

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

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*HDAP is a program of the
Massachusetts Department of
Public Health



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

BRIDGE Team (Benefits Resources Infectious Disease Guidance & Engagement)

- Provides health insurance and benefits program enrollment, guidance, outreach, and training to individuals and organizations throughout Massachusetts.
- We develop trainings and provide individualized assistance for case managers, community resource specialists, and health care consumers and providers.

BRIDGE can help:

- Guide clients living with HIV through health insurance plan selection, particularly during Open Enrollment periods.
- Assist clients with accessing health insurance, especially if a client's insurance terminates or if a client is in a transitional period, such as a loss or change in job and/or income or becoming Medicare eligible.
- Provide support and advocacy when clients face barriers to getting their medications and medical care that they need.

CHII Team (Comprehensive Health Insurance Initiative)

- Assists with paying the cost of health insurance premiums for eligible clients in our HIV Drug Assistance Program (HDAP).
- Helps clients enroll in and maintain insurance coverage or pay for their current insurance plan.
- **CHII can help:**
- Coordinate urgent payment requests to ensure timely effectuation of insurance plans
- Communicate with insurers on an ongoing basis to document client eligibility and update and ensure health insurance coverage
- Coordinate with the BRIDGE and Enrollment teams to integrate service delivery with HDAP
- Advise clients on plan options for ESI (employer-sponsored insurance) and non-group plans

What we will cover in this webinar:

1. Premium Tax Credits:

- What are Premium Tax Credits (PTC)?
- How and Why CHII clients are receiving PTC?
- What clients need to know about how PTC 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 PTC reconciliation

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

4. Example Client Scenarios

5. Additional Guidance and Resources

Premium Tax Credits (PTC)

What are Premium Tax Credits (PTC)?

- 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 PTC 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 PTC?

To be eligible for PTC, 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 PTC.
- 2) Agree to file federal taxes (if married, must file jointly except in specific circumstances) and reconcile any PTC they receive in advance.
- 3) Not be claimed as a dependent by someone else on their taxes.
- 4) Not have access to affordable employer sponsored insurance. (Affordable = costs are less than 9.96% of yearly household income.)

For tax year 2026, individuals between 100% (\$15,960) and 400% FPL (\$63,840) are eligible for PTC. This amount rises for each additional family member.

History of Premium Tax Credits

- PTC were implemented in 2014 as part of the Affordable Care Act (ACA).
- The American Rescue Plan Act of 2021 greatly expanded PTC to provide more affordable insurance for people during the COVID pandemic. This expanded eligibility for and the amount of PTC in 2021 and 2022.
- These enhanced PTC were extended from 2023-2025 as part of the Inflation Reduction Act.
- The enhanced PTC were scheduled to sunset at the end of 2025, and Congress has not extended them.
- On 1/8/26, the US House voted to continue the enhanced subsidies for three more years and vote will now go to the Senate.
- Ryan White legislation mandates “vigorous pursuit” of Net APTC.

Policy Changes and Updates: Federal

- Other Changes as of 1/1/26
 - ConnectorCare Type 1 plans were eliminated (individuals and families with incomes under 100% FPL are no longer eligible for PTC)
 - ConnectorCare Type 3D was eliminated (the maximum income limit of 400% was reinstated.)
 - There will be no repayment cap on Excess APTC.
- Those with incomes under 100% FPL may purchase an unsubsidized plan or be eligible for MassHealth or Health Safety Net.
- Those with incomes above 400% FPL also may purchase an unsubsidized plan.

Policy Changes and Updates: State

On January 8, MA Gov. Maura Healey announced a \$250 million increase in support for subsidies for people with incomes under 400% FPL to help offset the federal cuts to PTC subsidies.

As a result, some people will see no increase in their premium amounts and others will see reduced increases.

Overview - APTC Outreach

- The BRIDGE Team will be emailing case managers with an information packet including definitions, example cases, and a documents checklist.
- We ask CMs to reach out to clients who have insurance through the Health Connector, encourage them to file their taxes, and do the steps laid out in this webinar around APTC reconciliation.
- This helps clients continue to participate in plans with low medical copays and other out of pocket costs.

