



## PROCEDURE TASK GUIDE

<b>Function</b>	<b>Service Center</b>
<b>Task Group</b>	<b>Service Center General</b>
<b>Process</b>	<b>Answering Consumers Inquiries Pertaining to Receipt of IRS Tax Form 1095-B</b>
<b>Job Roles</b>	<b>Service Center Representative (SCR)</b>

<b>Overview</b>	<p>The following protocol is in effect until further notice to assist Medi-Cal consumers with questions regarding the IRS Tax Form 1095-B they will receive in January 2016 regarding their Medi-Cal coverage.</p> <p><b>Initial training information:</b></p> <p>Per Section 6055 of the Internal Revenue Code, individuals enrolled in most Medi-Cal programs are considered having Minimum Essential Coverage (MEC) and they <b>will</b> receive an IRS Tax Form 1095-B for 2015 under the administration of the Department of Health Care Services (DHCS).</p> <p>The IRS Tax Form 1095-B is an Internal Revenue Service (IRS) form that individuals will receive as having health insurance through Medi-Cal need when they file federal income taxes. The individual or their tax preparer may use the information on the form to report MEC in the tax year, however, in most situations, the consumer may self-attest to their coverage for the tax year.</p> <p>The IRS also receives an electronic copy of the IRS Tax Form 1095-B for consumers enrolled in the Medi-Cal programs that are designated as MEC. DHCS is responsible for sending the electronic copy of the form to IRS by March 30, 2016.</p> <p>The IRS Tax Form 1095-B will be mailed to consumers postmarked by January 31, 2016. A cover letter will be included with the form to advise the consumers of the form's purpose.</p> <p>The Form 1095-B contains information pertaining to the consumer's Medi-Cal MEC, including:</p> <ul style="list-style-type: none"> <li>• Name</li> <li>• Address</li> <li>• Social Security number (or date of birth, if not available)</li> </ul>
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- Months of Medi-Cal that meets Minimum Essential Coverage requirements

**Other similar tax forms consumers may receive from sources other than DHCS/Medi-Cal:**

- 1095-A – If a household member received health coverage through Covered California.
- 1095-B – If a household member received health insurance through a government sponsor, like Medicaid (Medi-Cal), Medicare, or Veterans benefits. Households may receive more than one Form 1095-B for each type of coverage.
- 1095-C – If a household member received health insurance through an employer.

**Additional key information:**

- Each person who is or was enrolled in Medi-Cal that met the coverage requirement, at any time during 2015, will get his or her own Form 1095-B. Therefore, a household with more than one person covered by Medi-Cal may get a Form 1095-B for each person that had coverage.
- SCRs **cannot** give tax advice and should limit the information they provide consumers about federal tax regulations or requirements. SCRs **can** refer the consumer to various resources available such as:
- VITA (Volunteer Income Tax Assistance): 1-800-906-9887.
  - Link to local [VITA offices](#) for in-person assistance.
- IRS.gov website - includes:
  - Specific information about the Affordable Care Act (ACA) and tax implications.
  - Link to local [IRS offices](#) for in-person assistance.
- The Federal Health Care Exchange website at [www.healthcare.gov](http://www.healthcare.gov).
- The DHCS 1095-B website at <http://dhcs.ca.gov/1095>
- **Who does not receive a Form 1095-B?**  
Consumers who are enrolled in a Medi-Cal program that is not considered “minimum essential coverage,” such as restricted scope Medi-Cal benefits (also known as “emergency Medi-Cal”), Medi-Cal with a Share of Cost, or certain limited coverage programs, will not get a Form 1095-B.

**1095-B  
Form**

- **What is the Form 1095-B?**

Form 1095-B is an IRS document that shows you had health coverage considered Minimum Essential Coverage during the last tax year. As part of the Affordable Care Act the IRS requires most people to get health coverage that meets this requirement for the given tax year. This is called the “individual mandate.” People who do not have health coverage that meets the requirement may have to pay a tax penalty for being “uninsured.” If you are required to file taxes, you or your tax preparer may use the information on Form 1095-B as proof of health coverage for the tax year.
- **If I am required to have a 1095-B form, how will I receive it?**

The 1095-B form will be mailed to consumers by January 31, 2016. A cover letter will be included with the form to advise the consumers of the forms purpose. It is highly recommended that individuals ensure their contact information, such as the mailing address, is up-to-date by reporting changes to their county human services agency.
- **What if I do not file a tax return?**

SCRs **cannot** give tax advice and should limit the amount of information they provide to consumers about Federal tax regulations or requirements.

