

# HDAP & the MA Health Connector: Understanding Premium Tax Credits & Client Responsibilities

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**BRIDGE = Benefits, Resources, & Infectious Disease  
Guidance & Engagement**

# HDAP BRIDGE Team

## (Benefits Resources Infectious Disease Guidance & Engagement)

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### Training and Technical Assistance:

- Trains case managers, financial benefits staff, other providers, peer advocates, and consumers
- Provides individualized insurance navigation assistance to clients and case managers
- Webinars and Q&A sessions
- Communicates changes in health insurance landscape and benefits programs to provider and consumer populations
- “Did you know...” information and tips email communications series

# HDAP Provider Portal

- HDAP now has a secure, online portal that allows you to:
  - **Submit electronic applications**
  - Submit supporting documents, premium bills, and updates
  - **Check application status**
  - Track client eligibility
- The provider portal requires a licensed account. If you need an account, contact HDAP at [hdap@crihealth.org](mailto:hdap@crihealth.org) or 617-502-1700 Option 1 to request an account.
  - Visit <https://crihealth.org/hdap-portal-resources/> for trainings and resources

\*Clients who submit their own applications can use the Client Portal here:  
<https://mahdap.providecm.net/>

# What we will cover in this webinar:

## 1. Premium Tax Credits:

- What are Premium Tax Credits (PTCs)?
- How and Why CHII clients are receiving PTCs?
- What clients need to know about how PTCs affect their taxes.

## 2. PTC Related Tax Forms and Reconciliation:

- Action steps that HDAP/CHII requires clients to complete when filing their taxes.

## 3. HDAP/CHII & Client Responsibilities for PTCs reconciliation

- HDAP/CHII role in paying PTCs-related taxes owed to IRS and collecting PTCs-related refunds that clients may receive.

## 4. Example Client Scenarios

## 5. Additional Guidance and Resources

# Premium Tax Credits (PTCs)



# What are Premium Tax Credits (PTCs)?

- Premium Tax Credits are federal subsidies that lower the cost of health insurance premiums for individuals and families who purchase a ConnectorCare or Health Connector plan through the MA Health Connector.
- The amount of PTCs a household receives in advance is based on the projected annual household income they estimate for the upcoming plan year and report on their Health Connector application.

# Who is Eligible for PTCs?

To be eligible for PTCs, clients must:

- 1) Be covered by a Health Connector Plan or a ConnectorCare plan.
  - Note: clients covered by MassHealth or Medicare are not eligible for PTCs.
- 2) Agree to file federal taxes (if married, must file jointly except in specific circumstances) and reconcile any PTCs they receive in advance.
- 3) Not be claimed as a dependent by someone else on their taxes.

For tax year 2023, there is no income limit to be eligible for PTCs.

# How Are CHII Clients Connected to PTCs?

- 1) CHII clients who receive insurance through the Health Connector must apply for and accept all subsidies available to them, including PTCs or ConnectorCare.
- 2) PTCs can be received in advance, on a monthly basis throughout the year, or as a lump sum when clients file their taxes for a given year. **CHII clients are required to receive PTCs in advance** throughout the year. PTCs received in advance are referred to as **Advance PTCs (APTCs)**.
- 3) APTCs are paid by the IRS to the Health Connector insurance companies each month, reducing the cost of insurance premiums due each month.

Health Connector Processing Center  
P. O. Box 4404  
Taunton, MA 02780

Primary member Name: [REDACTED] Member ID: 30003000

Insurer: Tufts Health Plan - Direct  
Plan name: Tufts Health Direct ConnectorCa

Client Name  
100 Some Street  
Sometown, MA 0 2222

Total due  
**\$80.66**  
Please pay by  
12/23/2022

This bill is for your January, the Health Connector.

**Important messages about**  
After payment is received, v  
confirming your enrollment.  
send more information.  
This bill is for your new 202  
to pay the amount due by D  
this bill by the 23rd, you wo  
January 1.

| Account activity                               |                 |
|--|-----------------|
| Plan's monthly premium                         | 763.66          |
| Advance Premium Tax Credit                     | -683.00         |
| ConnectorCare subsidy:                         | -0.00           |
| <b>Your monthly premium:</b>                   | <b>\$ 80.66</b> |
| Last statement balance:                        | 0.00            |
| <b>Total fees, discounts, and adjustments:</b> | <b>\$ 0.00</b>  |
| <b>What you owe by 12/23/2022:</b>             | <b>\$ 80.66</b> |



# What is PTCs Reconciliation?

**PTCs are federal tax credits issued by the IRS and they must be reconciled at tax time if they were received in advance**

**Reconciliation of PTCs is a part of the federal tax filing process. It is required of everyone who receives PTCs in advance. PTCs reconciliation ensures that people receive the amount of PTCs they are eligible for based on their income for the tax year.**

Reconciliation is done using Tax Form 8962. It compares two figures:

- 1) The amount of PTCs a household received in advance. This amount is determined from the projected household income they estimated they would receive for the tax year, which they reported to the MA Health Connector when they applied for insurance.
- 2) The amount of PTCs that a household is determined eligible for. This amount is determined from the actual income the household received for the tax year.

Form 8962 will inform clients if they received too many or too few PTCs in advance during the tax year. If clients received too many PTCs, they would likely owe the IRS that amount in taxes. If clients received too few PTCs throughout the year, they would likely receive the additional PTCs they are eligible for as credits. This process of PTCs reconciliation will affect the individual's or household's federal tax return.

# How Does PTCs Reconciliation Affect Taxes?

## Important Terminology & Process

- If your actual income for the tax year was **more than what you estimated your income would be**, then the government has given you more money in advance PTCs than you are eligible for. You will have to pay the IRS back the amount of money given to you in excess of what you were eligible for. This money owed to IRS is referred to as **Excess APTCs** by the IRS.

TOO MANY Premium Tax Credits = Excess APTCs

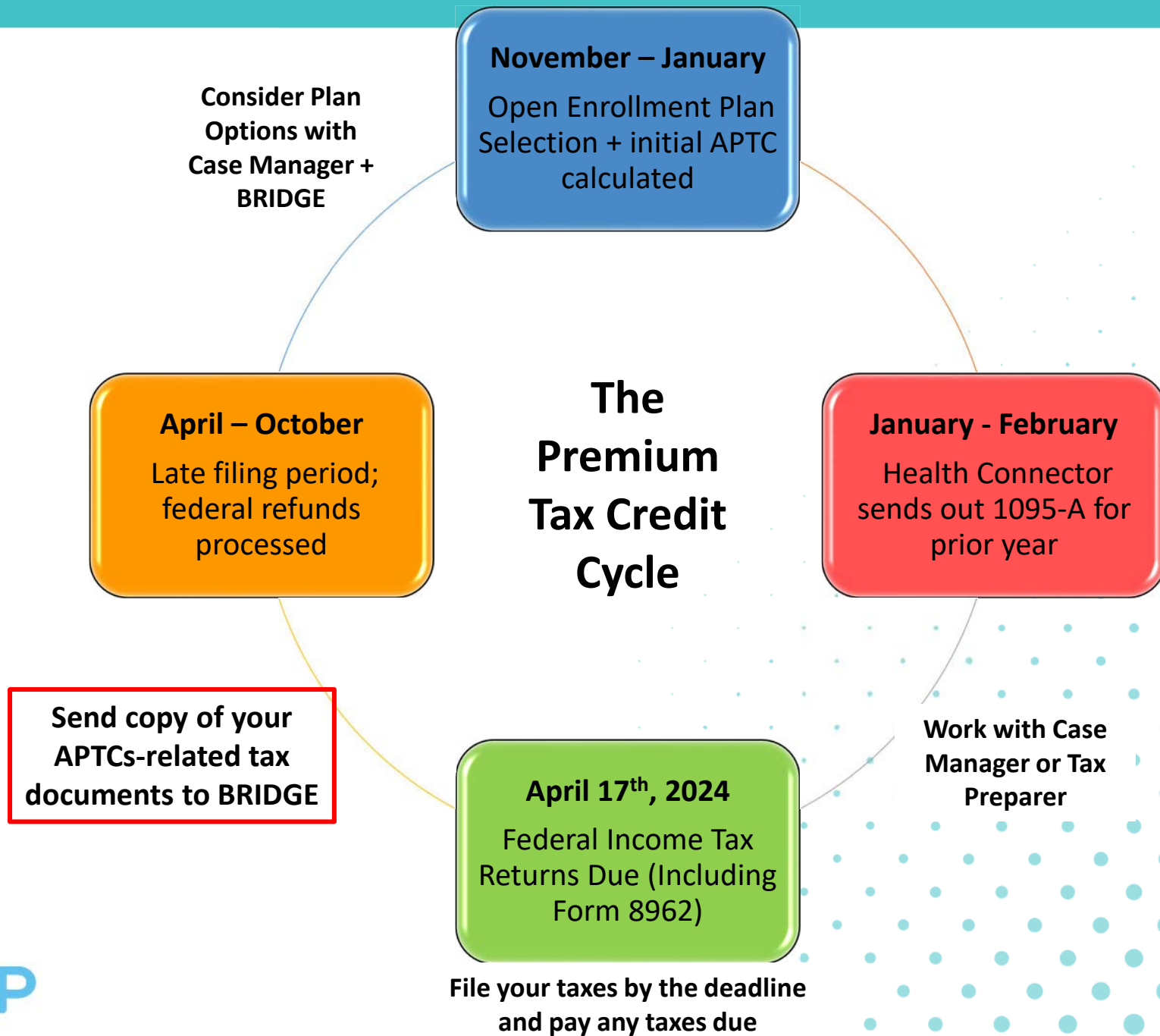
- If your actual income for the tax year was **less than what you estimated your income would be**, the government gave you less money in APTCs than you are eligible for. The IRS will give you the PTCs you were eligible for, but have not yet received, in the form of a refundable tax credit when you file your taxes for that year. This money credited to you is referred to as **Net PTCs** by the IRS.

