



Learning Series

Massachusetts HealthCare Training Forum (MTF)

Health Connector and MassHealth: Year-end tax filing process

January 2019

Agenda

During this presentation, the following information will be reviewed:

- What is the year-end tax filing process and why is it happening?
- What tax forms will members receive from the Health Connector and MassHealth?
- What should members do with the forms?
- When will forms be mailed?
- Where can members find help with tax preparation?

What is the year-end tax filing process and why is it happening?

Background



In Massachusetts, all residents are required to have health insurance.

In Massachusetts, Chapter 58 established an individual mandate in 2007, which requires adults in Massachusetts to purchase health insurance if it is affordable to them and meets Minimum Creditable Coverage (MCC) standards

Background (cont'd)



Change to Federal Individual Mandate

A tax law was signed by the President in late 2017 that sets the penalty for the federal individual mandate to \$0 beginning in 2019.

- The Affordable Care Act (ACA) required individuals to have health insurance that meets a minimum standard called Minimum Essential Coverage (MEC)
- The penalties for that federal individual mandate to have health insurance were set to \$0 through the Tax Cuts and Jobs Act, effective in 2019
- The IRS is still enforcing the federal mandate for tax year **2018**.

The Health Connector wants to remind Massachusetts residents that Massachusetts still has its own state-based individual mandate, which will remain in effect.

Background (cont'd)



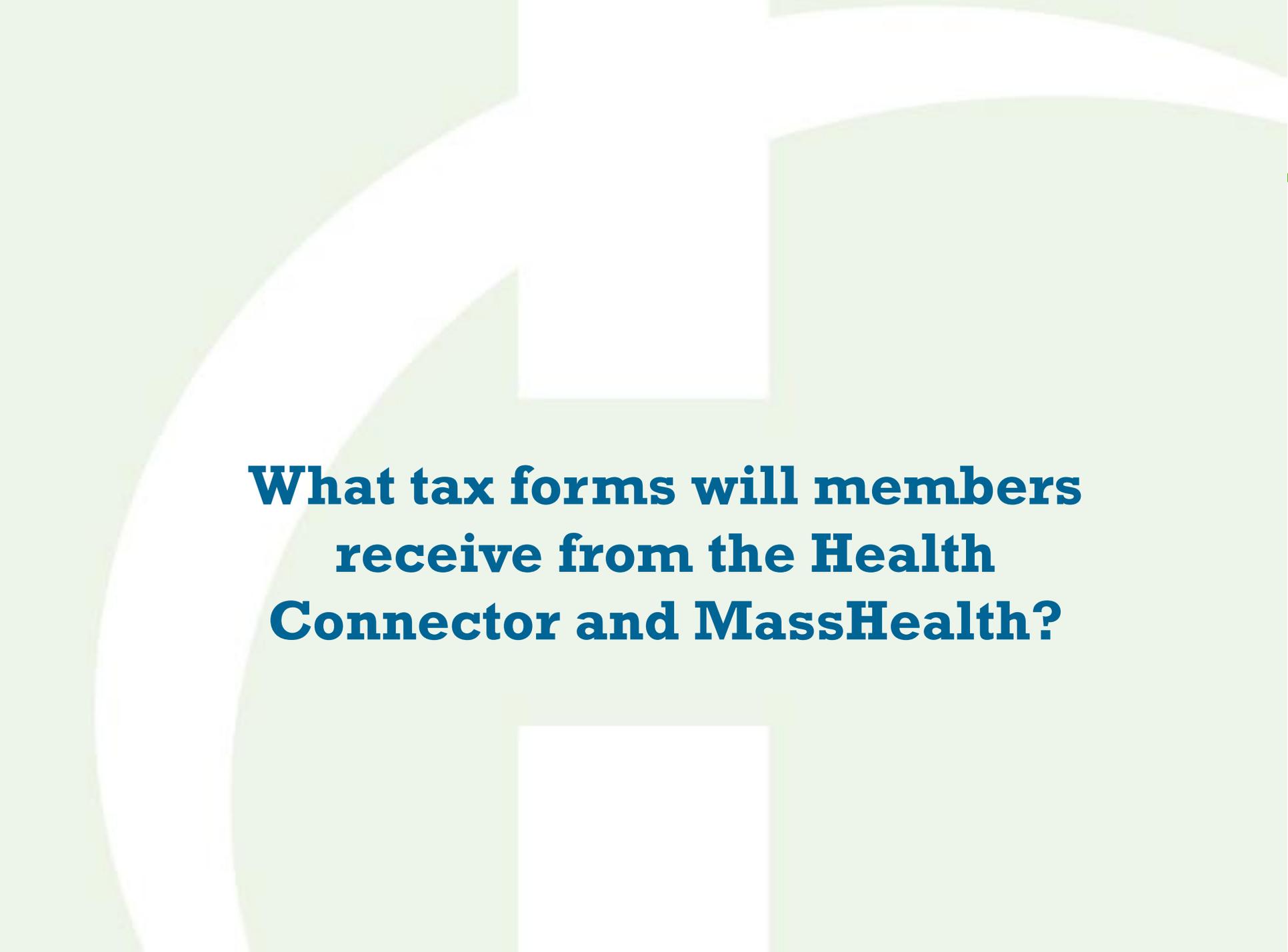
The repeal of the federal individual mandate means that:

- For tax year **2018**, consumers are still required to provide proof of their enrollment in health insurance coverage on both their state and federal tax returns or pay a penalty
- For tax year **2019**, consumers will only be penalized for not having health insurance coverage on their state tax return
- Health Connector members should know that any plan sold through the Health Connector meets the state's individual mandate requirements
- Consumers that receive federal APTCs must still file and reconcile them on their federal tax return in order to continue to be eligible for them in future years

Taxes and health insurance overlap.