SCRs **can** refer the consumer to various resources available such as:

  - VITA (Volunteer Income Tax Assistance): 1-800-906-9887.
    - Link to local [VITA offices](#) for in-person assistance.
  - IRS.gov website - includes:
    - Specific information about the Affordable Care Act and tax implications at [www.irs.gov/aca](http://www.irs.gov/aca).
    - Link to local [IRS offices](#) for in-person assistance.
  - The Federal Healthcare Exchange website at [www.healthcare.gov](http://www.healthcare.gov).
  - <http://dhcs.ca.gov/1095>
- **What if I only received Medi-Cal for part of the tax year, do I still receive a 1095-B form?**

DHCS is mandated to report all months of Medi-Cal coverage meeting MEC requirements to the IRS and will furnish a 1095-B form to the individual for tax purposes, regardless of full or partial coverage through the tax year.
- **What will happen if I only had health coverage for part of the year?**

Individuals with gaps in coverage may incur a tax penalty. Please refer to [www.IRS.gov](http://www.IRS.gov) for more details on the individual mandate for health insurance.
- **What will happen if I had Medi-Cal for part of the year and then I purchased a Covered California health insurance plan?**

You will get a Form 1095-B from Medi-Cal that will provide proof of insurance for the months you were covered by Medi-Cal and you will get a Form 1095-A from Covered California that will provide proof of insurance for the months of

	<p>coverage they provided you.</p> <ul style="list-style-type: none"> <li> <b>Some people in my home have Covered California and others have Medi-Cal, will the IRS Form 1095-B show my household members who are not enrolled in the Medi-Cal program?</b>            No. Medi-Cal will report each person’s months of coverage to the IRS separately and will send that person their own Form 1095-B. You will receive multiple Form 1095-Bs for each person in their family enrolled in Medi-Cal. If your family has a member enrolled in Covered California, they should expect to receive Form 1095-A from Covered California providing proof of their coverage from them.         </li> <li> <b>I’m a non-citizen but lawfully present in the United States and enrolled in Medi-Cal, will I still get an IRS Form 1095-B?</b>            Yes, lawfully present people (non-citizens) who are enrolled in health care coverage through Medi-Cal will get an IRS Form 1095-B.         </li> </ul>
<p><b>Updating Consumer Info</b></p>	<ul style="list-style-type: none"> <li> <b>How do I update my information to ensure I receive my 1095-B form?</b>            Consumers who are enrolled in the Medi-Cal program may contact their county human services agency county eligibility worker (CEW) to verify or update their contact information for Medi-Cal.             By connecting with their CEW, they can review their personal information within the Medi-Cal Eligibility Data System (MEDS) and make changes to it as necessary. Note that their CEW may require additional personal information for identity verification.   <b>County Offices:</b> <a href="http://dhcs.ca.gov/COL">http://dhcs.ca.gov/COL</a>   <b>Note:</b> Call representatives should access the County Office Listing resource and offer to provide the consumer the contact information directly in addition to the URL.             Consumers receiving Supplemental Security Income/State Supplementary Payment (SSI/SSP) consumers are to contact the Social Security Administration (SSA) in order to update their personal information.   <b>Note:</b> Inform the consumer that SSA will not be able to provide a reprint of Form 1095-B. The consumer will have the option to request a reprint through an eligibility worker at their county human services agency.             SCRs can refer the consumer to the following SSA contact resources:           <ul style="list-style-type: none"> <li>SSA toll-free contact number: 1-800-772-1213.</li> <li>SSA local county office locator website - <a href="https://secure.ssa.gov/ICON/main.jsp">https://secure.ssa.gov/ICON/main.jsp</a></li> </ul> <b>Note:</b> The SSI Program is a federally funded program which provides income support for consumers aged 65 or older, blind or disabled. SSI benefits are also available to qualified blind or disabled children.         </li> </ul>

