



CABINET FOR HEALTH
AND FAMILY SERVICES

APTC and 1095-A Information

How can Enrollees Take Advantage of Tax Credits?

Two ways to get Premium Tax Credits (PTC):

Advanced Premium Tax Credit (APTC)

- Based on **expected** income during the tax year
- Applied to kynect for financial assistance and used tax credits to lower monthly premium costs in *advance*

Premium Tax Credit (PTC)

- Based on **actual** income during the tax year
- Claimed through IRS on federal tax returns by eligible enrollees who were ineligible for, did not apply for, or chose not to use APTC at time of application

What's the Difference Between APTC & PTC?

Differences	APTC	PTC
When it is determined	With eligibility determination	With submission of a Federal Income tax return
Who makes the determination	kynect	The IRS
How is it calculated	Based on estimated household income and family size reported on the kynect application	Based on actual household and family size as reported on the Federal Income tax return
Who receives it	The issuer (insurance company)	The tax filer
When is it paid	"In advance" on a monthly basis throughout the coverage year	At the end of the tax year when federal income tax return is filed

Where does all this information go?

A federal tax return must be filed by individuals who received APTC or want to claim PTC

- **Must file** a Form 1040, Form 1040A, or Form 1040NR and attach Form 8962 (explained later)
- Form 8962 **cannot be filed with** Form 1040EZ, 1040NR-EZ Form 1040-SS or Form 1040-PR

Process to Reconcile APTC & Claim PTC

Form 1095-A Health Insurance Marketplace Statement. This form provides recipient information, coverage household details, and household information for the year 2014.

Step 1: kynect sends enrollment information to enrollees in January

- Form 1095-A from kynect

Form 8962 Premium Tax Credit (PTC). This form is used to calculate the premium tax credit based on the information from Form 1095-A.

Step 2: Consumers reconcile APTC or claim PTC on their federal tax return during tax filing season

- Use Form 1095-A from kynect to complete IRS Form 8962

Form 1040 U.S. Individual Income Tax Return. This is the main federal tax return form where the PTC from Form 8962 is claimed.

Step 3: Consumers who took APTC or are claiming PTC must file their federal tax returns with the IRS during tax filing season

- IRS Form 1040 + IRS Form 8962

How is Payment Assistance reconciled?

APTC is based on **estimated current year** income and when enrollees file their federal tax return, they will report **actual** income (i.e. what income is right now in this year that will be used to file taxes next April).

APTC taken by individual during the tax year is compared to the PTC based on actual current year income

- If estimated income was lower than actual income, an enrollee might have to pay back all or some tax credits
- If estimated income was higher than actual income, an enrollee might get additional tax credits

Example 1: Additional Tax Credit Due to Enrollee

James is a 47 year-old unmarried adult with no dependents. He lives in Lexington and enrolled in a kynect Qualified Health Plan plan for 12 months in 2024

- When James signed up for coverage, he **estimated** his 2024 income to be \$28,000
- He was eligible for an APTC of \$73.32 per month and used the full amount towards his premium, for an annual total of \$880.00
- When James completes his federal tax return in April 2025, his **actual** 2024 income is \$22,000

The amount of PTC he is eligible based on **actual** income is \$147.56 per month or \$1,771 for the year

Example 1 (continued): Additional Tax Credit Due to Enrollee

\$ 880	Amount of APTC James applied
<u>\$1771</u>	<u>Amount of PTC James is eligible for*</u>
+\$891	Additional credit of \$891 will be claimed on James's federal tax return

- Calculated with Form 8962 (discussed later)

Example 2: Excess Tax Credit Received by Enrollee

Jodie is a 57 year-old unmarried adult with no dependents. She lives in Covington and enrolled in a kynect Qualified Health Plan for 12 months in 2024

When Jodie signed up for coverage, she **estimated** her 2024 income to be \$30,000

She was eligible for an APTC of \$323.05 per month and used the full amount towards her premium, for an annual total of \$3,877.

