



# Do I Have to Have Health Coverage?

The Affordable Care Act now requires most people to have health coverage or face a tax penalty. Some people do not have to pay the penalty if they qualify for an exemption.

## Check What Low-Cost Options You Have First

Before deciding if you should get an exemption, find out if you can get help buying health coverage. If you earn less than \$1,367 a month as one person or \$2,795 as a family of four, you can probably get free Medi-Cal instead. If you have a disability, you can also get help through Medi-Cal at higher incomes but you may have to pay for some of the cost.

If you earn less than \$3,923 a month as one person or \$8,083 as a family of four, you might get help paying for the cost of insurance through Covered California. Your children may be eligible for low-cost Medi-Cal.

Call the Covered California service center, your local county social services office, or go online to CoveredCA.com to find out what you qualify for. Also check to see if your employer offers health coverage.

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**Healthconsumer.org**

## What if I know my options and I still want an exemption?

You qualify for an exemption if . . .

1. You do not have to file taxes based on your income. See the table at the end of this fact sheet. Remember, free Medi-Cal might be an option for you.
2. You cannot afford insurance because the lowest-priced coverage you can get would cost more than 8.05% of your annual household income.
3. You went without coverage for less than three months in a row during the year. This allows for one short break in coverage each year in case you have to change how you get your health care.
4. You are an immigrant who is not lawfully present in the United States.
5. You lived outside of the United States for 330 days during a 12 month period.
6. You are a member of a "health care sharing ministry." Health care sharing ministries require monthly contributions and do not guarantee that they will pay your medical bills.
7. You are a member of an Indian tribe or can get services through an Indian Health Services provider. You can continue to get your health care through the Indian Health Service or you can apply for health coverage through Medi-Cal or Covered California at any time.

8. You are in a jail or prison.
9. You lived outside of California and your state did not expand its Medicaid program. There is an income test for this exemption.
10. You are a member of a religion that is opposed to accepting any insurance benefits. The government only recognizes religions such as Amish or Mennonite as opposed to insurance.
11. You had a personal crisis that made it hard for you to get health coverage such as homelessness, the death of a close family member, bankruptcy, medical bills you cannot pay, or a natural disaster that damaged your property. This is known as the hardship exemption.
12. You had Medi-Cal that required a Share of Cost. This coverage does not count as full health coverage under the new tax law but you can apply for a hardship exemption. For more information, see HCA flyer Will I Get a Tax Penalty If I Have Medi-Cal?

## How Do I Get An Exemption if I Qualify?

**For most exemptions, you may claim them when you file your taxes. (See items 1-9 above):**

- ✓ When you file your taxes, you will fill out IRS Form 8965 and include the reason you are exempt.

**For an exemption based on religion or one of the “hardship” exemptions (including Share of Cost Medi-Cal programs) (items 10-12):**

- ✓ Fill out an exemption application at [www.healthcare.gov/exemptions](http://www.healthcare.gov/exemptions). Exemptions based on religion have one form; all other exemptions use the “Hardship Exemption” form. If you need an exemption based on having Medi-Cal with a Share of Cost, chose category #14 on the Hardship Exemption form and send in with proof that you were in Medi-Cal. You may need to contact your county if you cannot find a recent notice about your Medi-Cal.

**Be careful:** Getting an exemption does not mean that you have health care coverage. If you need medical care, you will likely pay much more than you would have paid for insurance premiums.

**If you do not have to file taxes based on your income, you do not need to get an exemption. You can still get an exemption if you file.**

Remember — if you got Covered California financial assistance, even for part of the year, you must file taxes.

## What Happens After I Get an Exemption?

If you have an exemption, report this when you file your taxes so that you do not get charged a tax penalty. If you had to apply for an exemption and are waiting for an answer, you may still file your taxes. You do not need to do anything if you are not required to file taxes.

## 2015 Tax Filing Requirements

IF your tax filing status is...	AND age at the end of 2015...	You must file if your income was at least...
Single	Under 65	\$10,300
	65 or older	\$11,850
Head of household	Under 65	\$13,250
	65 or older	\$14,800
Married, filing jointly	Under 65 (both spouses)	\$20,600
	65 or older (one spouse)	\$21,850
	65 or older (both spouses)	\$23,100
Married, filing separately	Any age	\$4,000