



Health Connector Updates

MTF Meetings January 2021

Agenda

- **Extension of Open Enrollment for Plan Year 2021**
- **Extension of Coronavirus Relief Funds**
- **End of Year Tax Filing Process**

Open Enrollment 2021

The Health Connector announced it is continuing Open Enrollment until May 23, providing additional time for residents to access affordable, quality health insurance, particularly those hurt by the economic impacts of COVID-19.

- Massachusetts residents who do not have health insurance have a new opportunity to get coverage through the Health Connector. This includes unsubsidized commercial plans and subsidized coverage (plans with APTC and ConnectorCare plans)
- Along with people who do not have health insurance, people who are currently in COBRA coverage after losing their jobs can switch to a Health Connector plan during this period.
 - People who are currently paying full premiums for COBRA plans, qualifying for ConnectorCare would represent significant savings. It is likely that for COBRA participants could also find lower-cost plans available without subsidy.
- To review the [new administrative bulletin](#), or visit the Health Connector's website to see all bulletins here: <https://www.mahealthconnector.org/about/policy-center/rules-regulations>

Health Connector Payment Reminders

Reminders about Health Connector payment options:

1. Payments are due on the 23rd of the Month for coverage that is effective on the first of the next month (for example, February 23rd is the enrollment and payment deadline for coverage to take effect March 1.)
2. The fastest way to make a Health Connector payment is to use the online Payment Center. Members can log into their account or use the Guest Portal. For more details review: MAhealthconnector.org/how-to-pay
 - *Remember payments can also be made over the phone through the phone menu. New enrollees must wait at least 4 hours after choosing their plan, to be able to use this payment option.*
3. If members have questions about their enrollment status or need help reporting a change, selecting a new health or dental plan, they can reach out to the Health Connector's Customer Service at 1-877-MA-ENROLL (623-6765). For more Customer Service Information including hours of operation, go to: MAhealthconnector.org/about/contact



Extension of Coronavirus Relief Funds

Extension of Coronavirus Relief Funds

Since early 2020, many applicants and members have experienced sudden changes of income due to COVID-19.

- On December 27, 2020, a new federal law was signed that will soon extend coronavirus relief funds to qualifying individuals and families
- In addition to an extension in unemployment benefits, federal funds will be distributed to help support people during this time
- These dollars will go to eligible taxpayers
- Certain households can expect to receive a payment of up to \$600 (single filers and heads of household) or \$1,200 (joint filers), with an additional payment of \$600 per qualifying child
- Similar to the funds received in 2020, MassHealth or Health Connector applicants or members who receive this money should not enter it as income in their application.
- For more information, visit the Health Connector website: MAhealthconnector.org/covid-19

The chart below is a summary of how MassHealth and the Health Connector count these sources of income to make an eligibility determination for a consumer.

Type of Income	Include in Current Income?	Include in Projected Annual Income?
Unemployment extension benefits (the new COVID-19 relief package extends certain unemployment benefit programs for 11 weeks)	Yes , regular unemployment should be reported as long as it is received	Yes , the member or applicant should make their best prediction about their yearly income accounting for how long they expect to receive unemployment
EXTENSION to the Federal Pandemic Unemployment Compensation, \$300 unemployment “bump” beginning in January 2021	No , do not include this amount in the unemployment benefits you report for the member	Yes! Do add the \$300 per week in when reporting expected yearly income. The \$300 is available for a maximum of 11 weeks (up to a maximum of \$3,300) ending in March
NEW “payment” of \$600 per adult and \$600 per qualifying child	No , do not include this income.	No , do not include this income

Entering Unemployment Income

MassHealth and the Health Connector count the Federal Pandemic Unemployment Compensation \$300 unemployment “bump” differently in order to make a program determination.