TOO FEW Premium Tax Credits = Net PTCs

# Why does Reconciliation of PTCs matter?

- If clients who received PTCs in advance do not reconcile their PTCs, they will lose access to subsidized insurance through the Health Connector in the future, including ConnectorCare and PTCs, and the IRS may contact client to pay back the PTCs.
- HDAP/CHII can pay the IRS on a client's behalf for Excess APTCs owed to IRS.
- Net PTCs issued to clients are owed to HDAP/CHII. HDAP/CHII is required by funders (HRSA/HAB) to “vigorously pursue” Net PTCs issued to clients.

Neither the MA Health Connector nor the IRS are aware that the HDAP/CHII program is paying the cost of client's insurance premiums. In the eyes of the Health Connector and the IRS, our clients are purchasing this insurance themselves, are benefiting from the PTCs, and are responsible for any repayments due for Excess APTCs.



# Reconciliation Process: Important Considerations



If clients received APTCs in prior tax years and have not filed their taxes or reconciled the APTCs they received:

- **We assume they will not be eligible for APTCs or ConnectorCare in 2025 or future years**

-AND-

- The IRS may contact them to **pay back** some or all of the APTCs they received during those years.

It's never too late for clients to file or amend their taxes from previous years!



## Public Service Announcement – We are talking about reconciling for tax year 2023, but we want to give a PSA for tax year 2024.

- Because Health Connector expanded ConnectorCare eligibility up to 500% FPL for 2024, more clients will be eligible for more APTCs and receiving larger amounts of APTCs.
- Anticipate that you will have more clients who need to reconcile their APTCs for tax year 2024 (note – you will probably see this more in March/April/May of 2025).

# PTCs-related Tax Forms and Reconciliation

# 4 Required Forms for PTCs Reconciliation

|    | Tax Forms   | Purpose   | Origin   |
|----|---|---|--|
| #1 | 1095-A – Health Coverage through the MA Health Connector    | Verifies type and period of coverage for 2023, premium amounts, and Advanced PTCs applied | Mailed to clients by the MA Health Connector in January 2024.        |
| #2 | <a href="#">Form 8962</a> – Premium Tax Credit              | Adjusts total premium tax credit amount by comparing estimated and actual income          | IRS – Must be filled out using the <b>1095-A</b>                     |
| #3 | <a href="#">Schedule 2</a> or <a href="#">Schedule 3</a>    | Schedule 2 required if Excess Advanced PTCs<br>Schedule 3 required if Net PTCs            | IRS – One Schedule must be filled out by all Advanced PTC recipients |
| #4 | <a href="#">Form 1040</a> – US Individual Income Tax Return | Required Tax Document   | IRS - Must be filled out by all Advanced PTC recipients              |

Instructions for Form 8962 are available online through the IRS website here:  
<https://www.irs.gov/pub/irs-pdf/i8962.pdf>

# PTCs Reconciliation: Form 1095-A

- Form 1095-A is necessary to complete IRS Form 8962 and Reconcile APTCs. Clients will be mailed a 1095-A from the Health Connector in January 2024.
- The form arrives pre-filled with info; clients don't fill it out.

## Clients can access 1095-A from Health Connector by:

1. Opening mail from the Health Connector in January 2024.
2. Call Health Connector customer service at 877-623-6765 to request additional copy be mailed (confirm mailing address).
3. View and print 1095-A through individual's online [www.mahix.org](http://www.mahix.org) account. Go to the Billing and Notices Center.
4. Financial Assistants, Case Managers who are also Navigators with the Health Connector, can also view and print 1095-A forms for clients.

Note: HDAP/CHII requires a copy of Form 1095-A for CHII clients who enrolled in a plan through the Health Connector.



## Example Form 1095-A:

| Form <b>1095-A</b>                                     |                                      | Health Insurance Marketplace Statement  |  | <input type="checkbox"/> VOID      | OMB No. 1545-2232                                 |
|--|--------------------------------------|---|--|------------------------------------|---|
| Department of the Treasury<br>Internal Revenue Service |                                      | Do not attach to your tax return. Keep for your records.<br>Go to <a href="http://www.irs.gov/Form1095A">www.irs.gov/Form1095A</a> for instructions and the latest information. |  | <input type="checkbox"/> CORRECTED | <b>2023</b>                                       |
| <b>Part I Recipient Information</b>                    |                                      |   |  |                                    |   |
| <b>Head of Household Info</b>                          |                                      |   |  |                                    |   |
| 1 Marketplace identifier                               | 2 Marketplace-assigned policy number |   |  |                                    |   |
| 4 Recipient's name                                     | 5 Recipient's SSN                    | 6 Recipient's date of birth   |  |                                    |   |
| 7 Recipient's spouse's name                            | 8 Recipient's spouse's SSN           | 9 Recipient's spouse's date of birth  |  |                                    |   |
| 10 Policy start date                                   | 11 Policy termination date           | 12 Street address (including apartment no.)   |  |                                    |   |
| 13 City or town  | 14 State or province                 | 15 Country and ZIP or foreign postal code   |  |                                    |   |
| <b>Part II Covered Individuals</b>                     |                                      |   |  |                                    |   |
| A. Covered individual name                             | B. Covered individual SSN            | C. Covered individual date of birth   | D. Coverage start date                           | E. Coverage termination date       |   |
| 16   |                                      |   |  |                                    | <b>Lists all members covered by plan in 2023.</b> |
| 17   |                                      |   |  |                                    |   |
| 18   |                                      |   |  |                                    |   |
| 19   |                                      |   |  |                                    |   |
| 20   |                                      |   |  |                                    |   |
| <b>Part III Coverage Information</b>                   |                                      |   |  |                                    |   |
| Month  | A. Monthly enrollment premiums       | B. Monthly second lowest cost silver plan (SLCSP) premium   | C. Monthly advance payment of premium tax credit |                                    |   |
| 21 January   |                                      |   | <b>Information necessary for Form 8962</b>       |                                    |   |
| 22 February  |                                      |   |  |                                    |   |
| 23 March   |                                      |   |  |                                    |   |
| 24 April   |                                      |   |  |                                    |   |
| 25 May   |                                      |   |  |                                    |   |
| 26 June  |                                      |   |  |                                    |   |
| 27 July  |                                      |   |  |                                    |   |
| 28 August  |                                      |   |  |                                    |   |
| 29 September   |                                      |   |  |                                    |   |
| 30 October   |                                      |   |  |                                    |   |
| 31 November  |                                      |   |  |                                    |   |
| 32 December  |                                      |   |  |                                    |   |
| 33 Annual Totals                                       |                                      |   |  |                                    |   |

# PTC Reconciliation: Tax Form 8962

Tax Form 8962 is a 2-page US tax form used to reconcile Advance PTCs. See example of TY2023 tax form →

- To complete Form 8962, clients will enter their annual income for 2023 and the information found in their Form 1095-A.
- The form will compare the amount of PTCs clients received in Advance during 2023 to the amount of PTCs they are eligible for.

Tax Form 8962 will indicate if clients need to fill out Schedule 2 or Schedule 3.

If a client does not have their Form 1095-A, they cannot complete Form 8962 and cannot proceed with filing their taxes correctly. See prior slide for how to get Form 1095-A



Form **8962**

Department of the Treasury  
Internal Revenue Service

Name shown on your return

**Premium Tax Credit (PTC)**

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to [www.irs.gov/Form8962](http://www.irs.gov/Form8962) for instructions and the latest information.

