

2008
Massachusetts
Schedule HC
Health Care

Instructions and Worksheets

Schedule HC

Health Care Information

As a result of the health care reform law, most Massachusetts residents age 18 and over are required to have health insurance, if it is affordable for them.

More information about the health care reform law and how to purchase affordable health insurance is available at the Commonwealth Health Insurance Connector Authority's website at www.mahealthconnector.org.

Special Circumstances During 2008

Note: Schedule HC must be completed and filed even if you fall into a "Special Circumstances" category.

Turning 18. If you turned 18 during 2008, the health care mandate applies to you beginning on the first day of the first full month following your birthday. For example, if your birthday is June 15, the mandate applies on July 1.

Part-year residents. If you moved into Massachusetts during 2008, the health care mandate applies to you beginning on the first day of the first full month following the month you became a resident of Massachusetts. For example, if you moved into Massachusetts on May 14, the mandate applies on June 1.

If you moved out of Massachusetts during 2008, the health care mandate applies to you up until the last day of the last full month you were a resident. For example, if you moved out of Massachusetts on July 10, the mandate applies up to June 30.

Deceased taxpayer. If a taxpayer dies during 2008, the health care mandate applies to the deceased taxpayer up until the last day of the last full month the taxpayer was alive. For example, if a taxpayer dies on August 4, the mandate applies up to July 30.

Lines 1a and 1b. Date of Birth

Enter your date of birth and the date of birth for your spouse (if married filing jointly).

Line 1c. Family Size

Enter your family size, including yourself, your spouse (if living in the same household at any point during the year) and any dependents as claimed on Form 1, line 2b or Form 1-NR/PY, line 4b. If married filing separately and living in the same household at any point during the year, also be sure to include in line 1c any dependents claimed on your tax return and any dependents claimed by your spouse on your spouse's tax return.

Line 2. Federal Adjusted Gross Income

Enter your federal adjusted gross income (from U.S. Form 1040, line 37; Form 1040A, line 21; or

Form 1040EZ, line 4). If married filing separately **and** living in the same household, each spouse must combine their income figures from their separate U.S. returns when completing this section. Also, same-sex spouses filing a Massachusetts joint return or married filing separately **and** living in the same household must combine their income figures from their separate U.S. returns when completing this section.

Line 3. Health Insurance

You are considered to have been enrolled in a health insurance plan if you had coverage under private health insurance, such as coverage provided by an employer or purchased on your own, or government-sponsored health insurance at any point during 2008.

Note: Receiving services through the Health Safety Net Trust Fund (previously known as the "Uncompensated Care Pool" or "Free Care Pool") is **not** considered health insurance.

▶ If you (and your spouse if married filing jointly) answer **No**, go to line 6 on page 2 of Schedule HC.

▶ If you (and your spouse if married filing jointly) answer **Yes**, follow the instructions below that apply to your situation.

Joint filers. If one spouse answers Yes and the other answers No, the spouse who answered No must go to line 6 on page 2 of Schedule HC; the spouse who answered Yes must follow the instructions below. If you and your spouse had different health insurance coverage (for example, one spouse was covered by Medicare and the other by private insurance), each should follow the instructions below that apply.

▶ If you (and/or your spouse if married filing jointly) were enrolled in **Medicare, Veterans Administration Program, Tri-Care** or "**Other government health coverage**" at any point during 2008, fill in the Yes oval(s) in line 3 and then go to line 5 on page 2 of Schedule HC.

Note: Medicare includes supplemental or replacement plans that you may have purchased on your own.

"Other government health coverage" includes comprehensive government-subsidized plans such as care provided at a correctional facility. "Other" does **not** include the Health Safety Net Trust Fund, formerly known as the "Uncompensated Care Pool" or the "Free Care Pool" or, for purposes of this question, MassHealth or Commonwealth Care.

▶ If you (and/or your spouse if married filing jointly) were enrolled only in **MassHealth** and/or **Commonwealth Care**, fill in the Yes oval(s) in line 3 and the oval(s) for the plan(s) you were enrolled in and go to line 4.

▶ If you (and/or your spouse if married filing jointly) were enrolled in **MassHealth** and/or **Com-**

monwealth Care and **private insurance** during 2008, such as insurance provided by your employer, fill in the Yes oval(s) in line 3 and the oval(s) for the plan(s) you were enrolled in and complete Part A, Your Health Insurance and/or Part B, Spouse's Health Insurance and then go to line 4.

▶ If you (and/or your spouse if married filing jointly) were enrolled in **MassHealth** and/or **Commonwealth Care** and **Medicare**, fill in the Yes oval(s) in line 3 and then go to line 5 on page 2 of Schedule HC.

