



## 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 \$1,342 a month as one person or \$2,743 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 \$3,830 a month as one person or \$7,850 as a family of four, you might get help paying for the cost of insurance through Covered California.

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.

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

You qualify for an exemption if . . .

- You are a member of a recognized religion that is opposed to accepting any insurance benefits. Only religions such as Amish or Mennonite are recognized by the government as opposed to insurance.
- You are a member of a recognized “health care sharing ministry.” Health care sharing ministries require monthly contributions and do not guarantee that they will pay your medical bills.
- You are a member of a recognized 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.
- 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.
- You went without coverage for less than three months in a row during the year. This allows for a short break in coverage in case you have to change how you get your health care.
- You cannot afford insurance because the lowest-priced coverage you can get would cost more than 8% of your annual household income.
- You are in a jail or prison.
- You are not lawfully present in the U.S.
- You experienced a situation 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*.

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

**For an exemption based on unaffordable coverage, health care sharing ministry membership, tribal membership, or being in jail or prison, you have 2 ways to apply for the exemption:**

- ✓ Claim these exemptions when you fill out your 2014 federal tax return, which is due by April 15, 2015 **OR**
- ✓ Fill out an exemption application available at [www.healthcare.gov/exemptions](http://www.healthcare.gov/exemptions)

**For an exemption based on religion, eligibility for Indian health care provider services, or one of the “hardship” exemptions:**

- ✓ Fill out an exemption application at [www.healthcare.gov/exemptions](http://www.healthcare.gov/exemptions)

**For an exemption if you do not have to file taxes:**

- ✓ You do not need to apply for an exemption. This is true even if you file a tax return to get a refund of money taken from your paycheck.

**For an exemption if you do not have documented immigration status:**

- ✓ You do not need to apply for an exemption.

**For an exemption for a gap in coverage of less than 3 months:**

- ✓ You do not need to apply for an exemption. You will claim this when you file your taxes. You should be sent a tax form from your health plan that shows which months you had coverage.

**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.

## 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 are not required to file taxes, you do not need to do anything. The exemption also means you can buy a “minimum coverage” policy that normally only consumers who are younger than 30 years old can buy. A minimum coverage policy has a cheaper monthly payment but it does not pay as much of your health care bill or pay for as many services when you need to use it.

**Be careful:** In California, the difference in price between a minimum coverage plan and a Bronze plan is small. If you want to apply for an exemption so that you can buy cheaper health insurance, you should find out how much you would save first. You should contact each of the health plans that serve your area to find out how much a minimum coverage plan will cost you.

## 2014 Tax Filing Requirements

IF your tax filing status is...	AND age at the end of 2014...	You must file if your income was at least...
Single	Under 65	\$10,150
	65 or older	\$11,700
Head of household	Under 65	\$13,050
	65 or older	\$14,600
Married, filing jointly	Under 65 (both spouses)	\$20,300
	65 or older (one spouse)	\$21,500
	65 or older (both spouses)	\$22,700
Married, filing separately	Any age	\$ 3,950