	<ul style="list-style-type: none"> <li>• <b>What changes do I need to report to make sure my information is up-to-date?</b> You must report changes to home or mailing address and other contact information, income, household size, employment, and other health insurance coverage must be reported to the county human services agency within 10 calendar days from the date the change occurred.</li> <li>• <b>How do I locate my county human services agency?</b> Consumers may locate their county human services agency by utilizing the DHCS county listing web page. Agencies are listed by county and may include street addresses, telephone numbers, and web page URLs.  <b>County Offices:</b> <a href="http://dhcs.ca.gov/COL">http://dhcs.ca.gov/COL</a>  <b>Note:</b> Call representatives should access the County Office Listing resource and offer to provide the consumer the contact information directly in addition to the URL.</li> </ul>
<b>Form 1095-B</b>	<ul style="list-style-type: none"> <li>• <b>What do I need to do with my Form 1095-B?</b> When you get your Form 1095-B, please keep it with your other tax-related documents. Just like a W-2 or 1099 form, you will need to have it on hand if you prepare your own taxes, or you'll need to give it to the tax professional that will help prepare and file your taxes.</li> <li>• <b>Why does Medi-Cal/DHCS send Form 1095-B to the IRS too?</b> Medi-Cal sends Form 1095-B to the IRS to validate months of health insurance reported by the person filing their taxes and to prevent a tax penalty.</li> <li>• <b>Why did I get more than one Form 1095-B from Medi-Cal and what should I do with all of them?</b> Medi-Cal will mail a Form 1095-B for every person with health insurance that meets minimum essential coverage during the tax year 2015. Use each form to provide proof for all tax dependents and your spouse if filing jointly.</li> </ul>
<b>Coverage</b>	<ul style="list-style-type: none"> <li>• <b>How do I know if the coverage I am receiving or did receive this year counts as MEC?</b> Full-scope Medi-Cal coverage meets the coverage requirement. Nearly all consumers enrolled in the Medi-Cal program have full coverage, including those in pregnancy programs. The list below provides a few examples of Medi-Cal or state funded programs that do <b>not</b> meet the requirement: <ul style="list-style-type: none"> <li>• Medi-Cal with a Share of Cost</li> <li>• Restricted Medi-Cal, covering only emergency services (sometimes called "emergency" Medi-Cal)</li> <li>• Family Planning, Access, Care, and Treatment (FPACT)</li> <li>• Special Treatment Programs such as treatment for Tuberculosis, Dialysis, and Parenteral Hyper-alimentation</li> </ul> <p>For more information on Medi-Cal coverage, a consumer should contact their</p> </li> </ul>

	<p>eligibility worker.</p> <p><b>County Offices:</b> <a href="http://dhcs.ca.gov/COL">http://dhcs.ca.gov/COL</a></p> <p><b>Note:</b> Call representatives should access the County Office Listing resource and offer to provide the consumer the contact information directly in addition to the URL.</p> <ul style="list-style-type: none"> <li> <p><b>What if I lost my IRS Tax Form 1095-B or need another copy?</b>  Consumers may contact their eligibility worker at their county human services agency and request a reprint of the form.  Consumers may locate their county human services agency by utilizing the DHCS county listing web page. Agencies are listed by county and may include street addresses, telephone numbers, and web page URLs.</p> <p><b>County Offices:</b> <a href="http://dhcs.ca.gov/COL">http://dhcs.ca.gov/COL</a></p> <p><b>Note:</b> Call representatives should access the County Office Listing resource and offer to provide the consumer the contact information directly in addition to the URL.</p> </li> <li> <p><b>What do I do if a member of my family has passed away in regards to Form 1095-B?</b>  In the event that a consumer received MEC in the given tax year, but has passed away, an IRS Tax Form 1095-B will still be sent to the last known address on file. If the responsible person did not obtain Form 1095-B for the deceased, with the appropriate documentation, they can go to the responsible county for the deceased and request a reprint of Form 1095-B. A forwarding address may be given, if the Form 1095-B needs to be sent to a different address.</p> </li> <li> <p><b>Are there any special considerations to be made for my foster child in regards to Form 1095-B?</b>  No. Foster care consumers fall under the same rules regarding MEC and the individual mandate. If a foster parent or legal guardian has not received a Form 1095-B for their foster child, they may request a reprint through an eligibility worker at their county human services agency.</p> </li> </ul>
<p><b>TAX Questions</b></p>	<ul style="list-style-type: none"> <li> <p><b>What will happen if I only had health coverage for part of the year?</b>  If they had health coverage for only part of the year they may get a tax penalty if they don't meet one of the exceptions. Please refer them to <a href="http://www.IRS.gov/ACA">www.IRS.gov/ACA</a> for more details on the individual mandate for health insurance and rules that apply to gaps in coverage, including information about getting an exemption from the penalty.</p> </li> <li> <p><b>What is a tax penalty?</b>  Consumers may have to pay a tax penalty if they do not have qualifying health care insurance (referred to as Minimum Essential Coverage and they do not apply for and receive an exemption).</p> <p>If they do not have an exemption, consumers only pay 1/12th of the penalty for</p> </li> </ul>

each month they don't have coverage. Please note that some penalties are subject to a maximum amount.

