

MARKETPLACE ASSISTER TOOLKIT

Standard Operating Procedures Manual for Assisters in the Individual Federally-facilitated Marketplaces

SOP 11-EXEMPTIONS





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This information is intended only for the use of entities and individuals certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms “Federally-facilitated Marketplace” and “FFM,” as used in this document, include FFMs where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform.



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A. Introduction

The Patient Protection and Affordable Care Act's (PPACA's) individual shared responsibility provision requires individuals and families to have qualifying health coverage known as minimum essential coverage (MEC) or qualify for a health coverage exemption. For tax years 2014-2018, individuals and families must make an individual shared responsibility payment for months they went without coverage or claim a coverage exemption when they file federal income tax returns. The Tax Cuts and Jobs Act of 2017 reduced the fee to \$0 beginning in tax year 2019.

Consumers may apply for certain exemptions from the individual shared responsibility requirement for up to two prior years. Refer to Exhibit 1 to learn more about the individual shared responsibility requirement for each of the past three tax years.

Exhibit 1– Individual Shared Responsibility Payment by Tax Year

Tax Year	Individual Shared Responsibility Payment	Consumers Needing Exemptions
2018	\$695 per adult, \$347.50 per child Maximum: \$2,085 OR 2.5% of household income, whichever is higher	<ul style="list-style-type: none"> Consumers claim all exemptions from the individual shared responsibility payment through the Internal Revenue Service (IRS) using Form 8965 when filing annual federal income tax returns. Separately, consumers may apply for a hardship exemption from the Marketplace.
2019 and 2020	\$0	<ul style="list-style-type: none"> Consumers do not need an exemption unless they are age 30 or older and wish to purchase Catastrophic coverage. These consumers must apply for a hardship or affordability exemption through the Marketplace and obtain an exemption certificate number (ECN) to view and enroll in Catastrophic coverage.

The PPACA includes different categories of exemptions from the individual shared responsibility requirement, and consumers may need exemptions for different reasons over time.

For all tax years, consumers who wish to purchase Catastrophic coverage may do so if:

- They are under age 30, whether they have an exemption or not; or
- They are age 30 or older, qualify for a hardship or affordability exemption, and obtain an exemption certificate number (ECN) from the Marketplace.

For tax year 2018, consumers who do not have MEC can claim many types of exemptions from the individual shared responsibility payment (called a “fee” in this document) using Internal Revenue Service (IRS) Form 8965 when they file their federal income tax returns. For those exemptions, they do not need to fill out an application or submit supporting documents. Consumers may qualify for more than one type of exemption; however, they



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only need to claim one of the exemptions for which they qualify for each month to avoid paying a fee for that month.

For tax year 2019 and later, consumers who do not have MEC do not need to claim a coverage exemption because the fee for not having coverage or an exemption is \$0.

Refer to Exhibit 2 below to learn more about the various types of exemptions. If a consumer needs help assessing whether they are eligible for an exemption or doesn't know which exemption to claim, the consumer can use the [exemption screener tool](#) at HealthCare.gov. The screener tool provides consumers with links to appropriate exemption application forms depending on their circumstances. For more information about exemptions from IRS, please visit [Individual Shared Responsibility Provision – Exemptions](#) at IRS.gov

Exhibit 2– Descriptions of Exemptions

Exemption	Tax Year 2018 Forms	Tax Year 2019 Forms**	Tax Year 2020 Forms**
Hardship	Form 8965	N/A	N/A
This exemption applies to consumers facing life situations that keep them from obtaining health insurance, including:	Marketplace Exemption paper application (ECN)*	Marketplace Exemption paper application (ECN)*	Marketplace Exemption paper application (ECN)*
<ul style="list-style-type: none"> • Homelessness; • Eviction or foreclosure; • Receiving a utility shut-off notice; • Fire, flood, or other disaster; • Bankruptcy; • Being a victim of domestic violence; • Death of a family member; • Having medical expenses they couldn't pay; • Experiencing unexpected increases in necessary expenses due to caring for an ill, disabled, or aging family member; • Claiming a child as a tax dependent who's been denied coverage for Medicaid and CHIP and another person is required by court order to give medical support to the child; or • Not being eligible for Medicaid because their state did not expand Medicaid and the household income was below 138 percent of the federal poverty level (FPL). For more information about this exemption, visit HealthCare.gov. 			