Tips for entering Current and Yearly income:

- Applicants/members should enter their **current income** (as it is right now) without the \$300 in additional UI income
- When entering **yearly income**, consider how much has been earned so far this year, add any unemployment, including the extra \$300 per week (up to a maximum of \$3,300), and include what might be earned if and when they return to work later this year.
- If the income changes later, update the income information again so it is as correct as possible
- Members who receive APTCs can always adjust the amount they take by using the slide on the Eligibility Page

For more information about DUA benefits: <https://www.mass.gov/info-details/update-dua-issues-information-on-the-continued-assistance-for-unemployed-workers-act>

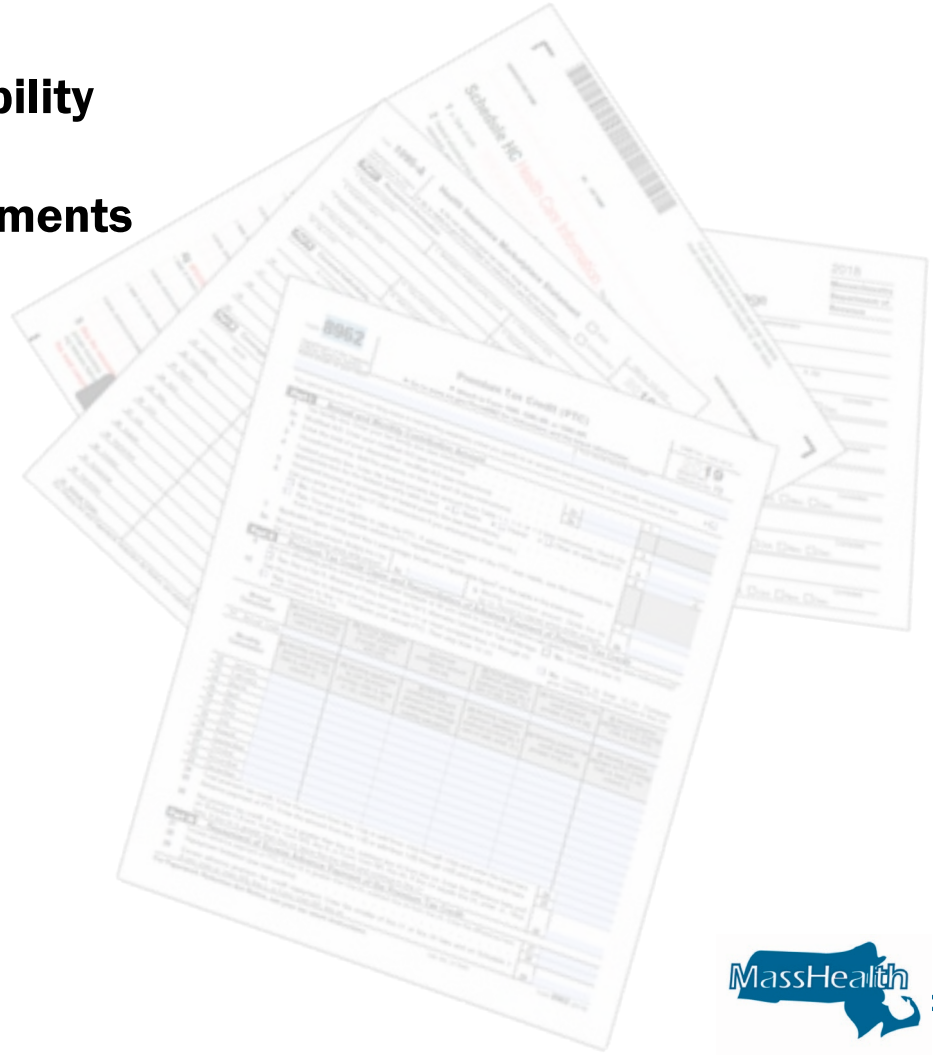


End of Year Tax Filing Process

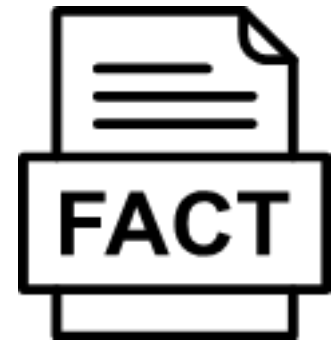
Health Coverage and Taxes

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

- 1. Determining subsidy eligibility**
- 2. Meeting coverage requirements**



Health Coverage and Taxes

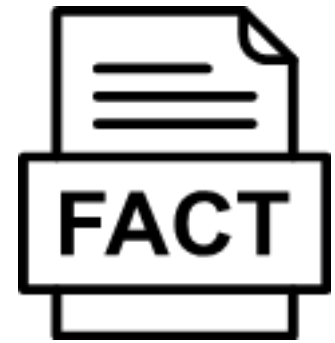


Important Facts:

Federal Tax Filing:

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

Health Coverage and Taxes



Important Facts:

State Tax Filing:

