



Covered California
PO BOX 989725
West Sacramento, CA 95798-9725



**COVERED
CALIFORNIA**

*Your destination for quality
healthcare, including Medi-Cal*

John {FIRST_NAME} Hook {LAST_NAME}
456 ABC Street {ADDRESS_LINE1}
Apt. 300 {ADDRESS_LINE2}
Sacramento {CITY}, CA {STATE_CD (FK)} 95833 {ZIPCODE}

Important information you may need before you file {TAX_YEAR} taxes

July 29, 2013 {CURRENT_DATE}

Case: <50091234567>

Dear John {FIRST_NAME} Hook {LAST_NAME},

You are getting this letter because you, or someone in your household, enrolled in a Covered California health plan. Attached to this letter is the Internal Revenue Service (IRS) Form 1095-A that you will need when you file your federal taxes.

Important

You may receive multiple Form 1095-A forms for any of the three reasons below:

1. You or members in your tax household were enrolled in one health plan and then enrolled in a different health plan.
2. You changed your plan level of benefit. For example, you kept the same health plan, but you changed your plan level from Silver to Gold.
3. Members of your household were not all enrolled in the same plan.

Use the information on Form 1095-A to file your taxes. It will help you complete your federal income tax return and claim the proper amount of premium tax credit.

Here are some questions you may have with answers to help you with IRS Form 1095-A:

Q: Why am I getting Form 1095-A?

A: Covered California sends this form to the IRS and all consumers who get insurance through Covered California in 2014. The Form 1095-A has information that you or your

tax preparer will need to file your tax returns. This form has information you gave us about your family. The form also tells you:

- How many months you had health insurance
- How much you paid in monthly premiums
- How much premium assistance was paid to your health plan on your behalf (if any)
- Who was enrolled in your health plan

Q: What is premium assistance?

A: Premium assistance is also called “Advanced Premium Tax Credits (APTC)” or “financial assistance.”

Premium assistance describes government payments made to your health insurance plan to lower the cost of your monthly premiums. The amount of your premium assistance is based on an estimate of the premium tax credit that you may be allowed for the year. This estimate was made when you enrolled. The premium tax credit is a federal tax credit that helps make health insurance more affordable.

There are three ways you can use your premium assistance:

1. Apply **all** of your premium assistance in advance to lower the amount you pay each month;
2. Take **some** of the premium assistance each month and get the rest at the end of the year; **or**
3. **Wait** until the end of the year to claim the premium tax credit when you file taxes.

Payments were paid directly to your health plan if you took **all** or **some** of your premium assistance in advance (before you file taxes).

Remember: Premium assistance affects the amount of tax credit that you will claim when you file your federal income tax return. If you received more premium assistance in advance than the total credit you qualify for, you may have to pay some of it back at tax time. On the other hand, you may qualify for more premium assistance at tax time if you did not get the full amount in advance. The process of comparing advance payments to the actual credit is called “reconciliation.” To avoid problems with reconciliation, it’s important to report changes in your income, address, and/or household size to Covered California as soon as they happen.

Q: What do you need to do when you file your federal taxes?

A: When you file your federal taxes, you or your tax preparer will use the information on Form 1095-A to complete IRS Form 8962. You will use Form 8962 to tell the IRS how much premium assistance was paid to your health plan on your behalf in 2014. Using the form you will:

1. Calculate the total amount of premium tax credit that you are allowed to claim based on your coverage, income and family size.
2. Compare the amount of premium assistance that was paid in advance on your behalf to the premium tax credit.

3. Determine the amount by which the premium tax credit exceeds the amount of premium assistance received, if any. And, claim it as the net premium tax credit on your federal income tax return.
4. Determine the amount by which your premium assistance received exceeds your premium tax credit, if any, and report it on your federal income tax return. You will have to repay some or all of this excess amount.

Q: How does premium assistance affect my tax filing?