When Jodie completes her federal tax return in April 2025, her **actual** 2024 income is \$40,000

The amount of PTC she is eligible for based on **actual** income is \$209.17 per month or \$2,510 for the year

Example 2 (continued): Excess Tax Credit Received by Enrollee

\$3,877	Amount of APTC Jodie applied
<u>\$2,510</u>	<u>Amount of PTC Jodie is eligible for*</u>
-\$1367	Overpayment \$1,367 will be reported on Jodie's federal tax return.

Repayment capped at \$1,275 for this example.

- Calculated with Form 8962 (discussed later)

Table 5. Repayment Limitation

IF the amount on Form 8962, line 5 is . . .	THEN enter on line 28 . . .	
	for a filing status of Single—	for any other filing status—
Less than 200	\$300	\$600
At least 200 but less than 300	\$750	\$1,500
At least 300 but less than 400	\$1,275	\$2,550
400 or 401	leave line 28 blank	

*Amounts are the Modified adjusted household income in relation to the percentage of the Federal Poverty Level.

What is Form 1095-A?

Federal tax form to help taxpayers reconcile APTC/claim PTC

Issued by kynect to QHP enrollees in Bronze, Gold, Silver or Expanded Bronze plans

- Not sent for Medicaid, KCHIP, SHOP, or Catastrophic plans
- Not sent for Stand Alone Dental Plans

Members who were enrolled in

Medicaid/KCHIP will receive a Form1095-B

Form 1095-A?

Part I

- Recipient information

Part II

- Who was covered under this particular plan
- Coverage dates for each person for this plan

Part III

- Total monthly premiums for the “coverage household”
- Monthly Premium for the Second Lowest Cost Silver Plan (SLCSP)
- Monthly payment assistance and the total for the year, if applicable

Form 1095-A		Health Insurance Marketplace Statement		<input type="checkbox"/> VOID	OMB No. 1545-0047
Department of the Treasury Internal Revenue Service		Do not attach to your tax return. Keep for your records. Information about Form 1095-A and its separate instructions is at www.irs.gov/form1095a .		<input type="checkbox"/> CORRECTED	2016
Part I Recipient Information					
1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name			
4 Recipient's name		5 Recipient's SSN	6 Recipient's date of birth		
7 Recipient's spouse's name		8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth		
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)			
13 City or town	14 State or province	15 Country and ZIP or foreign postal code			
Part II Covered Individuals					
A. Covered individual name		B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16					
17					
18					
19					
20					
Part III Coverage Information					
Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit		
21 January					
22 February					
23 March					
24 April					
25 May					
26 June					

Form 1095-A, Part I: Recipient Information

Part I, lines 1–15, reports information about:

- The tax filer or other relevant adult
- The insurance company that issued the policy
- The Marketplace where they enrolled in coverage

Form 1095-A	Health Insurance Marketplace Statement	<input type="checkbox"/> VOID	OMB No. 1545-0047
Department of the Treasury Internal Revenue Service	<p>Do not attach to your tax return. Keep for your records.</p> <p>Information about Form 1095-A and its separate instructions is at www.irs.gov/form1095a.</p>	<input type="checkbox"/> CORRECTED	2016

Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name	
4 Recipient's name	5 Recipient's SSN	6 Recipient's date of birth	
7 Recipient's spouse's name	8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth	
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)	
13 City or town	14 State or province	15 Country and ZIP or foreign postal code	

Form 1095-A, Part II: Coverage Household

Part II, lines 16-20, reports information about each individual who is covered under the tax filer's or other relevant adult's policy, including:

- Name
- Social security number
- Date of birth
- Start and ending dates of coverage for each covered individual

Part II Coverage Household				
A. Covered Individual Name	B. Covered Individual SSN	C. Covered Individual Date of Birth	D. Covered Individual Start Date	E. Covered Individual Termination Date
16				
17				
18				
19				
20				

Form 1095-A, Part III: Household Information

Part III, lines 21-33, Form 8962 to claim the PTC and reconcile APTC, including monthly:

- SLCSP premium is only provided when APTC is used
- For Forms 1095-A with no APTC, recipients need to look up their monthly SLCSP premiums using the benchmark tool on kynect.ky.gov

Part III Household Information			
Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January			
22 February			
23 March			
24 April			

Benchmark Tool
Find your Second Lowest Cost Silver Plan (SLCSP) **Required field

What is your Benchmark Plan for getting a Premium Tax Credit when you file your federal tax return?