Certain individuals received federal premium tax credits to reduce their health insurance premiums

- Households that received advance premium tax credits during the year will have to “reconcile” what they received based on projected income against their actual annual income when they do their federal income taxes
 - If an individual does not reconcile advance premium tax credits received, that individual may be ineligible to receive APTCs in future years until the APTCs are reconciled
- Households that did not receive premium tax credits in advance may still claim a premium tax credit when they file their taxes, even if they did not request financial assistance when they applied



**What tax forms will members
receive from the Health
Connector and MassHealth?**

Coverage Reporting



- **State Coverage Reporting:** Plan sponsors, often employers, must send enrollees evidence of each month during the calendar year in which they were enrolled in MCC for at least 15 days. This report is known as the 1099-HC and is often sent by the health plan rather than the employer
 - Those enrolled in a Qualified Health Plan in 2018 (including ConnectorCare) will receive a Form 1099-HC from their health plan
 - Those enrolled in certain MassHealth programs in 2018 will receive a 1099-HC from MassHealth
- **Federal Coverage Reporting:** Any entity that provides coverage must send enrollees evidence of each month during the calendar year in which they were enrolled in MEC for at least 1 day. This report is known as the Form 1095
 - Health Connector will send Form 1095-A to non-group enrollees, while MassHealth, Carriers and others will send Form 1095-B

Form 1095 vs. 1099-HC



1095-A, B and C

- The 1095 forms shows the months the individual met the **federal** rules for Minimum Essential Coverage (MEC)
- May be needed to complete a **federal** tax return
- For questions about the need to fill out a federal tax return, or how they should complete their federal tax return with the **1095 information**, call the **IRS Call Center** at:
 - (800) 829-1040 OR
 - <https://www.irs.gov/aca>

1099-HC

- The 1099-HC form shows that individuals met the Massachusetts rules for coverage
- May be needed to complete a state income tax return
- Questions about the need to fill out a Massachusetts state tax return, or about how to complete a state tax return with the **MA 1099-HC information**, should be directed to the **Massachusetts DOR** website at:
 - www.mass.gov/dor/individuals



1095-B Questions

- If you or your client/patient have questions about why they received the Form 1095-B from MassHealth, or, if they need a duplicate notice, contact the **MassHealth Customer Service Center** at:
 - 1-866-682-6745
 - TTY: 1-800-497-4648 (for people who are deaf, hard of hearing, or speech disabled)

Overview of 1095 Forms



	1095-A	1095-B	1095-C
Who sends it?	State-based or Federal Marketplaces	Carriers, Government programs (Medicare, Medicaid, VA, etc.), small employers	Large employers (more than 50 full-time equivalent employees)
Who receives it?	Individuals enrolled in Qualified Health Plans through the Health Connector or another Marketplace	Individuals not enrolled in a Marketplace or are not employed by a large employer: <ul style="list-style-type: none"> • Employees of small employers • MassHealth members • Individual market enrollees • Federal program recipients (e.g., Medicare, VA, Tricare) • Students 	Employees of large employers
Who does <u>not</u> receive it?	<ul style="list-style-type: none"> • Enrollees in catastrophic health plans or dental plans • Health Connector for Business enrollees 	People who did not have a plan meeting Minimum Essential Coverage (MEC) standards	People who did not have a plan meeting Minimum Essential Coverage (MEC) standards
What's different from the other 1095s?	Contains APTC amounts and other information needed to determine the correct amount of tax credits the household should have received based on their final income	"Simplest" 1095 because it only shows the months a household had coverage	Contains the same information as the 1095-B, plus information related to any offer of coverage from the employer

What forms will Health Connector members get?



Program	1095 info	1099-HC info
ConnectorCare	1095-A from the Health Connector	1099-HC from their health plan
QHP with APTC or unsub		
Catastrophic plan	1095-B from the carrier	
Health Connector for Business		

Form 1095-A



The Health Connector will send a Form 1095-A to non-group members enrolled in a Health Connector plan for at least one month of 2018.

- The Form 1095-A has important information about the months each member had health insurance coverage through the Health Connector, including the cost of monthly premiums, and any tax credits received during the year
- The Form 1095-A is used by the member or tax preparer when filing a federal tax return