▶ If you (and/or your spouse if married filing jointly) were enrolled in **private health insurance**, fill in the Yes oval(s) in line 3 and complete Part A (for you) and/or Part B (your spouse) using Form(s) MA 1099-HC. This form will be issued to you by your health insurance carrier or administrator, no later than January 31, 2009.

Note: Generally, employees or retirees of the federal, state or local governments have private health insurance and should fill in the Yes oval(s) in line 3 and complete Part A (for you) and/or Part B (your spouse) in line 3 and then go to line 4.

If you and your spouse were enrolled in the same health insurance, you must complete both Part A (for you) and Part B (your spouse) in line 3.

If you did not receive Form MA 1099-HC, enter the name of your insurance carrier or administrator and your subscriber number in Parts A and/or B. This information should be on your insurance card. If you do not know this information, contact your insurer.

Parts A and B allow you (and/or your spouse if married filing jointly) to provide information on up to two insurance carriers each, if you (and/or your spouse if married filing jointly) were covered by multiple insurers in 2008.

If you (and/or your spouse if married filing jointly) had health insurance from more than two insurance carriers, fill out **Schedule HC-CS, Health Care Continuation Sheet**. If you file Schedule HC-CS, report your two most recent insurance carriers first on Schedule HC and use Schedule HC-CS to report the additional insurance carriers for yourself (and/or your spouse if married filing jointly). Schedule HC-CS is available on DOR's website at www.mass.gov/dor.

Line 4. Full-Year Coverage

You are considered to have coverage for all of 2008 if you had coverage for each of the 12 months in 2008.

▶ If you are filing a joint return, and one spouse answers **Yes** in line 4 and the other answers **No**, the spouse who answered **Yes** is not subject to a penalty and should skip the remainder of Schedule HC. The spouse who answered **No** must go to line 6.

Table 1: Federal Poverty Level, Annual Income Standards

Family size*	150% FPL
1	\$15,612
2	\$21,012
3	\$26,412
4	\$31,812
5	\$37,212
6	\$42,612
7	\$48,012
8	\$53,412
additional	+\$ 5,400

*This Schedule reflects the Federal Poverty Level standards for 2008

- ▶ If you (and your spouse if married filing jointly) answer **No**, go to line 6 on page 2 of Schedule HC.
- ▶ If you (and your spouse if married filing jointly) answer **Yes**, you are not subject to a penalty. Skip the remainder of Schedule HC and continue completing your tax return. Be sure to enclose Schedule HC with your return.

Line 5. Government-Sponsored Health Insurance

If you (and/or your spouse if married filing jointly) were enrolled in **Medicare, Veterans Administration Program, Tri-Care** or **“Other government health coverage”** at any point in 2008 (see below for definition of “Other”), fill in the appropriate oval(s) for the plan(s) you were enrolled in. You are not subject to a penalty. Skip the remainder of Schedule HC and continue completing your return. Be sure to enclose Schedule HC with your return.

Note: Fill in the Medicare oval(s) even if you have a supplemental or replacement plan that you may have purchased on your own.

“**Other government health coverage**” includes comprehensive government-subsidized plans such as care provided at a correctional facility. “**Other**” does **not** include the Health Safety Net Trust Fund, formerly known as the “Uncompensated Care Pool” or the “Free Care Pool” or, for purposes of this question, MassHealth or Commonwealth Care.

Line 6. Federal Poverty Level

Individuals with income at or below 150% of the Federal Poverty Level (FPL) are not subject to a penalty for failure to purchase health insurance. Complete the following worksheet to determine if your income is at or below 150% of the Federal Poverty Level.

1. Enter your federal adjusted gross income from Schedule HC, line 2

2. Enter the income amount that corresponds to your family size (as entered on Schedule HC, line 1c) from the 150% FPL column from Table 1

If line 1 is less than or equal to line 2, your income in 2008 was at or below 150% of the Federal Poverty Level and the penalty does not apply to you in 2008. Fill in the Yes oval in line 6, skip the remainder of Schedule HC and continue completing your tax return.

If line 1 is greater than line 2, your income in 2008 was above 150% of the Federal Poverty Level. Fill in the No oval in line 6 and go to line 7.

Line 7. Uninsured

You are considered uninsured for all of 2008 if you did not have **any** coverage under **private health insurance** (examples of which include employer-sponsored insurance, Commonwealth Choice plans or COBRA) or **government-sponsored health insurance** (examples of which include MassHealth or Commonwealth Care).

Note: If, during 2008, you turned 18, you were a part-year resident or a taxpayer was deceased, be sure to answer **No** to line 7 and go to line 8.

