



Health Reform: **Beyond the Basics**

healthreformbeyondthebasics.org

Part I:

Determining Households & Income

Coverage Year 2021

September 15, 2020

Presented by the Center on Budget and Policy Priorities

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Part II: Premium Tax Credits

- Tuesday, September 22 | 2 pm ET (11 am PT)

Part III: Immigrant Eligibility for Health Coverage Programs

- Thursday, September 24 | 2 pm ET (11 am PT)

Part IV: Preventing & Resolving Data-Matching Issues

- Tuesday, September 29 | 2 pm ET (11 am PT)

Part V: Plan Design

- Thursday, October 1 | 2 pm ET (11 am PT)

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- We will monitor questions and pause to answer a few during the presentation
- You can also email questions to beyondthebasics@cbpp.org
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Why Household Size and Income Matter

The federal poverty line (FPL) calculation requires...

- Number of individuals in a household
- Income of household members

...to determine premium tax credit and cost-sharing reduction eligibility

Household Size	2020 Federal Poverty Line (for 2021 coverage)				
	100%	138%	200%	250%	400%
1	\$12,760	\$17,608	\$25,520	\$31,900	\$51,040
2	\$17,240	\$23,791	\$34,480	\$43,100	\$68,960
3	\$21,720	\$29,973	\$43,440	\$54,300	\$86,880
4	\$26,200	\$36,156	\$52,400	\$65,500	\$104,800
5	\$30,680	\$42,338	\$61,360	\$76,700	\$122,720

Expected Contributions at Certain Income Levels (2021)

Annual Household Income		Expected Premium Contribution	
% of FPL	Income Amount (For HH of 1 using 2020 FPL)	% of Income	Monthly Dollar Amount (For HH of 1 using 2020 FPL)
< 133% ¹	<\$16,970	2.07%	Varies
133% ¹	\$16,970	3.10%	\$42
138% ¹	\$17,608	3.41%	\$49
150%	\$19,140	4.14%	\$66
200%	\$25,520	6.52%	\$138
250%	\$31,900	8.33%	\$221
300%	\$38,280	9.83%	\$313
350%	\$44,660	9.83%	\$365
400%	\$51,040	9.83%	\$418
> 400%	> \$51,040	n/a	n/a
¹ Individuals with income <138% FPL who are eligible for Medicaid are ineligible for PTC			

Beyond the Basics resource includes:

- Annually updated FPL levels for current and prior year
- Expected premium contributions
- Employer coverage affordability threshold
- Out-of-pocket maximums, including for CSR plans
- Tax filing thresholds
- Repayment caps for APTC

YEARLY GUIDELINES AND THRESHOLDS

PAGE 1 OF 2

Coverage Year 2021

2020 Federal Poverty Guidelines (Coverage Year 2021)

# in Household	100% FPL	138% FPL	150% FPL	200% FPL	250% FPL	300% FPL	400% FPL
1	\$12,760	\$17,608	\$19,140	\$25,520	\$31,900	\$38,280	\$51,040
2	\$17,240	\$23,791	\$25,860	\$34,480	\$43,100	\$51,720	\$68,960
3	\$21,720	\$29,973	\$32,580	\$43,440	\$54,300	\$65,160	\$86,880
4	\$26,200	\$36,156	\$39,300	\$52,400	\$65,500	\$78,600	\$104,800
5	\$30,680	\$42,338	\$46,020	\$61,360	\$76,700	\$92,040	\$122,720
6	\$35,160	\$48,520	\$52,740	\$70,320	\$87,900	\$105,480	\$140,640
7	\$39,640	\$54,703	\$59,460	\$79,280	\$99,100	\$118,920	\$158,560
8	\$44,120	\$60,885	\$66,180	\$88,240	\$110,300	\$132,360	\$176,480

For households with more than 8, add \$4,480 for each additional person.
 Note: Eligibility for premium tax credits in coverage year 2021 is based on poverty guidelines for 2020. FPL – federal poverty line.
 Source (plus Hawaii and Alaska guidelines): aspe.hhs.gov/poverty-guidelines

Expected Premium Contribution (Coverage Year 2021)

Annual Household Income (% of FPL)	Less than 133% FPL	133% FPL	138% FPL	150% FPL	200% FPL	250% FPL	300-400% FPL	More than 400% FPL
Expected Premium Contribution (% of Income)	2.07%	3.10%	3.41%	4.14%	6.52%	8.33%	9.83%	n/a

Source: www.irs.gov/pub/irs-drop/tp-20-36.pdf

Employer-Sponsored Insurance Affordability Threshold (Coverage Year 2021)

Eligibility for Premium Tax Credits If Offer of Employer-Sponsored Insurance is Considered Unaffordable	
Considered unaffordable if ESI offer is:	Affordability of family coverage determined by:
Over 9.83% of household income	Cost of employee-only coverage

Source: www.irs.gov/pub/irs-drop/tp-20-36.pdf

Out-Of-Pocket Maximum (Coverage Year 2021)

Plan Type	Income Level	Out-of-Pocket Maximum	
		Individual	Family
All plans ¹	All income levels	\$8,550	\$17,100
CSR Silver Plan 73% AV ²	Between 201%-250% FPL	\$6,800	\$13,600
CSR Silver Plan 87% AV ²	Between 151%-200% FPL	\$2,850	\$5,700
CSR Silver Plan 94% AV ²	Up to 150% FPL	\$2,850	\$5,700

¹Applies to all plans in the individual and group market. ²Applies only to silver plans eligible for CSR sold in the Marketplace.