Sample Form 1095-A



Form 1095-A Department of the Treasury Internal Revenue Service	Health Insurance Marketplace Statement <input type="checkbox"/> VOID • Do not attach to your tax return. Keep for your records. • Go to www.irs.gov/Form1095A for instructions and the latest information. <input type="checkbox"/> CORRECTED	OMB No. 1545-2232 2018		
Part I Recipient Information				
1 Marketplace identifier [data]	2 Marketplace-assigned policy number [data]	3 Policy issuer's name [data]		
4 Recipient's name [data]	5 Recipient's SSN [data]	6 Recipient's date of birth [data]		
7 Recipient's spouse's name [data]	8 Recipient's spouse's SSN [data]	9 Recipient's spouse's date of birth [data]		
10 Policy start date [data]	11 Policy termination date [data]	12 Street address (including apartment no.) [data]		
13 City or town [data]	14 State or province [data]	15 Country and ZIP or foreign postal code [data]		
Part II Covered Individuals				
A. Covered Individual Name	B. Covered Individual SSN	C. Covered Individual date of birth	D. Coverage Start Date	E. Coverage Termination Date
16 [data]	[data]	[data]	[data]	[data]
17 [data]	[data]	[data]	[data]	[data]
18 [data]	[data]	[data]	[data]	[data]
19 [data]	[data]	[data]	[data]	[data]
20 [data]	[data]	[data]	[data]	[data]
Part III Coverage Information				
Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit	
21 January	[data]	[data]	[data]	
22 February	[data]	[data]	[data]	
23 March	[data]	[data]	[data]	
24 April	[data]	[data]	[data]	
25 May	[data]	[data]	[data]	
26 June	[data]	[data]	[data]	
27 July	[data]	[data]	[data]	
28 August	[data]	[data]	[data]	
29 September	[data]	[data]	[data]	
30 October	[data]	[data]	[data]	
31 November	[data]	[data]	[data]	
32 December	[data]	[data]	[data]	
33 Annual Totals	[data]	[data]	[data]	
For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60703Q Form 1095-A (2018)				

Download 1095 A forms from Health Connector Payment Center



- The Health Connector will continue to mail 1095 forms to members
- In addition, 1095 forms will be available for download from the **notices** section of the Payment Center website
- Members can View forms or Print them - *available in PDF format*
- Permissions for the Payment Center website varies by Assister type
 - Navigator can view notices and forms, Certified Application Counselors (CACs) cannot
 - Remember if a member has an Optum ID, they can log in on their own (or with your assistance) and view and print documents from their account

Requests for Duplicate and Corrected forms



- **Duplicate forms** - Members have the option of either going online to the payment center to download and print a copy or call the Health Connector Customer Service to request a duplicate be mailed to them
- **Corrections** - Members should call the Health Connector Customer Service, and the representative will research if a mistake made
 - If so, they will further investigate and make the corrections needed.
 - Once the application is corrected a new Form 1095-A will be generated and mailed to the member
- For both the Duplicate and Corrected forms, the members mailing address will be confirmed
- All correction and duplicate requests for **Form 1099–HC** for Health Connector members should be referred to the member’s health plan
- All correction and duplicate requests for MassHealth members should be referred to MassHealth Customer Service Center at 1-866-682-6745 (TTY: 1-800-497-4648).



MassHealth

Who gets what form(s)?

MassHealth



Program	1095 info	1099-HC info
Standard	1095-B from MassHealth	1099-HC from MassHealth, unless member was 18 years or older and was <150% FPL all year
CarePlus	1095-B from MassHealth	1099-HC from MassHealth, unless member was <150% FPL all year
CommonHealth	1095-B from MassHealth	1099-HC from MassHealth, unless member was <150% FPL all year
Family Assistance (Direct Coverage)	1095-B from MassHealth	1099-HC from MassHealth, unless member was <150% FPL all year
Health Safety Net	No form – not MEC	No form – not MCC
Limited	No form – not MEC	No form – not MCC

Form 1095-B:

- An Internal Revenue Service (IRS) form. It shows the months the individual met the **federal** rules for minimum essential coverage (MEC)
- Different from the state's 1099-HC form and applies to the state tax return. 1095-B is federal form that is sent in addition to the 1099-HC.
- The 1095-B form(s) provides information the individual member may need to complete their **federal tax return**
- MassHealth will send the 1095-B to members in January (unless an extension has been granted) who were covered by MassHealth for at least part of one month in 2018 – even if it was only one day of the month
 - By law, MassHealth and the Health Connector will send the individual member's 1095 information to the IRS.

Form 1095-B (cont'd)



560118

Form **1095-B**

Department of the Treasury
Internal Revenue Service

Health Coverage

▶ Do not attach to your tax return. Keep for your records.

▶ Go to www.irs.gov/Form1095B for instructions and the latest information.

VOID

CORRECTED

OMB No. 1545-0042

2018

Part I Responsible Individual

1 Name of responsible individual—First name, middle name, last name		2 Social security number (SSN) or other TIN	3 Date of birth (if SSN or other TIN is not available)		
4 Street address (including apartment no.)		5 City or town	6 State or province	7 Country and ZIP or foreign postal code	
8 Enter letter identifying Origin of the Health Coverage (see instructions for codes): . . . ▶ <input type="checkbox"/>		9 Reasoned			

Part II Information About Certain Employer-Sponsored Coverage (see instructions)

10 Employer name			11 Employer identification number (EIN)		
12 Street address (including room or suite no.)		13 City or town	14 State or province	15 Country and ZIP or foreign postal code	

Part III Issuer or Other Coverage Provider (see instructions)

16 Name		17 Employer identification number (EIN)		18 Contact telephone number	
19 Street address (including room or suite no.)		20 City or town	21 State or province	22 Country and ZIP or foreign postal code	

Part IV Covered Individuals (Enter the information for each covered individual.)

(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) DOB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage												
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
23			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For 2018, each covered individual will receive a separate Form 1095-B from MassHealth.

