

The government requires most people to have health coverage that meets certain minimum standards or pay a fee. Everyone who files taxes must report whether or not they had health coverage on their 2015 tax returns.



What would you like to know about taxes and health coverage?

Do I need to file taxes?

What should I have with me when I file my taxes?

Could someone help me file my taxes?

"Do I need to file taxes?"

You may need to file taxes depending on whether you had health coverage, and the type of health coverage you had last year.

How did you get health coverage last year?

- *I enrolled through the Health Insurance Marketplace, such as HealthCare.gov or my state's marketplace website.*
- *I had other coverage, such as Medicaid, Medicare, or employer coverage.*
- *I did not have health coverage.*

Not sure what type of coverage you have?

If you live in Arkansas or New Hampshire, you may not know if you have health coverage through the Marketplace or Medicaid. If you are unsure, look for IRS Form 1095 in the mail. This form provides information about the type of coverage you have.

[Taxes and Health Coverage home page >](#)

Taxes and Health Coverage: Health Insurance Marketplace

Taxes and Health Coverage

What you need to know if you enrolled through the Health Insurance Marketplace

Taxes may not be fun, but they play an important role in helping make your health coverage more affordable. This fact sheet helps you understand what you need to know about filing your taxes if you enrolled in a health plan via the Health Insurance Marketplace, such as HealthCare.gov or your state's marketplace website.

Did you choose to get a premium tax credit when you enrolled in coverage?

Premium tax credits help lower the cost of coverage purchased through the Health Insurance Marketplace for people with incomes that qualify. **Premiums** are the monthly bill you pay for health insurance. The premium tax credit can work in two ways:

- **Get it now.** Get the credit each month you have Marketplace coverage. This is called an advanced premium tax credit. The Marketplace sends the money directly to your health insurance company, and you pay a lower monthly premium.
- **Get it later.** You pay the total premium every month, but you get a refund on your taxes after the calendar year is over.

Get this
information online:
targethiv.org/taxes



TAXES AND HEALTH COVERAGE

TARGETHIV.ORG/TAXES

Most individuals with a household income between 100 and 400% of the Federal Poverty Level are eligible for a tax credit, but the exact amount of the credit will depend on your income. You apply for the premium tax credit when you apply for coverage in the Marketplace. In the application, you must give the Marketplace permission to collect your tax data from the IRS every year. That information will be used to calculate the amount of assistance you qualify for.

If you got a premium tax credit when you enrolled in coverage in 2015:

- You must file a federal tax return.
- The Marketplace uses your tax data to make sure that you got the correct amount of financial help based on your household size and income. This is called **reconciliation**. If you had coverage but did not file and reconcile tax credits, you will not be able to get premium tax credit.

Are you not sure if you premium tax credits through the Marketplace?

If you enrolled in coverage through the Marketplace, you can view information on any premium tax credit you received or are eligible to receive called "My Plans."

TAXES AND HEALTH COVERAGE

TARGETHIV.ORG/TAXES

What you need to know before filing taxes

You will receive **IRS Form 1095-A** (Health Insurance Marketplace Statement) in the mail from the Marketplace that shows your health coverage and the amount you received in advance premium tax credits each month, if any. If Form 1095-A was lost, never received, or is incorrect, you can contact the Marketplace directly for a copy.

You should wait to file your taxes until you receive IRS Form 1095-A, which should arrive in early February.

If you got a premium tax credit when you enrolled in coverage:

- File **IRS Form 8962** (Premium Tax Credit) with your taxes to make sure you got the correct amount of financial help.
- Use **IRS Form 1095-A** to help you fill out IRS Form 8962.

If you did NOT get a premium tax credit when you enrolled in coverage:

- File **IRS Form 8962** (Premium Tax Credit) with your taxes to see if you qualify for a 2015 premium tax credit.
- Use **IRS Form 1095-A** to help you fill out IRS Form 8962.

What to do if you had a short gap in coverage (less than three consecutive months)

You will need to file **IRS Form 8965** (Health Coverage Exemptions). Most Americans are required to have health insurance or pay a fee, but if you only had a short gap in coverage, you are exempt from the fee.



Taxes and Health Coverage: Medicaid or Employer Coverage

Taxes and Health Coverage

What you need to know if you had non-Marketplace coverage, such as Medicaid, Medicare, or employer coverage

Everyone who files taxes must report whether or not they had health coverage on their 2015 tax returns. This fact sheet helps you understand what you need to know about filing taxes if you had Medicaid, Medicare, an employer-provided plan, or other health coverage last year.

What counts as other health coverage

Other health coverage designated by the government as "minimum essential coverage" may include:

- Employer-provided health plans
- Medicaid
- Medicare Part A
- TRICARE
- VA coverage

Get this information online:
targethiv.org/taxes



TAXES AND HEALTH COVERAGE

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Check your mail

You should receive **IRS Form 1095-B** (Health Coverage) or **1095-C** (Employer-Provided Health Insurance Coverage) from your health insurance company or the government agency that provided your health coverage. **You do NOT need file this form with your taxes**, but may choose to keep it for your records.

If you haven't received either form for your taxes and check the box on **1040** indicating you had coverage.

What to do if you had a gap in coverage (less than 3 consecutive months)

You will need to file **IRS Form 8962** (Exemptions). Most Americans are insured or pay a fee, but if you are uninsured, you are exempt from the

TAXES AND HEALTH COVERAGE

TARGETHIV.ORG/TAXES

What you should have with you when you file taxes

Health coverage information

You will likely have received **IRS Form 1095-B** (Health Coverage) or **1095-C** (Employer-Provided Health Insurance Coverage). **You do NOT need to file this form with your taxes**, but may choose to keep it for your records.