How Are CHII Clients Connected to PTC?

- 1) CHII clients who receive insurance through the Health Connector must apply for and accept all subsidies available to them, including PTC or ConnectorCare.
- 2) PTC 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 PTC in advance** throughout the year. PTC received in advance are referred to as **Advance PTC (APTC)**.
- 3) APTC 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 [REDACTED] Member ID [REDACTED] Bill date November 01, 2025

Insurer: WellSense Health Plan
Plan name: WellSense Clarity ConnectorCare 3

205731115

Total due \$149.04
Please pay by 11/23/2025

You are not enrolled in AutoPay. Please make a payment by the due date.

This bill is for your December 2025 Health Plan through the Health Connector.

No longer need this plan?
If you don't want coverage for December, please cancel by November 30, 2025. You can cancel through your online account or by calling 1-877-MA-ENROLL (1-877-623-6765).

Important messages about your account:
Open Enrollment is November 1- January 23. This is the time of year when you can renew your plan or shop for a new one. Compare plans for 2026 at MAhealthconnector.org.

Account activity	
Plan's monthly premium	962.04
Advance Premium Tax Credit	-813.00
ConnectorCare subsidy:	-0.00
Your monthly premium:	\$ 149.04
Last statement balance:	149.04
Total due from last statement:	\$ 0.00
Total fees, discounts, and adjustments:	\$ 0.00
What you owe by 11/23/2025:	\$ 149.04

What is APTC Reconciliation?

Part of federal tax filing process via Form 8962. If you received APTC in any amount you must file a federal income tax return for that year and must include Form 8962

When filing tax return, Form 8962 is used to calculate the amount of PTC you are allowed to claim and to compare that to the amount of APTC you received during the year.

APTC Reconciliation accounts for differences between the following:

- 1) The amount of APTC received during the year. The IRS determines how much APTC based on the projected/estimated annual household income you report to the MA Health Connector when you apply for insurance that year.
- 2) The amount of PTC actually allowed to receive. You calculate this on Form 8962 using your actual household income for the year as calculated on your tax return.

How Does APTC Reconciliation Affect Taxes?

Important Terminology & Process

Excess APTC arise when **individuals receive MORE advance premium tax credits than they are eligible for based on their actual income for the year**. This situation typically occurs when a taxpayer's **income increases significantly after they initially applied** for health coverage through MA's Health Insurance Marketplace – the MA Health Connector. The APTC is calculated based on projected income, and if the actual income exceeds this projection, the taxpayer may have to repay the excess amount to the IRS when filing their tax return.

NET PTC happen when **individuals receive FEWER advance premium tax credits than they are eligible for based on their actual income for the year**. This typically occurs when people's actual earned income for the **year is less than they estimated** when they initially applied for health coverage through the MA Health Connector. Because the APTC is calculated based on projected income, if their actual income is less than this projection, the taxpayer may reduce their total tax liability, which may result in a refund from the IRS when filing their tax return.

Why does Reconciliation of APTC matter?

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

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 APTC, and are responsible for any repayments due for Excess APTC.

November – January
Open Enrollment Plan Selection + initial APTC calculated

Consider Plan Options with Case Manager + BRIDGE

January - February
Health Connector sends out 1095-A for prior year

April – October
Late filing period; federal refunds processed

The Premium Tax Credit Cycle

Send copy of your APTC-related tax documents to BRIDGE

April 15th, 2026
Federal Income Tax Returns Due (Including Form 8962)

Work with Case Manager or Tax Preparer

File your taxes by the deadline and pay any taxes due

Reconciliation Process: Important Considerations



If clients received APTC in prior years and have not filed their taxes or reconciled the APTC for those years:

- **They likely will not be eligible for APTC or ConnectorCare in future years**

-AND-

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

People should file or amend their taxes
from previous years!