A: If you received premium assistance in advance or you qualify for premium assistance, you must file an income tax return. You can no longer file the short form, Form 1040EZ. You have to file either the Form 1040 or Form 1040A. You also must file IRS Form 8962 with your income tax return. The Form 1095-A, will help you complete Form 8962 but is not required to be sent with your tax return.

Q: What happens if my income is *lower* than I put on my application?

A: If the household income on your tax return is *lower* than the income you put on your Covered California application, you may not have received enough premium assistance. At tax time, you may get the extra premium assistance in the form of a tax credit to lower the taxes you owe. You may even get it back as a tax refund.

Q: What happens if my income is *higher* than I put on my application?

A: If the household income on your tax return is *higher* than the household income you put on your Covered California application, then you may have had too much premium assistance paid in advance on your behalf. In this case, you *may* have to pay some or all of the premium assistance when you file your taxes.

Q: I'm concerned I might have to pay back some of my premium assistance. How can I lower the amount of premium assistance that I take in advance?

A: While you can no longer change the premium assistance amount you received for 2014, you can change the amount of premium assistance that you are currently receiving at any time.

Q: My Form 1095-A says I did not get any premium assistance. Why not?

A: There are four reasons why you may not have received premium assistance:

1. You did not qualify because your annual household income was too high. Your annual household income was above 400% of the federal poverty level. To qualify for premium assistance, your household income must be above 138% but not more than 400% of the federal poverty level. In some cases, household incomes below 100% of the federal poverty level may also qualify for premium assistance. Individuals earning between \$16,000 and \$45,000 and families of 4 earning between \$32,000 and \$94,200 may qualify for premium assistance.
2. You decided to **wait** until the end of the year to claim the premium tax credit when you file your federal income tax return rather than receiving advance premium assistance.

3. Your form says you did not get any advance payments of the premium assistance because when you applied for health insurance, you did not request premium assistance. Premium assistance helps to lower the monthly cost of health insurance premiums. If you want to begin receiving premium assistance now, you can update your application to apply for help paying for health insurance.
4. You did not qualify because, when you applied for coverage, the premiums in your area were considered affordable for you. Health insurance premiums are based on your age and where you live. Premium assistance is based on the cost of the “benchmark” or “base” plan in your area and the amount that is considered affordable for your taxable household income. If the premium for the base plan in your area is less than the amount that is considered affordable for persons with your taxable household income, your premium assistance amount will be \$0. So if you are in your 20s and early 30s and live in an area where insurance premiums are low, even though your income is below 400% of the federal poverty level, you may not get premium assistance.

For example, a 26 year old living in Sacramento who earns \$36,500 is expected to pay 9.5% of their monthly household income or \$289 per month towards her health care premiums. However, the base health care premium in this area is only \$285 per month. This is \$4 less than she is expected to pay towards her health care premiums. So the amount of premium assistance available to this person is \$0.

Q: I received another form that looks like Form 1095-A. Why?

A: You may have also received Form 1095-B or Form 1095-C. Here’s why:

You received Form 1095-B if someone in your household gets insurance through:	You received Form 1095-C if someone in your household gets insurance through:
Medicare	An employer
The Veterans Administration	
Other health insurance company outside of Covered California	

Note: Only the Form 1095-A will come from Covered California. Only Form 1095-A is required when you file your taxes in 2015. Form 1095-B and Form 1095-C are not required until next year. If you receive Form 1095-B or Form 1095-C, you may just keep them in your files.

Q: Where can I get help filing taxes?

A: You can consult your own tax adviser. Or, you can get help directly from the IRS website. The website offers “Help and Resources” for taxpayers who need it. The IRS also has a section with information about the Affordable Care Act at www.irs.gov/aca. Help includes “Local Taxpayer Advocates” and “Low Income Taxpayer Clinics.”

You or your tax professional should consider preparing and filing your tax return electronically. Using tax preparation software is the easiest way to file a complete and accurate tax return. The IRS has a variety of electronic filing options including free volunteer assistance, IRS Free File, commercial software and professional assistance. More information about filing options is available at www.irs.gov/Filing.