Income and tax information for the tax year

1. W-2 forms from all employers
2. Unique Exemption Certificate Number or ECN if you applied for an exemption from the Marketplace
3. Information about any self-employment income
4. Unemployment compensation
5. Social Security benefits

Information for each household member

1. Social security numbers
 - * If you do not have a valid social security number, bring an Individual Taxpayer Identification Number (ITIN). This is a 9-digit number that you can request and receive from the IRS.
2. Dates of birth



Taxes and Health Coverage: No Health Insurance

Taxes and Health Coverage

What you need to know if you did not have health coverage last year

The government requires most people to have health coverage that meets certain minimum standards or pay a fee. Everyone who files taxes must report whether or not they had health coverage on their 2015 tax returns. This fact sheet helps you understand what you need to know about filing taxes if you did not have health coverage last year.

The fee for not having health coverage

If you didn't have coverage last year, you may have to pay a fee unless you qualify for an exemption. You may qualify for an exemption if no affordable coverage is available to you, you have a short gap in coverage during the year, or if you meet other criteria, outlined below.

Get this information online:
targethiv.org/taxes



Exemptions from health coverage

Health coverage

- You were uninsured for less than three consecutive months of the year
- You lived in a state that didn't expand its Medicaid program but you would have qualified if it had

How can I find out if I qualify for an exemption?

Use the HealthCare.gov online exemption tool:

Affordability and income

- The lowest-priced coverage available cost more than 8.05% of your income
- Your income is below the level for a tax return (see the table below)

2015 Filing Requirements (Source: IRS)

If your filing status is...	Amount you must pay
single	unlabeled
	65
head of household	unlabeled
	65
married, filing jointly*	unlabeled
	65
	65
married, filing separately	any
qualifying widow(er) with dependent child	unlabeled
	65

*If you didn't live with your spouse at the end of the year, you must have been married at least \$4,000.

Immigration status

- You are a certain type of non-citizen or not lawfully present

Hardship

- You were homeless
- You were evicted or were facing eviction or foreclosure
- You received a shut-off notice from a utility company
- You experienced domestic violence
- You experienced the death of a family member
- You filed for bankruptcy
- You had medical expenses you couldn't pay
- You experienced unexpected increases in expenses due to caring for an ill, disabled or aging family member

Incarceration

- You are incarcerated

Group membership

- You were a member of a federally recognized tribe
- You are a member of a recognized religious sect with objections to insurance

How do I apply for the exemption?

When you file your taxes, fill out IRS Form 8965 (Health Care Exemptions) to apply for the exemption.

If you have a unique Exemption Certificate Number from the Marketplace, you can use it on IRS Form 8965 when you file your taxes.





Tax reconciliation for people with Marketplace QHPs



Advance Premium Tax Credit (APTC) Life Cycle

Step One: Marketplace Application

- Demonstrate financial eligibility for APTC in application to Marketplace
- Individuals may apply for **advance** premium tax credit based on projected annual income

Dates: November 1 – January 31

Step Two: Report Income Changes

- Report changes in income to Marketplace that will impact APTC amount
- Report changes in tax household size that will impact APTC amount

Dates: January 1 – December 31 (tax year)

Step Three: File Your Federal Taxes!

- Individuals receiving APTC MUST file federal taxes for year in which they received the tax credit
- IRS will determine if individual received the right amount APTC throughout year

Dates: By April 15



Tax Forms Relevant to ADAPs

Tax Form	Description
Form 1095-A	Form generated by the Marketplace and sent to anyone receiving APTC
Form 1095-B	Form sent by the insurer to the insured verifying individual had coverage
Form 1095-C	Form sent by employer to the employee verifying whether the individual had coverage
Form 8962	Addendum to tax return documenting APTC reconciliation
Form 8965	Addendum to tax return documenting any exception to the requirement to have minimum essential coverage

Putting it Together: Determining if There was an APTC Under or Overpayment

The 1095-A: Tells you how much the individual actually received in APTCs throughout the year (by month)

Part III Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January			
22 February			
23 March			
24 April			

Putting it Together: Determining if There was an APTC Under or Overpayment

The Form 8962: Tells you how much the individual should have received in APTCs according to MAGI-based income on tax return and allows for calculation of any overpayment or underpayment

24	Total premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here	24	
25	Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here	25	
26	Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27 .	26	REFUND OWED TO INDIVIDUAL
Part III Repayment of Excess Advance Payment of the Premium Tax Credit			
27	Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27	
28	Repayment limitation (see Instructions)	28	
29	Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44	29	LIABILITY OWED TO IRS

Putting it Together: The 1040

Line 46 on IRS Form 1040 indicates excess premium tax credits a person owes to the IRS

Form 1040 (2014)

Tax and Credits

Standard Deduction for —

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

38	Amount from line 37 (adjusted gross income)	3
39a	Check <input type="checkbox"/> You were born before January 2, 1950, <input type="checkbox"/> Blind. <input type="checkbox"/> Spouse was born before January 2, 1950, <input type="checkbox"/> Blind. Total boxes checked <input type="checkbox"/> 39a	3
b	If your spouse itemizes on a separate return or you were a dual-status alien, check here <input type="checkbox"/> 39b	3
40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	4
41	Subtract line 40 from line 38	4
42	Exemptions. If line 38 is \$152,525 or less, multiply \$3,950 by the number on line 6d. Otherwise, see instructions	4
43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	4
44	Tax (see instructions). Check if any from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972 c <input type="checkbox"/>	4
45	Alternative minimum tax (see instructions). Attach Form 6251	4
46	Excess advance premium tax credit repayment. Attach Form 8962	4
47	Add lines 44, 45, and 46	4

Payments

If you have a qualifying child, attach Schedule EIC.

