

Frequently Asked Questions for 2016 Tax Season

Help During Tax Season

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Frequently Asked Questions

Q: What is Form 1095-A?

A: Form 1095-A is a form you will need in order to fill out your federal income taxes. You should keep it with all your tax records so you can use it when you are ready to file.

Form 1095-A is produced by HealthSource RI for any individual or family who enrolled in health insurance for any period of time in 2015. It has information about the health insurance you and your family members received through HealthSource RI (there is more information about form 1095-A in several of the questions below).

You will not get a Form 1095-A if you received coverage through your employer in HealthSource RI or if you were enrolled in Medicaid; people in these plans will receive Form 1095-B. For more information about Form 1095-B, please visit www.irs.gov/aca.

Q: How can I find my Form 1095-A?

A: HealthSource RI mailed out Form 1095-A in February 2016 to the mailing address of any individual or family who enrolled in health insurance through HealthSource RI for any period of time in 2015. Once mailed, HealthSource RI also posted a copy of Form 1095-A in your online account, where you can download/print it.

Q: Why do I need Form 1095-A?

A: You will use the information on Form 1095-A to complete Form 8962: Premium Tax Credit.

If you enrolled in health insurance through HealthSource RI *and* chose to receive a tax credit in advance to help pay your monthly premiums, the Internal Revenue Service will use your Form 8962, along with other information in your tax filing (such as information about your income and family size), to make sure you received the right amount of tax credit.

If you received too little tax credit over the course of 2015, you may get money back when you file your taxes. If you received too much tax credit, you may need to pay back the difference, either in the form of a reduced refund or an amount due when you file your taxes. When you complete Form 8962, you will learn if you need to pay back some of the tax credit you

received or if you will receive more money when you get your refund.

If you enrolled in health insurance through HealthSource RI without a tax credit (meaning you paid the full monthly premium), you may use Form 8962 to determine if you are eligible for a tax credit when you file your taxes.

Q: What should I do with my Form 1095-A?

A: You should keep your Form 1095-A with all your tax records until you're ready to file your taxes. You or your tax preparer should use the information on the Form 1095-A to complete Form 8962. Form 8962 is used to calculate the amount of tax credit you should receive based on your final, year-end information, including income and family size.

Q: What information is provided on Form 1095-A?

A: Form 1095-A has three parts-

1. Part I provides basic information about you and your family, and your health insurance start and end dates.
2. Part II provides information about each member of your "coverage household" – those members of your family who are also covered under the same policy.
3. Part III provides information for every month of the year for three items:
 - a. The monthly cost of the health plan you selected
 - b. The monthly cost of the Second Lowest Cost Silver Plan (SLCSP) available on HealthSource RI
 - c. The tax credit you received to pay for your monthly health insurance bill.

Please note that there will always be a very small difference between the monthly premium shown in column A from Form 1095-A and your actual monthly bill. This is because we are required to report only the "essential health benefits" portion of the premium on Form 1095-A.

If the difference exceeds \$3.00 per month, please call us at 1-855-408-1344. The premium amount of the Second Lowest Cost Silver Plan (SLCSP) is included because the law requires that we use the cost of this plan to calculate your premium tax credit.

Q: The information on my 1095-A isn't correct. How can I get it fixed?

A: Visit HealthSourceRI.com/get-help-tax-season/ or call us at 1-855-408-1344. It is important to understand that your Form 1095-A cannot be corrected over the telephone. You will need to tell us why you think the form is incorrect. Reviewing your Form 1095-A may require us to conduct research on your account history and this may take up to 30 days to complete. If we cannot complete our review within this timeframe, we will notify you. Only HealthSource RI can review and change your Form 1095-A.

Q: Why did I receive more than one Form 1095-A?

A: If you or a member of your tax household enrolled in more than one health plan, you will receive a Form 1095-A for each plan. You should use all of the 1095-A forms you receive where you are listed as a "Covered Individual" to fill out Form 8962.

Q: One of my Form 1095-As has an X in the "Corrected" box. What does this mean?

A: This means that your form has updated information on it and you should use the "Corrected" Form 1095-A form instead of the earlier version that we sent you.

Q: I never received my Form 1095-A in the mail and I don't have an online account. How do I get another copy of my Form 1095-A?

A: All HealthSource RI customers have an online account. Please contact us at 1-855-408-1344 and we will help you access your account.

Q: HealthSource RI sent the Form 1095-A to my ex-spouse. Can I get a copy?

A: Form 1095-A will be sent to the person identified as the tax filer. It doesn't matter who actually paid for your 2015 health insurance. If your ex-spouse is identified as the tax filer, he or she will receive the 1095-A, and you will need to work with that person to obtain a copy of the form so that you can properly fill out your Form 8962. In situations where an ex-spouse

will not cooperate, you may contact the Internal Revenue Service for the information you need to complete your taxes.

Q: I forgot to report a change in my income or my family size (such as, getting married or having a baby) that happened in 2015. What should I do?