Form 1095-B (cont'd)



- Part III is populated with EOHHS information
- In Part IV of Form 1095-B, a box with a checkmark will indicate each month or part of a month that the individual had MassHealth coverage in 2018

Part IV Covered Individuals (Enter the information for each covered individual.)																
(a) Name of covered individual(s) First name, middle initial, last name	(b) SSN or other TIN	(c) COB (if SSN or other TIN is not available)	(d) Covered all 12 months	(e) Months of coverage												
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For 2018, each covered individual will receive a separate Form 1095-B from MassHealth.

- The individual member will need the information in form 1095-B if they have to complete a **federal** income tax return

Please note: Each covered individual (not household) will receive a separate Form 1095-B from MassHealth

MassHealth Sample Notice



For more information: MassHealth Eligibility Operations Memo 19-02

<https://www.mass.gov/files/documents/2019/01/04/eom-19-02.pdf>


Commonwealth of Massachusetts
Executive Office of Health and Human Services
www.mass.gov/masshealth

Date, 2019

Name _____
Address _____
City, State Zip _____

FORM MA 1099-HC

This form tells you which months you had MassHealth coverage during 2018. You may need this information to file your Massachusetts tax return.

Massachusetts law requires adult residents 18 years and older to have health insurance if they can afford it. By law, the health insurance must meet a certain standard known as "minimum creditable coverage." Many MassHealth programs meet that standard. Failure to have affordable health insurance (including MassHealth) that meets the minimum creditable coverage requirement may result in penalties.

The Massachusetts Department of Revenue (DOR) is responsible for enforcing this requirement through the personal income tax filing process. To show proof of coverage, you must complete Schedule HC (for health care) with your Massachusetts personal income tax return.

Our records show that you had MassHealth coverage for the following months:

JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
<input type="checkbox"/>											

The MassHealth coverage for the marked months meets the standard for the minimum creditable coverage requirements.

You may be asked on Schedule HC to indicate which months you had health insurance, including MassHealth, by filling in the ovals on the form. Follow the instructions that come with Schedule HC to determine if you are subject to a penalty.

For more information on the individual mandate, visit www.mass.gov/dor, visit the [Frequently Asked Questions](#), or for copies of the Schedule HC, please visit www.mass.gov/dor. Schedule HC can also be found wherever Massachusetts income tax forms are available such as public libraries.

If you have any questions about this notice, please call the MassHealth Customer Service Center at (866) 682-6745 (TTY: (800) 497-4648 for people who are deaf or hard of hearing, or speech disabled).

Thank you.

MassHealth

NOTES: DOR has an online application called "masstaxconnect" available for resident taxpayers. Based on your answers to some opening questions, you may be able to file your Massachusetts income taxes online with DOR for free. Visit www.mass.gov/dor for more information.



**What should members
do with these forms?**

Advance Premium Tax Credits

Members who received Advance Premium Tax Credits during the year (including through ConnectorCare)



Must complete Form 8962 when they file their taxes to see if they got the right amount of subsidy based on their final income for the year. They may get more money back or have to repay some money.

Failing to complete Form 8962 may result in being ineligible for APTCs in the future

Members who did not receive Advance Premium Tax Credits during the year



May complete Form 8962 when they file their taxes to see if they could get premium tax credits based on their final income for the year.

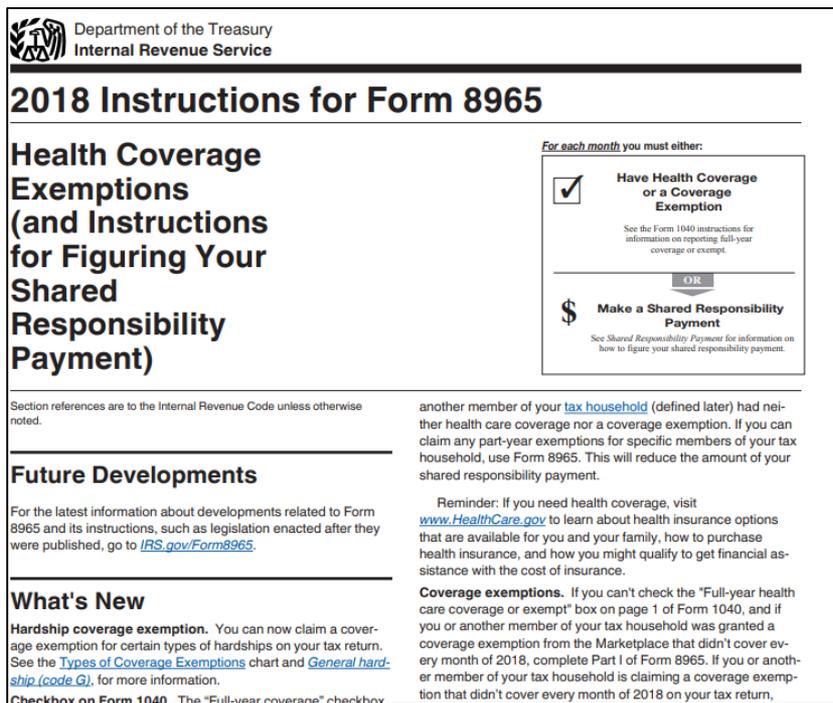
Complying with the Federal Individual Mandate



