



**INCOME BELOW  
ALLOWABLE AMOUNT**

# INCOME LIMITS FOR TAX CREDIT

## ◆ Income eligibility for Premium Tax Credit

To be eligible for the premium tax credit, your household income must be at least 100 percent and, for years other than 2021 and 2022, no more than 400 percent of the federal poverty line for your family size, although there are two exceptions for individuals with household income below 100 percent of the applicable federal poverty line. Remember that simply meeting the income requirements does not mean you're eligible for the premium tax credit. You must also meet the other eligibility criteria.

## EXCEPTION 1:

- ◆ The first exception is based on estimated income for 2021 being at least 100% fpl at the time of enrollment. Which would not give you the income below allowable amount result so we are going to focus on the second exception.

## Exception 2:

### ◆ Client does not meet 5yr bar

***Alien lawfully present in the United States.*** Certain aliens with household income below 100% of the federal poverty line are not eligible for Medicaid because of their immigration status. You may qualify for the PTC if your household income is less than 100% of the federal poverty line if you meet all of the following requirements.

- No one can claim you as a dependent for the year.
- You or an individual in your tax family enrolled in a qualified health plan through a Marketplace.
- The enrolled individual is lawfully present in the United States **and** is not eligible for Medicaid because of immigration status.
- You otherwise qualify as an [applicable taxpayer](#) (except for the federal poverty line percentage).

# What you should do if you get this result

## Why this result?

You applied for free and low-cost health insurance. We evaluated you first for the lowest-cost option, Washington Apple Health. Given your income, household size, and tax-filing status information, you are not eligible for Washington Apple Health coverage for the following reasons:

- Citizenship requirements not met to receive Washington Apple Health. Must be lawfully present for 5 years from date of entry to the U.S. to be eligible

We then evaluated you for Health Insurance Premium Tax Credits. You are not eligible for the following reasons:

- Income is below allowable amount

# SUBMIT A TICKET TO ENROLL@KINGCOUNTY.GOV

## What Should You Do:

- ❖ Upload documents showing immigration status into the document center
- ❖ Make sure documents are readable
- ❖ Use the document that was used to complete the Lawful Presence question on the About You Page
- ❖ Submit a Ticket Request As Soon As Possible
- ❖ If the client has an SEP, advise client they still only have a 60 day SEP, even without the Tax Credit

## What you Should Know

- ❖ The client's SEP starts from the Date of Event not the date of application. So if a client arrives on 07/06 but doesn't apply until 08/25 their SEP is still 07/06-09/04
- ❖ This result DOES NOT put a hold on the SEP window
- ❖ This result DOES NOT effect their ability to select a plan
- ❖ Tax Credits are added going forward and not backdated so they may have to reconcile the 1<sup>st</sup> month on their taxes
- ❖ The Exchange generally will not extend the SEP due to this result

# WHAT OTHER REASON WOULD WE SEE INCOME BELOW ALLOWABLE AMOUNT?

- ◆ WHEN A CLIENT IS NOT ELIGIBLE FOR APPLE HEALTH FOR A REASON OTHER THAN CITIZENSHIP WHICH ARE CLIENTS 65 OR OVER WHO HAVE APPLIED THROUGH THE HEALTHPLANFINDER
  - ◆ HAVE THEY APPLIED FOR MEDICARE?
  - ◆ HAVE THEY APPLIED FOR ABD THROUGH DSHS?

# What if the client is a Citizen or Meets the 5yr bar?

◆ This result is  
**CORRECT!**

### Why this result?

You applied for free and low-cost health insurance. We evaluated you first for the lowest-cost option, Washington Apple Health. Given your income, household size, and tax-filing status information, you are not eligible for Washington Apple Health coverage for the following reasons:

- Not eligible for Washington Apple Health due to age 65 or older

We then evaluated you for Health Insurance Premium Tax Credits. You are not eligible for the following reasons:

- Income is below allowable amount

We then evaluated you for Qualified Health Plan coverage and determined you eligible.



# CAN A PERSON OVER 65 RECEIVE A TAX CREDIT

- ◆ Yes! If Enrolled through the Exchange prior to 65 AND:
  - ◆ They are NOT eligible for Free Part A
  - ◆ If they buy Part B only
- ◆ Yes! to newly enroll in QHP
  - ◆ Eligible for Medicare but not yet signed up
  - ◆ Covered under Medicare but would like to drop—Yes AFTER Medicare is dropped

❖ **THEY MUST MEET ALL OTHER TAX CREDIT REQUIREMENTS INCLUDING INCOME OVER 100%FPL**