PTC-related Tax Forms and Reconciliation

Forms Needed for PTC Reconciliation

	Forms	Purpose	Origin
#1	Form 1095-A – Health Coverage through the MA Health Connector 	<ul style="list-style-type: none"> Verifies insurance enrollment, cost of premium, & amount of Advance PTC client received for each month of 2025. Form 1095-A is needed to complete Form 8962. 	MA Health Connector mails Form 1095-A to clients in January 2026.
#2	Form 8962 – Premium Tax Credit	<ul style="list-style-type: none"> Calculates total amount (\$) of PTC a client is eligible to receive for 2025 based on their actual 2025 income. Compares it to the amount PTC they received in advance which is reported on Form 1095-A 	IRS – Form 8962 has instructions https://www.irs.gov/pub/irs-pdf/i8962.pdf
#3	Schedule 2 or Schedule 3	<ul style="list-style-type: none"> Schedule 2 (additional taxes) if Excess APTC Schedule 3 (additional credits) if Net PTC 	IRS
#4	Form 1040 – US Individual Income Tax Return	<ul style="list-style-type: none"> The main form used for filing federal income tax returns 	IRS
#5	CRI's Client Agreement Form for PTC Reconciliation	Details client obligations regarding filing taxes & reconciling APTC. All clients receiving Advance PTC are required to submit this client agreement form with the above tax forms to CRI.	CRI – copies are available on www.crihealth.org & in handbook

PTC Reconciliation: Form 1095-A



- Form 1095-A is necessary to complete IRS Form 8962 and Reconcile APTC. Clients will be mailed a 1095-A from the Health Connector in January 2026.
- 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 2026.
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 account. Go to the Payment Center.
4. Financial Assistors, 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 **1095-A** | **Health Insurance Marketplace Statement** VOID CORRECTED | OMB No. 1545-0022
 Department of the Treasury | Internal Revenue Service | Do not attach to your tax return. Keep for your records. | **2025**
 Go to www.irs.gov/Form1095A for instructions and the latest information.

Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name
4 Recipient's name	5 Recipient's SSN	6 Recipient's date of birth
7 Recipient's spouse's name	8 Head of Household Info <small>is of birth</small>	
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

Part II Covered Individuals

A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16				
17				
18				
19				
20				

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January			
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			

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 60709Q Form **1095-A** (2025) Created 6/5/25

Lists all members covered by plan in 2025.

Information necessary for Form 8962

PTC Reconciliation: Tax Form 8962

Tax Form 8962 is a 2-page US tax form used to reconcile Advance PTC. See example of TY2025 tax form →

- To complete Form 8962, clients will enter their annual income for 2025 and the information found in their Form 1095-A.
- The form will compare the amount of PTC clients received in Advance during 2025 to the amount of PTC 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 Premium Tax Credit (PTC) 2025
 Attach to Form 1040, 1040-SR, or 1040-NR.
 Go to www.irs.gov/Form8962 for instructions and the latest information.

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**

2b 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 Alaska b Hawaii c 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**

8b 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 and continue to line 24.
 No. Continue to lines 12-23. Compute your monthly PTC and continue to line 24.

Annual Calculation	(a) Annual enrollment premium (Form(s) 1095-A, line 23A)	(b) Annual applicable SLCSP premium (Form(s) 1095-A, line 23B)	(c) Annual contribution amount (line 8a)	(d) Annual maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-)	(e) Annual PTC allowed (smaller of (d) or (c))	(f) Annual advance payment of PTC (Form(s) 1095-A, line 23C)
11 Annual Totals						
Monthly Calculation	(a) Monthly enrollment premium (Form(s) 1095-A, lines 21-22, column A)	(b) Monthly applicable SLCSP premium (Form(s) 1095-A, lines 21-22, 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 PTC allowed (smaller of (d) or (c))	(f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21-22, 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 PTC. Enter the amount from line 11, column (e), or add lines 12 through 23, column (e), and enter the total here.						24
25 Advance payment of PTC. Enter the amount from line 11, column (f), or add lines 12 through 23, column (f), and enter the total here.						25
26 Net PTC. 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