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

Complying with the State Individual Mandate

- If members had coverage for **the full year**, they check a box for full year coverage on their state income tax return
- If they did not have coverage for the full year, they should use the **Form(s) 1099-HC** they received to complete **Schedule HC** with their tax return to report **their months of coverage**
- If a member needs to apply for state mandate exemption they can indicate their **wish to appeal** on the **Schedule HC** when they file their state taxes
 - The Massachusetts Department of Revenue will send them a letter asking for more proof of their hardship, which the Health Connector will review
 - No penalty will be assessed until the Health Connector has made a decision



Key Points for Health Connector and MassHealth Members

Key Points

- Massachusetts residents will only be penalized for not having health insurance coverage on their state tax return
- The Tax Cuts and Jobs Act set the penalty for the Federal individual mandate to \$0 beginning with tax year 2019
- Filing taxes and reconciling impacts a consumer's eligibility for APTCs, including the ConnectorCare program
- If a member received APTCs and doesn't file a federal income tax return, they won't be able to get help paying for their health insurance through a tax credit or ConnectorCare again in the future until they reconcile their APTCs on their taxes
- Example: Individuals who received APTCs in 2020 but didn't file a federal income tax return and reconcile those APTCs will be denied subsidies in future years until they file their taxes and reconcile the APTCs received in 2020

Key Points (cont'd)

Remind members:

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

Health Connector Members Get a 1095 and a 1099-HC

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

Program	1095 info	1099-HC info
ConnectorCare	1095-A from the Health Connector	1099-HC from their health plan
QHP with APTC or unsub		
Catastrophic plan	1095-B from the carrier	
Health Connector for Business		

To request a correction to form 1095-A:

- If a member believes there's a mistake on their form 1095-A, they should call Health Connector Customer Service to request a "correction". Customer Service can let the member know if a corrected form is needed.

1095-B and a 1099-HC for MassHealth Members

MassHealth members enrolled in certain MassHealth coverage types must:

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

Program	1095-B info	1099-HC info
Standard	1095-B	1099-HC from MassHealth, unless member was 18 years or older and was <150% FPL all year
CarePlus	1095-B	1099-HC from MassHealth, unless member was <150% FPL all year
CommonHealth	1095-B	1099-HC from MassHealth, unless member was <150% FPL all year
Family Assistance (Direct Coverage)	1095-B	1099-HC from MassHealth, unless member was <150% FPL all year
Health Safety Net	No form – not MEC	No form – not MCC
Limited	No form – not MEC	No form – not MCC

Getting 1095-B and 1099-HC forms for MassHealth Members

- MassHealth will mail the Form 1099-HC to members starting 1/31/21
- **NEW:** For the 2020 tax year, members can now **go online or upon request** to MassHealth receive their **Form 1095-B**.
- Members can access their Form 1095-B at [Masshealthtaxform.com](https://www.masshealthtaxform.com) after January 31, 2021, to view and print the Form or can call MassHealth at 1-866-682-6745 to request a hard copy.
- Members with questions about why they received the Form MA 1099-HC or how to get their Form 1095-B from MassHealth, or if they need a duplicate copy, should contact the MassHealth at (866) 682-6745, TTY: (800) 497-4648 for people who are deaf, hard of hearing, or speech disabled.



Questions About Completing Tax Forms

- Questions about the need to fill out a Massachusetts state tax return, or about how to complete a state tax return with the MA 1099-HC information, should be directed to the Massachusetts Department of Revenue OR visit the DOR website at:
www.mass.gov/dor/individuals
- Questions about the need to fill out a federal tax return, or how to complete a federal tax return with the 1095 information, should be directed to the IRS Call Center at: (800) 829-1040 OR
<https://www.irs.gov/aca>



Overlapping Health Connector and MassHealth Coverage

Members with Overlapping Health Connector and MassHealth Coverage

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

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

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

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

Member Example:

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

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

Overlapping Health Connector and MassHealth Coverage (cont'd)