Note: CSR – cost-sharing reductions. AV – actuarial value.

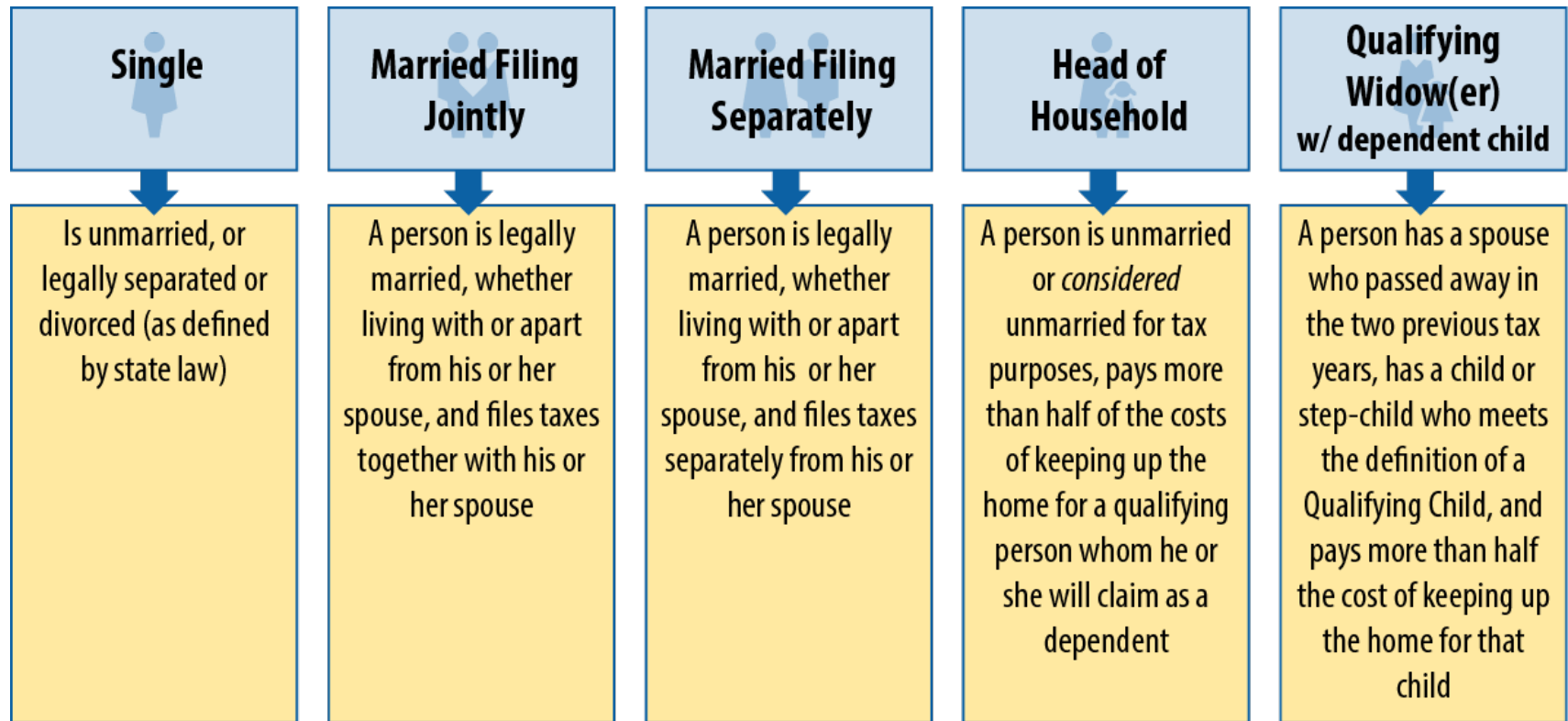
Source: federalregister.gov/documents/2020/05/14/2020-10045/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2021

Affordability Exemption Threshold (Coverage Year 2021)

Eligibility for Catastrophic Coverage for Individuals Age 30 and Older	
Coverage considered unaffordable if premium for marketplace coverage (after APTC) or employer coverage costs more than:	8.27% of income

Source: federalregister.gov/documents/2020/05/14/2020-10045/patient-protection-and-affordable-care-act-hhs-notice-of-benefit-and-payment-parameters-for-2021

Why Tax Filing Status Matters



- In general, a person who is married must file jointly with their spouse to be eligible for PTC
- **Three exceptions** to the joint filing requirement
 - Head of Household
 - Questions will walk the applicant through the tax test for head of household, without requiring a work around in most cases.
 - Domestic abuse
 - Abandoned spouse
- Be aware that many married immigrants who file Form 1040-NR cannot file jointly and therefore may not be eligible for PTC

Note: If a person will file taxes as Married Filing Separately and doesn't qualify for one of these exceptions, he or she could still be eligible for Medicaid or eligible to purchase health insurance in the Marketplace at full cost (without PTC)

Head of Household

- A married person can claim to be unmarried on the application if they qualify to file as Head of Household

When can a married person file as Head of Household?