The amount of Premium Tax Credit you are eligible to receive is based on your income, household size, and the cost of the Second Lowest Cost Silver Plan (SLCSP) in the area in which you live. This is the Benchmark Plan. You will need to know the cost of the benchmark plan to claim a Premium Tax Credit when you file your federal tax return. This information will be needed to complete *IRS Form 8962: Premium Tax Credit*.

If you were eligible for payment assistance through kynect and received a IRS Form 1095-A from kynect, do not use the tool below to find your Benchmark Plan. Use the SLCSP provided to you on Form 1095-A. Your Benchmark Plan (or Second Lowest Cost Silver Plan) is listed on the Form 1095-A you received from kynect.

If you enrolled in a health insurance plan through kynect but did not apply for payment assistance or did not qualify for payment assistance based on the information provided to kynect, you may still be able to claim a Premium Tax Credit when you file your federal income tax return. The Form 1095-A you received from kynect did not include the cost of the SLCSP. This tool will help you to find the cost of the SLCSP for the individuals enrolled in a health insurance plan purchased through kynect.

To find the benchmark plan or SLCSP please give us the following information:

*Was anyone in your household enrolled in a health insurance plan purchased on kynect?
 Yes No

Please refer to Part II of Form 1095-A sent by kynect to answer these questions. If you received more than one 1095-A, you will need to answer these questions for each Form 1095-A you received.

* Select the coverage year 2014

*How many members of your household were enrolled in health coverage through kynect at any time during this coverage year? 2

*Enter Date of Birth
 Individual 1 01/01/1970
 Individual 2 03/03/1970

*Enter the start date and end date of coverage in a health plan through Kynect (as reported on Part II of your 1095-A)
 January to December

*Enter the county you lived in when you were last enrolled in coverage through Kynect CLAY

*Did you live in another county during 2014?
 Yes No

*I moved from FRANKLIN in April

If you had many changes in your health coverage through kynect which make it too complicated to use this Benchmark Tool, please call kynect at 1-844-373-2417.

*Did you add or remove anyone from your health insurance through kynect in 2014?
 Yes No

Individuals were added to my coverage
 Individual 1 added in June
 Individual 2

Individuals were removed from my coverage
 Individual 1
 Individual 2 removed in November

Submit

Based on the information you provided, your Benchmark Plan for each month is:

SLCSP	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
\$150	\$150	\$150	\$275	\$275	\$275	\$275	\$275	\$275	\$275	\$275	\$275	\$275

You will enter these amounts in Part III, Column B on Form 1095-A and Part 2, Column B, on Form 8962.

← Back

Benchmark Tool:

Find your Second Lowest Cost Silver Plan (SLCSP)

Use the [Benchmark Tool](#) to find the premium for the Second Lowest Cost Silver Plan (SLCSP) available to you for the year. (If you paid full price, this information will be missing from your 1095-A.)

When will individuals receive the Form?

- kynect will send by January 31, 2025.
- Made available to ALL account holders in their secure inbox AND via mail
- Cover letters to explain Form 1095-A and how to get assistance.
- Spanish version will be available on kynect.ky.gov Tax Information page.
- Individuals can also print their 1095s from the welcome page of kynect.ky.gov after January 31, 2025.



Who will receive the Form?

For QHPs with APTC - kynect sends one form, per policy, per tax household

For QHPs without APTC - kynect sends one form, per policy, for everyone enrolled, even if enrollees are in different tax households

***1095-As are sent out at an enrollment and tax household level; 1095-Bs (Medicaid) are sent out at an individual level which means everyone in the household will receive their own 1095-B



Why did I get multiple Forms?