PTC Reconciliation: Tax Form Schedule 2

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

- Clients received too many PTC throughout 2025 and have to pay the excess amount back.
- Page 1 is used for Excess APTC

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

SCHEDULE 2 (Form 1040) Additional Taxes
 Attach to Form 1040, 1040-SR, or 1040-NR.
 Department of the Treasury Internal Revenue Service
 Go to www.irs.gov/Form1040 for instructions and the latest information.
 Name(s) shown on Form 1040, 1040-SR, or 1040-NR Your social security number

Part I Tax

1 Additions to tax:

a Excess advance premium tax credit repayment. Attach Form 8962 1a

b Repayment of new clean vehicle credit(s) transferred to a registered dealer from Schedule A (Form 8936), Part II. Attach Form 8936 and Schedule A (Form 8936) 1b

c Repayment of previously owned clean vehicle credit(s) transferred to a registered dealer from Schedule A (Form 8936), Part IV. Attach Form 8936 and Schedule A (Form 8936) 1c

d Recapture of net EPE from Form 4255, line 2a, column (i) 1d

e Excessive payments (EPs) on gross EPE from Form 4255. Check applicable box and enter amount. See instructions.
 Line 1a Line 1c
 Line 1d Line 2a 1e

f 20% EP from Form 4255. Check applicable box and enter amount. See instructions.
 Line 1a Line 1c
 Line 1d Line 2a 1f

y Other additions to tax (see instructions): 1y

z Add lines 1a through 1y 1z

2 Alternative minimum tax. Attach Form 6251 2

3 Add lines 1z and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17 3

Part II Other Taxes

4 Self-employment tax. Attach Schedule SE. Check if any exemption from (see instructions):
 1 4361 2 4029 3 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 8

9 Household employment taxes. Attach Schedule H 9

10 Reserved for future use 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

(continued on page 2)
 For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 11479U Schedule 2 (Form 1040) 2025 Created 5/8/25

Schedule 2 (Form 1040) 2025 Page 2
Part II Other Taxes (continued)

17 Other additional taxes:

a Recapture of other credits. List type, form number, and amount: 17a

b Recapture of federal mortgage subsidy. If you sold your home, see instructions 17b

c Additional tax on HSA distributions. Attach Form 8889 17c

d Additional tax on an HSA because you didn't remain an eligible individual. Attach Form 8889 17d

e Additional tax on Archer MSA distributions. Attach Form 8853 17e

f Additional tax on Medicare Advantage MSA distributions. Attach Form 8853 17f

g Recapture of a charitable contribution deduction related to a fractional interest in tangible personal property 17g

h Income you received from a nonqualified deferred compensation plan that fails to meet the requirements of section 409A 17h

i Compensation you received from a nonqualified deferred compensation plan described in section 457A 17i

j Section 72(m)(5) excess benefits tax 17j

k Golden parachute payments 17k

l Tax on accumulation distribution of trusts 17l

m Excise tax on insider stock compensation from an expatriated corporation 17m

n Look-back interest under section 167(g) or 460(b) from Form 8627 or 8606 17n

o Tax on non-effectively connected income for any part of the year you were a nonresident alien from Form 1040-NR 17o

p Any interest from Form 8621, line 16f, relating to distributions from, and dispositions of, stock of a section 1291 fund 17p

q Any interest from Form 8621, line 24 17q

z Any other taxes. List type and amount: 17z

18 Total additional taxes. Add lines 17a through 17z 18

19 Recapture of net EPE from Form 4255, line 1d, column (i) 19

20 Section 965 net tax liability installment from Form 965-A 20

21 Add lines 4, 7 through 16, 18, and 19. These are your total other taxes. Enter here and on Form 1040 or 1040-SR, line 23; or Form 1040-NR, line 23b 21

Schedule 2 (Form 1040) 2025



PTC Reconciliation: Tax Form Schedule 3

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

- Clients received too few PTC throughout 2025 and are receiving the additional credit.
- Net PTC are documented on page 2

