



Tax Filing Statuses and Locked Enrollments in kynect

Tax Filing Status and APTC

Tax filing statuses are an important component of determining eligibility for benefit programs, specifically for APTC. The chart below outlines how tax filing status impacts APTC eligibility:

Tax Filing Status	APTC Eligibility
Married, Filing Separately (has not selected that they are HOH)	Not Eligible
Married, Filing Separately (has selected that they are HOH)*	Eligible
Married, Filing Jointly	Eligible
Head of Household (HOH)	Eligible
Single	Eligible
Dependent of Case Member	Eligible
Dependent of Non-Case Member	Not Eligible
Non Filer	Not Eligible
Not Applicable	Not Eligible
Qualifying Widower	Eligible

*Would have to choose between Married, Filing Separately or HOH in this situation.

Locked Enrollments

There are two scenarios that could result in a locked enrollment in kynect:

1. Household receiving QHP-only benefits decides to apply to APTC and the Head of Household (HOH) is different than the primary tax filer.

- In this scenario, if the HOH/primary applicant does not equal the primary tax filer on the original QHP-only benefits application, Individuals in the household will receive the below notification in kynect stating: *“The primary tax filer for this household has changed. Please terminate the enrollment and enroll the Individuals onto a new plan.”* The Individuals must click “cancel” to terminate the enrollment.
- Then, the Individuals should report a change to tax filing status and re-run eligibility. Individuals can disenroll from the current plan on a given date and re-enroll in QHP with APTC (if still eligible) for continuous coverage.
- This change will make an Individual eligible for a Special Enrollment Period. In Worker Portal, the SEP reason *“A qualified individual’s enrollment or non-enrollment in a QHP was unintentional, inadvertent, or erroneous and was the result of the error, misrepresentation, or inaction of an officer, employee, or agent of the Exchange or HHS, or its instrumentalities as evaluated and determined by the Exchange”* must be selected for this scenario.
 - **How to Avoid:** When applying for a QHP, make sure the primary tax filer equals the primary applicant. (Please refer to the Primary Tax Filer Error Detail section below for additional information.)
 - **How to Resolve:** Individuals with a locked enrollment should email KHBE.Program@ky.gov for resolution.





2. A tax filing status change occurs that leads to a split of the household tax filing group or leads to member(s) of the household moving from one tax group to another.

- In this scenario, the enrollment is locked if a change in tax filing status leads to a split in household or one or more members moving to another tax group. This results in a locked enrollment.
 - **How to Avoid:** Before changing the tax filing status, the Individuals must first dis-enroll members of their household that will be moving out of the tax group due to the change in filing status. Then, after dis-enrolling the impacted members and reporting the change to tax filing status, the impacted members should submit a new application to enroll into a new plan with a new policy ID.
 - **How to Resolve:** Individuals with a locked enrollment should email KHBE.Program@ky.gov for resolution.

Primary Tax Filer Error Detail

The Primary Tax Filer error is caused when the primary tax filer selected during the application/enrollment process is later changed when households update their tax filing status in kynect health coverage. Not all changes result in a change to the primary tax filer. Some examples of changes that result in creating a new tax-filer ID:

- Existing dependents begin to file taxes separately.
- A household changes from Married, Filing Jointly to Married, Filing Separately.

Primary Tax Filer errors cannot occur for new cases/applications since enrollments are only created after eligibility is determined (that is also when tax filer groups are created), it can only happen on existing cases after specific changes are reported. For existing cases, it is not always possible to avoid this error if the change is correct and warranted, but it may prove beneficial to make changes to the enrollment prior to changing the tax filing status (update APTC, remove a member, etc.) to potentially avoid the lockout situation. Individuals experiencing the primary tax filer error should email KHBE.Program@ky.gov for resolution.

