

**Centers for Medicare & Medicaid Services**  
**Transcript: Assister Technical Assistance Webinar**  
**January 29, 2016**  
**2:00pm ET**

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**Welcome**

Good afternoon, everyone. My name is Melissa MacLean and I am with the CMS Consumer Support Group. I want to welcome you to today's Assister Webinar. Before we get started for today's presentation, I would like to go over a few technical issues with you. All lines have been put on mute so everyone can have a good learning experience. If you are having audio issues or if your slides do not appear to be advancing, you can try to refresh the webinar. Select the icon with two arrows located by the volume bar. If you continue to have issues it may be helpful to log out and log back into the webinar. You are also welcome to join us via telephone. During the webinar you can ask your questions by typing them in the ask a question tab. Now we will get started and I will turn it over to Michele Koltov.

Thanks so much and, good afternoon everyone. Thank you for joining us today and welcome to our Assister webinar. My name is Michelle Koltov and I'm the technical assistance lead for the Consumer Advocacy and Assister Support for the Marketplace. As a reminder, this call is intended as technical assistance for assisters. It is not intended for press purposes and is not on the record. If you are a member of the press, please e-mail our press office at [press@cms.hhs.gov](mailto:press@cms.hhs.gov). Please note that the

information presented in this webinar is informal technical assistance for assisters and is not intended as official CMS guidance.

## Marketplace Updates

Before getting started with our agenda today I would like to give another big thank you for all of your work in helping consumers during this third enrollment period. As you all know we are coming up the end of open enrollment with the January 31 deadline for consumer coverage only two days away. Last week, CMS released the week 12 enrollment snapshot, showing that since November 1<sup>st</sup>, about 8.9 million consumers signed up for coverage through HealthCare.gov. You can view the full snapshot by clicking the link on the slide. We also know that you are all extremely busy during this last enrollment push so we want to remind you our webinars are recorded and available for later viewing on Marketplace.cms.gov. So if you need to step away you can always come back and finish the webinar at a more convenient time.

We've now entered tax season and we know that many consumers and assisters have tax-related questions. To help address questions, our first presentation will be an overview of taxes and the health insurance Marketplace, including information on IRS Form 1095-A and the Marketplace tools consumers can use to find the second lowest cost silver plans and the lowest cost bronze plans. Next we'll have a presentation on exemptions and the individual shared responsibility payment. Before we get started on our presentation today we have a few Marketplace updates. First, we're joined by Byron Zuidema, who is the Deputy Assistant Secretary for Employment and Training at the U.S. Department of Labor, for a brief update on the American Jobs Center. Byron?

## American Jobs Center

Thank you and good afternoon to everyone out there. Pleasure to join you. At least some of you we have probably chatted about a year ago about the same thing. Some of this may be repetitive if you have been in the business and heard that presentation. I wanted today to just walk through quickly the Department of Labor's Job Center system across this country, just a little bit about how it works, how you find them and what happens there, and why I think, it's really a valuable network and if you have not tapped into you should tap into that, both in terms of your work and wanting to expand the enrollment but our work in terms of not only wanting to provide job opportunities that make sure American workers have all of the kind of services and coverage they should have. Across the country, there is this whole system of job centers. Quickly what happens is we'll find states and they establish these local job centers. They're sometimes called one-stop centers. They often will have other locale names so it might be the California American Job Center or something like that but the network itself is the American Job Center Network. Last year, it says we served over 10 million people here. We certainly did. We served well over that. In terms of total population and traffic that we recorded, coming through, that means they agreed to register. We have data on them. It was over 24 million people and probably more than that. It's a lot of traffic. These are distributed throughout the geography so they're in big cities, in downtown Chicago, in very rural areas in Kentucky or Montana somewhere. Pretty good coverage across the country. It's another reason why it's a very good network to use. They are also a place where employers go. While of course we live in a very automated age and there's lots of technology access which is good. In a lot of ways there's also, particularly smaller employers sometimes will really use this job center as a place to show up and after the center staff have screened some applicants they can do interviews and stuff like that. You will have business services, therefore business customers coming through so it's also a good place to get information to employers who probably should have the information and be aware of how all of this works. That's a little bit about what happens within this network of centers. You can see in your slide there a wide variety of services that