64	Federal income tax withheld from Forms W-2 and 1099	64
65	2014 estimated tax payments and amount applied from 2013 return	65
66a	Earned income credit (EIC)	66a
b	Nontaxable combat pay election <input type="checkbox"/> 66b	
67	Additional child tax credit. Attach Schedule 8812	67
68	American opportunity credit from Form 8863, line 8	68
69	Net premium tax credit. Attach Form 8962	69
70	Amount paid with request for extension to file	70
71	Excess social security and tier 1 RRTA tax withheld	71
72	Credit for federal tax on fuels. Attach Form 4136	72
73	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> Reserved d <input type="checkbox"/>	73
74	Add lines 64, 65, 66a, and 67 through 73. These are your total payments	74
75	If line 74 is more than line 63, subtract line 63 from line 74. This is the amount you overpaid	75
76a	Amount of line 75 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	76a
b	Routing number	
d	Account number	
77	Amount of line 75 you want applied to your 2015 estimated tax	77

Refund

Direct deposit? See instructions.

Line 69 on IRS Form 1040 indicates net premium tax credit (i.e., amount owed to the taxpayer as refund)



Repayment Amounts Are Capped

Income	Single filers	All other filers
< 200% FPL	\$300	\$600
At least 200% FPL and < 300% PFL	\$750	\$1,500
At least 300% FPL and < 400% FPL	\$1,250	\$2,500
400% FPL and greater	N/A	N/A

HRSA/HAB Guidance

HRSA/HAB PCN 14-01

In the event of APTC tax refund to the client

Grantees must “vigorously pursue” any excess premium tax credit a client receives from the IRS upon submission of federal tax return

Recovered premium tax credit refunds are not considered program income; grantees must use recovered refunds in the Health Insurance Premium and Cost-sharing Assistance service category in the grant year when it’s received

Helpful Tip: include the client’s name, SSN, tax year, and portion of tax liability to which the Ryan White/ADAP payment should be designated

In the event of APTC liability owed to the IRS by the client

Grantees may cover client tax liabilities associated with an overpayment of the premium tax credit.

The payment to the IRS must be made from funds available in the year when the tax liability is due

Grantees must develop processes to coordinate payments directly to IRS (*payments to clients are prohibited*) and may only pay the amount directly attributed to the reconciliation of the premium tax credits





Individuals who didn't receive a PTC should still file taxes!

If you did NOT get a premium tax credit when you enrolled in coverage:

You may still be eligible for a tax credit, but you must file your federal tax return for that year to find out.

- If your income decreased during the year, you may be eligible for a federal tax refund now (even if you were not eligible for the tax credit when you applied for coverage).
- Filing a federal tax return with IRS Form 8962 is the only way you'll find out if you are eligible for a premium tax credit for that year.



Putting it into practice



Case Study 1: Taxpayer Charlene





Charlene

- When Charlene applied for 2014 Marketplace coverage with advance premium tax credits (APTC) in December of 2014, her annual income was \$27,000 (235% FPL)
 - Charlene gets \$865 in APTC/annually
- BUT, Charlene changed her job mid-way through the year and failed to report this to the Marketplace
 - When Charlene files her taxes for the 2015 tax year, her annual income ends up being \$11,000 (95% FPL)
 - Note: Charlene lives in a non-Medicaid expansion state
 - **Special rule:** because Charlene was eligible for APTCs when she applied, she is actually owed a refund (her expected contribution is 2% of her annual income)
 - Charlene is entitled to APTC of \$2,724/annually

Charlene will get a refund from the IRS in the amount of \$1,859

- If Charlene is an ADAP client, and ADAP had been paying her premiums throughout the year, ADAP is entitled to the IRS refund

Determining Refund Amount

IRS Form 8962

24	Total Premium Tax Credit: Enter the amount from line 11E or add lines 12E through 23E and enter the total here .	24	
25	Advance Payment of PTC: Enter the amount from line 11F or add lines 12F through 23F and enter the total here .	25	
26	Net Premium Tax Credit: If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27 .	26	\$1,859

Part 3: Repayment of Excess Advance Payment of the Premium Tax Credit

27	Excess Advance Payment of PTC: If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here	27	
28	Repayment Limitation: Using the percentage on line 5 and your filing status, locate the repayment limitation amount in the instructions. Enter the amount here	28	
29	Excess Advance Premium Tax Credit Repayment: Enter the smaller of line 27 or line 28 here and on Form 1040, line 46; Form 1040A, line 29; or Form 1040NR, line 44	29	





Case Study 2: Taxpayer Carlos





Carlos

- When Carlos applied for 2015 Marketplace coverage with advance premium tax credits (APTC) in December of 2014, his annual household income was ~\$48,000 (235% FPL)
 - Carlos' tax household (of three) gets \$4,007 in APTC/annually
- BUT, Carlos played the slots in Maryland and won \$6,000. He did not report this additional income to the Marketplace
 - When Carlos files his taxes, his annual income ends up being ~\$54,000 (279% FPL)
 - Carlos' tax household was actually entitled to \$2,589 in APTC/annually

Carlos must repay the IRS \$1,418

- ADAP may be able to help with Carlos' portion of the overpayment if Carlos is an ADAP client

Determining Overpayment Amount

IRS Form 8962

24	Total Premium Tax Credit: Enter the amount from line 11E or add lines 12E through 23E and enter the total here .	24	
25	Advance Payment of PTC: Enter the amount from line 11F or add lines 12F through 23F and enter the total here .	25	
26	Net Premium Tax Credit: If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Form 1040, line 69; Form 1040A, line 45; or Form 1040NR, line 65. If you elected the alternative calculation for marriage, enter zero. If line 24 equals line 25, enter zero. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27 .	26	

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For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 37784Z

Form **8962** (2014)



Taxpayer Xavier





What If a Client Does Not File Taxes?