SCHEDULE 3 (Form 1040)		Additional Credits and Payments		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		Attach to Form 1040, 1040-SR, or 1040-NR. Go to www.irs.gov/Form1040 for instructions and the latest information.		2025 Attachment Sequence No. 03
Name(s) shown on Form 1040, 1040-SR, or 1040-NR			Your social security number	
Part I Nonrefundable Credits				
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 credits from Form 8863, line 19		3	
4	Retirement savings contributions credit. Attach Form 8880		4	
5a	Residential clean energy credit from Form 5695, line 15		5a	
5b	Energy efficient home improvement credit from Form 5695, line 32		5b	
6	Other nonrefundable credits:			
a	General business credit. Attach Form 3800	6a		
b	Credit for prior year minimum tax. Attach Form 8801	6b		
c	Adoption credit. Attach Form 8839	6c		
d	Credit for the elderly or disabled. Attach Schedule R	6d		
e	Reserved for future use	6e		
f	Clean vehicle credit. Attach Form 8936	6f		
g	Mortgage interest credit. Attach Form 8396	6g		
h	District of Columbia first-time homebuyer credit. Attach Form 8859	6h		
i	Qualified electric vehicle credit. Attach Form 8834	6i		
j	Alternative fuel vehicle refueling property credit. Attach Form 8911	6j		
k	Credit to holders of tax credit bonds. Attach Form 8912	6k		
l	Amount on Form 8978, line 14. See instructions	6l		
m	Credit for previously owned clean vehicles. Attach Form 8936	6m		
z	Other nonrefundable credits. List type and amount:			
		6z		
7	Total other nonrefundable credits. Add lines 6a through 6z		7	
8	Add lines 1 through 4, 5a, 5b, and 7. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 20		8	
Part II Other Payments and Refundable Credits				
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	Section 1341 credit for repayment of amounts included in income from earlier years	13b		
c	Net elective payment election amount from Form 3800, Part III, line 6, column (j)	13c		
d	Deferred amount of net 965 tax liability (see instructions)	13d		
z	Other refundable credits (see instructions):			
		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	

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 PTC can affect whether a client receives a tax refund or if they owe additional money to the IRS.

The image shows the 2025 U.S. Individual Income Tax Return (Form 1040) form. Key sections visible include:

- Header:** 1040 U.S. Individual Income Tax Return 2025. Includes checkboxes for 'Filed pursuant to section 301.9100-2' and 'Carroll zone'.
- Filing Status:** Single, Married filing jointly, Married filing separately, Head of household, Qualifying surviving spouse.
- Income:** Sections 1a through 11a, including Total amount from Forms W-2, Household employee wages, Tip income, Medicaid/waiver payments, Taxable dependent care benefits, Employer-provided adoption benefits, Wages from Form 9919, Other earned income, Tax-exempt interest, Qualified dividends, IRA distributions, Pensions and annuities, Social security benefits, Capital gain or (loss), and Adjustments to income from Schedules E and F.
- Tax and Credits:** Sections 11b through 24, including Standard deduction, Qualified business income deduction, Tax, Child tax credit, and Federal income tax withheld.
- Refund:** Sections 25a through 26, including Additional child tax credit, American opportunity credit, Refundable adoption credit, and Amount of line 34 you want refunded to you.
- Amount You Owe:** Section 27, including Estimated tax payments and amount applied from 2024 return, and Estimated tax penalty.
- Sign Here:** Signature lines for the taxpayer and spouse, with checkboxes for 'I am the preparer' and 'I am the preparer's spouse'.



What Do Clients Need to Do About Paying Their Taxes?

Clients must file and pay **all** taxes they owe the IRS, **including those due to Excess APTC**, by the tax deadline to avoid paying any late penalties or interest. Any taxes owed to IRS are due by April 15th.

- 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 PTC 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 APTC each month.
- 3) Clients must reconcile the APTC they received in 2025 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 APTC:

- HDAP/CHII can pay IRS on a client's behalf for Excess APTC after the client has filed their taxes and submitted their forms for review.
- HDAP/CHII cannot pay for any late penalties/interest.