they do. Again, we certainly do focus on the basics around how people get jobs. We do counseling assessment, a variety of things like that to help people figure out where am I, where would I like to go. Then there is very specific training and programs, help support for things like on-the-job training. May support some class attendance at a community college, technical college or other similar kind of education or training opportunity. The other thing we do is this whole idea of support services and that is where you should be front and center in terms of seeing, in a job center, seeing yourself as part of the wraparound services to make sure that workers, as they are returning to work or getting into work in some cases for the first time have a full package of health care services, if that is something they don't already have. That's really the big opportunity is to really help round out what people need in order to get into the middle class and stay in the middle class in this country. The how we can work together then is obvious with that kind of background. There is going to be a contact website in a moment. If you are not aware of it in your state how to make this connection, you can go there and you can help make this connection. This is a good place to tell you if you're not aware, in 2014 the Workforce Innovation and Opportunity Act passed, was the first substantial change in this legislation in how we do this business in 15 years. It had not been renewed since 1998. On one hand it's an incredibly busy time but it's really also a time of opportunity because while the states and locals are trying to work on complying to the significant expansion of expectation for partnerships, in some places this has happened but now there's more of a national expectation that things like SNAP, things like TANIF, adult education, vocational rehab services, and all of these services are more concentrated, more available in this whole system of centers. To have healthcare there is really essential in my view. It also gives you the kind of built in access that would probably be hard for you to replicate in some kind of outreach system of your own. Expanded diversity in the types of individuals that are probably going to be coming through these centers. I would think likely expansion in terms of numbers. As you look into the future and we are working toward other enrollments, this is certainly an opportunity for you to reach out and to make sure that you can make this connection, have them be a partner, and if for any reason it's just not working out for you, what we don't really have here is a contact for the Department of Labor. But here if you go to the service locator you will fairly quickly find how to reach one of us as well. There is a series of regional offices and some of you may know those. That's really a good place to start if you happen to know where your regional Department of Labor office is, contact them. They can also help you make connections if it isn't quite clear to you on the website. And with that, I will turn it back over and I hope again that you're all taking advantage of our network and we are being a good partner for you.

#### [Assister SOP](#)

Great, thank you so much, Byron. I think our assisters really enjoyed learning about some more resources they can use to help consumers. As you may have seen in this week's assister newsletter, we just released a great new resource for assisters called the Assister Standard Operating Procedures (SOP) Manual. The Assister's SOP Manual provides instructions and guidance on how to help consumers in the Federally-facilitated Marketplace with things like preparing, completing, and updating Marketplace applications, understanding eligibility determinations, resolving data matching issues, and learning how to complete requests for exemptions and appeals, among others. This SOP is the latest tool we released for the Assister's Toolkit, which also includes the Assister's Roadmap to Resources and the Catalogue of Promising Practices. The first of which is focused on creating a streamlined enrollment process. You can follow the link on the slide to access the entire Assister Toolkit, including this new SOP Manual. For our next update I will turn it over to Emily Ames from our Consumer Support Group here at CCIIO to go over the different roles of authorized representatives and third-party representatives. Emily?

### Authorized Representatives

Thanks. We've been getting a lot of questions from Assisters about the different kinds of representatives who can speak or act for consumers in different ways. We just wanted to quickly clarify some of these roles and first, we also have a system update on this topic. We wanted to let folks know that the authorized user page that used to be available in a consumer's My Account has been temporarily suppressed so it's not currently accessible. And that's because a system defect is preventing consumers from appointing formal representatives through either the online or paper application. So to avoid confusion, the authorized user page won't be visible until CMS can fully implement this functionality. We wanted to flag that this has no effect on the information that consumers enter about who assisted them because that's stored servers on the application itself. So in the meantime we want to remind you that consumers can designate a third-party representative to communicate with the Marketplace call center on the consumer's behalf. This is a role that assisters can fill or it can be another trusted person like a friend or a family member. This may be helpful if, for example, it's difficult to for a consumer to visit your office but maybe she needs to check on the status of her data matching issue. So to set this up a consumer can call the Marketplace call center with their third-party representative and give verbal authorization for that person to speak on their behalf. This authorization can last for up to a year unless the consumer calls back to remove the authorization. And it's really important to remember that this is for call center purposes only and it's not the same as a formal designation of an authorized representative, which is when a consumer chooses someone to act rather than just communicate on her behalf with the Marketplace. So a third-party representative can facilitate communication with the call center but can't make decisions for the consumer like picking a plan for the consumer or representing a consumer in an appeal. Finally, we just want to talk through - consumers can appoint an authorized representative to help with their Marketplace appeal. This should be a trusted person so maybe a family member, friend, an advocate or an attorney who has the consumer's permission to request an appeal on her behalf or to speak for her in an appeal. Consumers can request an authorized representative right along with their appeal request or later after they have already submitted the appeal, and there's a form on HealthCare.gov that they can use to request this designation or they can submit their own written request. There is a link on your screen where it says, get help filing an appeal. There is a lot more information about how consumers can request this designation or how to submit their own written request. I just want to remind folks many states also have consumer assistance programs that can help consumers with their appeals. We have a link on the screen where you can find information about what help might be available in your state and consumers might also be eligible for free help from a legal aid organization in your community. So these are great resources if consumers need help with their appeals. Just a couple of last points, each of these different roles is not interchangeable. So if the consumer designates someone to act in one capacity like with an appeal, it does not mean that person has been designated in another capacity like communicating with the Marketplace call center. Each type of designation must be done separately. And consumers might not want the same person in each role. So you can help consumers understand these different types of representatives so they can make informed choices about who speaks or acts on their behalf. We hope that helps clear up some questions. We will send around this information in an upcoming newsletter and if you have questions, go ahead and submit them through the webinar chat feature and we'll try to get answers out to you soon on those as well.