- When Xavier applied for 2015 Marketplace coverage with advance premium tax credits (APTC) in December of 2014, his annual income was \$27,000 (235% FPL)
 - Xavier gets \$865 in APTC/annually
- **Xavier refused to file his 2015 taxes**
- A person is not eligible for APTC if HHS notifies the Marketplace that an individual did not file taxes.
- Xavier does not immediately lose his APTCs (and he never loses his Marketplace eligibility); with extensions, Xavier can file his taxes any time during the Open Enrollment period and be eligible for APTCs for the 2017 plan year
 - If he does not file his federal taxes, Xavier will likely be ineligible for APTCs when he goes to re-enroll in a 2017 plan

Future eligibility for APTCs

TAX YEAR



2015

2016

2017


Client received APTCs.

Did not file 2015 taxes to reconcile 2015 APTCs.

Will not be eligible to receive APTC.



Taxes and other health coverage or no coverage



Individuals who had other health coverage last year

"Do I need to file taxes?"

You may need to file taxes depending on whether you had health coverage, and the type of health coverage you had last year.

How did you get health coverage last year?

- *I enrolled through the Health Insurance Marketplace, such as HealthCare.gov or my state's marketplace website.*
- *I had other coverage, such as Medicaid, Medicare, or employer coverage.*
- *I did not have health coverage.*

Individuals who had other health coverage last year

- Clients covered by other health insurance including Medicaid, Medicare, Tricare or insurance through their employer should file taxes
- Check the box on line 61 on IRS Form 1040 indicating they had coverage.



Individuals who did not have health coverage last year

- Clients uninsured for all or part (more than 3 months)
 - May be eligible for an exemption from coverage
- If NOT eligible for the exemption for coverage
 - May have to pay a fee



