



# Learning Series

## Massachusetts HealthCare Training Forum (MTF)

**MassHealth and Health Connector**

January 2020



# MA Health Care Learning Series

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**The MA Health Care Learning Series provides regular updates and presentations from Health Connector and MassHealth staff, to educate those who help Massachusetts residents in applying, getting and keeping their health coverage through MassHealth, the Health Connector and Health Safety Net via [MAhealthconnector.org](http://MAhealthconnector.org)**

# Agenda

- Automatic Voter Registration (AVR)
- End of year tax filing process for Health Connector and MassHealth members



# Automatic Voter Registration

# Automatic Voter Registration

**Beginning on January 1, 2020 MassHealth and the Massachusetts Health Connector began supporting a new law allowing an individual applying for health benefits to be automatically registered to vote at the same time**

- Changes have been made to the online and telephonic applications to allow individuals who are applying as the Head of Household (HOH) to be able to register to vote automatically when submitting their application for the first time
- The voter registration information will be sent automatically to the Secretary of the Commonwealth's (SOC) office
- An individual who does not qualify to register to vote, or does not wish to register to vote, may opt-out of this automatic process

# Automatic Voter Registration

**The Rights and Responsibilities page on MAHealthConnector.org now includes new language that informs an applicant of the automatic voter registration process and gives authorization to MassHealth/Health Connector to send the HOH's information to the SOC for purposes of voter registration**

- The new language includes a check box for “Do not use my information for voter registration”
- To opt-out of the automatic voter registration process, the HOH should select that box. If selected, no information will be sent to the SOC
- The option for applicants to register to vote by mail will continue to be available. If an applicant would like to register to vote by mail, they should fill out the paper voter registration form
- Additionally, paper voter registrations should be used by household members who are eligible to vote and are not the account holder

# Automatic Voter Registration

**Upon submission of an initial online or phone application, MassHealth will determine if the HOH meets the criteria for automatic voter registration:**

- Application is online or by phone only;
- HOH is age 16 or older;
- HOH has electronically signed the application;
- HOH attests to a Massachusetts residential address;
- HOH did not attest to a residential or mailing address in the Address Confidentiality Program;
- HOH attests to being a U.S. citizen;
- HOH's citizenship and residency are in a verified status;
- HOH did not select the "Do not use my information for voter registration" checkbox on the Rights and Responsibilities page;
- HOH is not deceased

If the individual meets the criteria for AVR, then the HOH information—including name, age, address, and citizenship indicator—is sent by MassHealth/Health Connector to the SOC for purposes of voter registration

If there is a pending Request for Information, voter registration will not be sent to the SOC until the RFI is verified. If the HOH does not meet the criteria above, no information is sent to the SOC



## **Automatic Voter Registration**

**The “Eligibility Results” page on MAHealthConnector.org displays a new AVR section to inform a user if their information will be sent to the SOC for voter registration. The messages will be dynamically displayed, depending on the results of the AVR process**

**For a list of all AVR messages displayed, please review the Eligibility Operations Memo regarding Automatic Voter Registration <https://www.mass.gov/doc/eom-20-02-automatic-voter-registration/download>**

# Voter Registration Reminder

**To register to vote or pre-register to vote in Massachusetts the applicant or member must be:**

- A U.S. citizen, and
- A Massachusetts resident, and
- At least 16 years old, and
- Not under guardianship that prohibits registering to vote, and
- Not temporarily or permanently disqualified by law from voting, and
- Not currently incarcerated for a felony conviction