OMB No. 1545-0074

**2023**

Attachment  
Sequence No. **73**

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Your social security number

**A.** You cannot take the PTC if your filing status is married filing separately unless you qualify for an exception. See instructions. If you qualify, check the box

**Part I Annual and Monthly Contribution Amount**

|  |    |     |
|--|----|-----|
| 1 Tax family size. Enter your tax family size. See instructions  |    | 1   |
| 2a Modified AGI. Enter your modified AGI. See instructions   | 2a |     |
| b Enter the total of your dependents' modified AGI. See instructions   | 2b |     |
| 3 Household income. Add the amounts on lines 2a and 2b. See instructions   |    | 3   |
| 4 Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3. See instructions. Check the appropriate box for the federal poverty table used. a <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input type="checkbox"/> Other 48 states and DC |    | 4   |
| 5 Household income as a percentage of federal poverty line (see instructions)  |    | 5 % |
| 6 Reserved for future use  |    | 6   |
| 7 Applicable figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions  |    | 7   |
| 8a Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount   | 8a |     |
| b Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount  | 8b |     |

**Part II Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit**

9 Are you allocating policy amounts with another taxpayer or do you want to use the alternative calculation for year of marriage? See instructions.  
 Yes. Skip to Part IV, Allocation of Policy Amounts, or Part V, Alternative Calculation for Year of Marriage.  No. Continue to line 10.

10 See the instructions to determine if you can use line 11 or must complete lines 12 through 23.  
 Yes. Continue to line 11. Compute your annual PTC. Then skip lines 12-23  No. Continue to lines 12-23. Compute your monthly PTC and continue to line 24.

| Annual Calculation  | (a) Annual enrollment premiums (Form(s) 1095-A, line 33A)               | (b) Annual applicable SLCSP premium (Form(s) 1095-A, line 33B)               | (c) Annual contribution amount (line 8a)  | (d) Annual maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-)  | (e) Annual premium tax credit allowed (smaller of (a) or (d))  | (f) Annual advance payment of PTC (Form(s) 1095-A, line 33C)               |
|---|---|--|---|--|--|--|
| 11 Annual Totals  |   |  |   |  |  |  |
| Monthly Calculation   | (a) Monthly enrollment premiums (Form(s) 1095-A, lines 21-32, column A) | (b) Monthly applicable SLCSP premium (Form(s) 1095-A, lines 21-32, column B) | (c) Monthly contribution amount (amount from line 8b or alternative marriage monthly calculation) | (d) Monthly maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-) | (e) Monthly premium tax credit allowed (smaller of (a) or (d)) | (f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21-32, column C) |
| 12 January  |   |  |   |  |  |  |
| 13 February   |   |  |   |  |  |  |
| 14 March  |   |  |   |  |  |  |
| 15 April  |   |  |   |  |  |  |
| 16 May  |   |  |   |  |  |  |
| 17 June   |   |  |   |  |  |  |
| 18 July   |   |  |   |  |  |  |
| 19 August   |   |  |   |  |  |  |
| 20 September  |   |  |   |  |  |  |
| 21 October  |   |  |   |  |  |  |
| 22 November   |   |  |   |  |  |  |
| 23 December   |   |  |   |  |  |  |
| 24 Total premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here   |   |  |   |  |  | 24   |
| 25 Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here   |   |  |   |  |  | 25   |
| 26 Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Schedule 3 (Form 1040), line 9. If line 24 equals line 25, enter -0-. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27 |   |  |   |  |  | 26   |

**Part III Repayment of Excess Advance Payment of the Premium Tax Credit**

27 Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here

28 Repayment limitation (see instructions)

29 Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Schedule 2 (Form 1040), line 2

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 37784Z

Form **8962** (2023)



# PTC Reconciliation: Tax Form Schedule 2

Schedule 2 (Form 1040) is a 2-page tax document that is used when clients receive Excess APTCs.

- Clients received too many PTCs throughout 2023 and have to pay the excess amount back.
- Page 1 is used for Excess APTCs

Tax Form 8962 will direct clients to fill out a Schedule 2 or Schedule 3.



| SCHEDULE 2<br>(Form 1040)   |   | Additional Taxes   |                             | OMB No. 1545-0074                                   |
|---|---|--|-----------------------------|---|
| Department of the Treasury<br>Internal Revenue Service                |   | Attach to Form 1040, 1040-SR, or 1040-NR.<br>Go to <a href="http://www.irs.gov/Form1040">www.irs.gov/Form1040</a> for instructions and the latest information. |                             | <b>2023</b><br>Attachment<br>Sequence No. <b>02</b> |
| Name(s) shown on Form 1040, 1040-SR, or 1040-NR                       |   |  | Your social security number |   |
| <b>Part I Tax</b>   |   |  |                             |   |
| 1   | Alternative minimum tax. Attach Form 6251 . . . . .   | 1  |                             |   |
| 2   | Excess advance premium tax credit repayment. Attach Form 8962 . . . . .   | 2  |                             |   |
| 3   | Add lines 1 and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17 . . . . .  | 3  |                             |   |
| <b>Part II Other Taxes</b>  |   |  |                             |   |
| 4   | Self-employment tax. Attach Schedule SE . . . . .   | 4  |                             |   |
| 5   | Social security and Medicare tax on unreported tip income. Attach Form 4137 . . . . .   | 5  |                             |   |
| 6   | Uncollected social security and Medicare tax on wages. Attach Form 8919 . . . . .   | 6  |                             |   |
| 7   | Total additional social security and Medicare tax. Add lines 5 and 6 . . . . .  | 7  |                             |   |
| 8   | Additional tax on IRAs or other tax-favored accounts. Attach Form 5329 if required. If not required, check here <input type="checkbox"/> . . . . .                | 8  |                             |   |
| 9   | Household employment taxes. Attach Schedule H . . . . .   | 9  |                             |   |
| 10  | Repayment of first-time homebuyer credit. Attach Form 5405 if required . . . . .  | 10   |                             |   |
| 11  | Additional Medicare Tax. Attach Form 8959 . . . . .   | 11   |                             |   |
| 12  | Net investment income tax. Attach Form 8960 . . . . .   | 12   |                             |   |
| 13  | Uncollected social security and Medicare or RRTA tax on tips or group-term life insurance from Form W-2, box 12 . . . . .   | 13   |                             |   |
| 14  | Interest on tax due on installment income from the sale of certain residential lots and timeshares . . . . .  | 14   |                             |   |
| 15  | Interest on the deferred tax on gain from certain installment sales with a sales price over \$150,000 . . . . .   | 15   |                             |   |
| 16  | Recapture of low-income housing credit. Attach Form 8611 . . . . .  | 16   |                             |   |
| <i>(continued on page 2)</i>  |   |  |                             |   |
| For Paperwork Reduction Act Notice, see your tax return instructions. |   | Cat. No. 71478U  |                             | Schedule 2 (Form 1040) 2023                         |
| 18  | Total additional taxes  |  |                             |   |
| 19  | Reserved  |  |                             |   |
| 20  | Section 965 net tax liability installment from Form 965-A . . . . .   | 20   |                             |   |
| 21  | Add lines 4, 7 through 16, and 18. These are your <b>total other taxes</b> . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b . . . . . | 21   |                             |   |