If you need additional help, you can visit the IRS's website at:
www.irs.gov/uac/Affordable-Care-Act-Tax-Provisions-Home

You can get free tax assistance at a local Volunteer Income Tax Assistance Site (VITA) for people who generally make \$53,000 or less, persons with disabilities, the elderly and limited English speaking taxpayers. To find help near you, you can call 1-800-906-9887 or check online at www.irs.treasury.gov/freetaxprep/.

Q: What should I do if I do not agree with the information on my Form 1095-A?

A: If you think there is a mistake on your Form 1095-A, call Covered California right away. Covered California may be able to send a corrected Form 1095-A.

Questions?

For help with your Forms 1095-A or 8962:

Covered California may be able to answer questions about this letter and the information on the Form 1095-A. **Covered California cannot provide tax advice.** For information regarding filing your federal tax return visit the IRS web site at www.irs.gov/Filing. For information from the IRS regarding the tax provisions of the Affordable Care Act visit www.irs.gov/aca.

For questions regarding this notice:

- Visit the CoveredCA.com website for more details.
- Call the Covered California Service Center at 1-800-300-1506. Or, for TTY, call 1-888-889-4500 (1-888-TTY-4500).
- The Service Center hours are extended during Open Enrollment, from November 15, 2014 through February 15, 2015. Monday through Friday 8 a.m. to 8 p.m. and Saturdays 8 a.m. to 6 p.m.
- After Open Enrollment ends, the Service Center hours will return to Monday through Friday 8 a.m. to 6 p.m. and Saturdays 8 a.m. to 5 p.m.

Getting help in languages other than English

Important: Can you read the attached form? Internal Revenue Service Form 1095-A is an important form. You will need this form when you file federal taxes. You can call **1-800-300-1506** and ask to have this form read to you in your language. For TTY call **1-888-889-4500**.

Español (Spanish)

Importante: ¿Puede leer el formulario incluido? El formulario Servicio de Impuestos Internos (IRS) 1095-A es un formulario importante. Usted necesitará este formulario cuando declare sus impuestos federales. Usted puede llamar a Covered California al: **1-800-300-0213** y pedir que le lean este formulario en su idioma. Si usa TTY, llame al **1-888-889-4500**.

中文/繁體字 (Chinese)

重要: 您可以閱讀所附表格嗎? 國稅局 (IRS) 表格1095-A 是一份重要表格。您申報聯邦稅時需要這份表格。您可以致電: **1-800-300-1533**，並且可以要求用您的語言為您讀此表格。TTY用戶請致電: **1-888-889-4500**。

Tiếng Việt (Vietnamese)

Quan trọng: Quý vị có thể đọc mẫu đơn đính kèm không? Mẫu đơn IRS 1095-A là một mẫu đơn quan trọng. Quý vị sẽ cần mẫu đơn này khi lập hồ sơ kê khai thuế liên bang. Quý vị có thể gọi **1-(800)-652-9528** và đề nghị đọc mẫu đơn này bằng ngôn ngữ của mình. Đối với người khiếm thính, vui lòng gọi **1-(888)-889-4500**.

한국어 (Korean)

중요 사항: 첨부된 서식을 읽을 수 있습니까? 국세청에서 (IRS) 1095-A는 중요한 서식입니다. 연방세를 신고하실 때 이 서식이 필요합니다. **1-(800)-738-9116**으로 전화해서 이 서식을 한국어로 읽어달라고 요청하십시오. TTY의 경우에는 **1-(888)-889-4500**으로 전화하실 수 있습니다.

Tagalog

Importante: Nababasa mo ba ang kalakip na form? Importanteng form ang Internal Revenue Service (IRS) Form 1095-A. Kakailanganin mo ang form na ito kapag nag-file ka ng buwis pederal. Maaari kang tumawag sa numerong **1-(800)-983-8816** at hingiin na ipabasa ang form na ito sa wika mo. Para sa TTY, tumawag sa numerong **1-(888)-889-4500**.