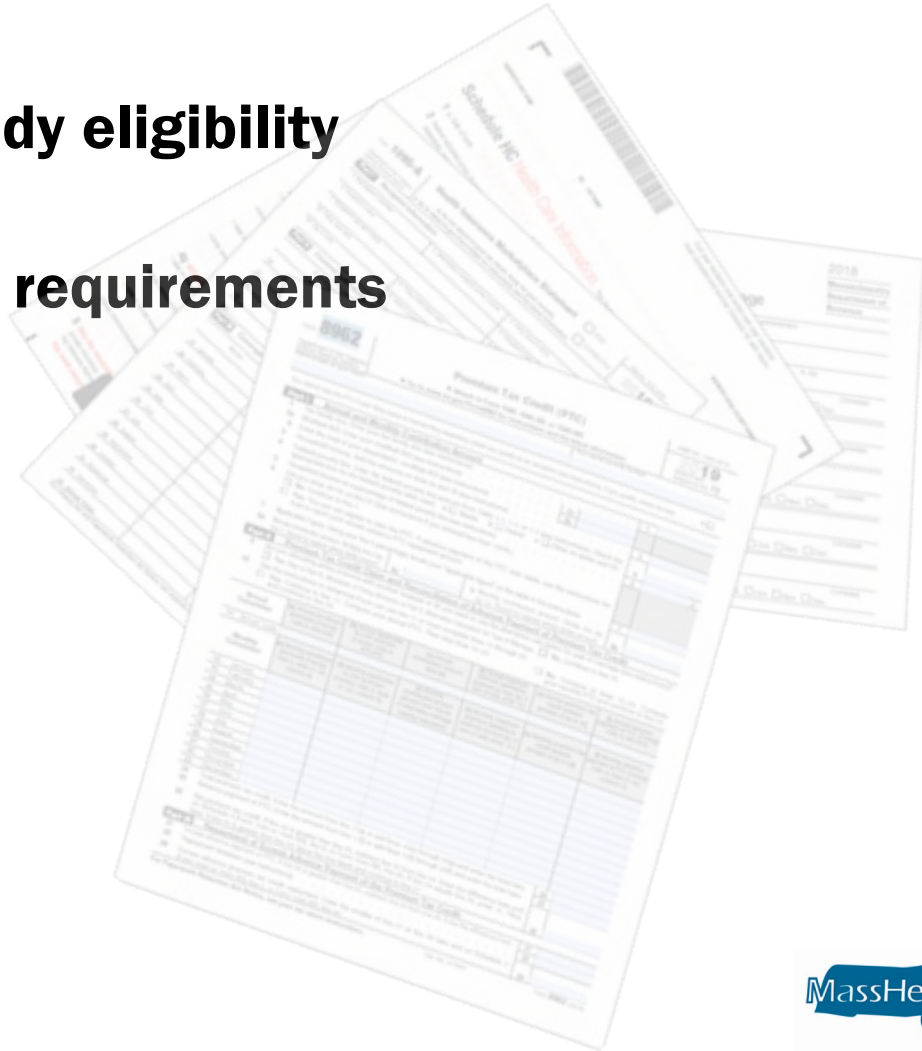


# End of Year Tax Filing Process

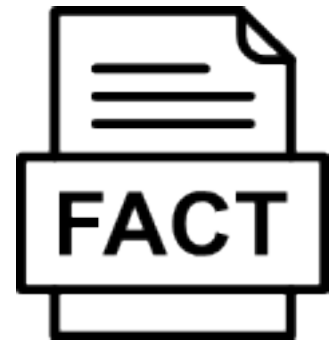
# Health Coverage and Taxes

Health insurance information is needed for federal and state taxes for two reasons:

1. Determining subsidy eligibility
2. Meeting coverage requirements



# Health Coverage and Taxes



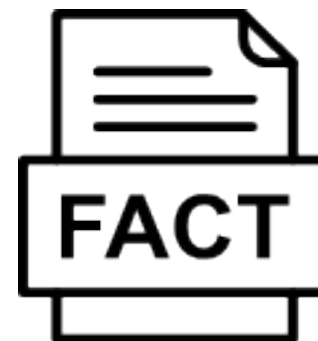
## Important Facts:

