

Marketplace Insurance Checkup

Article Highlights:

- Advance Premium Tax Credit
- Family Income
- Family Size
- Reporting Changes to the Marketplace
- Repayment of Credit
- Married Filing Separately

If you are one of the many individuals or families who purchase their health insurance through the federal or a state government health insurance marketplace and are receiving an advance premium tax credit (subsidy of premium available to those with low to moderate income) to help you pay the cost of that insurance, you should make sure you report changes in family income and family size, as they occur, to the marketplace through which you purchased your insurance.

Changes in either family income or family size can have a significant impact on the amount of the advance premium tax credit (APTC) to which you are entitled. Reporting the changes as they occur allows the marketplace to adjust the APTC to the amount to which you are entitled.

Here are some changes in circumstances that you should report to the marketplace:

- An increase or decrease in your income
- Marriage or divorce
- The birth or adoption of a child
- Starting a job that provides you with or access to health insurance
- Gaining or losing your eligibility for other health care coverage
- Changing your residence

You can estimate (using the IRS [estimator](#)) the effect that changes in your family circumstances and income may have upon the amount of premium tax credit that you can claim.

Reporting these changes to the marketplace will help you avoid getting too much or too little advance payment of the premium tax credit. Getting too much APTC means you may owe additional money or get a smaller refund when you file your taxes for this year. Getting too little APTC could mean missing out on premium assistance to reduce your monthly premiums.

Repayments of excess premium assistance may be limited to an amount between \$300 and \$2,500, depending on your income and filing status. However, if advance payments of the premium tax credit were made, but your income for the year turns out to be too high to receive any amount of premium tax credit, you will have to repay all of the premium subsidies that were made on your behalf—with no limitation. Therefore, it is important that you report changes in circumstances that may have occurred since you signed up for your plan.

You should also be aware that married individuals filing separate returns are generally not allowed a premium tax credit and that any advance credit will have to be fully repaid. There are exceptions for abused or abandoned spouses and for those who meet the requirements to file as head of household.

If you have questions related to the APTC or how it may affect your particular circumstances, please give this office a call.