العربية (Arabic)

هام للغاية: هل بإمكانك قراءة الإستمارة المرفقة؟ تُعتبر إستمارة خدمة الإيرادات الداخلية (IRS) نموذج رقم A-1095 وهي إستمارة مهمة. سوف تحتاج هذه الإستمارة عند دفعك لمستحقات ضريبة الدخل القيدرالية الخاصة بك. إذا أردت أن تُقرأ لك هذه الإستمارة بلغتك الأم ما عليك إلا الإتصال على الرقم **1-(800)-826-6317** والاستماع لتبؤدها. وإن كنت ممن يعانون من صعوبة في السمع بإمكانك الإستمارة بالطابعة عن بُعد (TTY) عن طريق الإتصال بالرقم التالي: **1-(888)-889-4500**.

հայերեն (Armenian)

Կարևոր է: Դուք կարո՞ղ եք կարդալ կից ձևաթուղթը: Ներքին եկամուտների (IRS) 1095-A ձևը կարևոր ձևաթուղթ է: Այդ ձևաթուղթը Ձեզ պետք կգա դաշնային հարկազրկի լրացնելիս: Կարող եք զանգահարել **1-(800)-996-1009** և խնդրել, որ այդ ձևաթուղթը Ձեզ համար կարդան Ձեր լեզվով: Եթե դուք ունեք խնդիրներ լսողության կամ խոսելու, զանգահարեք **TTY-1(888)-889-4500**:

ភាសាខ្មែរ (Khmer)

កំណត់សម្គាល់សំខាន់ៗ: តើអ្នកអាចអានសំណុំបែបបទដែលបានភ្ជាប់ជូននេះឬទេ? សំណុំបែបបទសេវាប្រាក់ចំណូលផ្ទៃក្នុង (IRS) 1095-A គឺជាសំណុំបែបបទសំខាន់។ អ្នកនឹងត្រូវការសំណុំបែបបទនេះនៅពេលអ្នកដាក់បញ្ជីពន្ធសហព័ន្ធ។ អ្នកអាចហៅទូរស័ព្ទលេខ៖ **1-(800)-906-8528** និងស្នើឱ្យគេអានសំណុំបែបបទនេះ ជូនអ្នកស្តាប់ជាភាសារបស់អ្នក។ សម្រាប់អ្នកមានបញ្ហាស្តាប់ TTY សូមហៅទូរស័ព្ទលេខ៖ **1-(888)-889-4500** ។

Русский (Russian)

Важная информация: Можете ли вы прочитать прилагаемую форму? Форма 1095-A Федеральной налоговой службы (IRS) - это очень важная форма. Вам нужна эта форма на заполнения федеральных налогов. Вы можете позвонить по номеру **1-(800)-778-7695** и попросить чтобы вам прочитали эту форму на вашем родном языке. Если у вас трудности со слухом или речью, позвоните по номеру **1-(888)-889-4500**.

(Farsi) فارسی

مهم: آیا می توانید فرم ضمیمه شده را بخوانید؟ فرم 1095-A (IRS) اداره مالیات بر درآمد فرم مهمی است. هنگام ارسال اوراق مالیاتی فدرال تان به این فرم نیاز خواهید داشت. می توانید با شماره **1-(800)-921-8879** تماس بگیرید و از آنها درخواست کنید تا این فرم را به زبان شما بخوانند. برای TTY با شماره **1-(888)-889-4500** تماس بگیرید.

Hmoob (Hmong)

Tseem Ceeb: Koj nyeem puas tau daim ntawv no? Daim ntawv Qhia (IRS) 1095-A yog ib daim ntawv tseem ceeb. Koj yuav tau siv tsab ntawv no lub sij hawm koj them se. Koj hu tau rau **1-(800)-771-2156** thov daim ntawv no ua koj hom lus. Siv rau cov neeg TTY hu rau **1-(800)-889-4500**.

DRAFT

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