Exemptions from the requirement to have health coverage

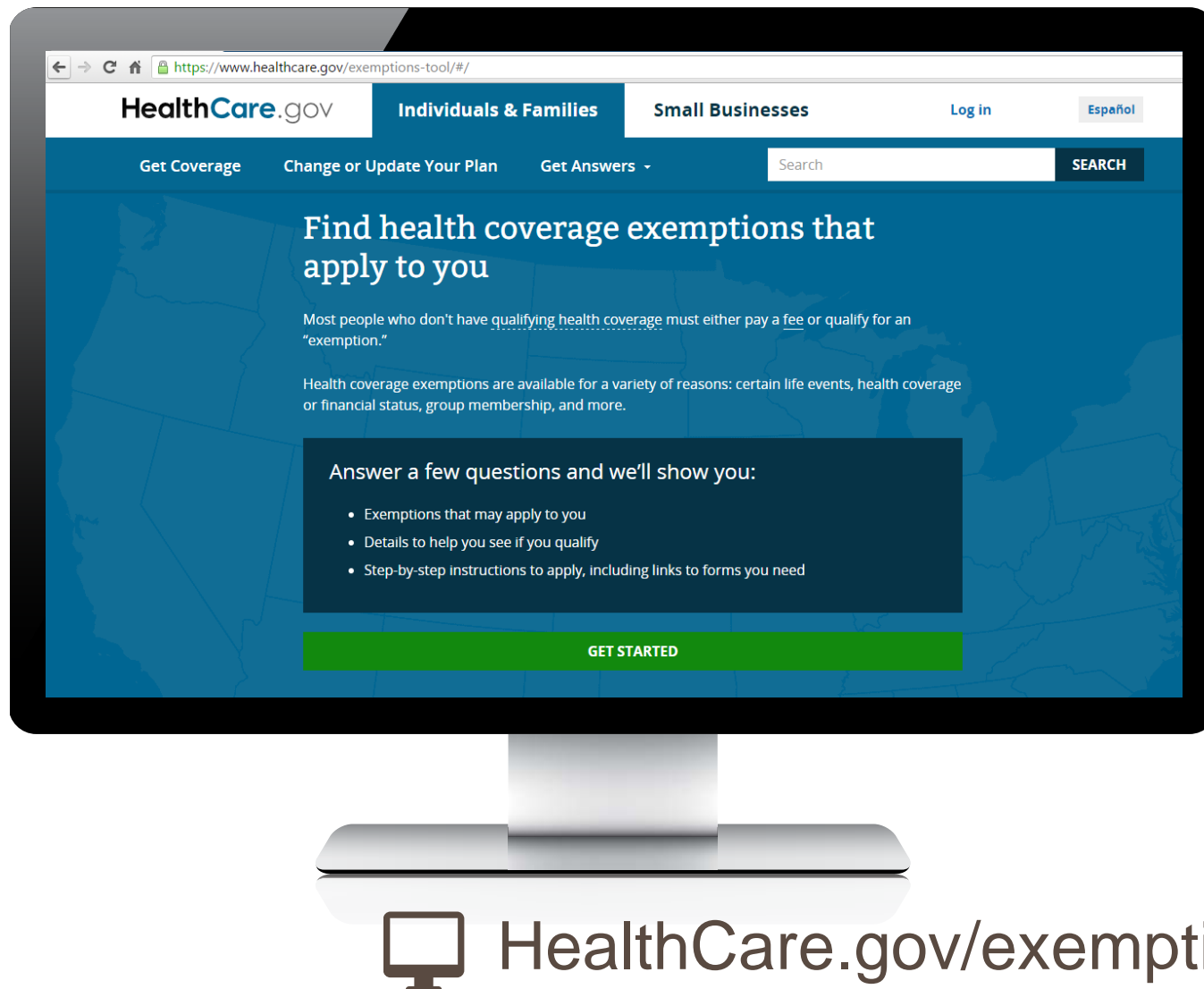




Exemptions from health coverage

- Uninsured for less than 3 months
- Living in a non-Medicaid expansion state
- Plan affordability
- Income threshold
- Immigration status
- Incarceration
- Hardships

Exemptions from health coverage



Exemptions from health coverage

IRS Form 8965 Health Coverage Exemptions

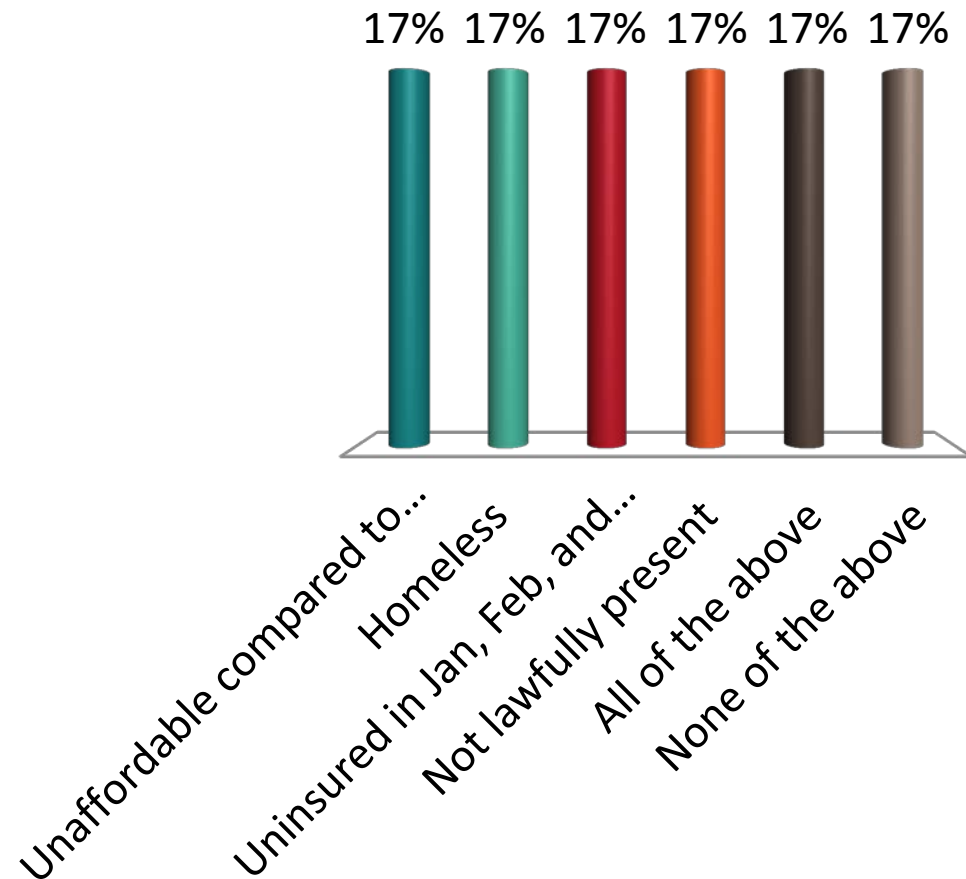
Form 8965		Health Coverage Exemptions		OMB No. 1545-0074												
Department of the Treasury Internal Revenue Service		▶ Attach to Form 1040, Form 1040A, or Form 1040EZ. ▶ Information about Form 8965 and its separate instructions is at www.irs.gov/form8965 .		2015 Attachment Sequence No. 75												
Name as shown on return			Your social security number													
Complete this form if you have a Marketplace-granted coverage exemption or you are claiming a coverage exemption on your return.																
Part I Marketplace-Granted Coverage Exemptions for Individuals. If you and/or a member of your tax household have an exemption granted by the Marketplace, complete Part I.																
	(a) Name of Individual	(b) SSN	(c) Exemption Certificate Number													
1																
2																
3																
4																
5																
6																
Part II Coverage Exemptions Claimed on Your Return for Your Household																
7a Are you claiming an exemption because your household income is below the filing threshold? <input type="checkbox"/> Yes <input type="checkbox"/> No																
b Are you claiming a hardship exemption because your gross income is below the filing threshold? <input type="checkbox"/> Yes <input type="checkbox"/> No																
Part III Coverage Exemptions Claimed on Your Return for Individuals. If you and/or a member of your tax household are claiming an exemption on your return, complete Part III.																
	(a) Name of Individual	(b) SSN	(c) Exemption Type	(d) Full Year	(e) Jan	(f) Feb	(g) Mar	(h) Apr	(i) May	(j) June	(k) July	(l) Aug	(m) Sept	(n) Oct	(o) Nov	(p) Dec
8																
9																
10																
11																
12																
13																

For Privacy Act and Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 37787G Form **8965** (2015)



Which of the following will NOT qualify as an exemption from health coverage?