<b>2015</b>	<b>2%</b> of your yearly household Modified Adjusted Gross Income (MAGI) above the amount at which you're required to file taxes, or \$325 per person (\$162.50/child) – whichever is greater.
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<b>2016</b>	<b>2.5%</b> of your yearly household Modified Adjusted Gross Income (MAGI) above the amount at which you're required to file taxes or \$695 per person (\$347.50/child) – whichever is greater.
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- **I did not have health coverage for a month or more in 2015. Where can I apply for an exemption from the tax penalty?**

For some exemptions, such as the exemption for a short gap in health coverage, you will only need to fill in a code when you file taxes. See [IRS Form 8965, Health Coverage Exemptions](#). Other exemptions require you to apply by filling out one of the exemption forms available at [www.healthcare.gov](http://www.healthcare.gov).

- **If I am enrolled in a Medi-Cal program that does not count as full health coverage, do I have to pay a tax penalty?**

There are many exemptions from the tax penalty.

Some examples include:

- People with low income
- People with limited coverage (i.e. Share of Cost)
- Undocumented immigrants
- Incarcerated individuals

Consumers should consult with a tax professional to see if they qualify. They can also visit the following [IRS webpage](#) for information about all of the exemptions.

- **Where can I get help filing my taxes?**

Consumers can get help from their local Taxpayer Assistance Center Office.

- Taxpayer Assistance [locator website](#)
- Taxpayer Assistance contact number: 1-800-829-1040.

Consumers can also consult their own tax professional/adviser or they can find an authorized e-file provider in their neighborhood on the [California Franchise Tax Board website](#). A California Authorized Individual e-file Provider can help them look for a tax professional near their home, work, school, or other location. This tool will give them the name and contact information for tax professionals authorized to provide them with individual e-file services.

Consumers can also get free tax assistance at a local **Volunteer Income Tax Assistance Site (VITA)**.

**VITA services are for people who:**

- have an annual income of \$54,000 or less;
- have disabilities;
- are elderly;

- and are limited English-speaking

- VITA contact number: 1-800-906-9887
- VITA [online locator](#)

**Note:** that the list of VITA offices is updated with more locations as tax season approaches. Check back in a few weeks to see if an office near you has been added.

Consumers can also receive **IRS Taxpayer Services**.

The website offers “Help and Resources” for taxpayers who need it. The [IRS](#) also has a section with information about the Affordable Care Act. Help includes “Local Taxpayer Advocates” and “Low Income Taxpayer Clinics.”

The IRS has a variety of electronic filing options including free volunteer assistance, IRS Free File, commercial software and professional assistance. There is more information about [IRS filing](#) and options available.

- **I already filed my federal tax return with the IRS Form 1095-B that has incorrect information, do I have to amend my federal tax return when I get the corrected IRS Form 1095-B?**

The corrected Form 1095-B indicates that Medi-Cal has updated the consumer’s correct information to the IRS.

Depending on how the information was changed, the consumer may need to amend their taxes. The United States Department of Treasury intends to provide additional information to help tax filers determine whether they would benefit from filing amended returns. Consumers also may want to consult with their tax preparers to determine if they would benefit from amending.

We highly recommend that consumers do not use an incorrect Form 1095-B to file their taxes.

Consumers should contact their [county human services agency](#) to work with their county eligibility worker to resolve any issues with their record and reissue a new Form 1095-B to be sent to their home via mail.

If they choose not to amend, the IRS may contact them following its normal procedures in cases where additional tax is due. The IRS does not expect this situation to be common.

- **Can I report to the IRS that I got health coverage before I get my Form 1095-B from Medi-Cal?**

Yes, consumers may file their taxes before getting their Form 1095-B. They may also be required to show their Form 1095-B as proof for their coverage to the IRS. DHCS strongly suggests consumers keep Form 1095-B for their records.