# PTC Reconciliation: Tax Form Schedule 3

**Schedule 3 (Form 1040)** is a 2-page tax document that is used when clients receive Net Premium Tax Credits.

- Clients received too few PTCs throughout 2023 and are receiving the additional credit.
- Net PTCs are documented on page 2

| SCHEDULE 3<br>(Form 1040)   |  | Additional Credits and Payments  |  | OMB No. 1545-0074                     |  |
|---|--|--|--|---------------------------------------|--|
| Department of the Treasury<br>Internal Revenue Service                |  | Attach to Form 1040, 1040-SR, or 1040-NR.<br>Go to <a href="http://www.irs.gov/Form1040">www.irs.gov/Form1040</a> for instructions and the latest information. |  | 2023<br>Attachment<br>Sequence No. 03 |  |
| Name(s) shown on Form 1040, 1040-SR, or 1040-NR                       |  |  |  | Your social security number           |  |
| <b>Part I Nonrefundable Credits</b>                                   |  |  |  |                                       |  |
| 1   | Foreign tax credit. Attach Form 1116 if required . . . . .   | 1  |  |                                       |  |
| 2   | Credit for child and dependent care expenses from Form 2441, line 11. Attach Form 2441 . . . . .   | 2  |  |                                       |  |
| 3   | Education  |  |  |                                       |  |
| 4   | Retirement   |  |  |                                       |  |
| 5a  | Residential energy   |  |  |                                       |  |
| b   | Energy efficient   |  |  |                                       |  |
| 6   | Other nonrefundable  |  |  |                                       |  |
| a   | General business   |  |  |                                       |  |
| b   | Credit for   |  |  |                                       |  |
| c   | Adoption   |  |  |                                       |  |
| d   | Credit for   |  |  |                                       |  |
| e   | Reserved   |  |  |                                       |  |
| f   | Clean vehicle  |  |  |                                       |  |
| g   | Mortgage   |  |  |                                       |  |
| h   | District of Columbia   |  |  |                                       |  |
| i   | Qualified  |  |  |                                       |  |
| j   | Alternative  |  |  |                                       |  |
| k   | Credit to  |  |  |                                       |  |
| l   | Amount of  |  |  |                                       |  |
| m   | Credit for   |  |  |                                       |  |
| z   | Other nonrefundable  |  |  |                                       |  |
| 7   | Total other  |  |  |                                       |  |
| 8   | Add lines 1 through 7. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 20 . . . . .         | 8  |  |                                       |  |
| Schedule 3 (Form 1040) 2023 <span style="float: right;">Page 2</span> |  |  |  |                                       |  |
| <b>Part II Other Payments and Refundable Credits</b>                  |  |  |  |                                       |  |
| 9   | Net premium tax credit. Attach Form 8962 . . . . .   | 9  |  |                                       |  |
| 10  | Amount paid with request for extension to file (see instructions) . . . . .                        | 10   |  |                                       |  |
| 11  | Excess social security and tier 1 RRTA tax withheld . . . . .                                      | 11   |  |                                       |  |
| 12  | Credit for federal tax on fuels. Attach Form 4136 . . . . .  | 12   |  |                                       |  |
| 13  | Other payments or refundable credits:  |  |  |                                       |  |
| a   | Form 2439 . . . . .  | 13a  |  |                                       |  |
| b   | Credit for repayment of amounts included in income from earlier years . . . . .                    | 13b  |  |                                       |  |
| c   | Elective payment election amount from Form 3800, Part III, line 6, column (i) . . . . .            | 13c  |  |                                       |  |
| d   | Deferred amount of net 965 tax liability (see instructions) . . . . .                              | 13d  |  |                                       |  |
| z   | Other payments or refundable credits. List type and amount:  | 13z  |  |                                       |  |
| 14  | Total other payments or refundable credits. Add lines 13a through 13z . . . . .                    | 14   |  |                                       |  |
| 15  | Add lines 9 through 12 and 14. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 31 . . . . . | 15   |  |                                       |  |
| Schedule 3 (Form 1040) 2023   |  |  |  |                                       |  |
| (continued on page 2)   |  |  |  |                                       |  |
| For Paperwork Reduction Act Notice, see your tax return instructions. |  | Cat. No. 71480G  |  | Schedule 3 (Form 1040) 2023           |  |



# PTC Reconciliation: Tax Form 1040

- Form 1040 is the US Individual Income Tax Return.
- It is a 2-page form that summarizes client's income and taxes owed and compares that to any tax credits or payments already made.
- Ultimately, Form 1040 determines if clients owe additional taxes to the IRS or if they receive a tax refund.

Whether a client has Excess or Net PTCs can affect whether a client receives a tax refund or if they owe additional money to the IRS.



Form **1040** Department of the Treasury—Internal Revenue Service **2023** U.S. Individual Income Tax Return OMB No. 1545-0074 IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2023, or other tax year beginning \_\_\_\_\_, 2023, ending \_\_\_\_\_, 2024

Your first name and middle initial \_\_\_\_\_ Last name \_\_\_\_\_ Your social security number \_\_\_\_\_

If joint return, spouse's first name and middle initial \_\_\_\_\_ Last name \_\_\_\_\_ Spouse's social security number \_\_\_\_\_

Home address (number and street). If you have a P.O. box, see instructions. \_\_\_\_\_ Apt. no. \_\_\_\_\_ Presidential Election Campaign  
Check here if you, or your spouse if filing jointly, want \$3 to go to this fund.

City, town, or post office. If you have a foreign address, also complete spaces below. \_\_\_\_\_ State \_\_\_\_\_ ZIP code \_\_\_\_\_

Foreign country name \_\_\_\_\_

**Filing Status**  Single  
 Married filing jointly  
Check only one box.  Married filing separately  
If you checked the MFS box, a qualifying person is a child, grandchild, or other dependent.

**Digital Assets** At any time during 2023, did you receive a digital asset, such as cryptocurrency, through an exchange, or otherwise distributed to you?  Yes  No

**Standard Deduction**  Someone can claim:  Spouse itemizes on a separate return  You itemize on this return

**Age/Blindness** You:  Were born before 1/1/1954  Were born after 1/1/1954 and are blind or aged 65 or older

**Dependents** (see instructions):  
If more than four dependents, see instructions and check here

**Income**  
1a Total amount from Form(s) W-2 here. Also attach Form(s) W-2G and 1099-R if tax was withheld.  
b Household employee wages  
c Tip income not reported on Form(s) W-2  
d Medicaid waiver payments  
e Taxable dependent wages  
f Employer-provided wages  
g Wages from Form(s) W-2, see instructions.  
h Other earned income  
i Nontaxable combat pay  
z Add lines 1a through 1i

**Attach Sch. B if required.**  
2a Tax-exempt interest  
3a Qualified dividends  
4a IRA distributions  
5a Pensions and annuities  
6a Social security benefits  
c If you elect to use the simplified method, see instructions.  
7 Capital gain or (loss)  
8 Additional income from other sources  
9 Add lines 1z, 2b, 3b, 4c, 5c, 6c, 7, 8, and 9

**Standard Deduction for—**  
• Single or Married filing separately, \$13,850  
• Married filing jointly or Qualifying surviving spouse, \$27,700  
• Head of household, \$20,800  
• If you checked any box under Standard Deduction, see instructions.  
10 Adjustments to income  
11 Subtract line 10 from line 9  
12 **Standard deduction**  
13 Qualified business income  
14 Add lines 12 and 13  
15 Subtract line 14 from line 11

**Tax and Credits**  
16 Tax (see instructions). Check if any from Form(s): 1  8814 2  4972 3  \_\_\_\_\_ 16  
17 Amount from Schedule 2, line 3 \_\_\_\_\_ 17  
18 Add lines 16 and 17 \_\_\_\_\_ 18  
19 Child tax credit or credit for other dependents from Schedule 8812 \_\_\_\_\_ 19  
20 Amount from Schedule 3, line 6 \_\_\_\_\_ 20  
21 Add lines 19 and 20 \_\_\_\_\_ 21  
22 Subtract line 21 from line 18. If zero or less, enter -0- \_\_\_\_\_ 22  
23 Other taxes, including self-employment tax, from Schedule 2, line 21 \_\_\_\_\_ 23  
24 Add lines 22 and 23. This is your total tax \_\_\_\_\_ 24

**Payments**  
25 Federal income tax withheld from:  
a Form(s) W-2 \_\_\_\_\_ 25a  
b Form(s) 1099 \_\_\_\_\_ 25b  
c Other forms (see instructions) \_\_\_\_\_ 25c  
d Add lines 25a through 25c \_\_\_\_\_ 25d  
26 2023 estimated tax payments and amount applied from 2022 return \_\_\_\_\_ 26  
27 Earned income credit (EIC) \_\_\_\_\_ 27  
28 Additional child tax credit from Schedule 8812 \_\_\_\_\_ 28  
29 American opportunity credit from Form 8863, line 8 \_\_\_\_\_ 29  
30 Reserved for future use \_\_\_\_\_ 30  
31 Amount from Schedule 3, line 15 \_\_\_\_\_ 31  
32 Add lines 27, 28, 29, and 31. These are your total other payments and refundable credits \_\_\_\_\_ 32  
33 Add lines 25d, 26, and 32. These are your total payments \_\_\_\_\_ 33

**Refund**  
34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid \_\_\_\_\_ 34  
35a Amount of line 34 you want refunded to you. If Form 8888 is attached, check here  35a  
b Routing number \_\_\_\_\_ c Type:  Checking  Savings  
d Account number \_\_\_\_\_

**Amount You Owe**  
36 Amount of line 34 you want applied to your 2024 estimated tax \_\_\_\_\_ 36  
37 Subtract line 36 from line 34. This is the amount you owe. For details on how to pay, go to [www.irs.gov/Payments](http://www.irs.gov/Payments) or see instructions \_\_\_\_\_ 37  
38 Estimated tax penalty (see instructions) \_\_\_\_\_ 38