▶ If you are filing a joint return and one spouse had health insurance for all of 2008, the spouse who had health insurance does not fill in an oval on line 7. If you are filing a joint return and one spouse answers **No** but the other spouse answers **Yes** on line 7, the spouse who answers **No** must go to line 8 and the spouse who answers **Yes** must go to line 9a.

▶ If you (and/or your spouse if married filing jointly) answer **No**, go to line 8.

▶ If you (and/or your spouse if married filing jointly) answer **Yes**, go to line 9a.

Line 8. Months Covered by Health Insurance

Complete this section **only** if you (and/or your spouse if married filing jointly) were insured for part, **but not all**, of 2008. You are considered to have coverage for part of 2008 if you had coverage for at least 1 but less than 12 months.

If you were enrolled in a **private health insurance plan** (such as coverage provided by your employer or purchased on your own) or **government-sponsored health insurance** (examples of which include MassHealth or Commonwealth Care), fill in the oval(s) for the months you were covered, using the information from Form(s) MA 1099-HC.

If you did not receive a Form MA 1099-HC from your insurance carrier, fill in the oval(s) for each month in which you had coverage for **15 days or**

more. If you had coverage in any month for 14 days or less, you must leave the oval(s) blank.

Note for MassHealth and Commonwealth Care enrollees: If you did not receive a Form MA 1099-HC and you answered No to line 6, please call MassHealth at 1-866-682-6745 or Commonwealth Care at 1-877-623-6765 for a copy. If you answered Yes to line 6, you do not need to complete this section and you do not need a Form MA 1099-HC.

▶ If you have **four or more** consecutive months without health insurance (**four or more** blank ovals in a row), go to line 9a. Otherwise, you are not subject to a penalty. Skip the remainder of Schedule HC and continue completing your return. Be sure to enclose Schedule HC with your return.

▶ If you are filing a joint return and one spouse has **three or fewer** blank ovals in a row, and the other spouse has **four or more** blank ovals in a row, the spouse with **three or fewer** blank ovals in a row is **not** subject to a penalty and should skip the remainder of Schedule HC. The spouse with **four or more** blank ovals in a row must go to line 9a.

Special Circumstances During 2008

Note: Schedule HC must be completed and filed even if you fall into a “Special Circumstances” category. Also, **do not count** the months that the mandate did not apply when determining if you have four or more consecutive months without health insurance.

Turning 18. If you turned 18 during 2008, the health care mandate applies to you beginning on the first day of the first full month following your birthday. For example, if your birthday is June 15, the mandate applies on July 1. In this example, do not count the months of January through June because the mandate did not apply.

Part-year residents. If you moved **into** Massachusetts during 2008, the health care mandate applies to you beginning on the first day of the first full month following the month you became **domiciled** in (a resident of) Massachusetts. For example, if you moved into Massachusetts on May 14, the mandate applies on June 1. In this example, do not count the months of January through May because the mandate did not apply.

If you moved **out of** Massachusetts during 2008, the health care mandate applies to you up until the last day of the last full month you were a resident. For example, if you moved **out of** Massachusetts on July 10, the mandate applies up to June 30. In this example, do not count the months of July through December because the mandate did not apply.

Deceased taxpayer. If a taxpayer died during 2008, the health care mandate applies to the deceased taxpayer up until the last day of the last full month the taxpayer was alive. For example, if a taxpayer

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died on August 4, the mandate applies up to July 30. In this example, do not count the months of August through December because the mandate did not apply.

Line 9. Religious Exemption

Line 9a. A religious exemption is available for anyone who has a sincere religious belief that is the basis of refusal to obtain and maintain health insurance coverage. Fill in the Yes oval(s) if you are claiming a religious exemption from the requirement to purchase health insurance based on your sincerely held religious beliefs.

- ▶ If you (and your spouse if married filing jointly) answer **Yes** to line 9a, go to line 9b.
- ▶ If you (and your spouse if married filing jointly) answer **No** to line 9a, go to line 10.
- ▶ If you are filing a joint return and one spouse answers **No** to line 9a but the other spouse answers **Yes**, the spouse who answered **Yes** must go to line 9b and the spouse who answered **No** must go to line 10.

Line 9b. If you are claiming a religious exemption but you received medical health care during tax year 2008, such as treatment during an emergency room visit, you may be subject to a penalty if it is determined that you could have afforded health insurance.

Medical health care excludes certain treatments such as preventative dental care, certain eye examinations and vaccinations. It also excludes a physical examination when required by a third party, such as a prospective employer. For additional information, see Department of Revenue regulation 830 CMR 111M.2.1, Health Insurance Individual Mandate; Personal Income Tax Return Requirements, available on the department's website at www.mass.gov/dor.