A: After December 31, 2015, HealthSource RI cannot make changes to your 2015 information. Any change that you forgot to make in 2015 will likely be addressed on Form 8962 and you will need to talk with the Internal Revenue Service or your tax preparer with any questions you have.

If this change is still applicable in 2016, please contact HealthSource RI so we have the correct information for your 2016 health insurance. You can report a change in your online account or by calling the Contact Center at 1-855-840-4774.

Q: My Form 1095-A says I received a tax credit during a month when I didn't pay my monthly premium. Why does this say I received a tax credit for a month that I did not pay for?

A: If you are receiving a tax credit, the law requires your insurance company to keep you covered in your health insurance for a certain period of time even if you aren't paying premiums. This is called a grace period. If you don't start paying your premiums again at the end of the grace period (after 90 days), your coverage is canceled.

Even if your coverage is canceled, your insurance company counts you as covered during the first month you stopped paying. If your coverage is terminated because you did not pay your monthly bills, the Internal Revenue Service will hold you responsible for the tax credit you received during the first month you stopped paying. You will have to pay those tax credit back when you file your taxes.

Q: Can my tax preparer call HealthSource RI with questions about the Form 1095-A on my behalf?

A: No. To protect your privacy, we cannot accept calls from a tax preparer. If your tax preparer has general questions about the 1095-A process, he should visit the section "Help during Tax Season" on our website. Tax preparers are also encouraged to take advantage of the extensive information prepared by the Internal

Revenue Service to support tax preparers and their understanding of the Affordable Care Act. Tax preparers should visit IRS.gov/for-Tax-Pros for more information.

Q: I was approved for an exemption from coverage last year. Do I need a Form 1095-A?

A: If you received an exemption from coverage for every month in 2015, you do not need a Form 1095-A. To learn more about qualifying for an exemption, visit www.irs.com/aca.

Q: I was uninsured for some of 2015. Do I owe anything for the months I was uninsured?

During 2015, everyone was required to have health insurance during every month of the year. If you did not have health insurance for any month, you may have to pay a penalty. You may not have to pay the penalty if you qualify for an exemption. To find out more about exemptions and how to apply for one, visit www.irs.gov/aca or healthsourceRI.com/exemptions.

Q: Does Form 1095-A have any impact on my state income taxes?

A: No, the premium tax credit is a federal credit and only impacts your federal income taxes.

Q: Can my tax preparer help me estimate my income or tax family size for my 2016 enrollment?

A: Yes. You should seek out whatever help you need to provide the most accurate information about your income and tax family size.

Q: My income changes throughout the year and I don't want to get too much in tax credit. Can I take less tax credit in advance and still get how ever much is owed to me when I file my 2015 taxes?

A: Yes, you can take all or part of your estimated tax credit during the year and receive any remaining tax credit when you file. You also have the choice of not taking any tax credit during the year and filing for all of it when you file your taxes.

Q: Can HealthSource RI help me complete my income tax return?

A: No. HealthSource RI cannot help you complete your tax return. If you need assistance completing your tax return, please consult a qualified tax preparer. Some

tax preparers charge a fee for their services, and there are also several sources of free tax preparation assistance to moderate and lower income tax filers. For more information about the free tax assistance organized by the Internal Revenue Service, please visit: www.irs.gov/Individuals/Free-Tax-Return-Preparation-for-You-by-Volunteers.

For a list of Volunteer Income Tax Assistance (VITA) sites in Rhode Island, you may also call 1-800-906-9887.

Q: How do I use Form 1095-A to fill out my Form 8962?

A: Form 8962 is a tax form and HealthSource RI cannot assist enrollees with the tax filing process. Please ask for help from the Internal Revenue Service or a qualified tax preparer.

Q: Where can I find Form 8962?

A: Your tax preparer or the Internal Revenue Service can provide you with this form, or you can find it where federal tax forms are available to the public (for example, your local post office or library). HealthSource RI does not have copies of these forms, and we cannot mail these forms to you.

Q: I received a corrected Form 1095-A after I filed my taxes. Do I need to amend my income tax return?

A: Generally, yes. If you received a corrected Form 1095-A *after* you submitted your tax filing, you may need to amend your tax return. To answer the question based on your specific circumstances, we recommend that you seek assistance from the Internal Revenue Service or your tax preparer.

Q: What will happen if I received an advance tax credit and I do not complete Form 8962 with my federal income tax return?

If a taxpayer submits his or her return without Form 8962, the Internal Revenue Services is expected to send it back to the taxpayer, resulting in a processing delay of any owed refund. For this reason it is important for taxpayers to wait until they have received all necessary tax forms before beginning the tax preparation process. Please contact the Internal Revenue Service or your tax preparer for information on what might happen if you don't file Form 8962 when you are required to do so.

Q: I've always filed using Form 1040EZ. Can I use 1040EZ if I received a premium tax credit?