Multiple forms will be issued if:

- Change in subscriber for the policy
- Change in plans
- Different members of the household were enrolled in different plans
- Some household members were enrolled in Medicaid/KCHIP and others in a Qualified Health Plan (in these cases, households may receive 1095-As and 1095-Bs)

Grace Periods: What if I didn't pay my premium?

Enrollees are only eligible for APTC for months where they pay their share of premiums

If an insurer provided coverage for a month that an enrollee did not pay their share of the premium, the enrollee has to pay back the PTC that was paid to the insurer for that month—This happens when a policy is terminated for non-payment after the Grace Period.

Form 1095-A Example: APTC & Grace Periods

January 2024: Blaine and Becky enroll in a health plan with financial assistance.

January –May 2024: They paid their share of the premium each month.

June 2024: They do not pay their premium for June and start the 90 grace period. APTC is paid to the insurance company for the health plan for June.

September 2024: They still have not paid the premium for June and get retroactively terminated back to June 30. They are not eligible for APTC for June because they did not pay their premium. Because they are no longer eligible for APTC that month, they are required to pay that money back to the IRS. APTC was not paid after June, so the repayment obligation is only for one month.

Form 1095-A: APTC & Grace Periods

kynect must enter “0” in Columns A and B for the month of June during which Becky and Blaine were covered but did not pay the premium

When filing their taxes, in addition to reconciling the APTC paid on their behalf between January and May, since they are not eligible for APTC during the month of June Becky and Blaine are responsible for repaying the entire APTC paid on his behalf for that month.

Part III Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January	\$800	\$1,000	\$600
22 February	\$800	\$1,000	\$600
23 March	\$800	\$1,000	\$600
24 April	\$800	\$1,000	\$600
25 May	\$800	\$1,000	\$600
26 June	\$0	\$0	\$600
27 July			
28 August			
29 September			
30 October			
31 November			
32 December			
33 Annual Totals	\$4,000	\$5,000	\$3,600

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60703Q

Form 1095-A (2014)

What is Form 8962 used for?

All tax filers who received premium assistance in 2024 will be required to file IRS Form 8962, Premium Tax Credit, with the 2025 federal income tax return

- Individuals who did not receive premium assistance in 2024 and purchased a health plan through kynect, can use Form 8962 to see if they should have received premium assistance.

Form 8962		Premium Tax Credit (PTC)		OMB No. 1545-0074
Department of the Treasury Internal Revenue Service		▶ Attach to Form 1040, 1040A, or 1040NR. ▶ Information about Form 8962 and its separate instructions is at www.irs.gov/form8962 .		2016 Attachment Sequence No. 73
Name shown on your return			Your social security number	
You cannot claim the PTC if your filing status is married filing separately unless you qualify for an exception (see instructions). If you qualify, check the box. <input type="checkbox"/>				
Part I Annual and Monthly Contribution Amount				
1	Tax family size. Enter the number of exemptions from Form 1040 or Form 1040A, line 6d, or Form 1040NR, line 7d			1
2a	Modified AGI. Enter your modified AGI (see instructions)	2a	b Enter the total of your dependents' modified AGI (see instructions)	2b
3	Household income. Add the amounts on lines 2a and 2b (see instructions)			3
4	Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3 (see instructions). Check the appropriate box for the federal poverty table used. a <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input type="checkbox"/> Other 48 states and DC			4
5	Household income as a percentage of federal poverty line (see instructions)			5
6	Did you enter 401% on line 5? (See instructions if you entered less than 100%.) <input type="checkbox"/> No. Continue to line 7. <input type="checkbox"/> Yes. You are not eligible to take the PTC. If advance payment of the PTC was made, see the instructions for how to report your excess advance PTC repayment amount.			
7	Applicable Figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions			7
8a	Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount	8a	b Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount	8b
Part II Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit				

Are there other considerations for Form 8962?