Michelle?

### Taxes and the Health Insurance Marketplace

Great. Thanks so much, Emily. That's it for our Marketplace updates for this week. For our first presentation we are joined by Kyle Miller and Annie Acs from the Exchange Policy and Operations Group

here at CCIIO. They're going to provide an overview of taxes and the health insurance Marketplace. As a reminder, if you have questions throughout their presentation, please submit them through the chat feature. Kyle?

Thanks. So I think – getting started on the second slide we have an outline for today. If you have been an assister for a while or you worked with us during last tax season you may have heard of some of these things. We want to acknowledge that the work that you did last year helping consumers who enrolled in coverage through the health insurance Marketplace understand that they must use a Form 1095-A, was really effective, and that they must reconcile the advance payment to the premium tax credit, we had good results there as well. This presentation just sort of reviews that same principle and talks a little bit about the basics. For those folks that are new, new assisters or new to this year's tax season and some of the small changes we've made. It's just a brief overview of some general tax topics as well. During this presentation, please send your questions through the online chat feature and we will try to answer as many as we can after the presentation. If Annie or myself cannot get to them during the presentation then we will follow-up by e-mail. The first larger section is background, and we'll go right to this slide, thank you. This slide basically just summarizes that consumers who apply for financial assistance based on their estimated 2015 income, during tax filing they'll have to reconcile the amount of APTC that they received based on what their income actually was for 2015.

This slide just goes over the premium tax credit process. Starting with when consumers apply for coverage and ending when consumers reconcile. The tax filing, the financial assistance that they did receive – so this is just sort of from start to finish view, in a little bit more detail as compared to the last slide. Moving on, this next slide just outlines the Form 1095-A. It's a form that is pre-populated, that you will need to use when you fill out your taxes. We say it's a lot like a W-2. Consumer should receive it before filing their taxes. They should make a copy and they're also going to need it when they fill out their actual taxes online or with their taxpayer. The Form 1095-A provides consumers with information about their health coverage so that they can reconcile the payments of the premium tax credit that they received in advance, APTC, or claim the premium tax credits. So if you opted not to receive APTC during the year but based on the income that you made throughout the year, once you file your taxes, you might be eligible for PTC. And in order to be eligible you do need to fill out your 8962 and to do that you will need your 1095-A.

As I just mentioned, the 8962 is the actual tax form. This is the piece that consumers will file with their tax return. So, what consumers will receive - by January 31<sup>st</sup>, 2016, the FFM will mail an envelope labeled level with important tax or health coverage information. It's distinguishable from some of our other Marketplace notices that we send out or from a contractor. This envelope will contain a cover letter available in either English or Spanish, depending on the user's language preference. It will contain the generic Form 1095-A instructions which basically give line-by-line instruction as to what the consumer needs to do. We developed these with the IRS and it helps that effort to transpose some of the information via the 8962. It will contain the Form 1095-A itself. A separate Form 1095-A will be generated for each policy in which the household enrolled. If you had a change in circumstance and/or you know that you have two policy ID's throughout the course of year, you would receive two separate 1095-A's and those would come separately. So those will be mailed separately and posted online as two separate documents. In the 1095-A, or in each 1095-A, each member of the tax household who was on the same policy will be listed together on one form. However the one caveat is if you have more than five enrolled members, you will just receive a longer version of a 1095-A. It basically duplicates the pages where your dependents are listed or the covered individuals are listed.

To talk a little bit more about dissemination, I already mentioned it will be postmarked by, actually the date is going to be February 1<sup>st</sup> this year because that's the Monday. As we created these forms we did it on sort of a rolling state-by-state basis. We're concluding this process this week and we're wrapping things up today, since it's Friday. Basically we've been developing these since early January. As they get generated, we post them to the consumer's online account. From there we also send that data to the IRS and that we send it to our print and mailing contractor to be sent out via United States Postal Service. That last step can take an extra few days. One day to three days typically in the continental United States to arrive. If you are amongst the last batch to be processed towards the end of this week you should still see the form online by the deadline and will get it in the mail by next Monday. However, it could take two to three days to arrive potentially. And just a note, over here on the side of the slide, when we talk about what we consider to be a tax filer with respect to the 1095-A, a tax filer is someone who enrolled in a QHP on behalf of one or more individuals and received APTC as part of that policy, whereas another responsible adult is someone who enrolled in a QHP on behalf of one or more individuals and did not receive APTC. We try not to use those terms interchangeably. We try to stick very specifically to tax filer being referenced when there's APTC on the policy and other responsible adult being referenced when there's no APTC on the policy. So typically if we say hey is that consumer eligible for PTC if they didn't receive any APTC, we would be referring to another responsible adult.

