

Exemptions from the Fee for Not Having Health Coverage

Every person in the U.S. must have minimum essential health coverage or pay a fee on their federal tax return. This fee is sometimes called the “individual shared responsibility payment.” In some cases, you may be able to get an exemption from the fee, which means you wouldn’t have to pay it.

How much is the fee?

For 2015, the yearly fee is 2% of your income for the year or \$325 per person in your household, whichever is **higher**. The fee for uninsured children under 18 is \$162.50 per child. Regardless of the number of people in your household, the most a family would have to pay in 2015 is \$975. You make the payment when you file your 2015 taxes.

The fee increases each year. In 2016, it will be 2.5% of income or \$695 per person in your household, whichever is higher. The fee for uninsured children under 18 will be \$347.50 per child. After 2016, it will be adjusted for inflation.

Can I get an exemption?

You may not have to pay the fee (that is, you may qualify for an exemption) if:

- You’re uninsured for less than 3 months of the year.
- The lowest-priced coverage available to you would cost more than 8% of your household income.
- You don’t have to file a tax return because your income is too low.
- You’re a member of a federally recognized American Indian tribe, an Alaska Native Claims Settlement Act (ANCSA) Corporation shareholder, or you’re eligible for services from an Indian health care provider.
- You’re a member of a recognized health care sharing ministry.
- You’re a member of a recognized religious sect with religious objections to insurance, including Social Security and Medicare.
- You were incarcerated (either detained or jailed), and a court issued a final decision on the charges that were filed against you.
- You were enrolled in Medicaid coverage that offered limited benefits to pregnant women or medically needy individuals.
- You’re a U.S citizen living abroad, you’re in a non-citizen category, or if you’re not lawfully present in the U.S.

Do I qualify for a hardship exemption?

You may qualify for a “hardship” exemption if you experience any of these circumstances currently or within the last 3 years:

- You were homeless.
- You were evicted or were facing eviction or foreclosure.
- You got a shut-off notice from a utility company.
- You recently experienced domestic violence.
- You recently experienced the death of a close family member.
- You experienced a fire, flood, or other natural or human-caused disaster that caused substantial damage to your property.
- You filed for bankruptcy.
- You had medical expenses you couldn’t pay that resulted in substantial debt.
- You experienced unexpected increases in necessary expenses due to caring for an ill, disabled, or aging family member.
- You expect to claim a child as a tax dependent who’s been denied coverage through Medicaid and the Children’s Health Insurance Program (CHIP), and another person is required by court order to give medical support to the child. In this case, you don’t have to pay the fee for the child.
- As a result of an eligibility appeals decision, you’re eligible for enrollment in a qualified health plan (QHP) through the Marketplace, or you’re eligible for cost-sharing reductions or lower costs on your monthly premiums for a time period when you weren’t enrolled in a QHP through the Marketplace.
- You were found not to be eligible for Medicaid because your state didn’t expand eligibility for Medicaid under the Affordable Care Act.
- Your individual insurance plan was cancelled, and you believe other Marketplace plans are unaffordable.
- You experienced another hardship in obtaining health coverage not listed above. (There are a limited number of other hardships you may qualify for. Visit [HealthCare.gov/fees-exemptions/hardship-exemptions](https://www.healthcare.gov/fees-exemptions/hardship-exemptions) to see this list.)

How do I apply for an exemption?

How you apply depends on which exemption fits your situation. You'll find a full list of exemption applications on the Center for Medicare & Medicaid Services (CMS) Marketplace website for assisters and outreach partners by visiting [Marketplace.cms.gov/applications-and-forms/exemption-applications.html](https://www.marketplace.cms.gov/applications-and-forms/exemption-applications.html).

You can either 1) fill out an exemption application in the Marketplace OR 2) claim an exemption when you fill out your federal tax return for these types of exemptions:

- You can't afford coverage. Visit [Marketplace.cms.gov/applications-and-forms/exemption-applications.html](https://www.marketplace.cms.gov/applications-and-forms/exemption-applications.html).
- You're a member in a health care sharing ministry. Visit [Marketplace.cms.gov/applications-and-forms/sharing-ministry-exemption.pdf](https://www.marketplace.cms.gov/applications-and-forms/sharing-ministry-exemption.pdf).
- You're a member of a federally recognized tribe or you're eligible for service through an Indian health care provider. Visit [Marketplace.cms.gov/applications-and-forms/tribal-exemption.pdf](https://www.marketplace.cms.gov/applications-and-forms/tribal-exemption.pdf).
- You're incarcerated. Visit [Marketplace.cms.gov/applications-and-forms/incarceration-exemption.pdf](https://www.marketplace.cms.gov/applications-and-forms/incarceration-exemption.pdf).

You can fill out an exemption application in the Marketplace when you fill out your federal tax return for these types of exemptions:

- You're a pregnant woman or medically needy individual who has limited Medicaid benefits. Visit [Marketplace.cms.gov/applications-and-forms/hardship-exemption.pdf](https://www.marketplace.cms.gov/applications-and-forms/hardship-exemption.pdf).
- You're a member of recognized religious sect whose members object to insurance. Visit [Marketplace.cms.gov/applications-and-forms/religious-sect-exemption.pdf](https://www.marketplace.cms.gov/applications-and-forms/religious-sect-exemption.pdf).
- You qualify for one of the "hardship" exemptions. Visit [Marketplace.cms.gov/applications-and-forms/hardship-exemption.pdf](https://www.marketplace.cms.gov/applications-and-forms/hardship-exemption.pdf).

Note: If you get an exemption because you experienced a hardship, you also may qualify to buy catastrophic coverage through the Marketplace. This may be more affordable than your other options.

You don't need to apply for an exemption if your income will be low enough that you won't be required to file taxes. This is true even if you file a federal tax return to get a refund of money withheld from your paycheck. You won't have to pay this fee.

How do I apply for an exemption? (continued)

You can claim an exemption when you fill out your 2015 federal tax return for these types of exemptions:

- You have a gap in coverage of less than 3 months.
- You're a U.S citizen living abroad.
- You're in a certain non-citizen category.
- You're not lawfully present in the U.S.

Where can I get more information?

Visit **HealthCare.gov**, or call the Marketplace Call Center at 1-800-318-2596 for more information. TTY users should call 1-855-889-4325.