A married person is **considered unmarried** and is eligible to file as Head of Household if he or she can answer YES to each of the following questions:

- ☐ Will you file taxes separately from your spouse?
- ☐ Will you live apart from your spouse from July 1 to Dec 31?
- ☐ Will you pay more than half of the cost of keeping up your home?
- ☐ Is yours the main home of your child, stepchild, or foster child (of any age) for more than half the year?
- ☐ Are you eligible to claim the child as a dependent? (You meet this test if you are eligible to claim the child but the child is instead claimed by a noncustodial parent.)

If all the answers are Yes, the applicant is considered unmarried and can file as Head of Household. If the answer to any of these questions is No, the applicant cannot file as Head of Household.

Note: A special rule allows the resident spouse of a nonresident (as defined for tax purposes) to qualify as *considered unmarried* if they have a qualifying person and meet the other tests.

Tax relationships

Now, tell us about the household's federal income tax returns. We'll use this information to see who's eligible for savings, like premium tax credits.

Jane's tax relationships

Will Jane file a 2020 joint federal income tax return with John?

[Learn more about joint tax filing.](#)

- ☐ Yes
- ☒ No

i Filing taxes separately?

If these spouses plan to file separate tax returns for 2020, they won't be eligible to get premium tax credits or other savings, unless they meet certain exceptions. But, they can still get free or low-cost health coverage if they qualify for Medicaid or the Children's Health Insurance Program (CHIP).

[Learn more about filing taxes separately.](#)

Will Jane file a 2020 federal income tax return?

[Learn more about tax filing.](#)

- ☒ Yes
- ☐ No

Will Jane claim any dependents on their 2020 federal tax return?

[Learn more about dependents.](#)

- ☒ Yes
- ☐ No

Who will Jane claim as a dependent on their 2020 federal tax return?

- ☒ Child

Where does everyone live?

Do all of these people live together at this address?

Jane
Child
John

123 Main St
Chicago, IL 60608

- ☐ Yes
- ☒ No

Select everyone who lives at this address with Jane.

- ☒ Child
- ☐ John
- ☐ None of these people

Review everyone's address

Jane and Child's home address:

123 Main St
Chicago, IL 60608

John's home address:

456 Central Ln
Chicago, IL 60608

Head of household

Will Jane file as Head of Household on their 2020 federal income tax return?

[Learn who's a Head of Household.](#)

- ☒ Yes
- ☐ No

Marisa and Amelie

- Marisa lives separately from her husband but is not yet divorced. They will not file taxes together or live together at any point in 2021.
- Amelie is Marisa's teenage daughter. Amelie lives with Marisa during the school year and with her father during the summer.



Does Marisa qualify to file as Head of Household?

When can a married person file as Head of Household?

A married person is *considered unmarried* and is eligible to file as Head of Household if he or she can answer YES to each of the following questions:

- ✓ Will you file taxes separately from your spouse?
- ✓ Will you live apart from your spouse from July 1 to Dec 31?
- ✓ Will you pay more than half of the cost of keeping up your home?
- ✓ Is yours the main home of your child, stepchild, or foster child (of any age) for more than half the year?
- ✓ Are you eligible to claim the child as a dependent? (You meet this test if you are eligible to claim the child but the child is instead claimed by a noncustodial parent.)

✓ **YES**, Marisa qualifies to file as Head of Household because she is *considered unmarried* by the IRS.

Even if Marisa indicates that she's married and not filing taxes with her spouse, she should be determined eligible for PTC (assuming all other requirements are met).

A married person can claim to be unmarried* on the marketplace application under either of these circumstances:

* Workaround still needed

Domestic abuse

- A taxpayer who is Married Filing Separately meets joint filing requirement if they:
 - ✓ Live apart from their spouse
 - ✓ Unable to file a joint return because of domestic abuse

Abandoned spouses

- A taxpayer who is Married Filing Separately meets joint filing requirement if they:
 - ✓ Live apart from their spouse
 - ✓ Unable to locate spouse after using reasonable diligence

Learn more about marital status

[Close](#)

Find this person's situation to see how to answer this question:

Is legally married. Select "Married."

Is separated, but not divorced. Select "Married."

Lives with their partner, but isn't legally married. Select "Single."

Is a victim of domestic violence or spousal abandonment. Spousal abandonment means this person can't locate their spouse after making a reasonable attempt to find them, also known as desertion. Select "Single."

Is widowed. Select "Single."

Note: These exceptions can be used by people filing as "Married Filing Separately" for a maximum of three consecutive years

Determining Households for Premium Tax Credits

Household: An individual's tax unit

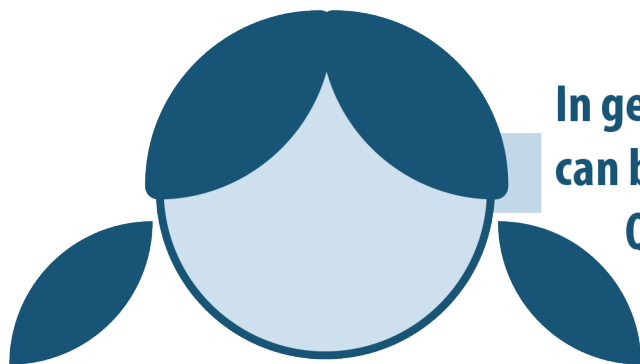
- Includes all individuals on a taxpayer's return
 - ✓ Self and spouse
 - ✓ Tax dependents
- A household includes all individuals in the tax unit even if they are ineligible for a premium tax credit or have another source of insurance coverage

Note: Household size is based on expected tax filing status for the taxable year in which premium tax credits are being claimed

Who Can Be Claimed as a Qualifying Child?

