

With Covered California, you can find affordable health insurance that meets your needs and budget. You can shop online, in person, or by phone, and compare different health insurance plans. You can also learn whether you qualify for financial help, such as federal tax credits to reduce your monthly premium costs.

Getting Help Paying for Coverage

You can get financial help to lower the cost of your monthly health insurance premiums when you enroll in a Covered California health plan. The amount of financial assistance you receive is based on how much money you make, your household size, and where you live. The financial assistance will be given to you in the form of an "Advance Premium Tax Credit," which you can use to lower your monthly health insurance premiums during the year or you can receive it when you file your taxes.

Covered California uses the Federal Poverty Level (FPL) to determine whether you qualify for financial help. Tax credits are available to individuals and families making up to 400% of the FPL. People with lower incomes may also be eligible for additional cost-sharing reductions (CSR). Learn more about CSRs from our **Bronze, Silver, Gold, or Platinum: How to Choose the Right Level of Coverage** factsheet.

Federal Poverty Level for 2018 Covered California Plans

Family Size		Income at 400% FPL
1 Person	•	\$48,240
2 People	•	\$64,960
3 People	•	\$81,680
4 People	•	\$98,400

These tax credits help reduce the cost of health care, and are only available to individuals and families who enroll in Covered California health insurance plans. To be eligible, you must:

- Be a U.S. citizen, a U.S. national, or a lawfully present immigrant;
- Have an annual household income between 138% and 400% of the FPL;
- Not be eligible for other public health coverage, including Medi-Cal, Medicare Part A, or military coverage; and
- Not have access to affordable health insurance through your employer.

How It Works

If you qualify for help in paying your monthly insurance premiums, you will have options about how and when to get that help.

You can use it each month during the year: You may choose to have the full amount of your premium assistance sent directly to the health plan you select, to lower the amount you pay each month. The government will pay the tax credit directly to your insurance company, and the insurer will bill you for the rest of your monthly premium cost. For example, if you are eligible for \$100 per month in premium assistance, the government will send this amount to your insurer each month to your health plan.

You can receive it when filing your taxes: You can also choose to pay the full price of your premium payment each month, and then receive your entire tax credit in the form of a tax refund when you complete your tax return for the year. For example, if you are eligible for \$100 per month in premium assistance, you can tell Covered California you don't want to use any of it during the year. You will pay the full amount of your health insurance premium each month, but at the end of the year you will have a \$1,200 tax refund. Deciding to receive your tax credit when you file your taxes will prevent you from owing any excess financial assistance back at the end of the year. Learn more about reporting changes to your income and avoiding excess financial help from our **Reporting Your Income to Covered California** factsheet.

You can receive some of it in advance, and some of it later: You may also decide to use less than the full amount you are eligible for each month, and receive the balance as a tax credit at the end of the year. For example, if you are eligible for \$100 dollars a month, you can tell Covered California you'd like to use just \$50 per month. The government will pay \$50 directly to your insurance company, and the insurer will bill you for the rest of your monthly premium cost. At tax time, you will also receive a tax credit for the \$600. Deciding to use less of your tax credit during the year is one way to reduce your risk of owing back any excess financial assistance.

Want more information? Check these out:

FAQs for Enrolling in Covered California

Bronze, Silver, Gold, or Platinum: How to Choose the Right Level of Coverage

Is My Doctor in a Covered California Plan? Why "Networks" Matter

Cost-Sharing: The Difference Between "Copayment" and "Coinsurance"

Reporting Income to Covered California

Find these factsheets and more at
ConsumersUnion.org/CalHealthInsuranceHelp