

Form 1095-A

A Quick Reference Guide



Form 1095-A is a new federal tax form just like a W-2 or Form 1099. It is sent to individuals who enrolled in a health plan through kynect in 2014. Tax filers need it to:

1. **Reconcile** the amount of Payment Assistance (Advanced Premium Tax Credit, or APTC) they received in 2014. This is necessary because the APTC received in 2014 as reported on Form 1095-A is an **estimated** amount based on the income estimated for 2014 at the time of application; it may not be the **actual** tax credit; or
2. **Claim** a Premium Tax Credit (PTC) now when filing their federal income tax return if they did not qualify, use, or apply for Payment Assistance at the time of application.

APTC → based on *expected* income during tax year
PTC → based on *actual* income during tax year

Form 1095-A is not filed with your federal income tax return. The information on Form 1095-A is used to complete **IRS Form 8962: Premium Tax Credit**.

IRS Form 8962 is the form used by the IRS to determine the **actual** amount of the tax credit a tax filer qualifies for based on actual household income and household size as reported on the federal income tax return.

You are required to file IRS Form 8962 with your 2014 federal income tax return if you received Payment Assistance in 2014 through kynect.

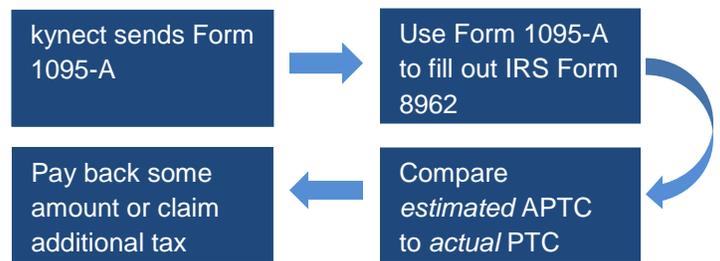
If you enrolled in a plan through kynect but did not receive or apply for Payment Assistance in 2014, you are not required to file IRS Form 8962. However, you can fill out IRS Form 8962 now to find out if you qualify for a tax credit when you file your federal income tax return. If you qualify for a tax credit, you will have to file IRS Form 8962 to claim it.

Reconciling the amount of APTC received during the year is **REQUIRED**
Claiming PTC when filing your federal income tax return is **OPTIONAL**

The Reconciliation Process follows these steps:

1. kynect sends you Form 1095-A that lists the monthly APTC amount paid to the issuer on your behalf in 2014. The APTC amount on Form 1095-A is based on the *estimated* household size and income reported during the year.
2. You use information on Form 1095-A to fill out IRS Form 8962. IRS Form 8962 will generate the *actual* amount of PTC that you are eligible for in 2014 based on the *actual* household income and size reported on the federal income tax return.
3. The *APTC* amount on Form 1095-A is compared to the *PTC* amount calculated on IRS Form 8962.
 - a. If the estimated APTC amount on Form 1095-A is higher than the actual PTC amount on IRS Form 8962, you might have to pay back all or some of the APTC received in 2014, up to a repayment cap.
 - b. If the estimated APTC amount on Form 1095-A is lower than the actual PTC amount on IRS Form 8962, you might get additional tax credits.
4. Keep Form 1095-A for your records and file IRS Form 8962 with your federal income tax return.

The Reconciliation Process



You will receive Form 1095-A if you were enrolled in a Platinum, Gold, Silver or Bronze plan through kynect for at least one month during 2014 whether you got Payment Assistance or not.

- If you received Payment Assistance, Part III of Form 1095-A will list the amount you received, the monthly premium, and the cost of the Second Lowest Cost Silver Plan (SLCSP) available in your area. The cost of the SLCSP is used to determine the amount of Payment Assistance you qualify for.

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- If you did not receive or apply for Payment Assistance, you can find the cost of the SLCSP by using the Benchmark Tool at kynect.ky.gov. You will need to know the cost of the SLCSP if you decide to claim PTC when filing your federal income tax return.

How many 1095-A Forms you will receive depends on whether or not you got Payment Assistance during the year and how many policies you enrolled in.

kynect sends one Form 1095-A per policy, per tax household to individuals who received Payment Assistance during the year. That means that if there are two tax households in one home (for example, Mom, Dad and their 27 year old non-dependent son), two Forms 1095-A will be sent: one for Mom and Dad; and one for the 27 year old non-dependent son.

Individuals who enrolled in more than one policy during the year (with or without payment Assistance) will receive one Form 1095-A for each policy.

Individuals who did not receive or apply for Payment Assistance will get one form, per policy, for all enrolled (even if the enrollees are in different tax households).

You will not receive Form 1095-A from kynect if you were only enrolled in Medicaid, KCHIP, or a Catastrophic plan through kynect, or if you did not enroll in any plan in 2014.

If you think there are errors on the Form 1095-A that kynect sent you, contact kynect at 1-844-373-2417.

Additional Resources

Where do I get ...	Web site	Phone
Form 1095-A and Cover Letter in Spanish	www.kynect.ky.gov	1-844-373-2417
<ul style="list-style-type: none">• Access to Benchmark Tool (for those who enrolled in a plan but did not receive APTC)• Access to Exemption Tool (for those who want to find out if they qualify for an affordability exemption)• Form 1095-A and Cover Letter• Frequently Asked Questions regarding Form 1095-A	www.kynect.ky.gov	1-844-373-2417
<ul style="list-style-type: none">• Federal Tax Forms• IRS Publications and Resources	www.irs.gov	1-800-829-1040
Free In-Person Tax Assistance	www.assistance.ky.gov	1-800-456-3452
Free Tax Filing Software	www.irs.gov/freefile or www.revenue.ky.gov/FFAOffers.htm	
Information about Exemptions	www.healthcare.gov/exemptions	1-800-829-1040
Information about How to File my Taxes	www.irs.gov/aca	1-800-829-1040