### Federal Tax Filing:

- Consumers that receive federal advance premium tax credits (APTCs) must file and reconcile them on their federal tax return in order to continue to be eligible for them in future years
- An applicant's tax filing status also impacts their ability to receive tax credits. For example, married couples must file taxes jointly to receive access to APTCs
- In 2017 the Tax Cuts and Jobs Act set the penalty for the federal individual mandate to \$0 beginning with tax year 2019
  - Individuals will not have to show that they had health insurance coverage when filing their federal taxes in 2020 for tax year 2019
  - Individuals that did not have Minimal Essential Coverage (MEC) for all or part of 2019 will not have to pay a penalty or file for an exemption

# Health Coverage and Taxes

## Important Facts:



### State Tax Filing:

- The Massachusetts Individual Mandate is still in effect
  - Massachusetts requires most adults 18 and over to purchase health insurance if it is affordable to them and meets Minimum Creditable Coverage (MCC) standards
  - Consumers will have to provide proof of their enrollment in health coverage on their state taxes
    - Failure to have health insurance for the entire year may result in a tax penalty
  - Consumers may be able to get an exemption if Minimum Creditable Coverage is not affordable for them or for other special circumstances or hardships

# Complying with the State Individual Mandate

- If members had coverage for **the full year**, they 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 to report **their months of coverage**
- If a member needs to apply for state mandate exemption they can indicate their **wish to appeal** on the **Schedule HC** when they file their state taxes
  - The Massachusetts 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



# **Key Points for Health Connector and MassHealth Members**



# Key Points

- Massachusetts residents will only be penalized for not having health insurance coverage on their state tax return
- The Tax Cuts and Jobs Act set the penalty for the Federal individual mandate to \$0 beginning with tax year 2019
- Filing taxes and reconciling impacts a consumer's eligibility for APTCs, including the ConnectorCare program
- If a member received APTCs and doesn'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 APTCs on their taxes
  - Example: Individuals who received APTCs in 2018 but didn't file a federal income tax return and reconcile those APTCs will be denied subsidies in future years until they file their taxes and reconcile the APTCs received in 2018

## Key Points (cont'd)

### Remind members:

- Tax filing status also impacts a member's ability to receive tax credits. For example, married couples must file taxes jointly to receive APTCs
- To tell the state about any changes such as income, job loss or change, marriage or pregnancy, to help minimize unexpected repayments when reconciling their taxes
- To keep MassHealth and the Health Connector documents as they may be needed if the IRS or their tax preparer has questions about their coverage:
  - 1095 and 1099-HC forms
  - Eligibility and enrollment notices which can be used to help determine their coverage effective date
- They can indicate their wish to apply for a state mandate exemption on their Schedule HC when filing their state taxes
- There are free tax assistance resources, if needed

# Health Connector Members Get a 1095 and a 1099-HC

These forms will be used when members file their Massachusetts State Taxes and Federal Taxes

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		

To request a correction to form 1095-A:

- If Members believe there's a mistake on their form 1095-A, they should call Health Connector Customer Service at 1-877-623-6765, or TTY 1-877-623-7773 for people who are deaf, hard of hearing, or speech disabled. A Customer Service Representative can let Members know if a corrected form is needed

# MassHealth Members Get a 1095-B and a 1099-HC

MassHealth members enrolled in certain MassHealth coverage types must:

- File taxes showing proof of coverage for each month in which they were enrolled in MEC during the calendar year

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

- If individuals have questions about why they received the Form MA 1099-HC or Form 1095- B from MassHealth, or if they need a duplicate copy of either form, they should contact the MassHealth Customer Service Center at (866) 682-6745, TTY: (800) 497-4648 for people who are deaf, hard of hearing, or speech disabled

# Questions About Completing Tax Forms

- 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 Department of Revenue by calling (617) 887-6367, OR visit the DOR website at: [www.mass.gov/dor/individuals](http://www.mass.gov/dor/individuals)
- Questions about the need to fill out a federal tax return, or how to complete a federal tax return with the 1095 information, should be directed to the IRS Call Center at: (800) 829-1040 OR <https://www.irs.gov/aca>



