

## **Exemption Information If Your State Didn't Expand Medicaid**

**Do you have a low income and live in state that did not expand Medicaid? You may be eligible for an exemption from the requirement to have health coverage.**

The Affordable Care Act is making health insurance more affordable, helping more people get covered, and improving the quality of care that millions of Americans receive. Under the Affordable Care Act, individuals are required to have health coverage or an exemption from the coverage requirement. Individuals who don't have coverage will have to make a payment when filing their tax returns unless they qualify for an exemption. If you qualify, receiving an exemption is simple and easy.

It is important for individuals to know that exemptions are available and to understand the steps they need to take to request one. If your household income was below a certain level for your family size, and at any time during the year you lived in a state that did not expand Medicaid under the Affordable Care Act (see list below), you may qualify for an exemption.

### **What does Medicaid expansion mean?**

The Affordable Care Act provides states with additional federal funding to expand their Medicaid programs to cover adults and children who may have not previously qualified for Medicaid coverage because their incomes are too high or for other factors. In states that have expanded Medicaid, free or low-cost health coverage is available to people with incomes below a certain level regardless of factors such as disability, family status, and financial resources.

### **Did my state expand Medicaid coverage by January 1, 2015?**

For filing your tax return for year 2015, the states that had not expanded Medicaid are listed below. Note that this list may be updated for filing your tax returns next year.

- Alabama
- Alaska
- Florida
- Georgia
- Idaho
- Kansas
- Louisiana
- Maine
- Mississippi
- Missouri
- Montana
- Nebraska
- North Carolina
- Oklahoma
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Virginia
- Wisconsin
- Wyoming

### **So who qualifies for the Medicaid exemption?**

In addition to other eligibility criteria, you may qualify to claim this exemption if your household income was below a certain level for your family size, and at any time during the year, you lived in a state that did not expand Medicaid (see list above). For example, if you lived in a state that

did expand Medicaid from January through July, then moved to a state that did not expand Medicaid in August, you could still be eligible for the exemption for the full year.

For filing your tax return for year 2015, you are considered to be within the threshold for this exemption, if your household income is below:

- \$16,105 for an individual
- \$21,707 for a family of two
- \$27,310 for a family of three
- \$32,913 for a family of four
- \$38,516 for a family of five
- \$44,119 for a family of six

### **How Do I Get a Medicaid Exemption?**

If you need this exemption, you can simply claim it when you file your taxes. To claim an exemption when you file your taxes, you'll select the exemption that applies to you, enter the corresponding code on [Form 8965](#) and send the form to the IRS with your income tax return. For this exemption, it will be "Resident of a state that did not expand Medicaid," which is code G.

Some people already applied for a similar exemption through the Health Insurance Marketplace. If you already received a similar exemption through the Marketplace because you were determined ineligible for Medicaid, you should use the Exemption Certificate Number provided to you when you file your taxes. If you have questions about Marketplace exemptions or about your Exemption Certificate Number, visit [HealthCare.gov/taxes](http://HealthCare.gov/taxes), or call the Marketplace Call Center at 1-800-318-2596.

If you have questions about how to claim an exemption on your tax return, visit the Internal Revenue Service webpage on exemptions, available [here](#).

### **Where can I get help with my taxes?**

Most people use software to file their taxes, which is the easiest way to complete your tax return as it guides you through the process and does all the math. [Resources are available to help you file your taxes](#), including free tax filing services if you meet certain income requirements:

- [Free In-Person Volunteer Assistance through the Volunteer Income Tax Assistance \(VITA\) and Tax Counseling for the Elderly \(TCE\) programs.](#)
- [Free Software Returns through IRS Free File for taxpayers with incomes below \\$60,000.](#)
- [Commercial software.](#)
- [Professional assistance.](#)

### **How long does a Medicaid exemption last?**

This Medicaid exemption will be granted for the whole calendar year (January 2015 through December 2015).

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