- A. Unaffordable compared to income
- B. Homeless
- C. Uninsured in Jan, Feb, and July of 2016
- D. Not lawfully present
- E. All of the above
- F. None of the above



Uninsured individuals who do not qualify for an exemption

2014, 2015 and 2016 Annual Payment Amounts

	Year 2014	Year 2015	Year 2016
Percentage amount	1% of income above filing threshold*	2% of income above filing threshold*	2.5% of income above filing threshold*
Flat dollar amount**	\$95 per adult \$47.50 per child Family maximum: \$285	\$325 per adult \$162.50 per child Family maximum: \$975	\$695 per adult \$347.50 per child Family maximum: \$2,085

Your payment amount is capped at the cost of the national average premium for a bronze level health plan available through the Marketplace. For 2015, the annual national average premium for a bronze level health plan available through the Marketplace is \$2,484 per year (\$207 per month) for an individual and \$12,240 per year (\$1,020 per month) for a family with five or more members.

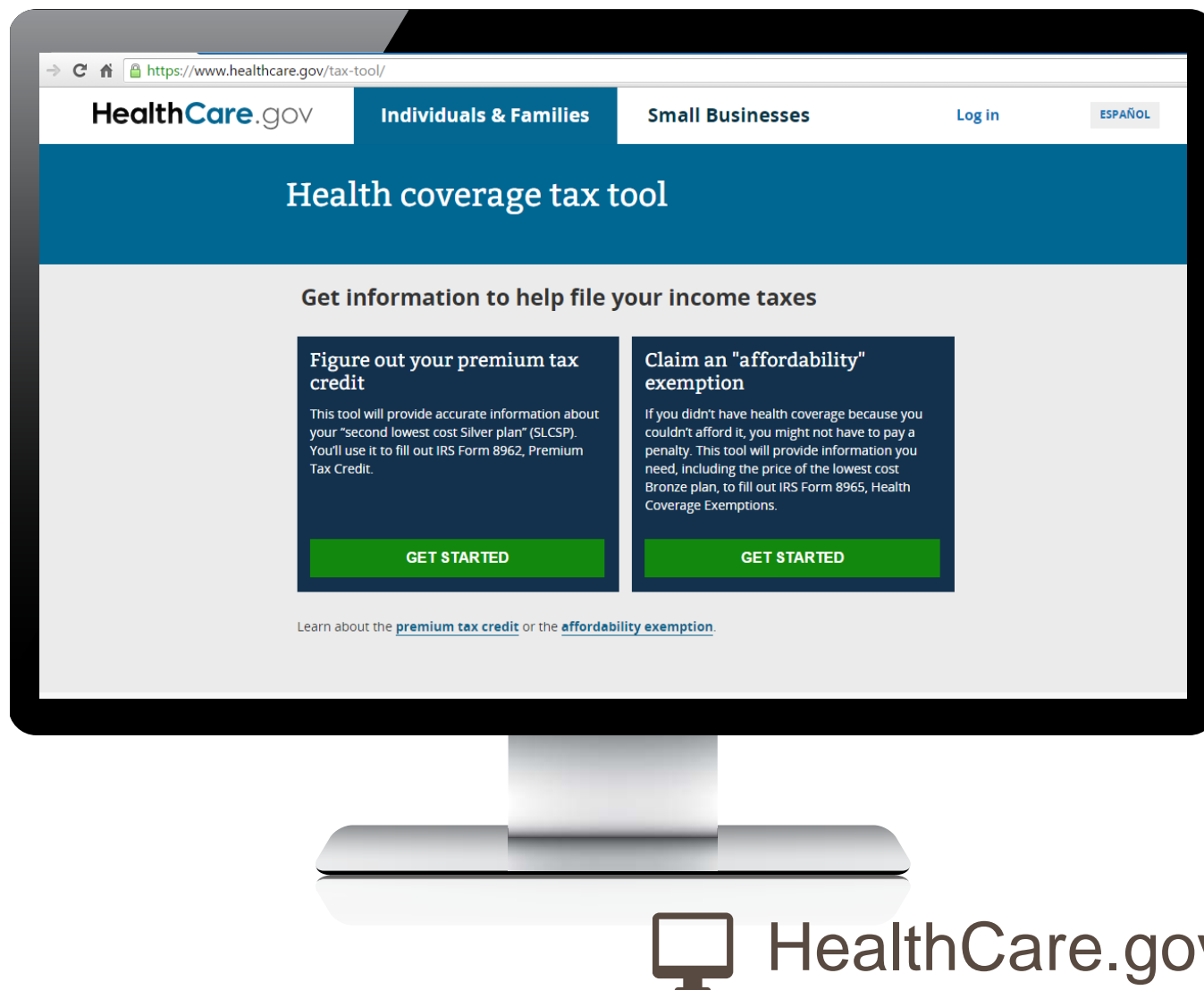
* Filing Threshold: The minimum amount of gross income an individual of your age and with your filing status (e.g., single, married filing jointly, head of household) must make to be required to file a tax return.