- If members had coverage for the full year, they can check a box for full year coverage on their **federal** income tax return
- If they did not have coverage for the full year, they should use the Form(s) 1095 they received to complete Form 8965 with their tax return
- Form 8965 will allow them to report their months of coverage as well as claim exemptions from the penalty
- New for tax year 2018, individuals can claim a hardship exemption on their tax return
- If a member needs to apply for an exemption from the federal mandate that cannot be claimed through the IRS, they should go to healthcare.gov/exemptions **BEFORE** they file their return
 - This website has application instructions as well as a screening tool to help identify potential exemptions
 - CMS will review the application and grant a hardship code the individual can use on their taxes
 - Individuals can file for an extension while CMS processes their application, or they can pay the penalty when they file and amend their return if CMS approves their request

Complying with the Federal Individual Mandate (cont'd)

- Some exemptions are granted by CMS and some by IRS. For more information on exemptions and who grants them, visit these sites:
- <https://www.healthcare.gov/exemptions>
- <https://www.irs.gov/pub/irs-pdf/i8965.pdf>



Department of the Treasury
Internal Revenue Service

2018 Instructions for Form 8965

Health Coverage Exemptions (and Instructions for Figuring Your Shared Responsibility Payment)

For each month you must either:

- Have Health Coverage or a Coverage Exemption**
See the Form 1040 instructions for information on reporting full-year coverage or exempt.
- OR**
- Make a Shared Responsibility Payment**
See Shared Responsibility Payment for information on how to figure your shared responsibility payment.

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 8965 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form8965](https://www.irs.gov/Form8965).

What's New

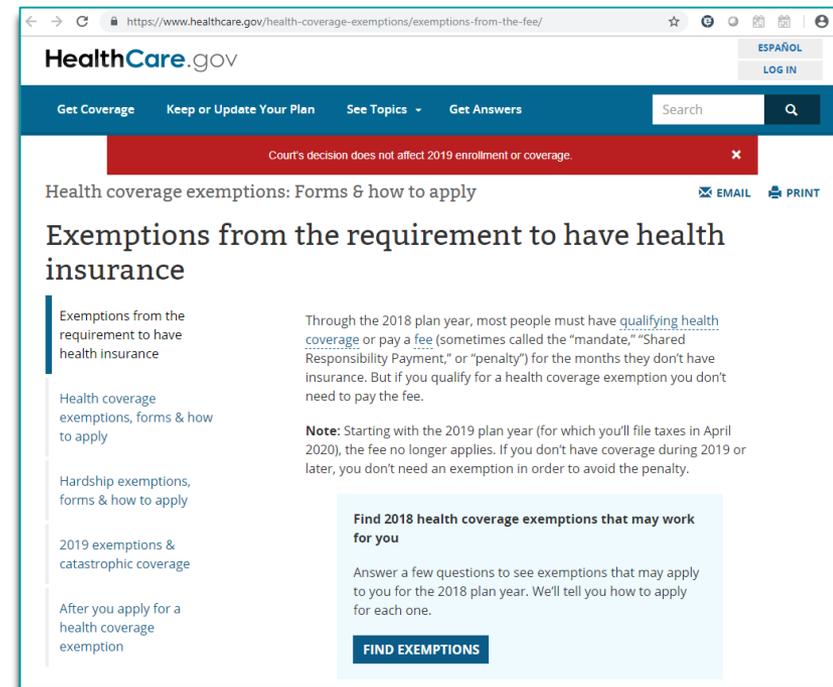
Hardship coverage exemption. You can now claim a coverage exemption for certain types of hardships on your tax return. See the [Types of Coverage Exemptions](#) chart and [General hardship \(code G\)](#), for more information.

Checkbox on Form 1040. The "Full-year coverage" checkbox

another member of your [tax household](#) (defined later) had neither health care coverage nor a coverage exemption. If you can claim any part-year exemptions for specific members of your tax household, use Form 8965. This will reduce the amount of your shared responsibility payment.

Reminder: If you need health coverage, visit www.HealthCare.gov to learn about health insurance options that are available for you and your family, how to purchase health insurance, and how you might qualify to get financial assistance with the cost of insurance.

Coverage exemptions. If you can't check the "Full-year health care coverage or exempt" box on page 1 of Form 1040, and if you or another member of your tax household was granted a coverage exemption from the Marketplace that didn't cover every month of 2018, complete Part I of Form 8965. If you or another member of your tax household is claiming a coverage exemption that didn't cover every month of 2018 on your tax return,



HealthCare.gov

Get Coverage Keep or Update Your Plan See Topics Get Answers

Court's decision does not affect 2019 enrollment or coverage.

Health coverage exemptions: Forms & how to apply

Exemptions from the requirement to have health insurance

Exemptions from the requirement to have health insurance

Through the 2018 plan year, most people must have [qualifying health coverage](#) or pay a [fee](#) (sometimes called the "mandate," "Shared Responsibility Payment," or "penalty") for the months they don't have insurance. But if you qualify for a health coverage exemption you don't need to pay the fee.

Note: Starting with the 2019 plan year (for which you'll file taxes in April 2020), the fee no longer applies. If you don't have coverage during 2019 or later, you don't need an exemption in order to avoid the penalty.

Health coverage exemptions, forms & how to apply

Hardship exemptions, forms & how to apply

2019 exemptions & catastrophic coverage

After you apply for a health coverage exemption

Find 2018 health coverage exemptions that may work for you

Answer a few questions to see exemptions that may apply to you for the 2018 plan year. We'll tell you how to apply for each one.