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Exemption	Tax Year 2018 Forms	Tax Year 2019 Forms**	Tax Year 2020 Forms**
<p><u>Short Coverage Gap</u></p> <p>This exemption applies to each consumer in a household who failed to maintain MEC for a period less than three consecutive months. Consumers are considered covered for any month they had MEC for even one day. Consumers who have two or more coverage gaps during the year can claim this exemption only for the months of their first coverage gap.</p>	Form 8965	N/A	N/A
<p><u>Marketplace Affordability</u></p> <p>If for 2018 the lowest-priced Bronze-level plan available through a Marketplace would have cost more than 8.05 percent of a consumer's household income, the consumer may claim this exemption through IRS when filing taxes for the applicable tax year. The consumers' total cost must have exceeded these percentages after any premium tax credit amount they would have been eligible for. Consumers claim the exemption on their tax return, and the exemption applies to everyone on the consumer's tax return.</p> <p>Consumers age 30 or over who wish to enroll in Catastrophic coverage apply for this exemption through the Marketplace based on their projected annual household income at the beginning of a plan year. They qualify for the exemption if the lowest-priced Bronze-level plan available through a Marketplace would cost more than 8.24 percent (2020) of the consumer's projected household income.</p>	<p>Form 8965</p> <p>Marketplace Exemption paper application (ECN)*</p>	N/A	<p>Marketplace Exemption paper application (ECN)*</p> <p>Marketplace Exemption paper application (ECN)*</p>

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Exemption	Tax Year 2018 Forms	Tax Year 2019 Forms**	Tax Year 2020 Forms**
<p><u>Job-based Affordability</u></p> <p>Job-based health insurance is considered unaffordable in different ways depending on how the coverage is offered:</p> <ul style="list-style-type: none"> For an employee: If the annual premium for the lowest-cost self-only plan (a plan that covers only the employee and not members of the employee’s family) is more than 8.05 percent (2018), 8.3 percent (2019), or 8.24 percent (2020) of their annual household income. For the employee’s spouse and dependents: If the annual premium for the lowest-cost family plan is more than 8.05 percent (2018), 8.3 percent (2019), or 8.24 percent (2020) of their annual household income. <p>If a consumer can claim this exemption for 2018, it may apply to everybody on the consumer’s tax return who doesn’t have coverage during the applicable tax year. This will depend on the cost of the coverage and who it’s offered to.</p> <p>Notes:</p> <ol style="list-style-type: none"> It’s possible that an employee won’t be eligible for this exemption because the self-only plan available to them is affordable. But other members of the household could be eligible for this exemption if family coverage offered to them is unaffordable. If the lowest-price self-only plan an employer offers costs more than 9.56 percent (2018), 9.86 percent (2019), or 9.78 percent (2020) of an employee’s total household income, the employee may be eligible for a premium tax credit if they buy a Marketplace insurance plan. 	<p>Form 8965</p> <p>Marketplace Exemption paper application (ECN)*</p>	<p>N/A</p> <p>Marketplace Exemption paper application (ECN)*</p>	<p>N/A</p> <p>Marketplace Exemption paper application (ECN)*</p>

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Exemption	Tax Year 2018 Forms	Tax Year 2019 Forms**	Tax Year 2020 Forms**
<p><u>Consumers Whose Income is Too Low to File Taxes</u></p> <p>This exemption applies to consumers whose household income is below the tax filing threshold. Consumers who don't file federal income tax returns because their gross household income is below the filing threshold are automatically exempt. If a consumer qualifies, it's likely that the consumer's family members who did not have health coverage will also qualify for this exemption.</p>	Form 8965	N/A	N/A
<p><u>Consumers who are American Indians</u></p> <p>This exemption applies to consumers who are members of a federally recognized tribe or are Indians eligible for services through the Indian Health Service, tribes or tribal organizations, or urban Indian organizations.</p>	Form 8965	N/A	N/A
<p><u>Consumers who are Members of a Health Care Sharing Ministry</u></p> <p>This exemption applies to members of a tax-exempt organization whose members share a common set of ethical or religious beliefs and share medical expenses in accordance of those beliefs, even after a member develops a medical condition. The health care sharing ministry must have been in existence and sharing medical expenses continuously since December 31, 1999.</p>	Form 8965	N/A	N/A
<p><u>Consumers who are Members of a Recognized Religious Sect</u></p> <p>This exemption applies to members of a religious sect or division that is recognized by the Social Security Administration as conscientiously opposed to accepting any insurance benefits, including Social Security and Medicare. The religious sect must have been in existence since December 31, 1950.</p>	Form 8965	N/A	N/A