- **What if I never got an IRS Form 1095-B but I filed my federal income taxes anyway without the information from the form?**

	<p>Consumers should get an IRS Form 1095-B in the mail by or around January 31. If they do not receive a Form 1095-B by early February, instruct them to contact their eligibility worker at their <a href="#">county human services agency</a> to request one.</p> <p>Although Form 1095-B is not required to file their taxes, it is used to show proof of their minimum essential coverage. Instruct consumers to please keep their Form 1095-B for their records. The IRS may require them to show proof of their coverage and will ask them to send them a copy or may require them to amend their taxes.</p> <ul style="list-style-type: none"> <li>• <b>If I do not regularly file taxes, is there a benefit to filing taxes this year?</b> Even if consumers are not required to file taxes, consumers may have federal or state tax credits available to them for low to moderate income levels. One of these incentives is called the Earned Income Tax Credit (EITC) and is now available for both federal and California state taxes. <ul style="list-style-type: none"> <li>• Click <a href="#">here</a> for the EITC</li> <li>• Click <a href="#">here</a> for the new California EITC</li> </ul> </li> </ul> <p>Also, if someone in the consumers household qualifies for premium tax credits through Covered California (or through healthcare.gov or another state marketplace if they lived outside of California for any part of the tax year) they are required to file taxes.</p> <p>When someone receives a premium tax credit and does not file taxes, Covered California will not continue to provide financial assistance in paying for their coverage.</p>
<p><b>Dispute Form 1095-B</b></p>	<ul style="list-style-type: none"> <li>• <b>If I need additional help with Form 1095-B, who can I contact?</b> If a consumer needs additional support, please call the Medi-Cal 1095-B Helpdesk at 1-844-357-0883 (for TTY, call 1-844-357-5709) for live support. Our helpdesk service can provide assistance in most languages. This is a free service</li> <li>• <b>I did not get Form 1095-B, how can I get a new form?</b> The mailing address we have on record may be incorrect. Have the consumer contact their <a href="#">county human services agency</a> to work with their county eligibility worker to update their mailing address.</li> </ul> <p>To issue a new Form 1095-B, the consumer should ask their county eligibility worker to issue a new form that will be sent via postal mail.</p> <p>If the consumer or a member of their household gets Supplemental Security Income/State Supplementary Payment (SSI/SSP) benefits, then they should contact the Social Security Administration (SSA) to update their contact information.</p> <ul style="list-style-type: none"> <li>• SSA toll-free contact number: 1-800-772-1213.</li> <li>• To find the nearest office, please go to the <a href="#">SSA local county office locator website</a>.</li> </ul>

- **How do I get another copy of my Form 1095-B?**

The consumer should contact their [county human services agency](#) to work with their county eligibility worker. They will be able to reissue a new Form 1095-B to be sent to their home via postal mail.

- **What if I received Medicaid coverage for part of the year while living in another state?**

California's Medicaid program is known as Medi-Cal. If the consumer received Medicaid coverage in another state, the human services agency from that state will send Form 1095-B to their most recent address on record. It is important that the consumer report their current address to the human services agency so that they send the Form 1095-B to their current address.

Consumers can find contact information for the Medicaid agency for each state at <http://www.medicaid.gov/medicaid-chip-program-information/by-state/by-state.html>.

- **What if I received Qualified Health Plan (QHP) coverage while living in another state for part of the year through that state's marketplace or through the Federally Facilitated Marketplace?**

If the consumer lived in another state and received QHP coverage through that state's marketplace or through the Federally Facilitated Marketplace (also known as [healthcare.gov](http://healthcare.gov)), they will receive Form 1095-A from the state or federal marketplace. It is important that they report their current address to that marketplace and the health plan that covered them so they send the Form 1095-A to their current address.

- To update their contact information with the federal marketplace: <https://www.healthcare.gov/reporting-changes/how-to-report-changes/>
- To update their contact information with a state marketplace that does not take enrollments through [healthcare.gov](http://healthcare.gov): <https://www.healthcare.gov/marketplace-in-your-state/>

- **What do I do if the information listed on my Form 1095-B is not correct?**

Consumers that believe the information on Form 1095-B is not correct should be directed to their local [county human services agency](#) for review. A county eligibility worker will be able to assess the consumer's record and if necessary, update their record with the correct information. Depending on what is corrected, a new form 1095-B will be generated for the consumer's record.

**Note:** If the consumer has incorrect information on their form but the form shows they have all months covered as MEC, please inform them they will not incur a tax penalty. However, it is important they still update their information with the county human services agency.