- ▶ If you (and your spouse if married filing jointly) answer **Yes** on line 9a and **No** on line 9b, the penalty does not apply to you. Skip the remainder of Schedule HC and continue completing your tax return. Be sure to enclose Schedule HC with your return.
- ▶ If you (and your spouse if married filing jointly) answered **Yes** on both lines 9a and 9b, go to line 10.
- ▶ If you are filing a joint return and one spouse answers **No** to line 9b but the other spouse answers **Yes** to line 9b, the spouse who answered **No** is not subject to a penalty and should skip the remainder of Schedule HC. The spouse who answered **Yes** must go to line 10.

Line 10. Certificate of Exemption

The Commonwealth Health Insurance Connector Authority provided certificates of exemption to qualified taxpayers who applied in 2008.

- ▶ If you have a "Certificate of Exemption" issued by the Commonwealth Health Insurance Connector Authority for the 2008 tax year, a penalty does not apply to you. Fill in the **Yes** oval(s) in line 10 of Schedule HC and enter the certificate number in the space provided. If married filing jointly and both spouses have a certificate, each spouse must enter their certificate number in the space provided. Skip the remainder of Schedule HC and continue completing your tax return. Be sure to enclose Schedule HC with your return.
- ▶ If you answered **No** to line 10, go to line 11.
- ▶ If you are filing a joint return and one spouse answers **Yes** to line 10 but the other spouse answers **No** to line 10, the spouse who answered **Yes** must enter the certificate number and skip the remainder of Schedule HC and the spouse who answered **No** must go to line 11.

For more information about Certificates of Exemption, visit the Commonwealth Health Insurance Connector Authority's website at www.mahealthconnector.org.

Lines 11, 12 and 13. Affordability As Determined By State Guidelines

Taxpayers who did not have health insurance for all or part of 2008 may be subject to a penalty if they had access to affordable health insurance.

If you answered Yes in line 6 of Schedule HC indicating that your income was at or below 150% of the Federal Poverty Level, or

If you had three or fewer blank ovals in a row as shown in line 8,

you are not subject to a penalty and should skip the remainder of Schedule HC and continue completing your tax return. Be sure to enclose Schedule HC with your return.

You must complete this section if you were uninsured for all of 2008 or if you had four or more consecutive months without health insurance (four or more blank ovals in a row in the Months Covered by Health Insurance section of line 8).

The following pages contain the worksheets and tables needed to determine if you had access to affordable health insurance. To complete these worksheets, you will need to have your completed 2008 U.S. Form 1040, 1040A or 1040EZ. You also will need to know how much it would have cost you to enroll in any health insurance plan offered by an employer in 2008. An employer's Human Resources Department should be able to provide this amount to you.

Schedule HC Worksheet for Line 11: Eligibility for Employer-Sponsored Insurance

The following worksheet will determine if you could have afforded employer-sponsored health insurance in 2008. Complete only if you (and/or your spouse if married filing jointly) were eligible for insurance offered by an employer for the entire period you were uninsured in 2008 that covered you, and your spouse and dependent children, if any. If an employer did not offer health insurance that covered you, and your spouse and dependent children, if any, or if you were not eligible for insurance offered by an employer, you were self-employed or you were unemployed, fill in the No oval(s) in line 11 and complete the Schedule HC Worksheet for Line 12.

Note: *If you answered Yes in line 6 of Schedule HC indicating that your income was at or below 150% of the Federal Poverty Level or you had three or fewer blank ovals in a row on line 8 of Schedule HC, the penalty does not apply to you. Do not complete this worksheet. Skip the remainder of Schedule HC and continue completing your return. Be sure to enclose Schedule HC with your return.*

If an employer offered you free health insurance coverage in 2008 (the employer's Human Resources Department should be able to provide this information to you), you are deemed able to afford health insurance and are subject to a penalty. Fill in the Yes oval(s) in line 11 and go to the Health Care Penalty Worksheet on page HC-8.

1. *Enter your federal adjusted gross income from U.S. Form 1040, line 37; Form 1040A, line 21; or 1040EZ, line 4*

If line 1 is less than or equal to:

- \$15,612 if single or married filing separately with no dependents;
- \$21,012 if married filing a joint return with no dependents; **or**
- \$26,412 if head of household, married filing jointly or married filing separately with one or more dependents,

you are deemed unable to afford employer-sponsored health insurance requiring an employee contribution. Fill in the No oval(s) in line 11. Skip the remainder of this worksheet and go to the Schedule HC Worksheet for Line 12 on page HC-5.

If line 1 is more than:

- \$52,500 if single or married filing separately with no dependents;
- \$82,500 if married filing a joint return with no dependents; **or**
- \$110,000 if head of household, married filing jointly or married filing separately with one or more dependents,

you are deemed able to afford employer-sponsored health insurance and are subject to a penalty. Fill in the Yes oval(s) in line 11 and go to the Health Care Penalty Worksheet on page HC-8.