Children

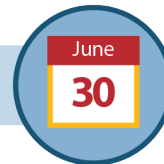
A child can include the tax filer's child, step child, adopted child, foster child, brother, sister, niece, nephew or grandchild



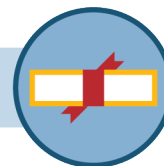
**In general a child
can be claimed as a
Qualifying Child
if she...**



Is a U.S. citizen or resident (for tax purposes) of the U.S., Canada or Mexico



Lives with the tax filer for more than half the year



Is under 19 at the end of the year (or 24 if a full-time student or any age if disabled)



Doesn't provide more than half of her own support



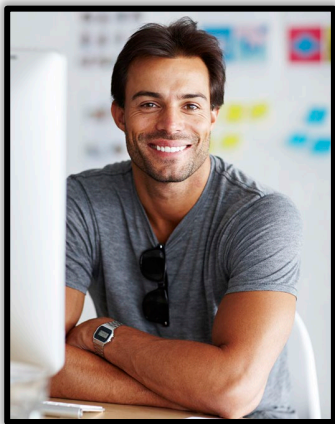
The parent who claims the child as a tax dependent claims PTC for the child.

Usually this is the custodial parent:



- If the custodial parent claims the child on the tax return, the custodial parent can claim PTC for the child
- This is true even if the noncustodial parent is legally responsible for insuring the child

But sometimes a child is claimed by the noncustodial parent:

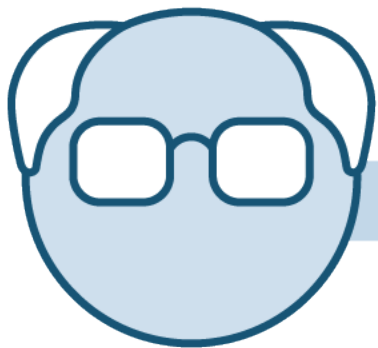


- The custodial parent must sign a tax form granting the noncustodial parent the child's exemption (Form 8332)
- If permitted to claim the child as a tax dependent, the noncustodial parent can claim PTC for the child

Who Can Be Claimed as a Qualifying Relative?

Other individuals

Other individuals can include a relative or a full-time member of the tax filer's household who is not a relative



In general a person can be claimed as a Qualifying Relative if he...



Cannot be claimed as a Qualifying Child



Is a U.S. citizen or resident (for tax purposes) of the U.S., Canada or Mexico



Receive more than 50% of his support from the tax filer



Is related to the tax filer or lives in the tax filer's home all year



Gross income less than \$4,300 in 2020



Example: Can Jane be claimed as a tax dependent?

Jane

- 27 years old
- Lives with parents, rent-free
- Works as an unpaid intern and has no earnings

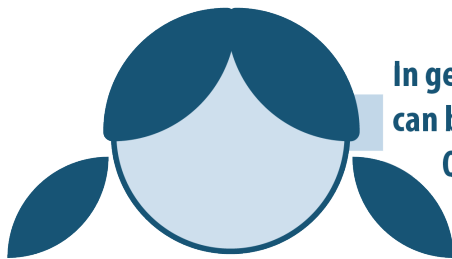


Can Jane be claimed as a Qualifying Child?

✗ No

Children

A child can include the tax filer's child, step child, adopted child, foster child, brother, sister, niece, nephew or grandchild



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can be claimed as a
Qualifying Child
if she...



Is a U.S. citizen or resident
(for tax purposes) of the
U.S., Canada or Mexico



Lives with the tax filer for
more than half the year



Is under 19 at the end of
the year (or 24 if a
full-time student or any
age if disabled)



Doesn't provide more
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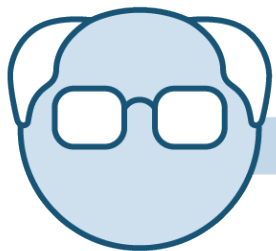


Can Jane be claimed as a Qualifying Relative?

✓ Yes

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Cannot be claimed as a Qualifying Child



Is a U.S. citizen or resident (for tax purposes) of the U.S., Canada or Mexico



Receive more than 50% of his support from the tax filer



Is related to the tax filer or lives in the tax filer's home all year



Gross income less than \$4,300 in 2020



Example: Can Jay be claimed as a tax dependent?

Jay and Kim

- Live together in North Carolina and are not married
- Kim earns \$24,000 a year
- Jay is a musician and earns \$3,500 a year

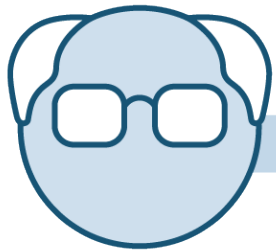


Can Jay be claimed as a Qualifying Relative?

✓ Yes

Other individuals

Other individuals can include a relative or a full-time member of the tax filer's household who is not a relative



In general a person can be claimed as a Qualifying Relative if he...



