

AFFORDABLE CARE ACT LESSON

Minimum Essential Coverage (MEC)

93% of our taxpayers have health insurance that meets MEC

Check two boxes

Premium Tax Credit (PTC)

Of the 93% - a portion get their insurance through the marketplace (exchanges)

They need to bring us Form 1095-A Health Insurance Marketplace Statement

We will reconcile the credit against the predicted credit using Form 8962

Remember that the taxpayer had to estimate their annual income to predict their credit

May get additional credit or need to repay some (limited amount)

Fill out Form 8962 to determine PTC (paper and pencil)

Albert Meadows from 2018 Workbook pg 124

Shared Responsibility Payment (SRP)

7% don't have insurance (MEC). Most will qualify for an exemption (later)

No insurance, they need to make a shared responsibility payment

Fill out the Shared Responsibility Payment worksheet

Use Albert Meadows again

This is a lot of money, so we want to see if an exemption applies.

Exemptions to Shared Responsibility Payment

Exemptions are listed in 4012 pg H-15

Easy exemptions are:

- Household income below filing threshold
- Short coverage gap
- Medicaid non-expansion state: 138% of federal poverty level 4012 pg H-21
- Member of a Native American tribe
- Member of a health care sharing ministry

Affordability Exemption

- With employer offer
- Without employer offer (Marketplace Worksheet)
- Bogart's spreadsheet calculator

Hardship Exemption

Code G is available this year. We'll have to discuss what all qualifies....