If line 1 is:

- more than \$15,612 but less than or equal to \$52,500 if single or married filing separately with no dependents;
- more than \$21,012 but less than or equal to \$82,500 if married filing a joint return with no dependents; **or**
- more than \$26,412 but less than or equal to \$110,000 if head of household, married filing jointly or married filing separately with one or more dependents,

go to line 2.

2. Enter the monthly premium that corresponds with your income range (from line 1 of worksheet) and filing status from Table 3: Affordability on page HC-7. To find this amount, look at the row for your income range in col. a of the appropriate table based on your filing status and go to col. b to find the monthly premium amount

3. Enter the lowest monthly premium cost of health insurance that would cover you, and your spouse and dependent children, if any, offered to you during your uninsured period in 2008 through an employer. The employer's Human Resources Department should be able to provide this amount to you

Note: If you declined employer-sponsored health insurance, the monthly premium amount may be found on the Health Insurance Responsibility Disclosure Form (HIRD) you should have received from your employer.

If line 3 is less than or equal to line 2:

- you are deemed able to afford employer-sponsored health insurance during your uninsured period(s), which you did not obtain, and
- you are subject to a penalty. Fill in the Yes oval(s) in line 11, **and**
- go to the Health Care Penalty Worksheet on page HC-8.

If line 3 is greater than line 2:

- you could not afford health insurance offered to you by your employer,
- fill in the No oval(s) in line 11, **and**
- complete the following Schedule HC Worksheet for Line 12.

Schedule HC Worksheet for Line 12: Eligibility for Government-Subsidized Health Insurance

The following worksheet will determine if you were eligible for government-subsidized health insurance in 2008. Complete the following worksheet only if an employer did not offer you affordable health insurance, as determined in the Schedule HC Worksheet for Line 11.

Note: If you answered Yes in line 6 of Schedule HC indicating that your income was at or below 150% of the Federal Poverty Level or you had three or fewer blank ovals in a row on line 8 of Schedule HC, the penalty does not apply to you. Do not complete this worksheet. Skip the remainder of Schedule HC and continue completing your return. Be sure to enclose Schedule HC with your return.

If married filing separately **and** living in the same household, each spouse must combine their income figures from their separate U.S. returns when completing this worksheet. Also, same-sex spouses filing a Massachusetts joint return or married filing separately **and** living in the same household must combine their income figures from their separate U.S. returns when completing this worksheet.

- 1.** Enter your income before adjustments (from U.S. Form 1040, line 22, Form 1040A, line 15 or Form 1040EZ, line 4).
- 2.** Enter the amount from the Income column, based on your family size (do not include dependent children age 19 or older in your family size), from Table 2.

If line 1 is greater than line 2:

you were ineligible for government-subsidized health insurance in 2008 and must

- fill in the No oval(s) in line 12, **and**
- go to Schedule HC Worksheet for Line 13 to determine if you were deemed able to afford private health insurance.

If line 1 is less than or equal to line 2, and at any point during the period when you were uninsured:

- you were not a citizen or an alien legally residing in the U.S., **or**
- an employer offered to pay more than 20% of a family plan or 33% of an individual plan (the employer's Human Resources Department should be able to provide this information to you), **or**
- you applied for MassHealth or Commonwealth Care and were denied,

you are deemed ineligible for government-subsidized health insurance in 2008 and must

- fill in the No oval(s) in line 12, **and**

- go to Schedule HC Worksheet for Line 13 to determine if you were able to afford private health insurance.

If line 1 is less than or equal to line 2, and none of the above conditions apply, then

- you would have been deemed eligible for government-subsidized health insurance in 2008, which you did not obtain and you are subject to a penalty. You must

- fill in the Yes oval(s) in line 12 and go to the Health Care Penalty Worksheet on page HC-8.

If line 1 is less than or equal to line 2, but you believe that, during the period when you were uninsured, your income was actually too high to qualify for government-subsidized insurance, you may have grounds to appeal the penalty. Fill in the Yes oval(s) in line 12 and go to the instructions for the Appeals section on page HC-9.

Table 2: Income at 300% of the Federal Poverty Level

Family size*	Income
1	\$ 31,212
2	\$ 42,012
3	\$ 52,812
4	\$ 63,612
5	\$ 74,412
6	\$ 85,212
7	\$ 96,012
8	\$106,812
9	\$117,612
10	\$128,412
11	\$139,212
12	\$150,012
13	\$160,812

*Include only yourself, your spouse (if married filing a joint return) and any dependent children age 18 or younger in your family size. For family size over 13, add \$10,800 for each additional family member.