****After year 2016**, the flat dollar amounts are based on the 2016 amounts plus an inflation adjustment..



<https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/ACA-Individual-Shared-Responsibility-Provision-Calculating-the-Payment>

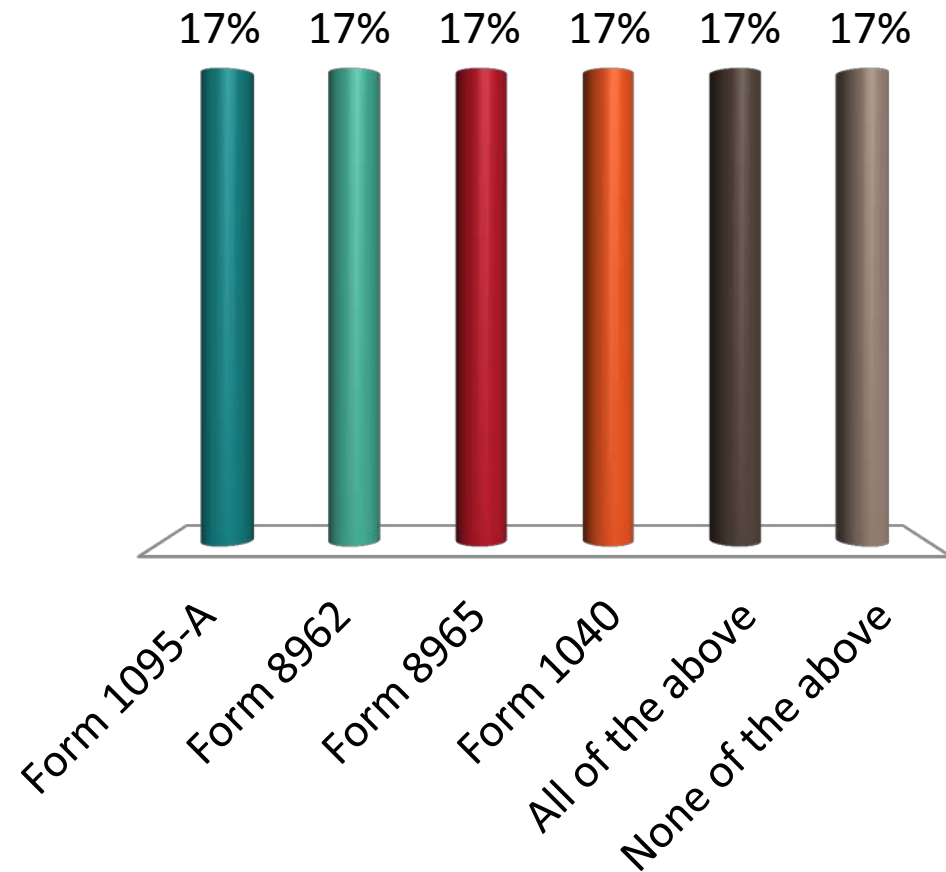
HealthCare.gov tax tool





Which of these IRS forms provides proof of coverage?

- A. Form 1095-A
- B. Form 8962
- C. Form 8965
- D. Form 1040
- E. All of the above
- F. None of the above





Walking through the IRS Forms

IRS Form	Purpose	Origin
<u>1095-A</u> - Health Coverage through the Marketplace	Verifies type and period of coverage for the prior year, premiums paid, and advance tax credits given.	IRS Form sent by the Marketplace
<u>8962</u> – Premium Tax Credit	Reconciles projected APTC with actual PTC due to client.	IRS Form
<u>8965</u> – Health Coverage Exemptions	Report any exemptions to waive the penalty. Calculate the penalty due, if applicable.	IRS Form
<u>1040</u> – U.S. Individual Income Tax Return	Individual/family tax filing document	IRS Form

Additional information clients need to file taxes

"What should I have with me when I file taxes?"

Bring these documents with you when you file your taxes.

Health coverage information

If you had Marketplace coverage and got an advance premium tax credit (or plan to claim the credit when you file):

- You will need [IRS Form 1095-A](#) (Health Insurance Marketplace Statement) to help you complete and file [IRS Form 8962](#) (Premium Tax Credit)

If you had other coverage, such as Medicaid, Medicare, or employer coverage:

- You will likely have received [IRS Form 1095-B](#) (Health Coverage) or [1095-C](#) (Employer-Provided Health Insurance Coverage). **You do NOT need to file this form with your taxes**, but may choose to keep it for your records.

Income and tax information for the tax year

- W-2 forms from all employers
- Unique [Exemption Certificate Number](#) or ECN if you applied for an exemption from the Marketplace
- Information about any self-employment income



[Taxes & Health Coverage Home](#)