The next slide talks a little about the receipt of and inclusion on a Form 1095-A. This slide offers more notes on who is included on the form and who receives it, along with a note on who will not receive the phone. So I think that's maybe the heavy hitter on this slide and there's a note on the bottom there. The 1095-A will not be generated for Marketplace consumers who are enrolled in a catastrophic plan or whom received an exemption or who did not enroll in QHP coverage. As I mentioned, as part of that package in what will arrive in the envelope from the Marketplace, you will receive a cover letter that will be available in English or Spanish. However the instructions in the Form 1095-A will only be available in English. However, we do have our tag lines that we include with all notices sent from the Marketplace and there's a phone number that consumers can call that we have listed here. This number will allow other folks who speak up to 15 different languages to get assistance.

This slide touches on individuals who have non Marketplace coverage. This might be more for general inquiries from consumers who maybe you have not worked with any past or maybe who are a little bit confused and looking to you for guidance since they know you are an assister. Essentially most people just need to check the box. As of last year, that number was estimated to be about 75% of taxpayers. This year consumers may also receive a 1095 B's and C's and my colleague Annie will touch on that in a little bit. But by a large if you are not receiving a 1095-A then you can check this box which meets the requirement for some of the other penalties that one could incur if they did not have Marketplace coverage or other minimum essential coverage throughout the course of the year.

We are getting into our next section here where I will talk a little bit about the anatomy of the Form 1095-A. The first slide here is a short summary of a 1095-A and its contents. I will go over this real quickly. As I mentioned, the tax filer, or other relevant adult and any other members of his or her household who were enrolled in the QHP will be listed in that first section. That information can be used to complete the federal income tax return is the primary purpose for the document. The amount of APTC that was paid on the issuers, paid to the issuer more on the consumer's behalf is in section number three to four.

We flush that out a little bit when we get to the next slide here. This is actually a photocopy of the form we posted here. It offers a preview of the Form 1095-A and the 8962. You can view these forms at [www.irs.gov/aca](http://www.irs.gov/aca). We can move to the next slide where we'll talk a little bit about excess APTC repayment

limitations. So this slide I also grabbed from the IRS website. This just talks about the maximum amount of APTC that a consumer would be liable to repay if they received too much during the year. When you go in to fill out an application and opt to receive APTC, if you were told you were eligible, then you would end up receiving those APTC amounts or the issuer could receive them on your behalf on a monthly basis. If it turns out you have a much higher income by the end of the year than expected, you will be responsible for repaying APTC. However, just based on the initial calculation of APTC eligibility, we sort of breakdown that number by the federal poverty level percentages. We used that same formula and at that same vein to talk about the limitations for excess APTC repayment. I do not need to go over those on a step-by-step basis but I think that maybe a common question consumers are concerned about so this is a nice reference chart for you there.

Slide 16, this just goes into the three parts of the form that I referenced really quickly at the beginning of the section. The first 15 lines of the form contains the basic information on the tax filer, the insurance company, the Marketplace and then it has an address and policy start and end dates, determination dates. The next slide shows the form 1095-A, second piece of the form or part 2 of the form which lists all of the covered individuals. We will get their name, their SSN or their date of birth and then the start and the end date which should be the same for all covered individuals on 2015 1095-A's.

The last section of the form is covered on the next slide, Part III. In this section you are going to get your monthly enrollment premiums in column A, your monthly second lowest cost silver plan amount in column B, and your monthly advance payment of the premium tax credit value in column C. Just to note, there are times where column B would be populated with a 0 and in those instances we would direct consumers to use the second lowest cost silver plan tax tool, and we will touch a little bit more on that later as well.

Going to the next slide, talking a bit more about the monthly APTC amount on Form 1095-A. As I mentioned those are included on part 3 of the form. These are, just to reiterate, these are the payments that were made to the insurance company to pay for all or part of the premium for the tax filers coverage. The FFM will enter zero in this column if no APTC payments were made. And if no APTC payments were made, column B would also be a zero. So you would see the second lowest cost silver plan premium as zero as well.

Next slide, monthly payment amount continues. Consumers may not recognize the monthly premium amount listed on Form 1095-A for the 2015 tax season. This is because this year, let's say you had a consumer whose bill was \$100. That is the bill that they are used to paying on a monthly basis over the course of the year from January to December 2015. On our form we are actually reporting the essential health benefits portion of that premium and for lots of issuers and lots of policies, nationwide, the EHB portion is often 100%. There are times it's lower, something like a Cadillac plan may have all of these extra bells and whistles that consumers are interested in and so they pay more for that but the EHB portion isn't 100%.

Additionally, if a consumer was enrolled in a stand-alone dental plan, the monthly premium amount also includes the pediatric EHB portion of the stand-alone dental plan. You might end up with a value on the form, if you are a consumer that you don't quite recognize. Maybe it's because the \$100 you are used to paying is just for your medical plan and you pay a separate bill for your dental plan. Here on the 1095-A, we look and we show you, oh your \$100 plan is actually only \$90 on the form because there was 90% of your plan with EHB. We also added in five extra dollars because the EHB portion of the pediatric amount related to your stand-alone dental plan was \$5. This is just because this is the IRS requirement. This is what IRS needs to reconcile APTC values and really make sure that consumers are reporting the proper

information to the IRS when they file their taxes. That can be a little confusing and we do anticipate an up-tick in the number of calls we get related to premium amounts. Just keep that in mind and you can use this slide as a reference if those questions do come up before referring consumers to call the Marketplace. Next slide.