**Third Party Designee**  
Do you want to allow another person to discuss this return with the IRS? See instructions  Yes. Complete below.  No  
Designee's name \_\_\_\_\_ Phone no. \_\_\_\_\_ Personal identification number (PIN) \_\_\_\_\_

**Sign Here**  
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.  
Your signature \_\_\_\_\_ Date \_\_\_\_\_ Your occupation \_\_\_\_\_  
If the IRS sent you an Identity Protection PIN, enter it here (see inst.) \_\_\_\_\_

Joint return?  Yes  No  
Spouse's signature. If a joint return, both must sign. \_\_\_\_\_ Date \_\_\_\_\_ Spouse's occupation \_\_\_\_\_  
If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) \_\_\_\_\_

Phone no. \_\_\_\_\_ Email address \_\_\_\_\_

**Paid Preparer Use Only**  
Preparer's name \_\_\_\_\_ Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ PTIN \_\_\_\_\_ Check if:  Self-employed  
Firm's name \_\_\_\_\_ Phone no. \_\_\_\_\_  
Firm's address \_\_\_\_\_ Firm's EIN \_\_\_\_\_

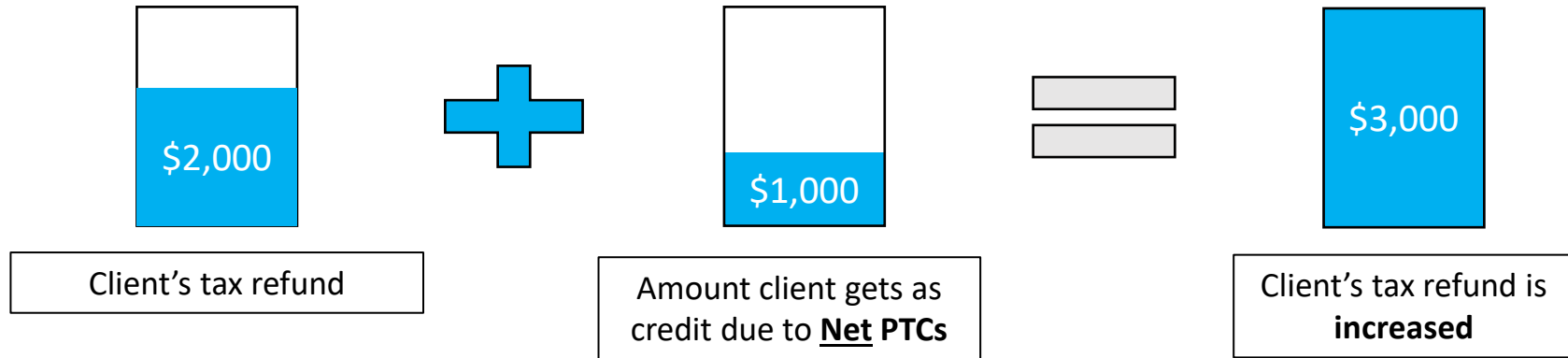
Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information. Form **1040** (2023)

# PTC Reconciliation Scenarios

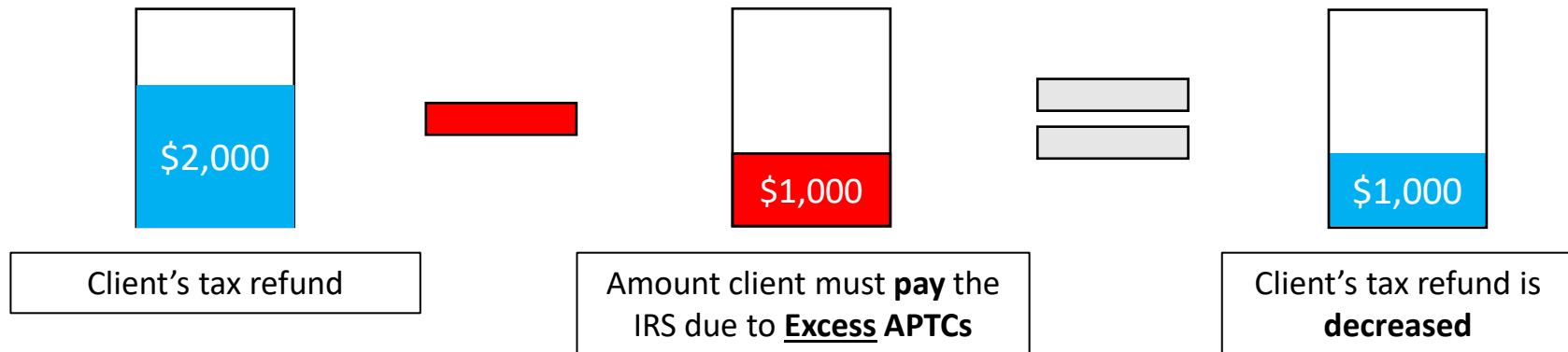
A client's tax refund can be altered due to Excess or Net Premium Tax Credits.



**Scenario 1:**  
Client's refund  
increased by Net PTCs.

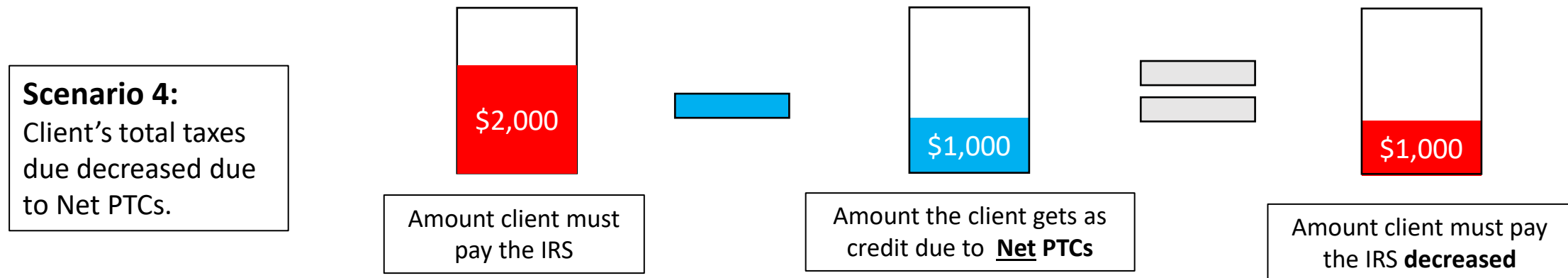
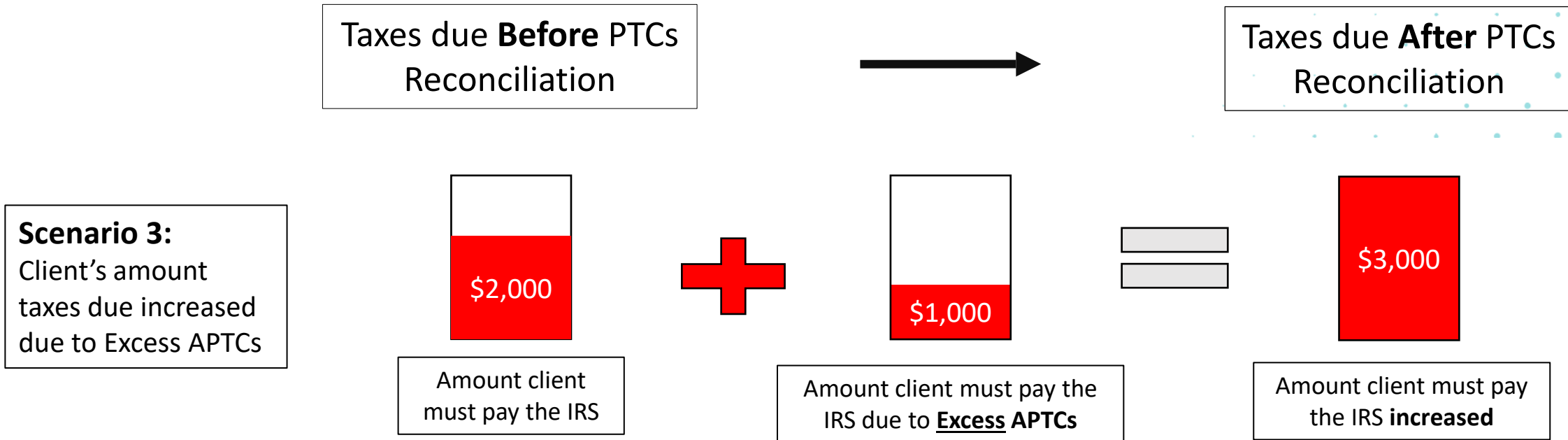


**Scenario 2:**  
Client's refund  
decreased by Excess  
APTCS.



# PTC Reconciliation Scenarios

A client's total tax amount due can be altered due to Excess or Net Premium Tax Credits.