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Exemption	Tax Year 2018 Forms	Tax Year 2019 Forms**	Tax Year 2020 Forms**
<p><u>Consumers who are U.S. Citizens or Residents Living Abroad or Consumers who aren't Lawfully Present in the U.S.</u></p> <p>This exemption is available for U.S. citizens who lived outside the U.S. for 330 days in the past 12 months or were bona fide residents of a foreign country for a full tax year, resident aliens meeting certain requirements, and "Dreamers."</p>	Form 8965	N/A	N/A
<p><u>Incarceration</u></p> <p>This exemption is for consumers who were in prison, jail, or similar institution or correctional facility during the month. Incarceration doesn't include probation, parole, home confinement, or being held but not convicted of a crime. Consumers can apply for this exemption for any month they were incarcerated for at least one day.</p>	Form 8965	N/A	N/A

***For all tax years**, consumers age 30 and over who wish to purchase Catastrophic coverage must claim a hardship or affordability exemption and obtain an ECN from the Marketplace. Consumers under age 30 may purchase Catastrophic coverage without an exemption.

****For tax year 2019 and later**, consumers do not need to obtain exemptions from the individual shared responsibility payment to avoid paying a fee, since the fee for not having MEC or a coverage exemption is \$0.

It's important to remind consumers that you cannot provide tax advice within your capacity as an assister and that you are not acting as a tax adviser or attorney when providing assistance. However, you should be able to help consumers generally understand that, for tax years before 2019, some exemptions can be claimed through the tax filing process and explain how consumers can claim them.

B. Procedures

1. Applying for Hardship Exemptions to Purchase Catastrophic Coverage

For all tax years, consumers age 30 and older must apply for a hardship or affordability exemption through the Marketplace and obtain an ECN if they wish to purchase Catastrophic coverage. Consumers under the age of 30 do not need to claim an exemption or obtain an ECN if they wish to purchase Catastrophic coverage; if the



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consumer is eligible, they will see Catastrophic health plan options when shopping for coverage through the Marketplace. The steps below describe the process for obtaining an ECN.

Step 1. Consumers should download and fill out the appropriate Marketplace exemption application.

- a. For hardship exemption applications, visit [HealthCare.gov/exemption-form-instructions/](https://www.healthcare.gov/exemption-form-instructions/).
- b. For affordability exemption applications, visit [HealthCare.gov/exemption-form-instructions/](https://www.healthcare.gov/exemption-form-instructions/).

Step 2. The following guidance may be helpful to consumers completing exemption applications to obtain an ECN from the Marketplace.

- a. In Step 1 of the application, consumers input their name, address, phone number, preferred language, and other personal information, as shown in Exhibit 3.

Exhibit 3—Step 1 of Exemption Application

STEP 1: Tell us about yourself

The person who files a federal income tax return in your household should be the contact person for this application, and is known as "Person 1". If you're applying for an exemption for a child, an adult who claims the child on his or her federal income tax return should fill out and sign this application, even if the adult doesn't need the exemption.

Use your legal name.

1. First name		Middle name		Last name		Suffix	
2. Home address (Leave blank if you don't have one)				3. Apartment or suite number			
4. City			5. State	6. ZIP code		7. County, parish, or township	
8. Mailing address <input type="checkbox"/> (Select if same as home address)						9. Apartment or suite number	
10. City			11. State	12. ZIP code		13. County, parish, or township	
Please provide a phone number so we can contact you if necessary. We won't use your number for anything else.							
14. Phone number (###-###-####)				Best time to call:		15. Other phone number (###-###-####)	
		<input type="checkbox"/> Morning	<input type="checkbox"/> Afternoon			<input type="checkbox"/> Morning	<input type="checkbox"/> Afternoon
		<input type="checkbox"/> Evening	<input type="checkbox"/> Weekend			<input type="checkbox"/> Evening	<input type="checkbox"/> Weekend
16. Do you want to get correspondence from the Marketplace?.....							<input type="radio"/> Yes <input type="radio"/> No
Email address: _____							
17a. What is your preferred spoken language?				17b. What is your preferred written language?			
_____				_____			
Optional: 18. If Hispanic/Latino, ethnicity: <input type="checkbox"/> Mexican <input type="checkbox"/> Mexican American <input type="checkbox"/> Puerto Rican <input type="checkbox"/> Chicano/a <input type="checkbox"/> Cuban <input type="checkbox"/> Other							
19. Race: <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Filipino <input type="checkbox"/> Japanese <input type="checkbox"/> Korean <input type="checkbox"/> Asian Indian <input type="checkbox"/> Chinese <input type="checkbox"/> Vietnamese <input type="checkbox"/> Other Asian <input type="checkbox"/> Native Hawaiian <input type="checkbox"/> Guamanian or Chamorro <input type="checkbox"/> Samoan <input type="checkbox"/> Other Pacific Islander <input type="checkbox"/> Other							