What assisters need to know. In this first slide in this section I will go over the assister's role and how we envision you guys really helping us out and some of the successes that we saw with your interaction with consumers last year. You helped them understand what the 1095-A was, understanding the timing for receiving the 1095-A was critical. We don't get too many calls in January and probably you guys have already helped us avoid some of the calls that were probably going to come in. Showing consumers how to access their Form 1095-A's online is big for us. Consumers haven't updated their address information or they have a vacation homes for the winter – they're not receiving these mailed copies. We have put out blasts so they know to come back in and change their contact information but if they don't the form is always available online. For those not aware of how to access it, you guys have been crucial in getting them informed, up to speed and even walking them through at times how to access their online accounts. Explaining to consumers how to review the form for accuracy. Making sure consumers are aware of the implications of not providing this information on their taxes as we talked about. Helping them understand what it means to reconcile their APTC and PTC. I think sometimes people think maybe that's the only equation and that's going to dictate whether they get money back on their taxes or whether they don't. This piece of tax filing related to health insurance is only one element as it relates to the overall equation a consumer would get - the refund after they file their taxes or if they would owe money. Next slide.

Broadly speaking these are questions that have to do with content on the Form 1095-A that should be directed to the Marketplace. If consumers are really digging in and they have some in-depth questions that you see listed above, I think it is absolutely appropriate to send them to the Marketplace call center. We provided them with some really detailed scripts to try to make it as easy as possible for consumers to get up to speed. Next slide.

Consumer questions that should be directed to the IRS. On the other hand, there are certain questions that are related to federal tax information or things that we just think the IRS are better equipped to answer or questions directly related to tax filing with the 8962. This is a comprehensive list of things that probably should be directed to the IRS and so the IRS resources can help consumers get up to speed. I think from here we are going to start the tax communications section. I will turn it over to my colleague, Annie Acs to continue.

Thanks, Kyle. These next two slides provide information about Marketplace outreach related to Form 1095-A so that you are aware of information that some consumers may have already received from the Marketplace about health coverage and taxes. The first slide, general consumer outreach – we've been trying to provide general outreach to consumers, informing them of the timeline of receiving their 1095-A, everyone should receive a form by February 1st. Those forms will be located in their Marketplace account and by mail. And we also try to inform consumers of the upcoming tax season process, how to request a correction, they need to call into the Marketplace. Also just remind them to make sure their information is correct on HealthCare.gov, double checking their coverage dates, mailing address, and that kind of thing. Next slide.

We have also tried to take some lessons learned from last year. We worked with consumers that called in last year for corrections and make some updates to our outreach this year. An example of that was adding language to our 1095-A cover letter on how to use the second lowest cost silver plan tax tool. As

Kyle mentioned earlier, if a zero is populated for second lowest cost silver plan in part 3, column B, of their form, then they'll need to go on HealthCare.gov and use that tax tool to find the second lowest cost silver plan value. Next slide.

These screenshots illustrate how consumers can access their Form 1095-A. You must have an account before the Form 1095-A was generated for it to show up on your messages. If you did not, you will have to use your application ID and link to the account you set-up after your form was generated. Your form would then be available on the tax form section. It would also be posted and sent to you by mail.

Next slide. This screenshot shows how consumers will know if they have a Form 1095-A that has been corrected. In their account this year there will be a corrected box that consumers can take a look at.

Moving on to the next section, we will go over the tax tools. The 2015 version of the tax tools are now available on healthcare.gov. This year both the second lowest cost silver plan and bronze tool were updated. The 2014 and 2015 tax tools are available all in the same link. The tax tools provide a second filing taxes for certain consumers to sign, essential information that may not appear on their Form 1095-A because its populated with a zero, a report with monthly breakdowns for second lowest cost silver plans using 2014 and 2015 data. But the tax tools do not provide advance premium tax credit, PTC, or eligibility and they do not require an account or login.

The next slide provides the link to both the second lowest cost silver plan and the bronze plan. They are available in Spanish and in English. The next slide.

This slide illustrates what the second lowest cost silver plan is and what it is used for. Note that you do not need to be familiar with all of these details in order to help consumers understand how to use their Form 1095-A but the information may be helpful to know to help with consumers ask about how their financial assistance is calculated or specifically about what the lowest cost silver plan is. Next slide.

Consumers should use the second lowest cost silver plan tool if they are enrolled in a QHP but did not apply for APTC or did not originally qualify for APTC and now want to get the premium tax credit, or they didn't report changes to coverage in family information in the FFM during the coverage year or they have zero in part 3, column B of their Form 1095-A. Consumers should enter the information from the second lowest cost silver plan tool results into their Form 8962 when filing. They should probably also keep a copy of those results in case the IRS contacts them and asks for a copy of their second lowest cost silver plan tool results.

