

Family, Income, and Residence Changes Can Affect Your Premium Tax Credit

Article Highlights:

- Advance premium tax credit (APTC)
- Repayment avoidance
- Things you should report
- Special enrollment period

If you get health insurance coverage through a government Health Insurance Marketplace, it is very important that you keep the Marketplace aware of any changes in household income, marital status, and family size.

If you are receiving advance payments of the premium tax credit, it is particularly important that you report changes in circumstances, including moving, to the Marketplace. There's a simple reason: reporting these income and life changes lets the Marketplace update the information used to determine your eligibility for a Marketplace plan, which may affect the appropriate amount of advance payments of the premium tax credit that the government sends to your health insurer on your behalf.

Reporting the changes will help you avoid having too much or not enough premium assistance paid to reduce your monthly health insurance premiums. Getting too much premium assistance means you may owe additional money or get a smaller refund when you file your taxes. On the other hand, getting too little premium assistance could mean missing out on monthly premium assistance that you deserve.

Changes in circumstances that you should report to the Marketplace include, but are not limited to:

- An increase or decrease in your estimated household income
- Marriage or divorce
- The birth or adoption of a child
- Moving
- Starting a job that offers health insurance
- Gaining or losing your eligibility for other health care coverage

Many of these changes in circumstances—including moving out of the area served by your current Marketplace plan—qualify you for a special enrollment period to change or get insurance through the Marketplace. In most cases, if you qualify for the special enrollment period, you will have sixty days to enroll following the change in circumstances.

If you have questions about the premium tax credit or the advance payment of the credit, please give this office a call.