FIND EXEMPTIONS

Complying with the State Individual Mandate



- If members had coverage for the **full year**, they can check a box for full year coverage on their state income tax return
- If they did not have coverage for the full year, they should use the Form(s) 1099-HC they received to complete Schedule HC with their tax return
 - Schedule HC will allow them to report their months of coverage as well as claim exemptions from the penalty
- If a member needs to apply for an exemption from the state mandate, they can indicate their wish to appeal when they file their taxes
 - The Department of Revenue will send them a letter asking for more proof of their hardship, which the Health Connector will review
 - No penalty will be assessed until the Health Connector has made a decision

Members with Overlapping Health Connector and MassHealth Coverage



There will be some members who receive both a Form 1095-A from the Health Connector and a Form 1095-B from MassHealth showing overlapping coverage for a given month

- As a reminder, Health Connector plans with Advance Premium Tax Credits and ConnectorCare plans are for individuals who do not have access to other types of insurance
- In most cases, the online application is programmed to prevent someone from being determined eligible for coverage if they are already eligible for another coverage type
 - Generally, if a member takes tax credits even though they have other coverage, they must repay the tax credits for that month when they file their federal income taxes, subject to certain caps
 - However, there are certain situations when a member would not be considered ineligible for tax credits, even though they received two 1095 forms showing overlapping coverage for a given month. As an example, people who transitioned between MassHealth and Health Connector programs or those who received retroactive MassHealth eligibility

Members with Overlapping Health Connector and MassHealth Coverage

(cont'd)



- In general, if a member believes that their overlapping coverage was valid, it is proper to only report Health Connector coverage for that month when they file their taxes
 - They do not need a corrected form from MassHealth, even if they do not report the MassHealth coverage on their taxes
 - MassHealth has a responsibility to tell a member if they had coverage for at least one day in a month according to its records, but it is the members responsibility to determine if that coverage means they must repay tax credits
- Regulation from IRS says that if tax credits aren't ended for the month following a redetermination into Medicaid, the individual is treated as not being enrolled in MEC until the first day of the second month following the eligibility change and does not have to pay back the APTC for the first month

Members with Overlapping Health Connector and MassHealth Coverage (cont'd)



Example:

- Wendy has been enrolled in a QHP and receiving APTCs through the Health Connector
- Wendy later became eligible and approved for MassHealth on July 16 with a start date of June 3
- Wendy receives her approval notice on July 24
- Wendy would not be penalized or have to repay any tax credits claimed before September 1

When will forms be mailed?

Important Dates in 2018



Dates	Action
Mid-Late January	1095-A forms sent to all QHP members (including ConnectorCare members)
January (unless an extension has been granted)	1095-B forms will be sent to certain MassHealth Members
March 1st	Individuals are encouraged to report any corrections to 1095 or 1099-HC forms to the Health Connector and new forms to be sent out prior to the tax filing deadline
April 17, 2019	Federal and State Tax filing deadline

*The regular tax return filing deadline is April 15. However, due to April 15 being a Massachusetts holiday (Patriots day) and Washington D.C.'s Emancipation day holiday on April 16, Tax day is on the following Tuesday.

Health Connector Communications



Date	Activity to Members
Mid January	What to Expect <u>Emails</u> going to all members who have an email on file , reminding them to wait for all necessary forms before filing their taxes
Mid January	What to Expect <u>Mailer</u> to members, without a known email address , reminding them to wait for all necessary forms before filing their taxes
Mid January - April	Call Center IVR messaging about filing taxes
Mid to Late January	1095-A with Cover Letter and FAQ (English & Spanish)
End of February	Email to inform members on how to request corrected 1095-A Forms & to remind them to file their taxes

Sample “What to expect” Mailer,

REMINDER:

Wait to file your taxes until you have all of your 2018 health insurance tax forms



We will send you a **Form 1095-A** by the **end of January**. Wait until you get your **Form 1095-A** to file your federal income tax return. If you had a 2018 ConnectorCare plan or got a monthly tax credit to lower your monthly premium in 2018, **you must file a federal income tax return**.

You must file even if you normally don't file a federal tax return because you have no income or your income is low.

When can I file my taxes?

You can file your federal taxes after you get your **Form 1095-A**. We will send the form by the end of January. If you got monthly tax credits in 2018 and file without your **Form 1095-A** information, you may have to file an amended federal tax return with the IRS later.

What is Form 1095-A?

Your **Form 1095-A** has information about:

- The months you were covered by the Health Connector
- Any tax credit you got in 2018 to lower your monthly health insurance premiums



Bring your **Form 1095-A** with you when you go to your tax preparer. Or have it ready when you prepare your own return. You'll need the form if you didn't get a tax credit in 2018 but want to claim a premium tax credit when you file. If you didn't get a tax credit in 2018, you'll need the form if you want to claim a premium tax credit when you file, and to answer questions about the months you were covered.

If you file by paper, you'll use the **Form 1095-A** information to fill out **IRS Form 8962**. You will send **Form 8962** with your tax return. If you're filing with online tax software, you'll use the information from your **Form 1095-A** to answer questions for **Form 8962**.

Form 8692 tells the IRS if you got the right amount of tax credit in 2018.

What happens to my health insurance if I don't file taxes?

If you had a ConnectorCare plan or got a monthly tax credit in 2018 and don't file a federal income tax return, you will **not** be able to get help paying for your health insurance next year. Even if you didn't have to file in the past because you have low or no income, you'll need to file a federal income tax return this year.

What health insurance tax forms will I get?

You should expect to get:

Form	1095-A	1099-HC
Sent by...	Health Connector	Your insurance company
Use it for your...	Federal income tax return	State income tax return

You may get more forms if you also had health insurance through another source in 2018, such as a job.