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- b. In Step 2 of the application, consumers input the information required for the specific hardship or affordability exemption such as information about members of the applicant's tax household (e.g., date of birth, Social Security Number (SSN), demographic information), as shown in Exhibit 4.

Exhibit 4—Step 2 of Exemption Application

STEP 2: Tell us about your tax household and the hardship events you experienced

Who to include on this application:

- The adult who files the federal income tax return for this household – list this person, who will be known as "Person 1", on the first line of the table on the next page.
- A spouse who's filing taxes jointly with you.
- Anybody Person 1 claims as a dependent on the federal income tax return.

You should apply for this exemption based on how you file taxes, with the following exception: If you're 21 or older and included as a dependent on someone else's tax return, submit your own exemption application.

Who NOT to include on your application:

- A spouse who files taxes separately from you. Spouses who file separately must fill out a separate exemption application for themselves and include every person they claim on their tax return.
- Anyone who lives with you but isn't (or won't be) listed on your tax return for the year(s) you want this exemption.

For 2017 and 2018, if you don't plan to file taxes, you don't need to apply for an exemption.

STEP 2: Tell us about your tax household and the hardship events you experienced

The person in line 1 below, who will be known as "Person 1", must be the person who files a federal income tax return for the household, even if the person doesn't need an exemption.

For each person included on the federal income tax return, select their relationship to Person 1, the name, date of birth, SSN, sex, and whether they want an exemption.

You must give your Social Security number (SSN) if you have one. In the table below include the SSN for anyone requesting the exemption who has an SSN. An SSN is not necessary to qualify for the exemption. We use SSNs to match exemptions with the right tax returns and to correctly match to your coverage application. For help getting an SSN, visit socialsecurity.gov or call 1-800-772-1213. (TTY: 1-800-325-0778)

#	Relationship to Person 1 (spouse or dependent)	First name	MI	Last name	Date of birth (mm/dd/yyyy)	Social Security number (###-##-####)	Sex	Want exemption?
1	Self							
2								
3								
4								
5								
6								
7								

- c. In Step 3 of the application, consumers should review the information provided, confirm that the answers they provided are accurate, and sign their application, as shown in Exhibit 5.

Exhibit 5—Step 3 of Exemption Application

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STEP 3: Read, print & sign this application

You won't be able to print and sign your application until you've filled out all required information. We can't process unsigned applications or accept digital signatures.

I agree that:

- I'm signing this application under penalty of perjury, which means I've provided true answers to all the questions on this form to the best of my knowledge. I know that I may be subject to penalties under federal law if I intentionally provide false or untrue information.
- I know that under federal law, discrimination isn't permitted on the basis of race, color, national origin, sex, age, sexual orientation, gender identity, or disability. I can file a complaint of discrimination by visiting hhs.gov/ocr/office/file.

The person on line 1, known as "Person 1", should sign this application.

The person who signs must be an adult over the age of 18 who files the federal income tax return for the household. If you're an Authorized Representative, you may sign here as long as Person 1 fills out and signs the "Help with this application" form on page 6 of this application.

➔ Print out application and have Person 1 sign. Date signed (mm/dd/yyyy)



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- d. In Step 4 of the application, consumers should review the instructions for mailing their completed application. Instructions for appealing an exemption decision and information about Catastrophic coverage are also included. Refer to Exhibit 6 below.

Exhibit 6—Step 4 of Exemption Application

STEP 4: Mail completed application and documents



Note: A page that lists the documents you need to submit will print at the end of this application.



Mail your **signed** application and **copies (do not send originals)** of the documents listed on the page that will print at the end of this application to:

Health Insurance Marketplace
Attn: Exemption Processing
465 Industrial Blvd.
London, KY 40741



What happens next?