Next slide is on the lowest cost bronze tool. Consumer should use the tool to enroll in a qualified health plan and see if they're eligible for an exemption. We have our exemptions team here page year that's going to provide a little bit more info later. Consumers should enter that information from the lowest cost bronze tool into the form 8965 to claim an exemption. The next section is on reprints and corrections. These slides provide more detail on what consumers can do if they are concerned that their Form 1095-A may not be accurate. Consumers can access their form from their online account in the tax form section. If they do not have online accounts they can create one to view the Form 1095-A. If consumers are experiencing issues when creating their online accounts or their Form 1095-A is not posted in their account they should contact the Marketplace call center. Next slide.

Demographic information that is incorrect on the Form 1095-A can be updated directly by the consumer when they file their federal income tax without the need to generate a corrective 1095-A. They can just fill that information in their 8962. For enrollment related information that consumers believe is incorrect, they should contact the Marketplace call center for research and resolution. The FFM will

research the consumer inquiries, update the incorrect information when appropriate, mail and upload a consumer's online account a corrected Form 1095-A. We will also send the IRS the updated information. The next slide provides some more information on demographic information on the 1095-A. This will not update in their 2015 application information. As I said earlier, if consumers need to up this they should do it directly on the 8962. Next slide.

This next slide provides information on enrollment information on the 1095-A. If a consumer finds any of these data fields are incorrect they should call the Marketplace call center and request a correction. Next slide.

Beginning in February, corrected Form 1095-A's from the FFM will be mailed and uploaded. The uploaded updated Form 1095-A will have the corrected check mark box and will also have an updated cover letter informing a consumer that this is their corrected form and then we will also. You would also send that information to the IRS. Our last section goes over some resources and definitions that are updated for this year. Folks can go to [HealthCare.gov/taxes](http://HealthCare.gov/taxes) or call the Marketplace call center for more information. Also many people who signed up for Marketplace coverage can get free assistance with filing their taxes and here we have some more information listed on how to use those resources. The next slide provides the link for the Spanish version of where tax information is available -- we also plan to post additional information in the upcoming weekly newsletter. These last couple of slides just provide many links for all of the different resources we went over today. Posted online there are copies of the 1095-A, cover letter in English and Spanish. Online we do have a Spanish version of the 1095-A. As Kyle said earlier, we were not able to send consumers the Spanish version of the 1095-A but that is posted online in case you would like to use that as a resource for your consumers.

## Exemptions

Great. Thank you so much, Kyle and Annie for that really helpful presentation on taxes. I know we received some questions during the presentation and we're going to take time to answer those after our next presentation. For our next one we are joined by Ashley Belin, also from the Exchange Policy and Operations group here at CCIIO who will provide overview on exemptions from the individual shared responsibility payment. As a reminder, keep asking your questions through the chat feature. Ashley?

Great, thanks. This is Ashley. I will take you through some facts about exemptions from the individual shared responsibility payment. I will go over the agenda. We will go over overview; exemption types and who qualifies; how consumers can apply for exemptions, tips, and we'll show you the exemption screener tool and some additional resources. Under the ACA, individuals must have either minimal essential health care coverage, have a healthcare exemption, which we will talk about, or make a shared responsibility payment with their tax return. That is also known as a fee or a penalty.

What is minimal central coverage, also known as MEC? The following types of coverage are considered MEC, so if a consumer has it they are in the clear, they do not have to do anything else. If a consumer has employer-sponsored coverage and that includes COBRA and retiree coverage, if consumer has individual coverage outside of the Marketplace, or Marketplace coverage itself, Medicare Part A and Medicare Advantage plans, most Medicaid coverage will qualify. CHIP, which is the children's health insurance program and certain veteran's health coverage. Next slide.

In addition, minimal essential coverage also includes most types of Tricare coverage, coverage provided to Peace Corps volunteers, coverage under non-appropriated health benefits program, refugee medical assistance supported by the Administration for Children and Families, self-funded health coverage

offered by students by Universities, self-funded coverage and others recognized by the Secretary. Once again, if a consumer has all of this they are fine and in the clear and not subject to penalty. However, a consumer without MEC must pay a fee unless they qualify for an exemption. The consumer may pay a fee when they file their 2015 federal tax return in 2016, if they don't have MEC and they don't qualify for an exemption. Just to clarify, paying a fee does obviously not provide health coverage. How much is the fee? In 2015, a consumer who doesn't have health insurance would pay the higher of the two amounts, either 2% of household income or \$325 per adult, 162.50 per child under 18 and that goes up to maximum of \$975. In 2016, it's 2.5% of household income, \$695 per person, \$347.50 per child under 18, maximum \$2085. Right now if a consumer were to file taxes now they're going to be subject to 2015 fees. Next year the fees go up. The important thing is to get in now. Certain consumers might qualify for an exemption. As already stated, the consumer qualifies for an exemption they will not be subject to the fee. Exemptions are based on a number of circumstances including hardship, life events, health coverage or financial status and membership in some groups. Consumers can claim some of them through their federal tax return and others with a paper application through the Marketplace. I just want to clarify it is a paper application. There is no online function at this time.