# Overlapping Health Connector and MassHealth Coverage

# Members with Overlapping Health Connector and MassHealth Coverage

- There are situations when a member can get tax credits even though they have other coverage. They will receive two 1095 forms showing the overlapping coverage for those months
  - For example, people who transitioned between MassHealth and Health Connector programs or those who received retroactive MassHealth eligibility
- In general, if a member thinks their overlapping coverage was valid, they can report Health Connector coverage only for that month when filing their taxes
  - They do not need a corrected form from MassHealth, even if they do not report the MassHealth coverage on their taxes
  - MassHealth must tell a member if they had MassHealth coverage for at least one day in a month, but **the member must decide if that coverage means they must repay tax credits**

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

IRS regulations say that if there is overlapping coverage with Medicaid (MassHealth) and a subsidized plan with APTCs/ConnectorCare through the Health Connector that the consumer will not have to pay back subsidies for that first overlapping month of coverage following an eligibility change. However, they may have to repay the APTCs starting the second full month of overlapping coverage



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

## Member Example:

Wendy has been enrolled in a Health Connector plan since the beginning of the calendar year and she receives APTCs.

- Wendy comes to see you on July 16 and due to life changes she becomes eligible for MassHealth
- Wendy receives her approval notice on July 24 which shows a MassHealth coverage start date of July 6
- She's concerned that she has overlapping coverage and may have to pay back the APTCs she received during the overlap
- Take a moment and think about how you would respond to Wendy's concerns

(next slide will provide the explanation)

# Overlapping Health Connector and MassHealth Coverage (cont'd)

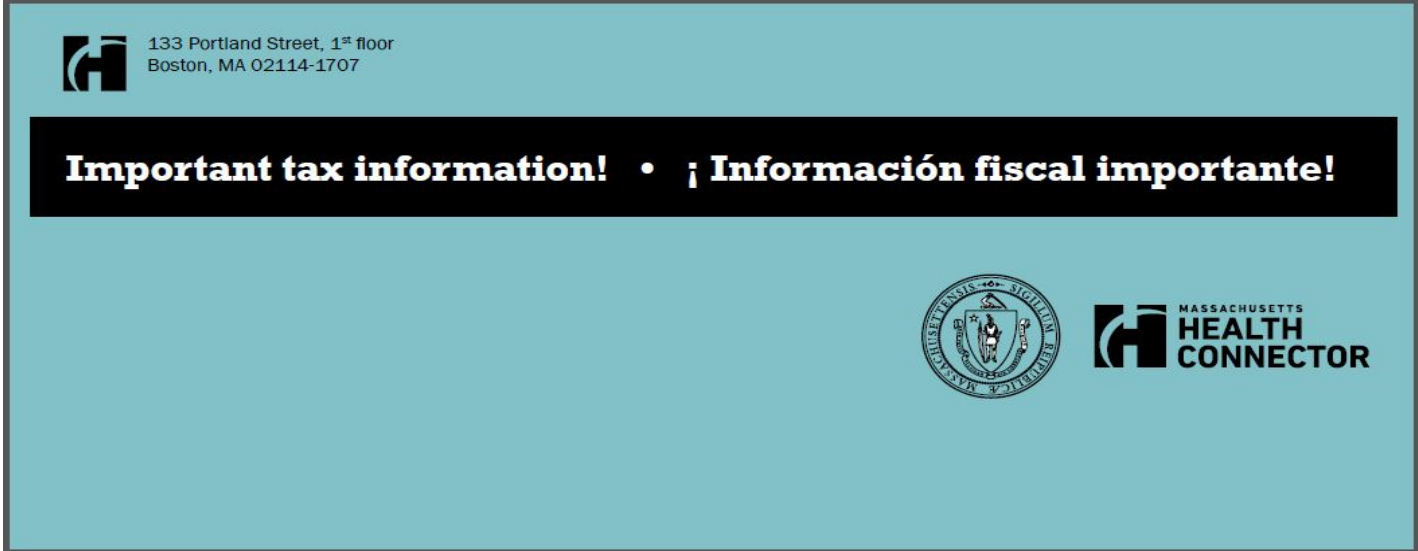
- According to the rule regarding overlapping coverage Wendy is treated as not being enrolled in MEC until the first day of the second month following the eligibility change and does not have to pay back the APTC for the first month
  - Wendy received her notification on July 24th so she gets a month to react to that notification
  - Wendy would not be penalized or have to repay any tax credits claimed before September 1