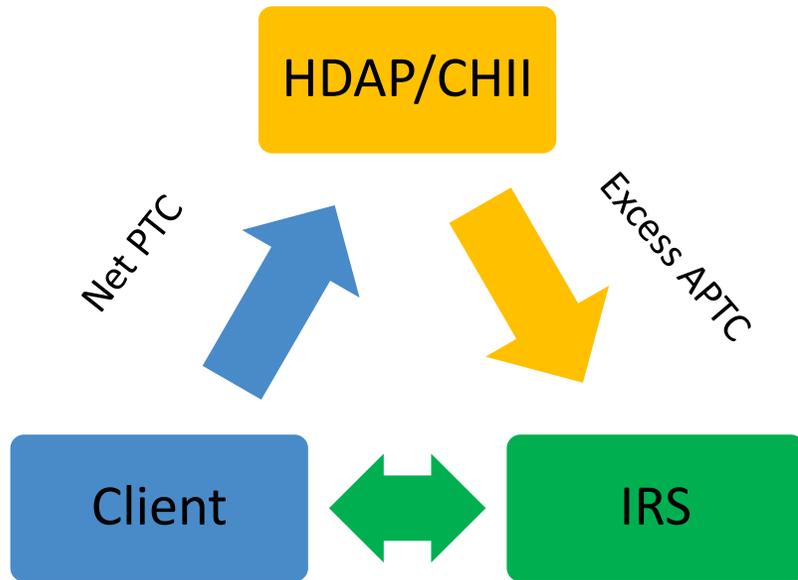
How can clients minimize late penalties/interest?

1. Pay in full by April 15th: No late penalties/interest
2. Pay as much as possible by April 15th. 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 PTC reconciliation

APTC 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 APTC after they filed their taxes

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

- **The client must pay the IRS all taxes owed by the tax deadline to avoid having to pay late payment penalty and interest.**
- HDAP/CHII can pay the IRS on a client's behalf the amount owed due to Excess APTC **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 sent on client's behalf, the IRS then sends payment to the client as a reimbursement for the amount client already paid when they filed. *It may 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 PTC: 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 PTC

What does HDAP/CHII require clients to do regarding PTC?

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 PTC.
4. Submit their PTC-related tax forms **and signed client agreement** re: PTC form to BRIDGE after filing taxes.
 - IRS Form 1040** (both sides of 1-pager)
 - **IRS Schedule 2 (Form 1040)** if they have Excess APTC **OR**
 - **IRS Schedule 3 (Form 1040)** if they have Net PTC.
 - IRS Form 8962: Premium Tax Credit**
 - Form 1095-A** – mailed to client from MA Health Connector
 - HDAP/CHII Client Agreement Regarding Reconciliation of PTC Form** – signed and dated by client

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

- CHII clients who received APTC and premium assistance for any month of 2025 **must sign and date** this form and then **send a copy** to the BRIDGE Team via upload to HDAP portal (preferred), or via secure email, fax, or mail.



Massachusetts HIV Drug Assistance Program (HDAP)

Agreement Regarding Reconciliation of Premium Tax Credits

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

HDAP PORTAL UPLOAD: Please use "other document" category and write "APTC" in comments box
HDAP Portal: <https://mahdaprovider.providem.net/Account/LogOn>
Client Portal: <https://mahdap.providem.net/>

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

Find instructions and link to access the secure email here: <https://crihealth.org/contact/WSecure>.

FAX this form to (617) 502-1703, **MAIL** it to: Community Resource Initiative, ATTN: BRIDGE Team, [Seaside 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.

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 actual income being greater than my estimated income that I reported to the Massachusetts Health Connector when I applied for insurance. 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, or (617) 502-1790.

This program is administered by the Massachusetts Department of Community Health, Community Resource Initiative.

Submitting Tax Documents to BRIDGE: Use the HDAP portal

- Upload as “Other Document”
- Write “APTC” in comments box.



Please submit any documents missing from an existing application, or to update information already provided or extend temporary coverage. If you send insurance payment statements to CHII, you can use this screen to do so.