If the taxpayer is required to include the Form 8962 with their return and they do not, the following may occur:

- The IRS will not complete processing the return until they receive the Form 8962
- The taxpayer can be denied advance payment of the premium tax credit (subsidy) in future years
- Medicaid/KCHIP enrollees do not need to fill out a Form 8962.



How are Pediatric Dental premiums reported?

If the taxpayer covered dependents in a dental plan through kynect, the Pediatric Dental portion of the dental plan will be added to the premium reported in Column A on the 1095A form.

- If APTC was applied to a dental premium, the APTC amount applied will appear in Column C.
- The same grace period rules apply for pediatric dental plans.

Potential for Errors & the Correction Process

1095 VOID Process:

- Member sent 1095-A with enrollment information and at least one month of Premium, SLCSP, and APTC information completed
- Error identified; enrollment cancelled or nullified
- Form reprinted with only VOID box checked
(no other difference from original print)



Potential for Errors & the Correction Process

- If any data changes (including address, enrollment info, etc) from the previous generation of the 1095A, the Correction box will be checked on the 1095A.
- If an individual requests a re-print and no data has changed since the previous 1095 generation, the Reprint box will be checked on the 1095A.
- REMEMBER CORRECTIONS TO FINAL MONTH OF ENROLLMENT CANNOT BE MADE IF TERMINATED BY THE ISSUER FOR NON-PAYMENT

Call the kynect Contact Center Tax Line: 1-844-373-2417.

Potential for Errors & the Correction Process

Errors in Form 1095-A may occur due to:

- IT Errors
- Changes in information that occur after a form has been generated or sent

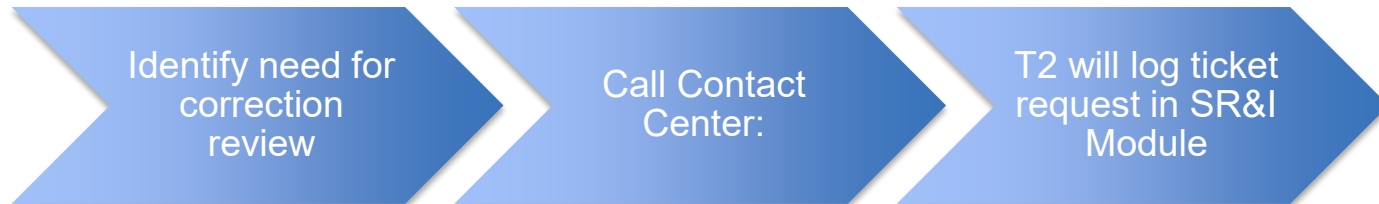
For example: Grace Periods

- The issuer sends information to kynect indicating that an individual was covered during every month in 2024.
- After Form 1095-A sent, kynect learns individual was in a grace period at the end of 2024, subsequently did not pay premium for November or December.
- kynect will need to send a corrected Form 1095-A

Individuals who receive a corrected 1095-A after filing their taxes may need to submit an amended tax return.

Potential for Errors & the Correction Process

Call the kynect Contact Center Tax Line: 1-844-373-2417.



Inquiry Id	Ticket Type	User Group	User	Status	Category	1095 Impact	Access to Care
22867	Inquiry <input type="checkbox"/>	Humana <input type="checkbox"/>	--Select-- <input type="checkbox"/>	834 Rese. <input type="checkbox"/>	APTC/CSR	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Frequently Asked Questions

Why did I get this Form 1095-A?

You received Form 1095-A if you or your family members were enrolled in a Qualified Health Plan through kynect. This form provides information about your coverage and may be used to help you complete your tax return.

What do I need to do with this Form 1095-A?

You will need to use the information on Form 1095-A when filing your federal income tax return, specifically to fill out **Form 8962**, which helps you calculate the premium tax credit you might be eligible for.

What does this information on the Form 1095-A mean?

Form 1095-A includes details about your kynect Qualified Health Plan coverage, such as:

- The months you were covered
- The amount of premium tax credit you received
- The premium amounts and the amount you paid This information helps ensure that you're correctly applying for any premium subsidies you're eligible for and reporting your health insurance coverage.