We'll call you if we need more information. If we don't reach you by phone, we'll send a letter. You'll get a letter in the mail after we've processed your application.

- If your application is approved, we'll send an Exemption Certificate Number (ECN) for each approved member of your tax household to use on your federal income tax return for the year members of your tax household didn't have coverage. You'll provide the ECN when you file your return for the year your exemption has been approved.
- If you or other members of your tax household don't qualify for the exemption, the letter will explain why.
- If you don't hear from us within 30 days, contact the Marketplace at 1-800-318-2596. (TTY: 1-855-889-4325)

What if I think the results of my exemption application are wrong?

You can appeal. Important information about an appeal:

- The Health Insurance Marketplace must receive your appeal request within 90 days of the date of the application results notice.
- You may have a relative, friend, legal counsel, or another spokesperson, including an Authorized Representative, help you appeal or participate in your appeal. This is optional.
- The outcome of an appeal could change the eligibility of other members of your tax household.

To appeal your exemption application results, visit [HealthCare.gov/marketplace-appeals](https://www.healthcare.gov/marketplace-appeals). Or call the Marketplace Call Center at 1-800-318-2596. (TTY: 1-855-889-4325)

If you qualify for a hardship exemption, you can buy a "catastrophic" health plan

A "catastrophic" health plan offers lower-priced coverage that mainly protects you from high medical costs if you get seriously hurt or injured. If you get a hardship exemption, you can buy a catastrophic plan. You're not required to buy a catastrophic plan, it's just an option so you can get low-priced health coverage if you want to.

- If your hardship exemption application is approved, the letter you get will include information on catastrophic health plans. For more information, visit [Healthcare.gov/choose-a-plan/plans-categories/#catastrophic](https://www.healthcare.gov/choose-a-plan/plans-categories/#catastrophic) or call 1-800-318-2596. (TTY:1-855-889-4325)

- e. Assisters can help consumers as needed with Marketplace applications for exemptions. For tax year 2018, assisters may also provide consumers with general information about exemptions claimed through the tax-filing process and can help consumers access IRS resources on this topic, but should not help consumers claim exemptions on their tax returns or fill out IRS forms.

Step 3. Consumers should mail Marketplace exemption applications and any supporting documents to:

Health Insurance Marketplace®
 Attn: Exemption Processing
 465 Industrial Blvd.
 London, KY 40741

Step 4. The Marketplace will review the exemption application and determine consumers' eligibility for an exemption. The Marketplace may request more information or documents from consumers as part of this review. The consumer has 90 days from the date the notice is sent to provide additional information if requested by the Marketplace.



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- Step 5.** The Marketplace will mail consumers a notice of the exemption eligibility result. If consumers are granted an exemption, the Marketplace notice will include a unique ECN for each approved member of their tax household.
- Step 6.** Consumers should read and understand the notice. Consumers should keep the notice because the ECN will be required on their Marketplace application to view Catastrophic plan information. Consumers can also call the Marketplace Call Center at 1-800-318-2596 (TTY: 1-855-889-4325) for assistance with shopping for a plan if they're interested in purchasing coverage.
- Step 7.** Assist consumers with contacting the health insurance company of their choice to enroll, if preferred.

2. Hardship Exemptions to Purchase Catastrophic Coverage for Consumers Who Receive Policy Cancellation Notices

If consumers are notified that their health plan was canceled due to lack of compliance with PPACA standards, and consumers believe that the Qualified Health Plan (QHP) options available through the individual market in the Marketplace in their area are unaffordable, consumers may be eligible for a hardship exemption and may be able to enroll in Catastrophic coverage if it is available in their area.¹ Consumers whose coverage was canceled may enroll using the steps in the section immediately above or they can choose to enroll in a Catastrophic plan directly with the insurer of their choice by following the steps outlined below. For information, QHP options, and insurer contact numbers, visit [Catastrophic plan information](#) or call 1-866-837-0677, a special phone number for people whose plans were canceled.²