For more information, go to www.MAhealthconnector.org/taxes

Sent to members without emails on file.

Key messages:

- Don't file your taxes until you have all of your 2018 health insurance tax forms. We will send you a **Form 1095-A** by the end of January. Wait until you get this form before filing your federal income tax return.
- Remember, you must file a federal income tax return this year, even if you haven't had to in the past.

English and Spanish versions

Sample Envelope



133 Portland Street, 1st floor
Boston, MA 02114-1707

Important tax information! • ; Información fiscal importante!



MASSACHUSETTS
HEALTH
CONNECTOR

- Note the envelopes will be a turquoise color!

Sample Cover Letters



[Recipient Name]
[C/O]
[Mailing Address Line 1]
[Mailing Address Line 2]
[City], [State] [Zip]

[Date]

IMPORTANT: Use your Form 1095-A for filing 2018 taxes

Dear [Primary Recipient],

You are receiving a Form 1095-A because you were enrolled in health insurance coverage through the Health Connector for at least one month in 2018. This form has important information that you will need when filing your federal income tax return for 2018. Bring your Form 1095-A with you when you meet with your tax preparer, or have it ready when you prepare your own returns. As required by law, a copy of this information has been sent to the Internal Revenue Service (IRS).

Important: You must file taxes if you received an Advance Premium Tax Credit in 2018. If you were enrolled in a ConnectorCare plan, you received Advance Premium Tax Credits and will need to file taxes—even if you have very low income and didn't need to file in the past. If you don't file, you won't be able to get help paying for your health insurance in the future. If you're not sure if you received an Advance Premium Tax Credit in 2018, you can learn more on the FAQ page included with this letter.

What you need to do with Form 1095-A

1. **Make sure the information on your Form 1095-A is correct.** Use the checklist on the next page to check your form. Let us know as soon as possible if any of the information on your form is not right. Please let us know no later than **March 19, 2019**, to avoid delays with your tax filing.
2. **File a federal income tax return with IRS Form 9962** if you received an Advance Premium Tax Credit or want to claim a Premium Tax Credit.
3. **Keep a copy of Form 1095-A for your records.**

Why do I need a 1095-A form?

If you received an Advance Premium Tax Credit in 2018, you'll need the information from your Form 1095-A to fill out IRS Form 8962 when you file your federal tax return. The questions from IRS Form 8962 help the IRS make sure that you got the right amount of tax credit for health insurance in 2018. The amount of tax credit you were given was based on your estimated income. If your actual income was more than what you estimated, you may have to pay back some or all of the tax credit. Or, you could get a refund if your income was less than what you estimated.

If you did not get an Advance Premium Tax Credit, but want to claim a premium tax credit on your tax return, you will also need to fill out IRS Form 8962 to find out if you qualify. **Note:** If you received an Advance Premium Tax Credit in 2018, or want to claim a premium tax credit for this year, **you cannot file your taxes with form 1040 EZ.**

Is your information correct?

Part 1 (I) of Form 1095-A

- Do fields 10 and 11 show the right dates for the months you were covered by the Health Connector?

Important: You only need to check your 1095-A for the months you were enrolled with the Health Connector. If you had coverage from another source in 2018 (such as a job) you will get more form(s) from those sources, showing your other months of coverage.

Part 2 (II) of Form 1095-A

- Is the information about people covered under your health insurance plan correct?

Part 3 (III) of Form 1095-A

- Does Column C show the right amount of tax credit applied to your 2018 premiums?

Please note the following:

In Column A of Part 3, the monthly premium shown will not match exactly the amount that you are used to paying each month. You can learn more about this on the FAQ page or on our website at www.MAhealthconnector.org/taxes.

In Column B of Part 3, we will show the cost of the second lowest-cost Silver plan available to your tax household in 2018, which was used to determine your tax credit amount. You can learn more about this on the FAQ page or on our website .

For questions or changes to your form

If you think information on your Form 1095-A is wrong, call Customer Service as soon as possible. You should **call us about any corrections to your 1095-A no later than March 19, 2019**, to avoid problems with filing your taxes on time. You can call us at 1-877-MA ENROLL (1-877-623-6765) or TTY: 1-877-623-7773, Monday through Friday, 8:00 a.m. to 6:00 p.m.

We've included a Frequently Asked Questions (FAQ) page with this letter to help you with questions. You can also learn more on our website at: www.MAhealthconnector.org/taxes

If you already filed your tax return

You may need to file an amended federal income tax return if you filed your tax return before you got a Form 1095-A. For more information on how to file an amended return, go to irs.gov and search for "amended return."

How to get help with your taxes

Many people can get free tax help from programs such as Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). Go to www.MAhealthconnector.org/taxes to learn more about getting free help with your taxes. Or you can call **800-906-9887** to find help near you.

Thank you,

Massachusetts Health Connector

Frequently Asked Questions: *Form 1095-A*



Why did I get a Form 1095-A?

You received a *Form 1095-A* because you had health insurance through the Health Connector in 2018. You will need the information from your *1095-A* when you file your federal income tax return for 2018.

Do I have to file taxes even if I have low income?

Yes. Even if you've never had to file taxes in the past because your income is low, you will need to file a federal income tax return for 2018 if you received an Advance Premium Tax Credit. You cannot file your taxes with *1040-EZ*. You must file with *Form 1040*, *1040A*, or *1040NR*.