Schedule HC Worksheet for Line 13: Ability to Afford Private Health Insurance

The following worksheet will determine if you could have afforded private health insurance in 2008. Complete the following worksheet only if you (and/or your spouse if married filing jointly) were deemed ineligible for government-subsidized health insurance, as determined in the Schedule HC Worksheet for line 12.

Note: If you answered Yes in line 6 of Schedule HC indicating that your income was at or below 150% of the Federal Poverty Level or you had three or fewer blank ovals in a row in line 8 of Schedule HC, the penalty does not apply to you. Do not complete this worksheet. Skip the remainder of Schedule HC and continue completing your return. Be sure to enclose Schedule HC with your return.

1. Enter your federal adjusted gross income from U.S. Form 1040, line 37; Form 1040A, line 21; or 1040EZ, line 4 _____

2. Enter the monthly premium that corresponds with your county of residency (see page HC-10 in the Schedule HC instructions if you do not know what county you live in), age (if married filing a joint return, use the age of the older spouse) and filing status from Table 4: Premiums on page HC-7 _____

Go to the table that corresponds to your county of residency and go to the row for your age range and then go to the column based on your filing status to find the monthly premium amount.

3. Enter the monthly premium that corresponds with your income range (from line 1 of worksheet) and filing status from Table 3: Affordability on page HC-7. To find this amount, look at the row for your income range in col. a of the appropriate table based on your filing status and go to col. b to find the monthly premium amount _____

If line 2 is less than or equal to line 3:

- you are deemed able to afford private health insurance, which you did not obtain;
- you are subject to a penalty and you must
- fill in the Yes oval(s) in line 13 and go to the Health Care Penalty Worksheet on page HC-8.

If line 2 is greater than line 3:

- you are deemed unable to afford health insurance and **not** subject to a penalty, and you must
- fill in the No oval(s) in line 13 **and**
- skip the remainder of Schedule HC and continue completing your tax return. Be sure to enclose Schedule HC with your return.

Table 3: Affordability

Individual or Married Filing Separately (no dependents)		
a. Federal adjusted gross income		b. Monthly premium
From	To	
\$ 0	\$15,612	\$ 0
\$15,613	\$20,808	\$ 39
\$20,809	\$26,016	\$ 77
\$26,017	\$31,212	\$116
\$31,213	\$37,500	\$165
\$37,501	\$42,500	\$220
\$42,501	\$52,500	\$330
\$52,501	Any individual with an annual income over \$52,500 is deemed to be able to afford health insurance.	

Married Filing Jointly (no dependents)		
a. Federal adjusted gross income		b. Monthly premium
From	To	
\$ 0	\$21,012	\$ 0
\$21,013	\$28,008	\$ 78
\$28,009	\$35,016	\$154
\$35,017	\$42,012	\$232
\$42,013	\$52,500	\$297
\$52,501	\$62,500	\$396
\$62,501	\$82,500	\$550
\$82,501	Any couple with an annual income over \$82,500 is deemed to be able to afford health insurance.	

Head of Household, Married Filing Jointly or Married Filing Separately (1 or more dependents)		
a. Federal adjusted gross income		b. Monthly premium
From	To	
\$ 0	\$ 26,412	\$ 0
\$26,413	\$ 35,208	\$ 78
\$35,209	\$ 44,016	\$154
\$44,017	\$ 52,812	\$232
\$52,813	\$ 70,000	\$352
\$70,001	\$ 90,000	\$550
\$90,001	\$110,000	\$792
\$110,001	Any family with an annual income over \$110,000 is deemed to be able to afford health insurance.	

Table 4: Premiums

Region 1. Berkshire, Franklin and Hampshire Counties			
Age	Individual*	Married couple (no dependents)	Family**
0-26	\$120	\$240	\$ 710
27-29	\$210	\$420	\$ 710
30-34	\$210	\$420	\$ 740
35-39	\$220	\$440	\$ 770
40-44	\$240	\$480	\$ 780
45-49	\$275	\$550	\$ 820
50-54	\$360	\$720	\$ 950
55-59	\$400	\$800	\$1,060
60+	\$400	\$800	\$1,140

Region 2. Bristol, Essex, Hampden, Middlesex, Norfolk, Suffolk and Worcester Counties			
Age	Individual*	Married couple (no dependents)	Family**
0-26	\$140	\$280	\$ 600
27-29	\$195	\$390	\$ 600
30-34	\$195	\$390	\$ 740
35-39	\$195	\$390	\$ 760
40-44	\$250	\$500	\$ 760
45-49	\$250	\$500	\$ 810
50-54	\$290	\$580	\$ 890
55-59	\$390	\$780	\$1,040
60+	\$390	\$780	\$1,190

Region 3. Barnstable, Dukes, Nantucket and Plymouth Counties			
Age	Individual*	Married couple (no dependents)	Family**
0-26	\$130	\$260	\$ 680
27-29	\$210	\$420	\$ 680
30-34	\$230	\$460	\$ 720
35-39	\$270	\$540	\$ 750
40-44	\$320	\$640	\$ 760
45-49	\$370	\$740	\$ 800
50-54	\$420	\$840	\$ 920
55-59	\$420	\$840	\$1,120
60+	\$420	\$840	\$1,280

*Includes married filing separately (no dependents).
 **Head of household or married couple with dependent(s).