- Step 1.** Consumers should download and fill out the form for a [hardship exemption](#).³ Consumers must indicate that they are applying for Catastrophic coverage because the consumer's individual policy was canceled and they feel that available coverage is not affordable.
- Step 2.** Consumers can view a list of Catastrophic plans available through HealthCare.gov and should be prepared to submit the following items to an issuer of Catastrophic coverage in their area:
- The hardship exemption form.
 - Supporting documents indicating that the previous policy was canceled, such as their cancellation letter.
- Step 3.** The health insurance issuer will send the consumer's information to Centers for Medicare & Medicaid Services (CMS), and CMS will verify that the consumer is eligible for the hardship exemption. If the consumer does not submit the supporting documents with the exemption form, CMS may contact the consumer to notify them that the application is incomplete and cannot be processed until the consumer provides supporting documents.
- Step 4.** The consumer can enroll in a plan. Consumers interested in pursuing this option are advised to contact the Marketplace Call Center at 1-800-318-2596 (TTY: 1-855-889-4325).

¹ Catastrophic plans are not available in all states.

² 9 AM – 7 PM EST Monday – Friday and 9 AM – 5 PM EST Saturday – Sunday.

³ <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/Guidance-Redetermination-Exchange-2018.pdf>.



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3. Claiming Exemptions for Tax Year 2018

For tax year 2018, consumers applying for many types of exemptions from the individual shared responsibility requirement may claim them on Form 8965, Health Coverage Exemptions, when filing their federal income tax returns. For tax years 2019, 2020, and beyond, consumers do not need to claim any exemptions when filing their federal income tax returns to avoid paying a fee because the individual shared responsibility payment is reduced to \$0. The steps below describe the process for filing Form 8965.

Step 1. Consumers must complete Form 8965 for tax year 2018, available at IRS.gov.

Step 2. The following steps provide guidance for filling out Form 8965.

- a. In Part I of the form, each individual in the tax household lists their name, SSN, and ECN (if applicable) as shown in Exhibit 7.

Exhibit 7—Part I of Form 8965

Form 8965 Health Coverage Exemptions
 Department of the Treasury Internal Revenue Service
 OMB No. 1545-0074
 Attach to Form 1040.
 Go to www.irs.gov/Form8965 for instructions and the latest information.
 2018 Attachment Sequence No. 75

Name as shown on return _____ Your social security number _____

Complete this form if you have a Marketplace-granted coverage exemption or you are claiming a coverage exemption on your return.

Part I Marketplace-Granted Coverage Exemptions for Individuals. If you and/or a member of your tax household have an exemption granted by the Marketplace, complete Part I.

	(a) Name of Individual	(b) SSN	(c) Exemption Certificate Number
1			
2			
3			
4			
5			
6			

- b. In Part II of the form, consumers report whether their household income is below the filing threshold, as shown in Exhibit 8.

Exhibit 8—Part II of Form 8965

Part II Coverage Exemptions Claimed on Your Return for Your Household

7 If you are claiming a coverage exemption because your household income or gross income is below the filing threshold, check here

- c. In Part III of the form, consumers list information about each individual in their tax household, including their name, SSN (if applicable), which exemption they are claiming (if any), and the months of the year for which they want to claim that exemption, as shown in Exhibit 9.

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Exhibit 9—Part III of Form 8965

Part III Coverage Exemptions Claimed on Your Return for Individuals. If you and/or a member of your tax household are claiming an exemption on your return, complete Part III.

	(a) Name of Individual	(b) SSN	(c) Exemption Type	(d) Full Year	(e) Jan	(f) Feb	(g) Mar	(h) Apr	(i) May	(j) June	(k) July	(l) Aug	(m) Sept	(n) Oct	(o) Nov	(p) Dec
8																
9																
10																
11																
12																
13																

For Privacy Act and Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 37787G Form 8965 (2018)

Step 3. Consumers should include Form 8965 when filing their federal income tax returns (or amended returns) for 2018, although consumers with gross income below the filing threshold do not have to file a return to claim the “income below the filing threshold” exemption.

C. Assister Tips

1. After consumers submit an exemption application to the Marketplace, the Marketplace will notify them about any additional supporting documents needed and the status of their exemption application. The consumer has 90 days from the date the notice is sent to provide additional information if requested by the Marketplace.
2. If consumers receive an exemption, they will be assigned an ECN by the Marketplace. Consumers will need their ECN to enroll in a Catastrophic health plan through the Marketplace.
3. If consumers do not receive an exemption, you can assist them with applying for health coverage by referring to SOP 3 – Create an Account.
4. For more help answering consumers’ specific questions, see Appendix A for Frequently Asked Questions (FAQs) related to SOP 11 – Exemptions.