This information doesn't look correct, how can I get it changed?

If there's an error on your Form 1095-A, you can contact kynect at 1-844-373-2417

Frequently Asked Questions

Why did I get more than one Form 1095-A?

You might receive multiple forms if you had more than one Qualified Health Plan during the year, if you made changes to your coverage, or if there was a family situation change (e.g., adding a new dependent). Each form will reflect different periods of coverage or different policies.

I did not receive a Form 1095-A, how can I get the form or the information I need?

If you did not receive Form 1095-A, check with the kynect at 1-844-373-2417. You may be able to download a copy of the form if you have a kynect account or get one from your kynector or agent

How do I get another copy of my Form 1095-A?

If you need another copy of your Form 1095-A, you can usually access it through your kynect account online. Alternatively, you can contact kynect directly to request a new copy.

kynect sent Form 1095-A to my ex-spouse, can I get a copy?

Form 1095-A will be sent to the person identified as the tax filer. It doesn't matter who actually paid for your health insurance. If your ex-spouse is identified as the tax filer, he or she will receive the 1095-A, and you will need to work with that person to obtain a copy of the form so that you can properly fill out your Form 8962. In situations where an ex-spouse will not cooperate, you may contact the Internal Revenue Service for the information you need to complete your taxes.

Frequently Asked Questions

I added a dependent through my Qualified Health Plan but that dependent is not reflected on my Form 1095-A, what do I do?

If your dependent isn't listed correctly on the form, you should contact kynect to ensure your coverage information is updated. They can issue a corrected Form 1095-A.

I did not receive a Form 1095-A, how can I get the form or the information I need?

If you did not receive Form 1095-A, check with the kynect at 1-844-373-2417. You may be able to download a copy of the form if you have a kynect account or get one from your kynector or agent

How do I get another copy of my Form 1095-A?

If you need another copy of your Form 1095-A, you can usually access it through your kynect account online. Alternatively, you can contact kynect directly to request a new copy.

I forgot to report a change in circumstances that occurred last year, what should I do?

If you missed reporting a change in circumstances (such as changes to income, household size, or other factors that affect your coverage), you should contact kynect immediately. They can help you correct your coverage and, if necessary, adjust your premium tax credit or other assistance going forward. Changes cannot be made for income or other household information for previous years..

Frequently Asked Questions

Can kynect help me complete my income tax return?

No, only tax professionals can assist in filling out tax returns

I can't file/ can't pay my tax liabilities by April 15th, what should I do?

You may file for an extension with the IRS

I received a corrected Form 1095-A, do I need to amend my income tax return?

If you filed using the incorrect 1095-A you may file an amended return. Consult a tax professional for questions about how or if this applies to your situation.

I forgot to report a change in circumstances that occurred last year, what should I do?

If you missed reporting a change in circumstances (such as changes to income, household size, or other factors that affect your coverage), you should contact kynect immediately. They can help you correct your coverage and, if necessary, adjust your premium tax credit or other assistance going forward. Changes cannot be made for income or other household information for previous years.

Other 1095s

Why did I get a Form 1095-B?

- Form 1095-B sent to anyone enrolled in Medicaid/CHIP. It is informational and not needed for filing taxes.

Why did I get a Form 1095-C?

- Form 1095-C sent to some persons enrolled in insurance through an employer. It is informational and not needed for filing taxes.

Type of questions	Web	Phone
Tax Filing Questions	irs.gov/aca www.irs.gov/affordable-care-act/questions-and-answers-about-health-care-information-forms-for-individuals	1-800-829-1040
1095-A Questions	www.kynect.ky.gov	1-844-373-2417
Exemption Questions	www.irs.gov	1-800-829-1040
Federal Tax Forms	www.irs.gov	1-800-829-1040
Free In Person Tax Assistance	www.assistance.ky.gov	1-800-456-3452
Free Tax Filing Software	IRS.gov/freefile	