Cannot be claimed as a Qualifying Child



Is a U.S. citizen or resident (for tax purposes) of the U.S., Canada or Mexico



Receive more than 50% of his support from the tax filer



Is related to the tax filer or lives in the tax filer's home all year



Gross income less than \$4,300 in 2020



Determining Households for MAGI Medicaid

MAGI rules apply to:



CHILDREN



**PREGNANT
WOMEN**



**PARENTS / CARETAKER
RELATIVES**



ADULTS
(mostly in states
expanding Medicaid)

Different household and income rules apply to:



SENIORS
(people 65 and over)



**MOST PEOPLE
WITH DISABILITIES**

Three categories of individuals:

1 Tax filers not claimed as a tax dependent

2 Tax dependents (with 3 exceptions)

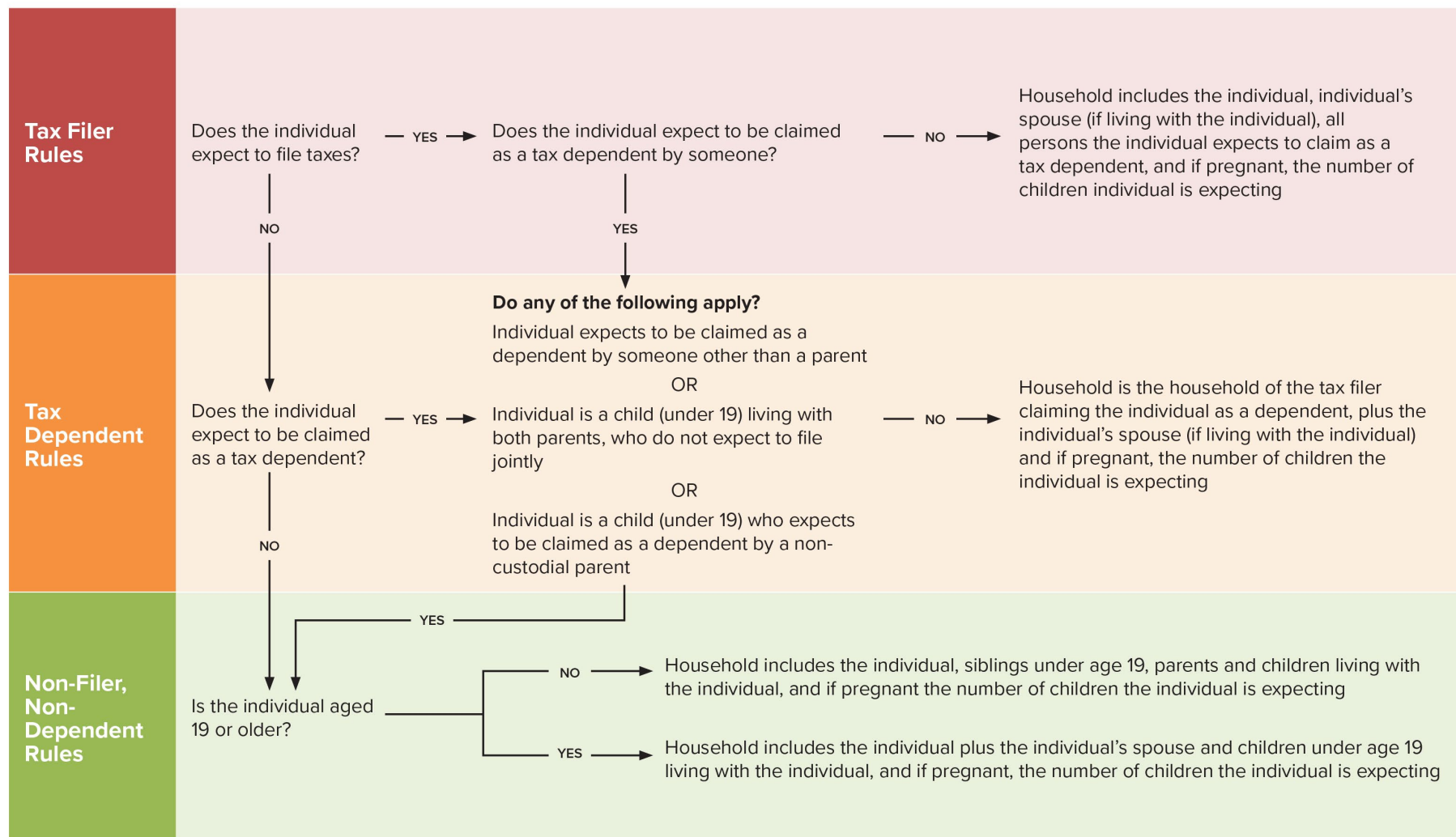
3 Non-filers not claimed as a tax dependent

Note:

- Separate determination for each individual
 - Members of a family can have different household sizes
- Based on expected filing status

Tax filer not claimed as a dependent	Tax dependent	Non-filer / non-dependent
<p>Individual's household is:</p> <ul style="list-style-type: none"> • Tax filer and all persons whom taxpayer expects to claim as a dependent^{1,2,3,4} 	<p>Individual's household is:</p> <ul style="list-style-type: none"> • The household of the tax filer claiming individual as a dependent^{2,3,4} <p>EXCEPTIONS (apply the rules for non-filer)</p> <ul style="list-style-type: none"> • Tax dependents not a child of the taxpayer • Individuals under 19⁵ living with both parents not expected to file a joint return • Individuals under 19⁵ claimed as tax dependent by non-custodial parents 	<p>For individuals age 19 and above:</p> <ul style="list-style-type: none"> • Household is the individual plus, if living with individual, spouse and children under age 19^{3,4,5} <p>For individuals under age 19⁵:</p> <ul style="list-style-type: none"> • Household is the individual plus siblings under 19⁵, parents (including step-parents) and children living with individual^{3,4}
<p>¹ For married couples filing jointly, each spouse is considered a tax filer</p> <p>² Married couples living together are always in each other's household regardless of how they file</p>	<p>³ A pregnant woman is counted as herself plus the number of children she is expecting</p> <p>⁴ For individuals whose household includes a pregnant woman, states can count the pregnant woman as 1,</p>	<p>2, or 1 plus the number of children she is expecting</p> <p>⁵ States can extend the age limit to include individuals under 21 who are full-time students.</p>