What happens if I don't file a federal income tax return for 2018?

If you got an Advance Premium Tax Credit in 2018 and you don't file a federal income tax return, you won't be able to get help paying for your health insurance through a tax credit or ConnectorCare again in the future.

How can I get help with filing my taxes?

Many people can get free tax help from programs such as Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). Call the IRS hotline at 800-906-9887 to find a location near you. To learn more about how to get free help with your taxes, visit www.MAhealthconnector.org/taxes.

How do I get another copy of this form?

You can view and print a copy of your *1095-A* form through your online account. Follow these steps to access your form online:

1. Go to MAhealthconnector.org, click **Log In** at the top of the screen, then choose **Individuals and Families**
2. Sign in with your Optum ID (user name) and password
3. Click on **My Enrollments**
4. Click on the **Make a Payment** button
5. Click on **My Tax Documents** at the top of the screen

If you don't have an online account, or have trouble signing into it, please call Customer Service for help.

I noticed something wrong with my form. How can I have it corrected?

If you think something on your form is wrong, please call Customer Service right away. It's important to ask for a corrected version of your form as soon as possible.

What do I do with my *Form 1095-A*?

You should keep a copy of your *Form 1095-A* in a safe place and take it with you to your tax preparer, or have it with you as you prepare your own tax return. If you had an Advance Premium Tax Credit to help you pay for your health insurance in 2018, you'll need the information in your *1095-A* to fill out *IRS Form 8962, Premium Tax Credit*. You will need to include *Form 8962* when you file. You will also need to fill out and include *Form 8962* if you didn't get a tax credit during the year but want to try and claim a premium tax credit when you file. You may also use the *Form 1095-A* to answer questions about your health insurance coverage in the "Health Care: Individual Responsibility" section of your tax form.



**How to find help with tax
preparation in your
community**

VITA and TCE



- **The Volunteer Income Tax Assistance (VITA)** program offers free tax help to people who generally make **\$55,000** or less, persons with disabilities, the elderly and limited English speaking taxpayers who need assistance in preparing their own tax returns. The IRS-certified volunteers are able to provide free basic income tax return preparation with electronic filing to qualified individuals
- In addition to VITA, the **Tax Counseling for the Elderly (TCE)** program offers free tax help for all taxpayers, particularly those who are 60 years of age and older, specializing in questions about pensions and retirement-related issues unique to seniors. The IRS-certified volunteers who provide tax counseling are often retired individuals associated with non-profit organizations that receive grants from the IRS
- Before going to a VITA or TCE site, see Publication 3676-A for services provided and check out the [What to Bring](#) page to ensure you have all the required documents and information our volunteers will need to help you
 - Note: available services can vary at each site due to the availability of volunteers certified with the tax law expertise required for a particular return

Finding a VITA or TCE Site Near You



- VITA and TCE sites are generally located at community and neighborhood centers, libraries, schools, shopping malls and other convenient locations across the country
 - To locate a VITA or TCE site or use the VITA Locator Tool <https://www.irs.gov/individuals/find-a-location-for-free-tax-prep> or call 800-906-9887
- At select tax sites, taxpayers also have an option to prepare their own basic federal and state tax return for free using web-based tax preparation software with an IRS-certified volunteer to help guide them through the process. This option is only available at locations that list “Self-Prep” in the site listing <http://irs.treasury.gov/freetaxprep/>

Finding an AARP TCE Tax-Aide Site



- A majority of the TCE sites are operated by the AARP Foundation's Tax Aide program
- To locate the nearest AARP TCE Tax-Aide site between January and April use the **AARP Site Locator Tool** or call 888-227-7669

<http://www.aarp.org/applications/VMISLocator/searchTaxAideLocations.action>

Helpful IRS Resources

- Free Tax Return Preparation for Qualifying Taxpayers
 - <https://www.irs.gov/individuals/free-tax-return-preparation-for-you-by-volunteers>
- Affordable Care Act (ACA) Tax Provisions
 - <http://www.irs.gov/Affordable-Care-Act>
- Individual Shared Responsibility Provision
 - <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Individual-Shared-Responsibility-Provision>

Key Takeaways



Please keep this information in mind as you work with consumers to help them apply for health insurance coverage:

- Both Massachusetts and the federal government have a requirement for individuals to have health insurance **for 2018**, if it's affordable
 - There are important differences in how Massachusetts and the federal government have structured their requirements that may be confusing for consumers
 - Filing taxes has implications for a consumer's eligibility for Advance Premium Tax Credits (APTC), including the ConnectorCare program. If members got an Advance Premium Tax Credit in 2018 and don't file a federal income tax return, they won't be able to get help paying for their health insurance through a tax credit or ConnectorCare again in the future until they reconcile their taxes
- An applicant's tax filing status also impacts their ability to receive tax credits (Example, married couple must file taxes jointly to receive APTCs)
- Keeping the state informed about any changes a member has, such as income, job loss or change, marriage or pregnancy, will help minimize any unanticipated responsibilities when taxes are reconciled

Key Takeaways (cont'd)



- Remind consumers to keep any 1095 forms received from MassHealth or the Health Connector
- Also refer them to the eligibility and enrollment notices they've received from MassHealth and the Health Connector to help them determine when their coverage was effective, and make sure to keep copies of these notices. Consumers may need them if the IRS or their tax preparer has questions about their coverage



Questions?