Health Care Penalty Worksheet

Complete the following worksheet to calculate the penalty. If married filing a joint return and both you and your spouse are subject to a penalty, separate worksheets must be filled out to calculate the separate penalty amounts for you and your spouse, using your married filing jointly income. Each separate penalty amount must then be entered on Form 1, line 34a and line 34b or Form 1-NR/PY, line 39a and line 39b.

Note: If you answered Yes in line 6 of Schedule HC indicating that your income was at or below 150% of the Federal Poverty Level, the penalty does not apply to you. Do not complete this worksheet. Skip the remainder of Schedule HC and continue completing your tax return.

1. Enter your federal adjusted gross income from Schedule HC, line 2
2. Look at Table 5, Annual Income Standards, and enter col. A, B, C or D, based on your family size (from line 1c of Schedule HC) and income (from line 1 above)

3. Based on the column entered in line 2, go to Table 6, Penalties for 2008, to determine the monthly penalty amount. Enter that amount here. If you entered col. D, enter the penalty amount that corresponds to your age

Note: See examples at right when completing lines 4 and 5.

4. Enter the number of gap(s) in coverage of four or more consecutive months in which you were uninsured, as shown in Sched. HC, line 8*. If you were uninsured for all of 2008, enter "0"

5. Enter the total number of months for the gap(s) in coverage in which you were uninsured from line 4. If you were uninsured for all of 2008, enter "12"

6. Multiply line 4 by "3"

7. Subtract line 6 from line 5

8. Multiply line 3 by line 7. This is your penalty amount

Note: See page 9 of the Form 1 instructions for information regarding the whole-dollar method.

If you are subject to a penalty because you are deemed able to afford insurance in 2008 but did not obtain it, you may appeal the application of the penalty to you. Go to the Filing an Appeal section on Schedule HC and in the instructions on page HC-9. If you are filing an appeal, do not enter a penalty amount on Form 1, line 34a or line 34b or Form 1-NR/PY, line 39a or line 39b. If you are **not** appealing the penalty, enter the penalty amount from line 8 on Form 1, line 34a or line 34b or Form 1-NR/PY, line 39a or line 39b.

***Turning 18, Part-Year Residents or a Taxpayer Was Deceased.** When completing line 4, do not include the number of unfilled ovals for months that the mandate did not apply, as determined in Schedule HC, line 8.

Table 5: Annual Income Standards

Family size	Col. A		Col. B		Col. C		Col. D
	From	To	From	To	From	To	Above
1	\$15,613	– \$20,808	\$20,809	– \$26,016	\$26,017	– \$31,212	\$31,212
2	21,013	– 28,008	28,009	– 35,016	35,017	– 42,012	42,012
3	26,413	– 35,208	35,209	– 44,016	44,017	– 52,812	52,812
4	31,813	– 42,408	42,409	– 53,016	53,017	– 63,612	63,612
5	37,213	– 49,608	49,609	– 62,016	62,017	– 74,412	74,412
6	42,613	– 56,808	56,809	– 71,016	71,017	– 85,212	85,212
7	48,013	– 64,008	64,009	– 80,016	80,017	– 96,012	96,012
8	53,413	– 71,208	71,209	– 89,016	89,017	– 106,812	106,812
Additional	+\$ 5,400	+\$ 7,200	+\$ 7,200	+\$ 9,000	+\$ 9,000	+\$10,800	+\$10,800

Table 6: Penalties for 2008

Col.	Monthly penalty amount
A	\$17.50
B	\$35.00
C	\$52.50
D-1 (age 18–26)*	\$56.00
D-2 (age 27+)*	\$76.00

*If you turned 27 on or before December 31, 2008, use the Column D-1 (age 18-26) amount in line 3 of the Health Care Penalty Worksheet.

8 MONTHS COVERED BY HEALTH INSURANCE AS INDICATED BY FILLED-IN OVALS

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
YOU:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>									
SPOUSE:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Example A for Health Care Penalty Worksheet, lines 4 and 5

Single taxpayer enters "2" on line 4 because there were two gaps in coverage of four or more consecutive months (Feb.–June and Aug.–Nov.). Taxpayer then enters "9" in line 5 because the total number of months for those gaps is 9 months.