Example: Three-Generation Household

Sonya, Kyla and Diane

- Sonya lives with and supports her 60-year-old mother, Diane and 7-year-old daughter, Kyla
- Sonya is the tax filer and claims Diane and Kyla as tax dependents



What are the Medicaid households for this family?

	Counted in Household			HH Size for Medicaid
	Sonya	Kyla	Diane	
Sonya	✓	✓	✓	3
Kyla	✓	✓	✓	3
Diane			✓	1

MEDICAID HH RULE
TAX FILER

- ✓ Tax filer
- ✓ Spouse and dependents on the tax return

Example: Three-Generation Household

Sonya, Kyla and Diane

- Sonya lives with and supports her 60-year-old mother, Diane and 7-year-old daughter, Kyla
- Sonya is the tax filer and claims Diane and Kyla as tax dependents



What are the Medicaid households for this family?

	Counted in Household			HH Size for Medicaid
	Sonya	Kyla	Diane	
Sonya	✓	✓	✓	3
Kyla	✓	✓	✓	3
Diane			✓	1

MEDICAID HH RULE

TAX DEPENDENT

- ✓ Same household as tax filer claiming individual as dependent

Why is Diane a household of 1 for Medicaid?

- She is Sonya's tax dependent, but she is not Sonya's child or spouse. Therefore, she is treated as a non-filer.
- As a non-filer, Diane's household includes herself and any spouse or children living with her. Sonya is her daughter, but she is not considered a child because of her age.



	Counted in Household			HH Size for Medicaid
	Sonya	Kyla	Diane	
Sonya	✓	✓	✓	3
Kyla	✓	✓	✓	3
Diane			✓	1

MEDICAID HH RULE
**NON-FILER
NON-DEPENDENT**
If 19 or older:

- ✓ Individual
- ✓ Spouse and children under age 19 living with individual

Dan, Jen, Drew and Mary

- Dan and Jen live together with their 2 children, Drew and Mary
- Dan and Jen both have income
- For taxes, Jen claims the children, Dan files on his own



What are the Medicaid households for this family?

	Counted in Household				HH Size for Medicaid
	Dan	Jen	Drew	Mary	
Dan	✓				1
Jen		✓	✓	✓	3
Drew	✓	✓	✓	✓	4
Mary	✓	✓	✓	✓	4

MEDICAID HH RULE

TAX FILER

- ✓ Tax filer
- ✓ Spouse and dependents on the tax return

Why are Drew and Mary a household of 4 for Medicaid?

- The children are tax dependents, but they fall under one of the exceptions to the tax dependent rule — they are children living with both parents who are unmarried
- Using the non-filer rule as it applies to individuals under 19, for each child we count their parents and their siblings who are living with them.



	Counted in Household				HH Size for Medicaid
	Dan	Jen	Drew	Mary	
Dan	✓				1
Jen		✓	✓	✓	3
Drew	✓	✓	✓	✓	4
Mary	✓	✓	✓	✓	4

