

# Getting Financial Assistance to Pay for Health Insurance



About this fact sheet

Starting in 2014, financial assistance became available to help you pay your premiums (monthly fees) for health insurance. The amount of assistance you can get depends on how much money your family earns and how many people are in your family.

## 1. What kind of financial assistance is available?

If you buy insurance through your state's health insurance marketplace, you may be able to get financial assistance to help pay your monthly premiums for health insurance. The marketplace will pay your health insurance company for part of the premium, and you will pay the rest.

## 2. Who can get financial assistance to pay for health insurance?

You can get this financial assistance if:

- You are lawfully living in the United States and are not currently in jail or prison.
- You can't get affordable health insurance that covers your basic health care needs through your job (or a family member's job), Medicaid, Medicare, the Children's Health Insurance Program, or the Department of Veterans Affairs (the VA).
- The amount of money your family expects to make in the year you want financial assistance falls within the amounts shown in this table:

**If your family makes less money** than what is listed in the table, you may qualify for Medicaid. Fill out the same application through the marketplace to find out.

**If you are a lawfully present immigrant who is not eligible for Medicaid**, you can get financial assistance if your family makes less money than what is listed in the table.

### Premium Tax Credits

The financial assistance you can get with your monthly premiums is sometimes called "premium tax credits."

### Who can get financial assistance based on income?

Family Size	Yearly Household Income
<b>Single</b>	\$11,770 - \$47,080
<b>Family of 2</b>	\$15,930 - \$63,720
<b>Family of 3</b>	\$20,090 - \$80,360
<b>Family of 4</b>	\$24,250 - \$97,000

**If you have a larger family**, you may still get financial assistance if your family makes more money than what is listed in the table on the previous page.

In order to get financial assistance to help pay for health insurance, you must buy insurance through the marketplace and file federal taxes for the year you get this assistance. For example, if you want to get financial assistance with your premiums in 2016, you'll need to file federal taxes for 2015.

### 3. How do I apply for financial assistance?

You use the same application to apply for health insurance and financial assistance. You can apply online through your state's health insurance marketplace. You can also use a paper application. If you have questions, there are people available to help you in person. After you apply, you will find out how much financial assistance you can get.

### 4. When and how will I get this financial assistance?

You can get financial assistance to help pay your monthly premiums in three ways:

- **Right away (starting in 2014):**

The marketplace sends your financial assistance directly to your health insurance company, which means that you pay less each month for premiums. (This is sometimes called an "advance premium tax credit.")

- **At tax time:**

If you pay the full amount of your premium each month, your financial assistance starts at tax time. At tax time, the amount of assistance you would have gotten is taken out of any amount that you owe in taxes. So if you owe taxes, you'll pay back less money. And if you don't owe taxes, you can get back the amount of your financial assistance as a refund.

- **Some right away and some at tax time:**

The marketplace sends part of your financial assistance directly to your health insurance company, which means that you pay less each month for premiums. You get back the rest of the financial assistance that you are owed when you do your taxes (see "At tax time" above).

#### Your Family and Financial Assistance

When the marketplace figures out how much financial assistance your family can get, it counts everyone listed on your family's tax return, including the taxpayer, the taxpayer's spouse, and their dependents. Married couples must file taxes jointly (as a couple) when they get financial assistance.

### 5. How much less will I have to pay for health insurance if I get financial assistance?

The amount of financial assistance you get depends on your income. People with low incomes get more assistance than people with higher incomes.

### 6. Why wouldn't I want to use all of my financial assistance right away?

The amount of financial assistance that you receive right away is based on what you *think* your family's income will be that year and how many people are in your family at the time you apply. But after you get your financial assistance, things can change. You might wind up earning more money, or the number of people in your family could change (you could get married, for example).

And because the financial assistance that you get right away is based on what you originally put down when you applied, if that information changes during the year, then you may have to pay back money at tax time.

That's because the amount of assistance you are *supposed* to get is based on how much your family *actually* earned and how many people are *actually* in your family at the end of the year (and on your tax return).

When you do your taxes, you will find out if you used the right amount of financial assistance to help pay your premiums during the year. If you used too much, you will have to pay some of it back. If you used less than the full amount, you will get back that extra money as a refund or as a discount on any taxes you owe.

If you are worried about using too much financial assistance up front and owing extra money at tax time, ask the marketplace to give your insurance company less than the full amount of financial assistance. That way, you'll have to pay a bit more for your monthly premiums, but you'll be less likely to pay money back at tax time.

#### MORE INFORMATION



Find out roughly how much you will pay for your health plan's monthly premiums with financial assistance.

***Fact sheet: "Income Guidelines for Getting and Using Financial Assistance for Health Insurance" (Table 2)***

#### MORE INFORMATION



Learn more about how financial assistance affects your taxes and what you can do about it.

***Fact sheet: "How Getting Financial Assistance to Pay for Health Insurance Affects Your Taxes"***

Learn more about deciding how much financial assistance to use up front.

***Fact sheet: "Deciding How Much Financial Assistance to Use to Lower Your Monthly Premiums"***

The complete *What You Need to Know about Health Insurance* series:

### **Applying for Health Insurance**

*Answering Questions about Your Family When Applying for Health Insurance*

*Answering Questions about Your Family's Income When Applying for Health Insurance*

*Applying for a Marketplace Plan if You Can Get Health Insurance through Your Job*

*What to Do if You Are Uninsured after February 15, 2015*

### **Getting Financial Assistance**

*Getting Financial Assistance to Pay for Health Insurance*

*Deciding How Much Financial Assistance to Use to Lower Your Monthly Premiums*

*Will I Be Able to Get Financial Help to Pay for Health Insurance?*

*How Getting Financial Assistance to Pay for Health Insurance Affects Your Taxes*

*Getting Extra Financial Assistance to Help Pay Health Care Costs*

### **Choosing a Health Plan**

*Choosing the Health Plan that's Right for You*

*Choosing a Health Plan You Can Afford*

*Understanding the Differences between Platinum, Gold, Silver, and Bronze Plans*

*Understanding Catastrophic Health Insurance*

*Buying Children's Dental Coverage through the Marketplace*

### **Keeping and Using Health Insurance**

*How to Use Your Health Insurance*

*How to Keep Your Marketplace Health Insurance*

*What to Do after You Buy Health Insurance in the Marketplace*

### **Understanding the Requirement to Have Health Insurance**

*Understanding the Requirement to Have Health Insurance*

*Understanding Minimum Essential Coverage*

### **Reference Charts and Graphics**

*Income Guidelines for Getting and Using Financial Assistance for Health Insurance*

*Income Guidelines for Getting Extra Financial Assistance to Pay for Health Care Costs*

*Types of Exemptions from the Requirement to Have Health Insurance*

A complete list of Families USA publications is available online at [www.FamiliesUSA.org/resources/publications](http://www.FamiliesUSA.org/resources/publications).

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