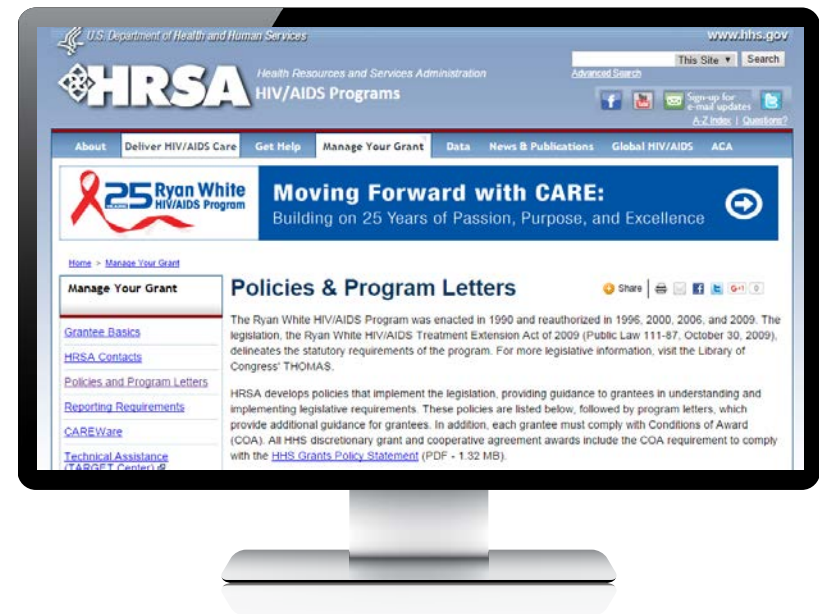
Assistance filing taxes

- Volunteer Income Tax Assistance (VITA) program for people with incomes below \$54,000
- Free tax filing software from the IRS for people with incomes below \$62,000
- Assistance through some Ryan White Programs or their partners

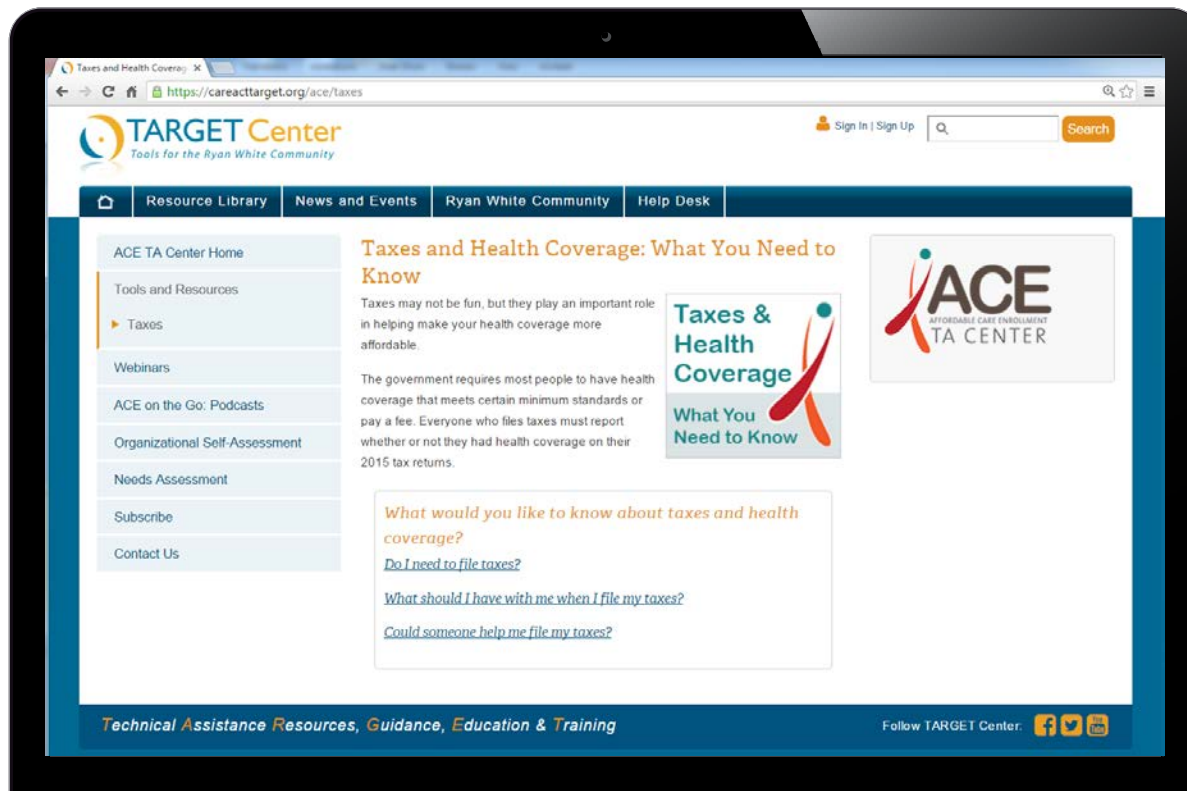
Policy Clarification Notice (PCN) #16-02

Other Professional Services

Services for income tax preparation to assist clients in filing Federal tax returns that are required by the Affordable Care Act for all individuals receiving premium tax credits



targethiv.org/ace/taxes



An abstract graphic on the left side of the slide, featuring a large red swoosh and two orange swooshes, all with white outlines. A teal circle is positioned at the top of the red swoosh.

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ACE TA Center

What We Do

The goal of the ACE TA Center is to help RWHAP grantees and sub-grantees enroll diverse clients, especially people of color, in health insurance.

In collaboration with HRSA, the ACE TA Center will work with grantees and providers to engage newly eligible clients across all stages of the health coverage access continuum, including outreach and education, enrollment assistance, post-enrollment support, and renewal/re-enrollment.



- View all ACE TA Center [enrollment tools and resources](#)
- View [webinars and presentation slides](#)
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Source Type: [Cooperative Agreement](#)

Topic Areas: [Consumers/Patients](#), [Patient Education](#), [Health Care Reform](#), [Enrolling & Accessing ACA Health Coverage](#), [Retaining in Care](#), [Populations](#), [Cultural Competency](#), [Eligibility](#), [Program Parts](#), [Part A - Hard Hit Urban Areas](#), [Part A - Planning Councils](#), [Part B - States/Territories](#), [Part C - Community-Based Early Intervention](#), [Part D - Women, Infants, Children, Youth](#)

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[Kim Brown](#)

Project Officer
HRSA HIV/AIDS Bureau

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