MEDICAID HH RULE

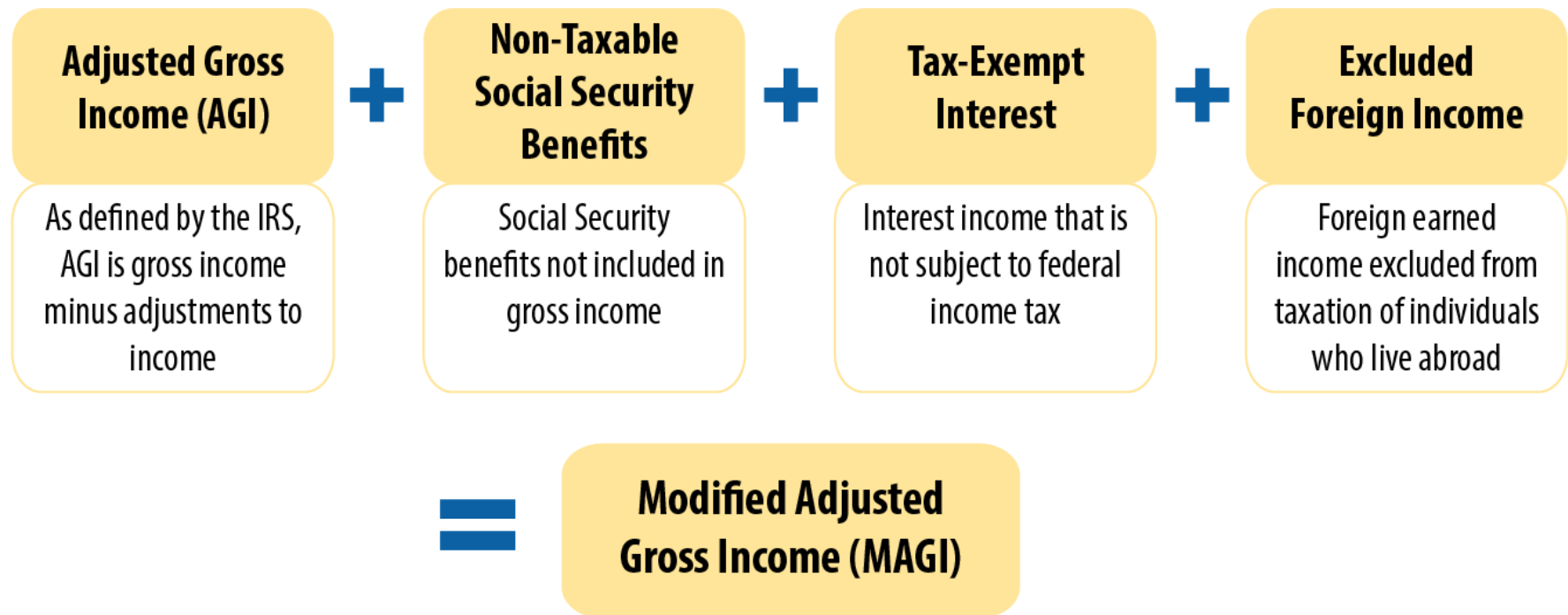
NON-FILER NON-DEPENDENT

If Under 19:

- ✓ Individual
- ✓ Siblings, parents, and children living with individual

What Counts as Income for PTC and Medicaid

What Is Modified Adjusted Gross Income (MAGI)?



All income is taxable unless specifically excluded by law from taxation

Examples of Taxable Income	Examples of Non-Taxable Income
Wages, salaries, bonuses	Veterans' benefits
Self-employment income	TANF payments
Some Social Security benefits*	Child support payments
Unemployment compensation	Sickness and injury payments
Most retirement distributions	Supplemental Security Income (SSI)
Hobby income	Workers' compensation
See IRS Publications 17 and 525 for more details on what income is taxable and not taxable	

- **Pre-tax deductions** (such as retirement contributions): Not included in MAGI
- ***Social security** (including survivor benefits and SSDI): Even the untaxable portion is included in the MAGI of a person with a tax filing requirement
- **Alimony**: For agreements after January 1, 2019, neither spouse can include alimony on the tax return; under older agreements, couples can choose to adopt this method



- Income can come in the form of money, goods, or services
- Cash income is taxable and included even if:

“I haven’t declared it in the past”

“It’s on the side”

“It’s not my main job”

“I only work seasonally or occasionally”



Advice for estimating income:

- Does the person have regular monthly income?
- If no regular income, what jobs are lined up for the year?
- If no good projected estimate, consider adding or subtracting from previous year's income (if available)
- Make estimates by job or by month (using receipts, invoices, bank records, etc.)

Advice for estimating expenses:

- Does the person have regular monthly expenses?
- What large expenses does the person anticipate?
- What were the person's expenses in previous year?
- Use receipts, credit/debit card records, known costs of supplies

What types of business expenses may be deductible?

- | | |
|------------------------------|---|
| ▪ Advertising | ▪ Rent/lease/repair of equipment |
| ▪ Commissions | ▪ Business meals and entertainment |
| ▪ Contract labor | ▪ Telephone and utilities |
| ▪ Legal or professional fees | ▪ Business mileage or transportation expenses |
| ▪ Office supplies | |

- Use [this tool](#) to estimate annual self-employment income.
- Download the PDF and fill it out on your computer so you can email the completed form to your client for their records.

Self-Employment Income Estimator

What is self-employment income? Self-employment income includes any work or services you get paid for. This could be odd jobs, seasonal work, or other work that isn't recorded on a W-2. You can deduct reasonable business expenses to offset some of your income.

Who should use this tool? This tool can help you calculate the self-employment income and expenses you'll include on your HealthCare.gov application. This tool doesn't include everything you need to know to file your tax return and it isn't a substitute for tax advice.

Note: If you underestimate your income (or overestimate your expenses), you may get a higher premium tax credit than you qualify for and will need to pay some of it back.

Main Information

Type of Business or Profession	
Business Name	
Business Start Date	
Have you included this business income on a recent tax return?	
Are your income and expenses similar to those on your prior tax return? If so, refer to your last tax return for help in estimating your income for next year.	

Tip Keep a separate checking account or credit card for your business to make income and expenses easier to track.

Income

Total Gross Income from Form(s) 1099-MISC (do NOT deduct any expenses)	\$	
Total Gross Income from Form 1099-K (do NOT deduct any expenses)	\$	
Total Electronic payments not reported on 1099-MISC or 1099-K (such as certain rideshare income not reported above)	\$	
Total of all other income received by cash or check not reported above	\$	

Total Gross Income \$

Income Details

Income	Details

Household Income:

- MAGI of tax filer and all dependents who are *required* to file a tax return
- If the dependent does not have a tax filing requirement, none of their income is included

A single dependent under age 65 has a tax filing requirement if (in 2020):

Unearned income is more than \$1,100	OR	Earned income is more than \$12,400	OR	Taxable gross income is more than the larger of: \$1,100 Earned income (up to \$12,050) + \$350
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Note: Supplemental Security Income (SSI) and non-taxable Social Security benefits are not counted in making this determination

- *If a dependent has a tax filing requirement*, both taxable and non-taxable Social Security (but not SSI) are counted towards the household income

Jill and Ryan


- Jill is Ryan's mother and claims him as a tax dependent
- Jill's income: \$25,000
- Ryan's income from part-time work: \$3,000



Whose income is counted in the household income?