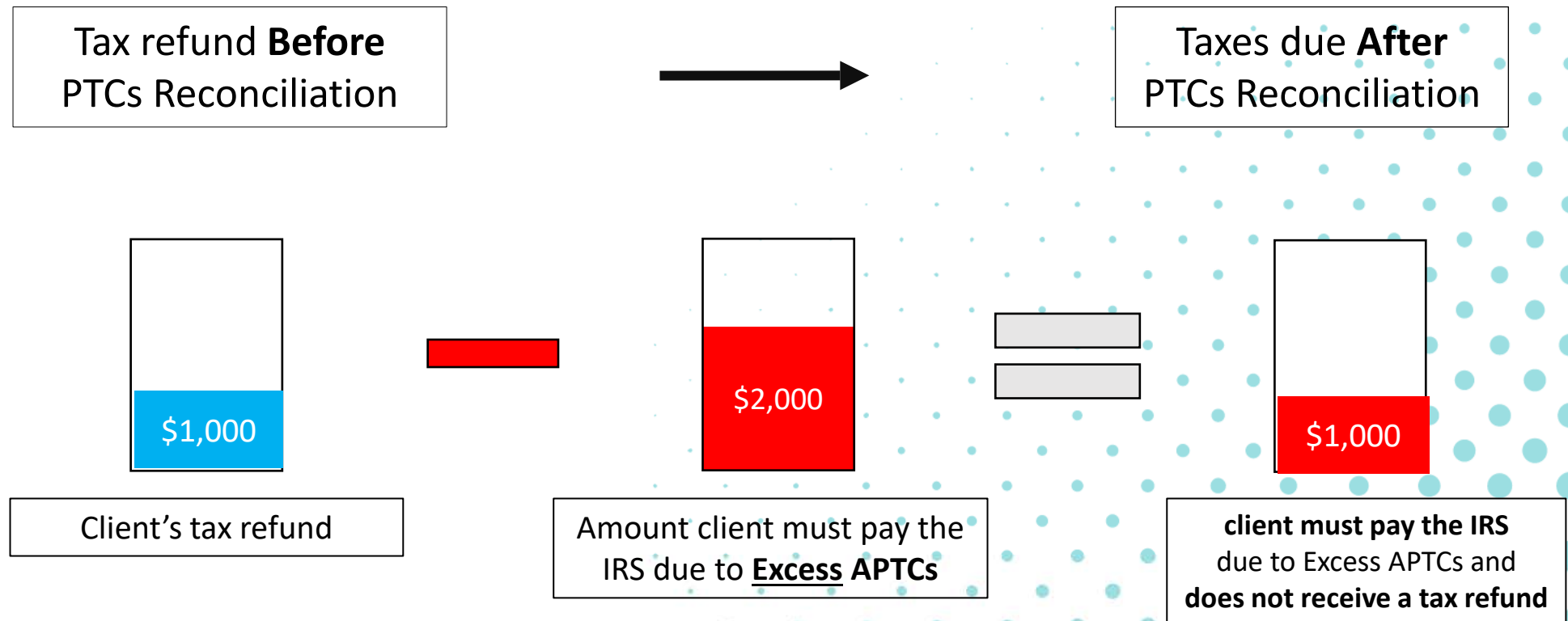




# PTC Reconciliation Scenarios

A client's tax refund can disappear due to having to pay the IRS for Excess APTCs

**Scenario 5:** Client's tax refund gets applied to amount they must pay the IRS due to Excess APTCs, resulting in client having to pay taxes instead of getting a refund.



# What Are Clients Supposed to Do About Paying Their Taxes?

Clients must file and pay **all** taxes they owe the IRS, including those due to Excess APTCs, by the tax deadline to avoid paying any late penalties or interest. Any taxes owed to IRS are due by April 17th.

- If client cannot pay full amount, they can set up a payment plan for whatever they can't pay. Late penalties and interest will still apply, which HDAP/CHII cannot pay. Advise clients to pay as much as they can to minimize penalty.

## RECAP:

- 1) CHII clients on ConnectorCare or other Health Connector plans must apply for PTCs and take them in advance.
- 2) The IRS does not know that CHII pays monthly insurance premiums for our clients. IRS thinks the client is paying premiums and the client is receiving PTCs in advance each month.
- 3) Clients must reconcile the PTCs they received in 2023 when they file taxes. Reconciliation may alter the amount they have to pay the IRS or the amount they receive as tax refund.

## For Clients who have Excess APTCs:

- HDAP/CHII can pay IRS on a client's behalf for Excess APTCs after the client has filed their taxes. Client will be reimbursed by IRS later that year.
- HDAP/CHII **cannot** pay for any late penalties/interest.

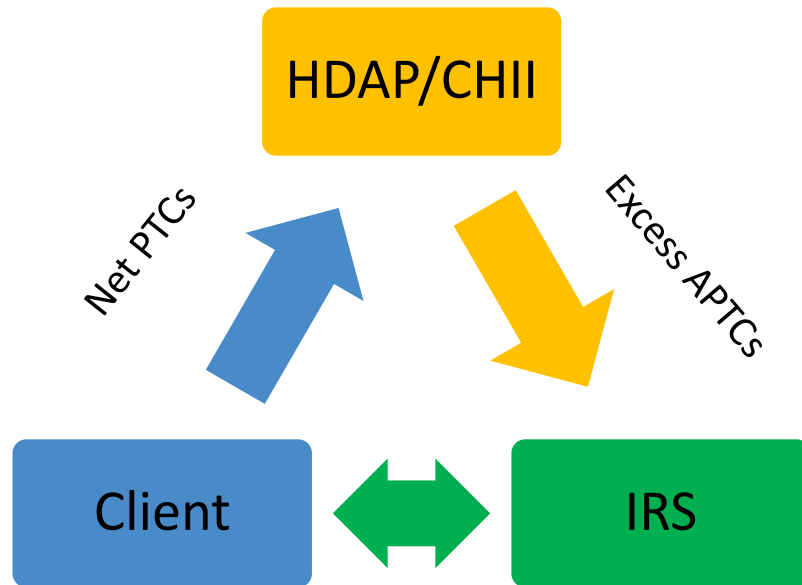
## How can clients minimize late penalties/interest?

1. Pay in full by April 17th: No late penalties/interest
2. Pay as much as possible by April 17th. Set up a *payment plan* for remaining balance and make payments on time according to payment plan to minimize penalties & interest on remaining balance.

# HDAP/CHII & Client Responsibilities For PTCs reconciliation

# PTCs Reconciliation: How can HDAP/CHII assist clients?

## Potential Payments



- Money owed in taxes
- Tax refunds
- Reimbursement for payment made by HDAP/CHII on client's behalf for Excess APTCs after they filed their taxes

If client has Excess APTCs: client owes extra \$ to the IRS

- HDAP/CHII can pay the IRS on a client's behalf the amount owed due to Excess APTCs **after** client has filed their taxes and after BRIDGE has reviewed the client's tax forms.
- When the IRS receives a payment from HDAP/CHII on client's behalf, the IRS then sends payment for that amount to the client as a reimbursement. *It often take several months for a client to receive this.*
- HDAP/CHII cannot send payments directly to clients under any circumstances (due to funding restrictions)

If client has Net PTCs: client gets extra \$ from the IRS

- Client is required to send payment to HDAP/CHII for the extra tax credits they receive from the IRS due to Net PTCs

# What does HDAP/CHII require clients to do regarding PTCs?

1. Obtain a copy of Form 1095-A from the Health Connector.
2. File their taxes. Include Form 8962 (requires Form 1095-A).
  - Free tax prep services are available across Massachusetts. See Resources slide.
3. After filing, if client owes money to IRS, advise client to pay what is owed by tax deadline or request payment plan with IRS to minimize any late penalty (HDAP/CHII cannot pay late penalties). If client receives a tax refund, do not spend until after BRIDGE reviews client's forms, because some or all of the refund may be due to HDAP/CHII if client has Net PTCs.
4. Submit their PTCs-related tax forms and signed client agreement re: PTCs form to BRIDGE after filing taxes.
  - IRS Form 1040** (both sides of 1-pager)
    - **IRS Schedule 2 (Form 1040)** if they have Excess APTCs **OR**
    - **IRS Schedule 3 (Form 1040)** if they have Net PTCs.
  - IRS Form 8962: Premium Tax Credit**
  - Form 1095-A** – mailed to client from MA Health Connector
  - HDAP/CHII Client Agreement Regarding Reconciliation of PTCs Form** – signed and dated by client



# HDAP/CHII Requirements for PTCs: *Agreement Regarding Reconciliation of Premium Tax Credits*

- CHII clients who received APTCs and premium assistance for any month of 2023 **must sign and date** this form and then **send a copy** to the BRIDGE Team via upload to Provide portal (preferred), or via secure email, fax, or mail.