Appendix A: Frequently Asked Questions (FAQs)

The FAQs below are designed to help assisters answer consumers' specific questions about consumer exemptions through the Individual Marketplace.

FAQ 1. How do I file for or claim an exemption?

Answer: Depending on the reason for the exemption and the tax year, you may apply for an exemption via the Marketplace or claim it when filing your federal income tax returns.

FAQ 2. How long will it take to know if the Marketplace approved my exemption application?

Answer: The time required to process your exemption application will vary based on the type of exemption you are applying for. You should receive a notice from the Marketplace after your application is accepted. Otherwise, you may contact the Marketplace Call Center to find out if your application was accepted.

FAQ 3. When does my exemption end?

Answer: When the Marketplace grants you an exemption, the exemption period may vary in length. The Marketplace grants exemptions on a month-to-month basis, for a calendar year, or on a continuing basis until an individual reports a change related to the eligibility standards.

Consumers may reference their exemption notice for further information. Consumers should note that most exemptions will end at the end of the plan year; thus, consumers will need to re-apply for an exemption each year in most cases.

FAQ 4. My household income is so low that I am not required to file a federal income tax return. Do I qualify for an exemption?

Answer: [Does not apply after 2018] Yes. Consumers who are not required to submit federal income tax returns because their household income is below the tax return filing threshold are automatically exempt from the shared responsibility payment for not maintaining MEC (if applicable) and do not need to do anything else to get an exemption. If a consumer whose household income is below the filing threshold files a tax return to get a refund, the consumer should claim the exemption on Form 8965 when filing his or her federal income tax return.



Appendix B: Support Resources

If consumers require assistance that is outside of assister activities, refer consumers to other organizations and resources as appropriate. Exhibit 10 provides a list of external resources.

Exhibit 10—External Resources

Resources	Contact Information	What does this resource do?	How should consumers use this resource?
Marketplace Call Center	1-800-318-2596 TTY: 1-855-889-4325 (all languages available)	The Marketplace Call Center provides assistance to consumers who need information or want to enroll in health coverage through a Federally-facilitated Marketplace (FFM).	<ul style="list-style-type: none"> To get answers to questions while applying for health coverage using the online or paper application. To apply for health coverage over the phone.
HealthCare.gov	HealthCare.gov	This website allows consumers to access information about the Patient Protection and Affordable Care Act (PPACA) and to enroll in health coverage through an FFM.	<ul style="list-style-type: none"> To find out about health coverage options available through an FFM. To apply for health coverage online. To get real-time answers to questions using the online chat function.
Internal Revenue Service (IRS)	IRS.gov	This federal agency collects taxes from individuals and businesses in the U.S.	To learn more about the effects of the PPACA on consumers' tax returns.
Medicaid	Medicaid.gov	This state-administered health insurance program is for low-income families and children, pregnant women, the elderly, people with disabilities, and in many states, other adults. The federal government provides a portion of the funding for Medicaid and sets guidelines for the program. States also have choices in how they design their program, so Medicaid varies state by state and may have a different name in each state.	<ul style="list-style-type: none"> To find answers to questions about health coverage through Medicaid or CHIP. To get further information about their state's Medicaid program and agency contact information.

This information is intended only for the use of entities and individuals certified to serve as Navigators or certified application counselors in a Federally-facilitated Marketplace. The terms "Federally-facilitated Marketplace" and "FFM," as used in this document, include FFM where the state performs plan management functions. Some information in this manual may also be of interest to individuals helping consumers in State-based Marketplaces and State-based Marketplaces using the Federal Platform.



SOP 11 – Exemptions

Resources	Contact Information	What does this resource do?	How should consumers use this resource?
Medicare	Medicare.gov	This federal program is run by CMS and provides health coverage to qualified individuals who are 65 years of age or older and/or have a disability.	<ul style="list-style-type: none">• To learn more about eligibility for Medicare or to apply for Medicare online.• To learn more about or make changes to existing Medicare benefits.
Social Security Administration (SSA)	SSA.gov	This independent federal agency administers Social Security, a system that distributes financial benefits to retired or disabled people, their spouses, and their dependent children based on their reported earnings.	<ul style="list-style-type: none">• To learn more about available Social Security benefits for which consumers might be eligible.• To apply for a Social Security Number, which is necessary to apply for health coverage through the Marketplace (except for legal immigrants, who can provide a document number).