Submit Documentation

HDAP ID (if known):

Full First Name: *

Full Last Name: *

Date of Birth: *

Comments:

Other Document

Click to select files to attach ==>:

If you are unable to upload documentation, you may securely fax it to HDAP at 617-502-1703 or mail to Schrafft City Center, 529 Main St Suite 301, Boston, MA 02129



Examples

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

Examples: A Tax Refund Amount Increases Due to Reconciling PTC



In Jan 2025, Sophie estimates she will earn \$30,000 for the year. Throughout 2025, Sophie gets \$900 in APTC monthly on her premium bill, reducing her monthly Health Connector premium bill.

Sophie initially completes her Tax Year 2025 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 warns 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 PTC in TY2025. **She keeps her \$1,000 net tax refund**.



In February 2026, when Sophie gets her W2s, she realizes that she only made \$25,000 in 2025.

Sophie's accountant checks her work and realizes she forgot to reconcile her PTC. Sophie and her accountant complete Form 8962, and realize **Sophie gets \$1,200 in Net PTC**; Sophie should have received an additional \$100 in APTC every month in 2025.

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

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

Examples: A Tax Refund Amount Decreases Due to Reconciling PTC



In Jan 2025, Amari estimates he will earn \$30,000 for the year. Throughout 2025, Amari gets \$1,000 in APTC monthly on his premium bill, reducing his monthly Health Connector premium bill.

Amari initially completes his Tax Year 2025 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 PTC amount.

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



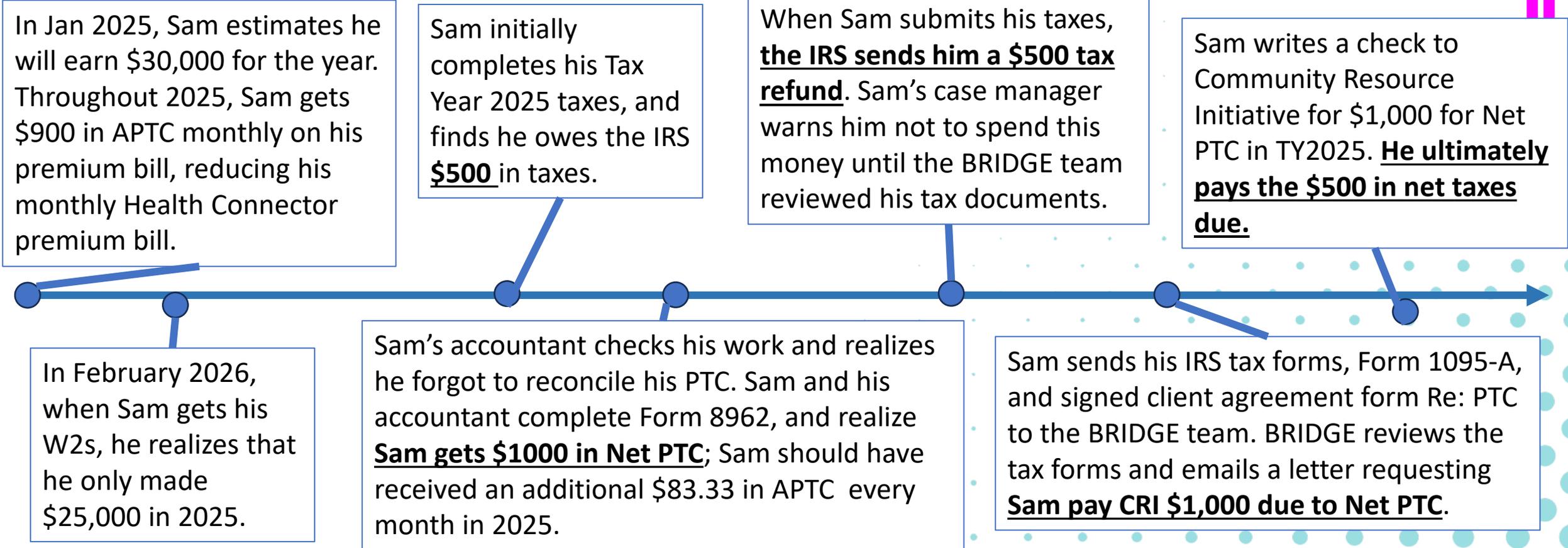
In February 2026, when Amari gets his W2s, he realizes that he made \$35,000 in 2025.