Massachusetts HIV Drug Assistance Program (HDAP)

## Agreement Regarding Reconciliation of Premium Tax Credits – Tax Year 2023

**Please sign, date, and return this form immediately.**

**PROVIDE PORTAL UPLOAD:** Submit documents electronically to HDAP, CHII, and BRIDGE staff.

Provider Portal: <https://mahdap.provider.providecm.net/Account/LogOn>

Client Portal: <https://mahdap.providecm.net/>

**EMAIL** it securely to: [BRIDGEteam@crihealth.org](mailto:BRIDGEteam@crihealth.org) using our [Secure Email](#).

Find instructions and link to access the portal here: <https://crihealth.org/contact/#Secure>.

**FAX** this form to (617) 502-1703, **MAIL** it to: Community Resource Initiative, ATTN: BRIDGE Team, Schraff's City Center, 529 Main Street, Suite 301, Boston, MA 02129

### REQUIRED

I, (Name) \_\_\_\_\_, agree to make payment to Community Resource Initiative for any refundable federal tax credits I receive from the Internal Revenue Service (IRS) for Net Premium Tax Credits (PTCs), resulting from health insurance premium payments made on my behalf by the Massachusetts HDAP/CHII program during tax year 2023.

I understand that this credit due to Net PTCs, which I may receive as an additional credit in my tax refund or as a reduction in the amount I must pay in taxes, is the sole property of the HDAP/CHII program, which expects to receive payment within 10 days of my having received a refund from the IRS or my paying the IRS a reduced amount in taxes.

I also authorize HDAP/CHII to make a payment to the IRS on my behalf if I owe money to the IRS due to Excess Advance PTCs, because of overpayment of Advance PTCs due to my 2023 income being greater than my estimated income for 2023 that I reported to the Massachusetts Health Connector in my application. I understand HDAP/CHII cannot pay the IRS on my behalf until I have provided them with the required documentation.

By signing below, I agree to these terms and conditions.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Please contact the BRIDGE Team with questions: [BRIDGEteam@crihealth.org](mailto:BRIDGEteam@crihealth.org), or (617) 502-1700, press "1", then press "5".*

This program is supported by funds from the U.S. Health Resources and Services Administration and the Massachusetts Department of Public Health, and is administered by Community Resource Initiative.



# Examples

## Reconciliation of PTCs and HDAP/CHII: Action Steps From Start to Finish

# Examples: A Tax Refund Amount Increases Due to Reconciling PTCs



In Jan 2023, Sophie estimates she will earn \$30,000 for the year. Throughout 2023, Sophie gets \$900 in APTCs monthly on her premium bill, reducing her monthly Health Connector premium bill.

Sophie initially completes her Tax Year 2023 taxes, and finds she is getting a **\$1,000 refund**.

When Sophie submits her taxes, the IRS sends her a \$2,200 tax refund. Sophie's case manager warned her not to spend this money until the BRIDGE team reviewed her tax documents.

Sophie writes a check to Community Resource Initiative for \$1,200 for Net PTCs in TY2023. She keeps her \$1,000 net tax refund.

In February 2024, when Sophie gets her W2s, she realizes that she only made \$25,000 in 2023.

Sophie's accountant checks her work and realizes she forgot to reconcile her PTCs. Sophie and her accountant complete Form 8962, and realize Sophie gets \$1,200 in Net PTCs; Sophie should have received an additional \$100 in APTCs every month in 2023.

Sophie sends her IRS tax forms, Form 1095-A, and signed client agreement form Re: PTCs to the BRIDGE team. BRIDGE reviews the tax forms and emails a letter requesting Sophie pay CRI \$1,200 due to Net PTCs.

$$\begin{array}{rcl}
 \$1000 \text{ refund} & + & \$1,200 \\
 \text{if no PTCs} & & \text{Net PTCs} \\
 & = & \$2,200 \text{ refund with Net PTCs} \\
 & & \xrightarrow{\text{Sophia pays CRI } \$1,200 \text{ due to Net PTCs}} \\
 & & \$2,200 \text{ refund with Net PTCs} \\
 & - & \$1,200 \text{ Sophia's payment to HDAP/CHII for Net PTCs} \\
 & = & \mathbf{\$1000 \text{ refund as if no PTCs}}
 \end{array}$$

# Examples: A Tax Refund Amount Decreases Due to Reconciling PTCs



In Jan 2023, Amari estimates he will earn \$30,000 for the year. Throughout 2023, Amari gets \$1,000 in APTCs monthly on his premium bill, reducing his monthly Health Connector premium bill.

Amari initially completes his Tax Year 2023 taxes, and finds he is getting a **\$1,000 refund**.

When Amari submits his taxes, **the IRS sends him a \$200 tax refund**. Amari's case manager lets him know that HDAP/CHII might be able to pay the Excess PTCs amount.

Months later, Amari receives a check from the IRS for \$800. **In total, Amari ends up with a \$1,000 net tax refund.**



In February 2024, when Amari gets his W2s, he realizes that he made \$35,000 in 2023.

Amari's accountant checks his work and realizes he forgot to reconcile his PTCs. Amari and his accountant complete Form 8962, and realize **Amari owes \$800 in Excess PTCs**; Amari should have received \$66.67 less in APTCs every month in 2023.

Amari sends his IRS tax forms, Form 1095-A, and signed client agreement form Re: PTCs to the BRIDGE team. BRIDGE reviews the tax forms and emails a letter stating that **HDAP/CHII is paying the IRS \$800 due to Excess PTCs**.

|                             |   |                      |   |                               |   |  |   |                                |  |
|-----------------------------|---|----------------------|---|-------------------------------|---|--|---|--------------------------------|--|
| \$1000 refund<br>if no PTCs | - | \$800<br>Excess PTCs | = | \$200 refund with Excess PTCs |   |  |   |                                |  |
|                             |   |                      |   |                               |   |  |   |                                |  |
|                             |   |                      |   |                               | HDAP/CHII pay IRS \$800 on Amari's behalf. <i>Months later</i> , the IRS pays Amari \$800 as reimbursement. |  |   |                                |  |
|                             |   |                      |   | \$200 refund                  | +   | \$800<br>Reimbursement from IRS due to HDAP/CHII payment | = | \$1000 refund<br>as if no PTCs |  |

# Complex Examples: Client Gets a Tax Refund Instead of Owing the IRS



In Jan 2023, Sam estimates he will earn \$30,000 for the year. Throughout 2023, Sam gets \$900 in APTCs monthly on his premium bill, reducing his monthly Health Connector premium bill.

Sam initially completes his Tax Year 2023 taxes, and finds he owes the IRS **\$500** in taxes.

When Sam submits his taxes, **the IRS sends him a \$500 tax refund**. Sam's case manager warns him not to spend this money until the BRIDGE team reviewed his tax documents.

Sam writes a check to Community Resource Initiative for \$1,000 for Net PTCs in TY2023. **He ultimately pays the \$500 in net taxes due.**



In February 2024, when Sam gets his W2s, he realizes that he only made \$25,000 in 2023.

Sam's accountant checks his work and realizes he forgot to reconcile his PTCs. Sam and his accountant complete Form 8962, and realize **Sam gets \$1000 in Net PTCs**; Sam should have received an additional \$83.33 in APTCs every month in 2023.

Sam sends his IRS tax forms, Form 1095-A, and signed client agreement form Re: PTCs to the BRIDGE team. BRIDGE reviews the tax forms and emails a letter requesting **Sam pay CRI \$1,000 due to Net PTCs**.

|                                |     |                    |     |                              |  |                              |     |   |     |                                   |
|--------------------------------|-----|--------------------|-----|------------------------------|--|------------------------------|-----|---|-----|-----------------------------------|
| $-\$500$ taxes owed if no PTCs | $+$ | $\$1,000$ Net PTCs | $=$ | $\$500$ refund with Net PTCs | $\xrightarrow{\text{Sam pays CRI } \$1,000 \text{ due to Net PTCs}}$ | $\$500$ Refund with Net PTCs | $-$ | $\$1,000$ Sam's payment to HDAP/CHII for Net PTCs | $=$ | $-\$500$ taxes owed as if no PTCs |
|--------------------------------|-----|--------------------|-----|------------------------------|--|------------------------------|-----|---|-----|-----------------------------------|

# Complex example: Client Owes the IRS Instead of Getting a Tax Refund



In Jan 2023, Martin estimates they will earn \$30,000 for the year. Throughout 2023, Martin gets \$1,000 in APTCs monthly on their premium bill, reducing their monthly Health Connector premium bill.