Who could possibly be eligible for an exemption? We have a bunch of different categories. Someone who cannot afford coverage; someone who experiences a hardship which I will go over later. You are not lawfully present in the United States. If you are incarcerated during the coverage year. If you experience a short coverage gap less than three months. If you are a member of a federally recognized tribe, a healthcare sharing ministry, a recognized religious sect with religious objections to insurance, and that has to be a recognized religious sect – a household income below the tax filing threshold, if you're eligible for health care through an Indian health care provider.

We will talk about affordability exemptions. An affordability exemption is when a consumer cannot afford coverage. A consumer can qualify if either the lowest price coverage available through an employer or lowest-cost bronze plan available to them through the Marketplace costs more than 8.05% in 2015 or 8.13% in 2016, of the consumer's household income. Just important to note that exemption is granted based on the consumer's projected household income for the coverage year and we work that out by looking at the consumer's proof of income with the application. A consumer in any state except for Connecticut can request an affordability exemption from the Marketplace. Just a side note, there are different exemption applications for FFM and SBM residents. Just to make sure that the applicant fills out the correct version, both versions are processed by the FFM, even if consumer lives in SBM but consumers in Connecticut should contact Health Connecticut for information on applying for an exemption with Connecticut.

In addition, it should be noted that consumers can also claim an affordability exemption on their tax return for the coverage year. An exemption will be determined based on the household income reported on the tax return, in the same affordability threshold that I just went over, those rates that I just discussed will be determined at that time. As I previously mentioned, we also have hardship exemptions which is kind of a catchall that is for people who have suffered a hardship with respect for the capability to obtain coverage under a qualified health plan. Currently, the duration of the hardship varies -- sorry, the exemption for the hardship varies but it's usually granted for one month prior to, one month after, and during the hardship event itself. There are currently 14 different types of hardship exemptions. I will go over them quickly. One is if an applicant was homeless, evicted or facing eviction. They received a shutoff notice from the utility company. The applicant experienced domestic violence or experienced the death of a close family member, experienced fire, flood or other natural or human caused disasters, filed for bankruptcy, medical expenses that they could not pay, experienced unexpected increases in necessary expenses due to caring for an ill, disabled or aging family member.

Another individual is legally required to provide medical support for a child the consumer claims as dependent because of the tax return and child is denied Medicaid/CHIP, this would thereby exempt the tax filer for a penalty for the child. If an appeal decision found the individual eligible for enrollment in QHP for the time period when he or she was not enrolled in a QHP; does not qualify for Medicaid solely based on a state's decision to expand Medicaid eligibility; individual insurance plan was canceled and consumer believes available plans were not affordable; and 14 is experienced another hardship, which the consumer can fill in on the application itself. It may be used for specific scenarios such as can be described in CMS guidance such as AmeriCorps, VISTA and NCC members.

There's two ways to get an exemption. You can get it from the IRS. They are certain exemptions that the IRS - where consumers can get it from the IRS when they file their tax returns. Then there are exemptions that the consumer can get through the Marketplace once again by using a paper application. There is the list on our website so you can see the complete list of exemptions and relevant paper applications. The next two slides just show which exemptions can be granted by the Marketplace which exemptions can be granted by the Marketplace or claimed on the tax return and which can only be claimed on the tax return. Next slide.

You can see for yourself the bottom four or the bottom five are only able to claim on your tax return. The FFM will not be processing those. Here is the list of resources. There is a link to the health exemption application, our address to submit the paper application is there, and it should be noted that we will send -- the Marketplace will send a determination notice after the application is processed. It should not take more than about two weeks to process it. An approved notice, consumer will receive ECN, an exemption certificate number and it's important that the consumer hold onto that for tax filing purposes. As mentioned, it should not take about more than two weeks. Sometimes depending on complexity of the exemption or maybe a hardship 14 may take longer. Perhaps there may be missing documentation or forget to submit income documentation with affordability exemption or a utility bill for utilities shut off, hardship exemption, etc.

As already mentioned, if approved, the applicant will receive ECN. In order to assist your consumers, please try to read up about each exemption type to see what might fit the person you are trying to help. It's important to note that the consumer has to determine who is in their tax household. There has to be one application per tax household for each exemption type. If there are multiple tax households for one address, the consumer still needs to submit one application per each tax filer and household and that's really important. Only one exemption is needed at any one time period so even if a consumer might be eligible for more than one, they only really need one exemption. There are certain exemptions that are evergreen so a consumer would not need to apply for it, so that's important to know too. Please, make sure the consumer completes all questions including step two for everyone in the tax household, even if people in the tax household do not need an exemption, that's really important, a lot of times that's how some applications get held up. We encourage consumers to submit any supporting documentation or questions on the application and please note that different hardships require different documentation. Missing information will obviously result in longer processing times. Please, have them send copies of their supporting documentation, not the originals.