Amari's accountant checks his work and realizes he forgot to reconcile his PTC. Amari and his accountant complete Form 8962, and realize **Amari owes \$800 in Excess PTC;** Amari should have received \$66.67 less in APTC every month in 2025.

Amari sends his IRS tax forms, Form 1095-A, and signed client agreement form Re: PTC 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 PTC.**

\$1000 refund if no PTC	-	\$800 Excess PTC	=	\$200 refund with Excess PTC		\$200 refund	+	\$800 Reimbursement from IRS due to HDAP/CHII payment	=	\$1000 refund as if no PTC
				<div style="border-top: 1px solid black; width: 100%; margin-bottom: 5px;"></div> <div style="display: flex; align-items: center; justify-content: center;"> <div style="font-size: 2em; margin-right: 5px;">}</div> <div style="font-size: 2em; margin-right: 5px;">→</div> </div>						
				HDAP/CHII pay IRS \$800 on Amari's behalf. <i>Months later</i> , the IRS pays Amari \$800 as reimbursement.						

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



$$\begin{array}{r}
 \text{-\$500 taxes owed} \\
 \text{if no PTC}
 \end{array}
 +
 \begin{array}{r}
 \text{\$1,000} \\
 \text{Net PTC}
 \end{array}
 =
 \begin{array}{r}
 \text{\$500 refund with Net PTC} \\
 \text{Sam pays CRI} \\
 \text{\$1,000 due to Net PTC}
 \end{array}
 \longrightarrow
 \begin{array}{r}
 \text{\$500} \\
 \text{Refund with} \\
 \text{Net PTC}
 \end{array}
 -
 \begin{array}{r}
 \text{\$1,000} \\
 \text{Sam's payment} \\
 \text{to HDAP/CHII} \\
 \text{for Net PTC}
 \end{array}
 =
 \text{-\$500 taxes owed} \\
 \text{as if no PTC}$$

How to Minimize Excess APTC Owed to IRS or Net PTC Owed to HDAP/CHII in Future Years

Report life changes to the MA Health Connector as they occur. Life changes may change the amount of APTC 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 APTC a client receives.

- “Life changes” include, but are not limited to:
 - **Changes in income and employment**
 - 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 PTC 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 PTC.
4. Submit client's PTC-related tax forms and signed client agreement re: PTC form to BRIDGE after filing taxes.
 - Required forms are listed on prior slide and at <https://crihealth.org/insurance-support/premium-tax-credits/>.
 - We don't need ALL tax documents. Please only send the necessary documents to help streamline our shared process.
5. Look out for correspondence from BRIDGE Team regarding determination if HDAP/CHII can pay IRS on client's behalf due to Excess APTC, or if client must send payment to HDAP/CHII due to Net PTC.

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/ 6 months to pay off taxes due.
 - \$0 set up fee; can pay from direct deposit, debit/credit card, money order or check.
 - Penalties and interest still add up until balance owed 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 \$67,000, the elderly, persons with disabilities, and limited-English speaking taxpayers.
 - 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, [Volunteer Income Tax Assistance \(VITA\) – Springfield Partners for Community Action](#)

PTC-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
- IRS Form 1040: www.irs.gov/pub/irs-pdf/f1040.pdf
 - IRS Schedule 2 (Form 1040): www.irs.gov/pub/irs-pdf/f1040s2.pdf if they have Excess Advance PTC **OR**
 - IRS Schedule 3 (Form 1040): 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 sign in and follow download instructions
- HDAP/CHII Client Agreement Regarding Reconciliation of PTC Form – signed and dated by client
 - Will be available on our website in English and Spanish

Questions

How to Contact Us

Individuals:

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BRIDGE Team Contact:

BRIDGE Team

P. 617.502.1790

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)