



Exemptions from the Fee for Not Having Health Coverage

Every person in the U.S. must have qualifying health coverage or pay a fee on their federal tax return. This fee is sometimes called the “individual shared responsibility payment.” In some cases, you may be able to get an exemption from the fee, which means you won’t have to pay it.

How much is the fee?

For 2016, the yearly fee is 2.5% of income or \$695 per person in your household, whichever is higher. The fee for uninsured children under 18 is \$347.50 per child.

Can I get an exemption?

If you qualify for an exemption, you don’t have to pay the fee for the months of 2016 you didn’t have health coverage and the exemption applies. These are the different types of exemptions:

Income-related exemptions

- The lowest-priced coverage available to you, through either a Marketplace or job-based plan, would cost more than 8.13% of your household income.
- You don’t have to file a tax return because your income is below the level that requires you to file.

Hardship exemptions

You may qualify for a “hardship” exemption if you experience certain circumstances currently or within the last 3 years, including if:

- You were homeless.
- You were evicted or were facing eviction or foreclosure.
- You got a shut-off notice from a utility company.
- You experienced domestic violence.
- You experienced the death of a close family member.
- You experienced a fire, flood, or other natural or human-caused disaster that caused substantial damage to your property.

- You filed for bankruptcy.
- You had medical expenses you couldn't pay.
- You experienced unexpected increases in necessary expenses due to caring for an ill, disabled, or aging family member.
- You expect to claim a child as a tax dependent who's been denied coverage through Medicaid and the Children's Health Insurance Program (CHIP), and another person is required by court order to provide health coverage to the child.
- As a result of a Health Insurance Marketplace or state-based Marketplace appeals decision, you're eligible for: 1) enrollment in a qualified health plan through the Marketplace; 2) lower costs on your monthly premiums; or 3) cost-sharing reductions for a time period when you weren't enrolled in a Marketplace plan.
- An adult in your tax household was determined ineligible for Medicaid because your state did NOT expand eligibility for Medicaid under the Affordable Care Act.

There are a limited number of other exemptions you may apply for, if you experienced another hardship in getting or affording health coverage not listed above. Visit [HealthCare.gov/fees-exemptions/hardship-exemptions](https://www.healthcare.gov/fees-exemptions/hardship-exemptions) to learn more.

Health coverage-related exemptions

- You're uninsured for no more than 2 consecutive months of the year.
- You lived in one of the states below at any time in 2016 that didn't expand its Medicaid program but you would have qualified if it had.
 - Alabama, Florida, Georgia, Idaho, Kansas, Louisiana, Maine, Mississippi, Missouri, Nebraska, North Carolina, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin, or Wyoming.
 - Visit [HealthCare.gov/exemptions-tool/#/results/2016/details/secretary-hardship](https://www.healthcare.gov/exemptions-tool/#/results/2016/details/secretary-hardship) to get forms and details to claim an exemption if your state didn't expand Medicaid.

Group membership exemptions

- You're a member of a federally recognized American Indian tribe, an Alaska Native Claims Settlement Act (ANCSA) Corporation shareholder, or you're eligible for services from an Indian health care provider.
- You're a member of a recognized Health Care Sharing Ministry.
- You're a member of a recognized religious sect with religious objections to insurance, including Social Security and Medicare.

Other exemptions

- You were incarcerated (either detained or jailed), and a court issued a final decision on the charges that were filed against you.
- You're a U.S citizen living abroad, you're in a non-citizen category, or you're not lawfully present in the U.S.

How do I know which exemptions I may qualify for?

There are 2 ways you can find exemptions that may work for you:

- Answer a few questions and we'll show you exemptions that may match your situation. Visit [HealthCare.gov/exemptions-tool](https://www.healthcare.gov/exemptions-tool).
- See all available exemptions, with instructions to apply, by visiting [HealthCare.gov/health-coverage-exemptions](https://www.healthcare.gov/health-coverage-exemptions).

How do I apply for an exemption?

You can claim most health coverage exemptions on your federal income tax return. For the following 3 situations, you'll need to fill out an Exemption application from [Marketplace.cms.gov/applications-and-forms/exemption-applications.html](https://www.marketplace.cms.gov/applications-and-forms/exemption-applications.html) and mail it to the Marketplace:

- You qualify for one of the “hardship” exemptions.
- You're unable to afford coverage.
- You're a member of a recognized religious sect whose members object to insurance.

If you apply for one of these and your exemption is approved, you'll get an Exemption Certificate Number (ECN) for each household member that you'll use when filing your federal tax return. If you're approved for a hardship exemption or an exemption because coverage is unaffordable, you also qualify to buy Catastrophic coverage through the Marketplace. This may be more affordable than your other options.

Note: You don't need to apply for an exemption if your income will be low enough that you won't be required to file taxes. This is true even if you file a federal tax return to get a refund of money withheld from your paycheck. You won't have to pay this fee.

For more information:

- Visit [Healthcare.gov/health-coverage-exemptions](https://www.healthcare.gov/health-coverage-exemptions).
- Call the Marketplace Call Center at **1-800-318-2596**. TTY users can call **1-855-889-4325**.

You have the right to get the information in this product in an alternate format. You also have the right to file a complaint if you feel you've been discriminated against. Visit [CMS.gov/about-CMS/agency-information/aboutwebsite/CMSnondiscriminationnotice.html](https://www.cms.gov/about-CMS/agency-information/aboutwebsite/CMSnondiscriminationnotice.html), or call the Marketplace Call Center at 1-800-318-2596 for more information. TTY users can call 1-855-889-4325.