We basically already went over this information on this slide. One thing to note is if a consumer mails an exemption application to the Marketplace and they are still waiting for a decision while filing their tax return, they should file the instructions with their tax return and enter pending in the appropriate places. If they apply for an exemption directly with the IRS using form 8965, they won't need an ECN. An ECN is only when you get an exemption granted from the Marketplace. Affordability of employer coverage is determined by looking at the lowest cost self-only or family plan, offered by the employer

and comparing it to the household income. Explain to the consumer that affordability is not based on the cost of which ever plan the consumer is currently enrolled in or which plan they may prefer. Appendix A, health coverage for jobs asks for the premium amount the employee would pay for coverage for themselves as well as the premium the employee would pay for family coverage. For appendix A please don't include information about the premium amount the employer pays or any deductible or cost-sharing since these are not part of the calculation for the cost of coverage.

It's important to note that individuals who qualify for hardship exemptions can purchase catastrophic coverage even if they are over the age 30. We get that question a lot. To purchase a catastrophic plan, you submit an application for an affordability or hardship exemption. After they received the notice, they go on to HealthCare.gov and find a catastrophic plan. The next page is the exemption screener tool. This is a tool that was developed to help consumers see if they may be able to apply for an exemption. You can also find it on HealthCare.gov. Next slide.

That is what it would look like if an applicant would not be able to get an exemption under the exemption screener tool. Once again, it's just a tool. Someone maybe would still be eligible but it is a really good estimate of eligibility for an exemption. Just a reminder, read about each exemption type to see what might fit the consumer. Please have the consumer complete all of the questions including step 2. Have the consumers submit any supporting documentation. Originals should not be sent, please send us copies. Consumers should keep a copy of the completed application and all documents. Here are some additional resources to help, from the exemption application, to the IRS form 8965 to apply directly to the IRS, the catastrophic plan and then a link for the actual exemption type. That's all we have.

## Q&A

Great, thank you, so much, Ashley, for all of that information. We have some time to go through some of the questions we have received. First we will start with a couple of questions on the first presentation.

First we are going to start with - will consumers receive a Form 1095-A including consumers who have Medicare, Medicaid, or employer-sponsored coverage?

No, only households who are enrolled in a Marketplace QHP will receive a 1095-A. Each member of a tax household who are in the same QHP will be listed on that same Form 1095-A. Consumers who had health coverage in 2015 from another source such as their employer, Medicare, Medicaid or a plan they bought outside the Marketplace will not receive a Form 1095-A. These consumers will not have to fill out any additional tax forms related to having health insurance coverage. Instead they will report their coverage by simply checking a box on their federal income tax form. They may receive a 1095-B, or 1095. A 1095-B comes from your health insurance issuer and 1095-C comes from your employer. Those are simply verifying that you had coverage. Check the box 1095-A for Marketplace plans required to fill out the form 8962 and file your taxes.

One more question on 1095's. How does a consumer access their form if they created an online account after their form was generated?

Consumers are created an online account after their Form 1095-A was generated will not be able to access their form in their messages section. Instead they can go to the tax form section of their account to review the form.

Great. Now we're going to switch gears and ask a couple of exemptions questions.

When should a consumers apply for an exemption? Can they apply for a hardship exemption anytime throughout the year?

The deadline for most exemptions is a few weeks before the consumer plans to file their taxes, so in April.

What should a consumer do if they don't agree with their exemption determination?

We actually have an appeals process. They could appeal the exemptions determination.

And the information for that appeals process is online?

Yes. It should be.

Okay, great. What type of documents should a consumer submit to prove their income for an affordability or hardship exemption?

The type of documents, for an affordability they need to submit proof of income. For hardship it really depends on the hardship type itself. For things like utility shut off they would have to submit a utility shutoff notice. For medical bills they would have to submit a medical bill. Very logical, just anything that would support the hardship that they are applying for.

All right. Who should a consumer contact if they want an update on the status of their exemption application or how can they confirm that the Marketplace actually received it?

They can call the call center.

And the call center has access to that?

Yes.

What zip code should a consumer use in the exemption screener tool if they have lived in a couple of zip codes during the year?

They should use the ZIP Code where they will be filing their taxes.

One last question. If the consumer received an ECM last year, so for their 2014 coverage year, do they have to apply for another one 2015 coverage year?

Yes, they do. There are certain exemptions that are evergreen, such as membership of an American Indian or Alaska Native tribe but most of them you have to reapply.

### Closing

Great. Thank you, everyone, for the questions you've submitted to the chat feature. We did not get to all of them but we will follow-up with additional answers in our newsletter webinar resource section in the coming weeks. A very special thank you to our presenters Byron, Kyle, Ashley, and Annie for joining us today. This webinar was rescheduled from last Friday due to the snow. We will get back to our regular schedule starting next week on Friday, February 5<sup>th</sup>. As mentioned earlier, our webinars are now posted online via a link on your screen. If you would like to sign up to receive our weekly assister newsletter and

invitations, please send a request to the Assister listserv inbox and finally thank you again for all of your hard work. We wish you well during the last weekend of open enrollment. We will see you all next week. Thanks.