Martin initially completes their Tax Year 2023 taxes, and finds they get a **\$500 refund**.

When Martin submits their taxes, **they pay the IRS \$700 for taxes due**. Martin’s case manager lets them know that HDAP/CHII might be able to pay the IRS for their Excess PTCs amount.

Months later, Martin receives a check from the IRS for \$1,200. **In total, Martin ends up with a \$500 net tax refund.**

In February 2024, when Martin gets their W2s, they realize that they made \$35,000 in 2023.

Martin’s accountant checks their work and realizes they forgot to reconcile their PTCs. Martin and their accountant complete Form 8962, and realize **Martin owes \$1,200 in Excess PTCs**; Martin should have received \$100 less in APTCs every month in 2023.

Martin sends their IRS tax forms, Form 1095-A, and signed client agreement form Re: PTCs to the BRIDGE team. BRIDGE reviews the tax forms and emails a letter stating that **HDAP/CHII is paying the IRS \$1,200 due to Excess PTCs**.

|                              |   |                          |   |   |                       |   |  |   |                                 |
|------------------------------|---|--------------------------|---|---|-----------------------|---|--|---|---------------------------------|
| $\$500$ refund<br>if no PTCs | - | $\$1,200$<br>Excess PTCs | = | $-\$700$ taxes due to IRS with Excess PTCs<br><div style="margin-left: 40px;"> <math>\xrightarrow{\text{HDAP/CHII pay IRS } \\$1,200 \text{ on Martin's behalf. Months later, the IRS pays Martin } \\$1,200 \text{ as reimbursement.}}</math> </div> | $-\$700$<br>Taxes due | + | $\$1,200$<br>Reimbursement from IRS due to HDAP/CHII payment | = | $\$500$ refund<br>as if no PTCs |
|------------------------------|---|--------------------------|---|---|-----------------------|---|--|---|---------------------------------|

# How to Minimize Excess APTCs Owed to IRS or Net PTCs Owed to HDAP/CHII in Future Years

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**Report life changes to the MA Health Connector** as they occur. Life changes may change the amount of APTCs a client receives and reporting them promptly may prevent large tax credit adjustments at the end of the year. Changes in income will change the amount of APTCs a client receives.

- “Life changes” include, but are not limited to:
  - **Changes in income**
  - Changes in health coverage eligibility, such as becoming newly eligible for Medicare
  - Changes to one’s household, like birth or adoption, becoming pregnant, and marriage or divorce



**Summary**  
**Reference Slides**  
**Free Tax Prep Services**

# Summary of Action Steps:

## What do clients who received PTCs last year need to do?

---

1. Obtain a copy of Form 1095-A from the Health Connector.
2. File taxes, even if not done before. Include Form 8962 (requires information from Form 1095-A).
  - Free tax prep services are available across Massachusetts. See Resources slide.
3. If client owes money to IRS when they file, client should pay what they owe by deadline or request payment plan with IRS to avoid a late penalty. If client receives a tax refund, do not spend refund until after BRIDGE reviews client's tax forms; some of the refund might be due to HDAP/CHII if client has Net PTCs.
4. Submit client's PTCs-related tax forms and signed client agreement re: PTCs form to BRIDGE after filing taxes.
  - Required forms are listed on prior slide and at <https://crihealth.org/insurance-support/premium-tax-credits/>.
5. Look out for correspondence from BRIDGE Team regarding determination if HDAP/CHII can pay IRS on client's behalf due to Excess APTCs, or if client must send payment to HDAP/CHII due to Net PTCs.

# How to set up a payment plan with IRS:

---

- Most clients will qualify for a Short-term Payment Plan with the IRS as individual taxpayer.
  - Gives clients up to 180 days to pay off taxes due.
  - \$0 set up fee.
  - Penalties and interest still add up until balance is \$0.
  - HDAP/CHII cannot pay for the penalties and interest fees.
- Apply for a payment plan online, in person, over the phone.
  - IRS now offers secure online login through tech partner: ID.me.
  - Requires government ID or call with ID.me staff.
- Reference IRS website to setup up IRS account and learn how to set up payment plan: <https://www.irs.gov/payments/online-payment-agreement-application>.

# Free Tax Prep Resources in Massachusetts

- **Volunteer Income Tax Assistance (VITA) Program – *Multiple Locations in Mass***
  - Free tax assistance for those earning less than \$60,000, the elderly, persons with disabilities, and limited-English speaking taxpayers. 2024 appointment schedule posted: Jan 16, 2024 – April 15, 2024!
  - Find Locations here: <https://irs.treasury.gov/freetaxprep/>
  - Additional locations here: <https://www.masscap.org/freetaxprep/>
- **Greater Boston Legal Services Low Income Tax Clinic**
  - Main office: 197 Friend Street, Boston, MA 02114
  - Phone: 800-323-3205; 617-371-1234; <https://www.gbls.org/what-we-do/taxes>
- **Springfield Partners Low Income Tax Clinic**
  - Address: 721 State Street, Springfield, MA 01109
  - Phone: 413-263-6500, [www.springfieldpartnersinc.com/income-tax-assistance/low-income-taxpayer-clinic-litc/](http://www.springfieldpartnersinc.com/income-tax-assistance/low-income-taxpayer-clinic-litc/)

For clients who want to file their taxes online, we recommend they take advantage of the IRS free file program (if eligible), starting with the IRS website: <https://apps.irs.gov/app/freeFile> rather than starting from a tax service's homepage. Income eligibility for free file is \$73,000 AGI or less.

# PTCs-related Tax Forms due to BRIDGE:

Clients must send completed forms to BRIDGE after filing.

Checklist:  
Print Me!

**IRS Form 8962:** [www.irs.gov/pub/irs-pdf/f8962.pdf](http://www.irs.gov/pub/irs-pdf/f8962.pdf)

**Instructions for IRS Form 8962:** <https://www.irs.gov/pub/irs-pdf/i8962.pdf>

**IRS Form 1040:** [www.irs.gov/pub/irs-pdf/f1040.pdf](http://www.irs.gov/pub/irs-pdf/f1040.pdf)

**IRS Schedule 2 (Form 1040):** [www.irs.gov/pub/irs-pdf/f1040s2.pdf](http://www.irs.gov/pub/irs-pdf/f1040s2.pdf) if they have Excess Advance PTCs **OR**

**IRS Schedule 3 (Form 1040):** [www.irs.gov/pub/irs-pdf/f1040s3.pdf](http://www.irs.gov/pub/irs-pdf/f1040s3.pdf) if they have Net premium tax credit

**Form 1095-A** – mailed to client from MA Health Connector and available to download online from [Health Connector](#)

• 1-877-623-6765 (call to request another copy be mailed)

• [www.mahealthconnector.org/taxes/tax-form-copies-and-corrections](http://www.mahealthconnector.org/taxes/tax-form-copies-and-corrections) sign in and follow download instructions

**HDAP/CHII Client Agreement Regarding Reconciliation of PTCs Form** – signed and dated by client

Available on our website in English: [https://crihealth.org/wp-content/uploads/2024/01/TY2023-HDAP-APTCS-Client-Agreement-Form-FINAL\\_20240129.pdf](https://crihealth.org/wp-content/uploads/2024/01/TY2023-HDAP-APTCS-Client-Agreement-Form-FINAL_20240129.pdf)

And in Spanish: [https://crihealth.org/wp-content/uploads/2024/01/TY2023-HDAP-SPANISH\\_APTCS-Client-Agreement-Form-FINAL\\_20240130.pdf](https://crihealth.org/wp-content/uploads/2024/01/TY2023-HDAP-SPANISH_APTCS-Client-Agreement-Form-FINAL_20240130.pdf)

# How to Contact Us

## Individuals:

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## BRIDGE Team Contact:

### **BRIDGE Team**

P. 617.502.1700 (select option 1 followed by option 5)

[bridgeteam@crihealth.org](mailto:bridgeteam@crihealth.org)

Email Us Securely:

<https://crihealth.org/contact/#Secure>

## Mail:

### **Community Resource Initiative**

**ATTN: BRIDGE Team**

**529 Main Street, Suite 301**

**Boston, MA 02129**

## Community Resource Initiative:

<https://crihealth.org/insurance-support/bridge/>

**617.502.1700 (Phone)**

**617.502.1703 (HDAP/BRIDGE/CHII fax)**