A: No. The 1040EZ Form cannot be used with Form 8962. If you received a premium tax credit, it is very likely that you must file Form 1040 or Form 1040A. For more information, please contact the Internal Revenue Service or your tax preparer.

Q: My income is less than the filing limit but I did receive a tax credit. Do I have to file?

A: Yes. You must file a federal tax return if you received a tax credit, no matter the amount of your income. For more information, please contact the Internal Revenue Service or your tax preparer.

Q: My Form 1095-A shows I had coverage for six months and received a tax credit during each of those six months. But I didn't have any coverage for the rest of the year. Do I have to pay back the tax credit for those six months?

A: Generally, if you were eligible for the tax credit during the six months you were covered, you would not have to pay back the tax credit. However, the Internal Revenue Service will review your year-end information (such as your income and family size) to determine whether you received the right amount of tax credit during those six months.

If they calculate that you received more or less than is owed to you, the difference may be added or subtracted from the amount of your tax refund due to you. You may also owe a penalty for the six months when you were not insured.

Q: I can't pay what I owe on my taxes by April 15. What should I do?

A: HealthSource RI cannot help you with this question. Please call the Internal Revenue Service at 1-800-829-1040 or visit *IRS.gov/aca*. Assistance is available in both English and Spanish. The IRS has also prepared a number of YouTube videos in English and Spanish to help people understand health care related changes in the tax laws. You might also wish to talk to a qualified tax preparer or tax attorney for help.

Q: I might have gotten some information wrong on my application for coverage. What's the worst that can happen on my taxes?

A: HealthSource RI cannot help you with this question. Please call or visit the Internal Revenue Service (IRS) for guidance needed (call 1-800-829-1040 or visit *IRS.gov/aca*). Assistance is available in both English and Spanish. The IRS has also prepared a number of YouTube videos in English and Spanish to help people understand health care related changes in the tax laws. You might also wish to contact a qualified tax preparer or tax attorney for help.

Q: What if I made a mistake in reporting my income and got too much in tax credit? Is there a limit to how much I have to pay back?

A: In most, but not all cases, the Internal Revenue Service limits how much you have to pay back if you received too much in tax credit. The maximum you must pay is tied to your income and whether you are filing as an individual or family. For more information, see below:

Repayment Amounts under Current Federal Law by Income Level		
Income (% Federal Poverty Level)	Maximum repayment amount for a single individual	Maximum repayment amount for couples/families
Less than 200% FPL	\$300	\$600
200% – less than 300% FPL	\$750	\$1,500
300% – less than 400% FPL	\$1,250	\$2,500
400% FPL or greater	Full Amount	Full Amount

Source: 2012-24 Internal Revenue Bulletin, § 1.36B-4.

To estimate how your income lines up with the Federal Poverty Level (FPL), use this chart:

Income % Federal Poverty Level	Income Range in Dollars for the 2015 benefit year	
	Single Individual	Family of Four
Under 100%	Less than \$11,670	Less than \$23,850
100% – 133%	\$11,670 – \$15,521	\$23,850 – \$31,721
133% – 150%	\$15,521 – \$17,505	\$31,721 – \$35,775
150% – 200%	\$17,505 – \$23,340	\$35,775 – \$47,700
200% – 250%	\$23,340 – \$29,175	\$47,700 – \$59,625
250% – 300%	\$29,175 – \$35,010	\$59,625 – \$71,550
300% – 400%	\$35,010 – \$46,680	\$71,550 – \$95,400
Over 400%	More than \$46,680	More than \$95,400

Source: Kaiser Family Foundation

Q: I am married and I got a tax credit, but I file separately from my spouse. Can I still file separately?

A: Generally speaking, you must file jointly to obtain a tax credit. There are two exemptions recognized by the Internal Revenue Service. If you are a victim of domestic violence or spousal abandonment, you may be eligible to file separately. To answer the question based on your specific circumstances, please talk to the Internal Revenue Service or your tax preparer.

Other related questions:

Q. What is an Exemption?

A. The Affordable Care Act requires individuals to carry health insurance coverage that qualifies as “minimum essential coverage” or pay a tax penalty. However, under a few special circumstances, some uninsured individuals may be “exempt” from paying a tax penalty, meaning they do not have to pay a tax penalty. For more questions regarding exemptions, view our frequently asked questions at HealthSourceRI.com/exemptions.

Q. What is the penalty for not having health insurance?

A. Most people are required to have health insurance. Those who don’t have insurance will pay a penalty when they file their taxes.

YOU ARE NOT required to have health insurance if:

- You have to pay more than 8% of your household income for the lowest cost health insurance plan
- Your income is too low for you to pay taxes
- Your religion exempts you
- You are in jail
- You are Native American

If you are not exempt, the tax penalty for not having health insurance in 2016 will be \$695 per adult, \$347.50 per child, up to \$2,085 per family OR 2.5% of your income, whichever is MORE.

For more information, please visit HealthSourceRI.com or call 1-855-408-1344 for assistance.
Hours: Monday - Friday 8:00 am - 7:00 pm