# Important Dates in 2020

Dates	Action
Mid-Late January	1095-A forms sent to all Health Connector members enrolled in a QHP (including ConnectorCare members)
January	1095-B forms will be sent to certain MassHealth Members
March 1 <sup>st</sup>	Individuals are asked to report any corrections to 1095 or 1099-HC forms to the Health Connector and/or MassHealth and new forms to be sent out prior to the tax filing deadline
<b>April 15, 2020</b>	<b>State and Federal Tax filing deadline</b>

# Health Connector Communications

The Health Connector will send Form 1095-A to non-group enrollees in turquoise color envelopes



# Free Tax Assistance

# Free Tax Assistance

**VITA:** The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$56,000 or less, persons with disabilities and limited English speaking taxpayers who need assistance in preparing their own tax returns. IRS-certified volunteers provide free basic income tax return preparation with electronic filing to qualified individuals

**TCE:** 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

**AARP Foundation Tax-Aide:** offers free tax help to anyone especially for those age 50 and older who can't afford a tax preparation service. IRS-certified volunteers understand that retirement or other life changes may make tax filing a little more complicated. AARP membership is not required

# Helpful Tax 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>
- Health Connector tax resources
  - <https://www.mahealthconnector.org/taxes>

# Knowledge Check



## **Question 1:**

**Maria, a ConnectorCare Member, got an Advance Premium Tax Credit in 2019. Maria does not plan to file her federal income tax return in 2020 for tax year 2019. Which statement below is true?**

- a. Maria will continue to get help paying for her health insurance as a ConnectorCare member in the future**
- b. Maria won't be able to get help paying for her health insurance through ConnectorCare in the future if she does not file her 2019 taxes. She must file and reconcile her APTCs on her federal taxes**
- c. Because Maria has ConnectorCare she does not need to file taxes and reconcile her tax credit**
- d. Filing taxes and reconciling does not impact a consumer's eligibility for Advance Premium Tax Credits (APTC), including the ConnectorCare program**

## Question 1:

**Answer: B. If members got an Advance Premium Tax Credit in 2019 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 APTCS on their taxes**

## **Question 2:**

**You helped John get enrolled in a QHP with APTCs through the Health Connector. John comes in with his 1095-A form to ask you to help him file his state and federal taxes. You tell John:**

- a. You are happy to help him complete his tax returns**
- b. He does not need to file state taxes because there is no penalty for not having health insurance in Massachusetts**
- c. You can't help him file his taxes but you can refer him to organizations that provide fee tax preparation services**
- d. Because he receives APTCs he does not need to file taxes**

## Question 2:

**Answer: C. Assistors are not expected to be tax specialists but need to be familiar with tools to refer consumers for more help when needed.**

## **Question 3:**

**Oscar, has a QHP with APTCs through the Health Connector and comes to you to report a recent decrease in his income. He is concerned about how this will affect his tax filing. You tell Oscar:**

- a. He does not have to tell the state that he has a change in income, they will never find out**
- b. Because he receives APTCs he does not need to file taxes**
- c. Members receiving APTCs must reconcile their APTCs to make sure 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**
- d. He only has to report a change if he gets married**

## Question 3:

**Answer: C. Keeping the state informed about any changes a member has, such as income, job loss or change, marriage or pregnancy, will help minimize any unexpected repayments when taxes are reconciled**

## **Question 4:**

**True or False: Married couples must file taxes jointly to receive APTCs**

- a. True**
- b. False**

## Question 4:

**Answer: A. True An applicant's tax filing status also impacts their ability to receive tax credits. For example, married couples must file taxes jointly to receive APTCs**





**Questions?**