	Premium Tax Credits		
	HH	Income	FPL
Jill	2	\$25,000	145%
Ryan	2	\$25,000	145%

- Jill's income is counted
- Ryan's income is not counted because he doesn't have a tax filing requirement



How Income Time Periods Differ between Medicaid and Premium Tax Credits

Medicaid

- In general, eligibility is based on current monthly income

Advance Premium Tax Credits

- Eligibility is based on projected annual income for the coverage year and then reconciled based on actual annual income



PTC Eligibility Projects Forward

Carla

- Carla works in retail and lives in Ohio
- In November, she applies for coverage in the Marketplace and provides this income information:
 - November's income is: \$1,370 (129% FPL)
 - Projects 2021 income to be: \$17,000 (133% FPL), accounting for fluctuations
- The Marketplace assess her eligible for Medicaid in November and transfers her case to Medicaid in late December
- Medicaid asks Carla to provide most recent pay stubs, which reflect increased hours
- Medicaid is denied and she is sent back to the Marketplace



ACTION NEEDED: Update and resubmit your 2019 Marketplace application

Information on your Marketplace application showed that someone in your household appeared to be eligible for [state Medicaid program] (Medicaid) or [state Children's Health Insurance Program] (CHIP). However, your state determined that the following people **don't** qualify for these programs based on information that could include your household income and family size:

- [Name]

What to do now

Update and resubmit your Marketplace application. The Marketplace will check your information again to see if anyone on your application is eligible to buy a Marketplace plan and get help with costs. If we don't hear from you, you won't get health coverage through the Marketplace.

When you update your application, you may answer questions about Medicaid and CHIP eligibility. If you've had income or family size changes since you last applied, select answers indicating that no one lost or was denied coverage through [state Medicaid program] (Medicaid) or [state CHIP program] (CHIP), as applicable. This way, you'll get the most accurate information about your household's current eligibility for coverage and help with costs. You may be eligible for Medicaid or CHIP now, even if you weren't when you last applied.

How to resubmit your Marketplace application

If you have a Marketplace account and applied online

1. Visit HealthCare.gov and log into your Marketplace account.
2. Select your name in the top right and select "My Applications & Coverage" from the drop-down menu.
3. Open your current Marketplace application under "Your existing applications."
4. Select "Report a life change" from the menu on the left. Then select the "Report a Life Change" button.
5. Select "Report a change in my household's income, size, address, or other information," then continue to review your application and update your information, as needed.
6. Submit your completed Marketplace application.

How Marketplaces and Medicaid Combine Household and Income Rules to Determine Eligibility

Sonya, Kyla and Diane

- Sonya lives with and supports her 60-year-old mother, Diane, and 7-year-old daughter, Kyla
- Sonya's annual income is \$35,000
- Diane makes \$3,000 doing odd jobs
- Sonya is the tax filer and claims Diane and Kyla as tax dependents



How does eligibility for this family work?

	Medicaid			Premium Tax Credits			Outcome
	HH	Monthly Income	FPL	HH	Annual Income	FPL	
Sonya	3	\$2,916	161%	3	\$35,000	161%	PTC
Kyla	3	\$2,916	161%	3	\$35,000	161%	Medicaid/CHIP
Diane	1	\$250	24%	3	\$35,000	161%	Depends on state

Dan, Jen, Drew and Mary

- Dan and Jen live together with their children, Drew and Mary
- Dan's income is \$18,000
- Jen's income is \$26,000
- For taxes, Jen files as Head of Household and claims the children, Dan files as Single



How does eligibility for this family work?

	Medicaid			Premium Tax Credits			Outcome
	HH	Monthly Income	FPL	HH	Annual Income	FPL	
Dan	1	\$1,500	141%	1	\$18,000	141%	PTC
Jen	3	\$2,167	120%	3	\$26,000	120%	Depends on state
Drew	4	\$3,667	168%	3	\$26,000	120%	Medicaid/CHIP
Mary	4	\$3,667	168%	3	\$26,000	120%	Medicaid/CHIP

- Reference Guide: [Yearly Guidelines and Thresholds](#)
→ [Coverage Year 2021](#) (PDF)
- Reference Guide: [Medicaid Household Rules](#)
- Guide: [Health Assister's Guide to Tax Rules](#)
- Key Facts:
 - [Determining Households for Medicaid and CHIP](#)
 - [Determining Households for PTC](#)
 - [Income Definitions for Marketplace and Medicaid Coverage](#)

Part II: Premium Tax Credits

- Tuesday, September 22 | 2 pm ET (11 am PT)

Part III: Immigrant Eligibility for Health Coverage Programs

- Thursday, September 24 | 2 pm ET (11 am PT)

Part IV: Preventing & Resolving Data-Matching Issues

- Tuesday, September 29 | 2 pm ET (11 am PT)

Part V: Plan Design

- Thursday, October 1 | 2 pm ET (11 am PT)

Register for upcoming webinars at

www.healthreformbeyondthebasics.org/events

- Shelby Gonzales, gonzales@cbpp.org
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For more information and resources, please visit:

www.healthreformbeyondthebasics.org

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