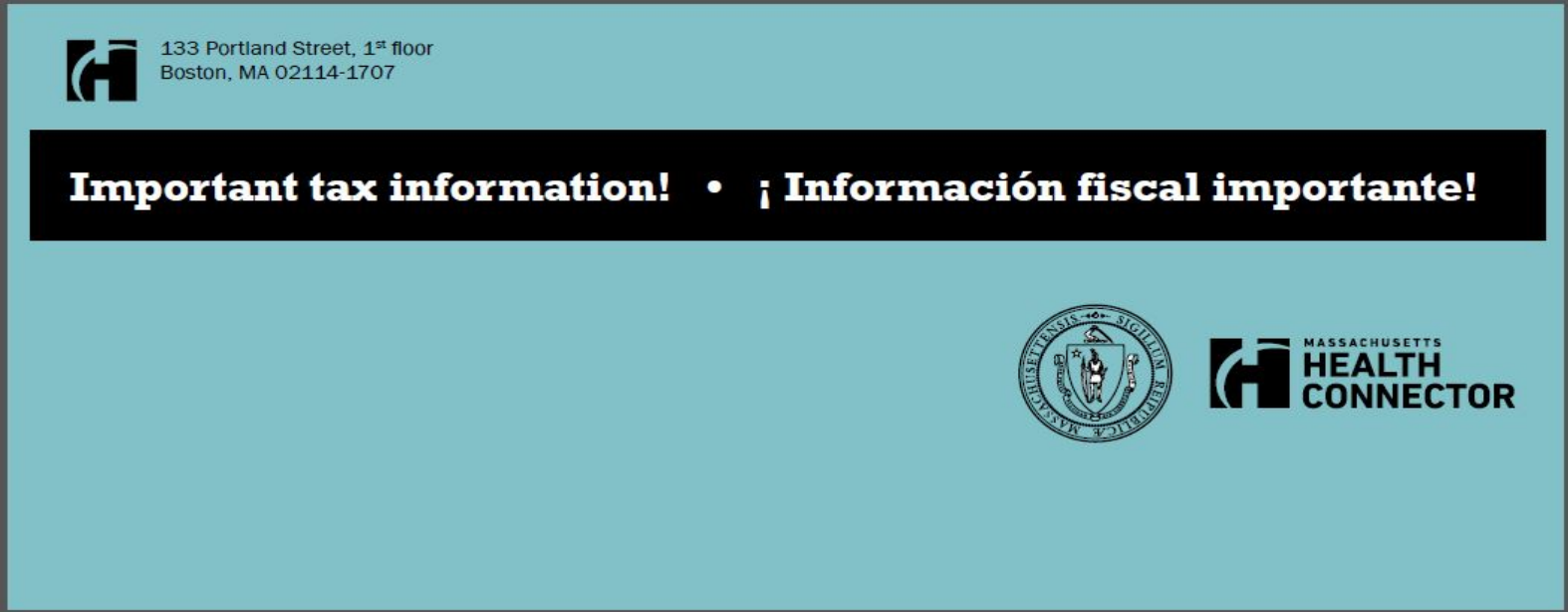
- According to the rule regarding overlapping coverage Wendy is treated as not being enrolled in MEC until the first day of the second month following the eligibility change and does not have to pay back the APTC for the first month.
 - Wendy received her notification on July 24th so she gets a month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

Important Dates in 2021

Dates	Action
Mid-Late January	1095-A forms sent to all Health Connector members enrolled in a QHP (including ConnectorCare members)
Late January	NEW: MassHealth members can now access their 1095-B Form by going to Masshealthtaxforms.com or request a hard copy of their Form by calling MassHealth
March 1 st	Individuals are asked to report any corrections to 1095 or 1099-HC forms to the Health Connector and/or MassHealth and new forms to be sent out prior to the tax filing deadline
April 15th	State and Federal Tax filing deadline

Health Connector Communications

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





Free Tax Assistance

Free Tax Assistance

VITA: The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$57,000 or less, persons with disabilities and limited English speaking taxpayers who need assistance in preparing their own tax returns. IRS-certified volunteers provide free basic income tax return preparation with electronic filing to qualified individuals.

TCE: The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older, specializing in questions about pensions and retirement-related issues unique to seniors. The IRS-certified volunteers who provide tax counseling are often retired individuals associated with non-profit organizations that receive grants from the IRS.

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

Helpful Tax Resources

- Free Tax Return Preparation for Qualifying Taxpayers
 - <https://www.irs.gov/individuals/free-tax-return-preparation-for-you-by-volunteers>
- Affordable Care Act (ACA) Tax Provisions
 - <http://www.irs.gov/Affordable-Care-Act>
- Individual Shared Responsibility Provision
 - <https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/Individual-Shared-Responsibility-Provision>
- Health Connector tax resources
 - <https://www.mahealthconnector.org/taxes>



Polling Questions



Questions?