8 MONTHS COVERED BY HEALTH INSURANCE AS INDICATED BY FILLED-IN OVALS

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
YOU:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>								
SPOUSE:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				

Example B for Health Care Penalty Worksheet, lines 4 and 5

You are a married filing jointly couple completing separate worksheets. You enter "1" on line 4 because there is only one four-month gap in coverage (April–July). You then enter "4" in line 5 because the total number of months for that gap is 4 months.

Spouse also enters "1" on line 4 because only one of the gaps in coverage was four or more consecutive months (April–July). Spouse then enters "4" in line 5 because the total number of months for that gap is 4 months.

8 MONTHS COVERED BY HEALTH INSURANCE AS INDICATED BY FILLED-IN OVALS

	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
YOU:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
SPOUSE:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>				

Example C for Health Care Penalty Worksheet, lines 4 and 5

Single taxpayer enters "1" on line 4 because only one of the gaps in coverage was four or more consecutive months (Aug.–Dec.). Taxpayer then enters "5" in line 5 as the total number of months within that gap period is 5 months.

Filing an Appeal

If you are subject to a penalty for not obtaining health insurance in 2008, you have the right to appeal. The appeal will be heard by the Commonwealth Health Insurance Connector Authority, an independent state body.

In your appeal, you may claim that the penalty should not apply to you. You may claim that you could not afford insurance in 2008 because you experienced a hardship. To establish a hardship, you must be able to show that, during 2008:

(a) You were homeless, more than 30 days in arrears in rent or mortgage payments, or received an eviction or foreclosure notice;

(b) You received a shut-off notice, were shut off, or were refused the delivery of essential utilities (gas, electric, oil, water, or telephone);

(c) You had non-cosmetic medical and/or dental out-of-pocket expenses (exclusive of premium payments), totaling more than 7.5% of your household's adjusted gross income that were not subject to payment by a third-party;

(d) You incurred a significant, unexpected increase in essential expenses resulting directly from the consequences of: (i) domestic violence; (ii) the death of a spouse, family member, or partner with primary responsibility for child care, where that spouse, family member, or partner shared household expenses with you; (iii) the sudden responsibility for providing full care for yourself, an aging parent or other family member, including a major, extended illness of a child that required a working parent to hire a full-time caretaker for the child; or (iv) a fire, flood, natural disaster, or other unexpected natural or human-caused event causing substantial household or personal damage for the individual filing the appeal.

(e) Your financial circumstances were such that the expense of purchasing health insurance would have caused you to experience a serious deprivation of food, shelter, clothing or other necessities.

(f) Your family size was so large that reliance on the affordability schedule (on page HC-7) to determine how much you could afford to pay for health insurance is inequitable.

You may also base your appeal on other circumstances, such as the application of the affordability tables in Schedule HC to you is inequitable (for example, due to fluctuation in income during the year), you were unable to obtain government-subsidized insurance despite your income, or other circumstances that made you unable to purchase insurance despite your income.

If you file an appeal, you will be required to state your grounds for appealing, and provide further information and supporting documentation. Any statements and claims you make will be under pains and penalties of perjury.

How to Appeal

To appeal, you must fill in the oval for you (and your spouse, if applicable) on Schedule HC, Appeals Section that authorizes DOR to share information in your tax return, including Schedule HC, with the Commonwealth Health Insurance Connector Authority, the independent state body that will hear the appeal. No penalty will be assessed by DOR pending the outcome of your appeal.

If you (and your spouse) fill in that oval on your return, you will receive a follow-up letter from the Connector Authority asking you to state your grounds for appeal in writing, and submit supporting documentation. **Failure to respond to that form within the time specified will lead to dismissal of your appeal.** The Connector Authority will then review the information you provided. You may be required to attend a hearing on your case. You will be required to state your claims under pains and penalties of perjury.

Note: Do not include any hardship documentation with your original return. You will be required to submit substantiating hardship documentation at a later date during the appeal process.

Important Health Insurance Information

Municipality	County	Municipality	County	Municipality	County	Municipality	County
Abington	Plymouth	Edgartown	Dukes	Medway	Norfolk	Seekonk	Bristol
Acton	Middlesex	Egremont	Berkshire	Melrose	Middlesex	Sharon	Norfolk
Acushnet	Bristol	Erving	Franklin	Mendon	Worcester	Sheffield	Berkshire
Adams	Berkshire	Essex	Essex	Merrimac	Essex	Shelburne	Franklin
Agawam	Hampden	Everett	Middlesex	Methuen	Essex	Sherborn	Middlesex
Aiford	Berkshire	Fairhaven	Bristol	Middleborough	Plymouth	Shirley	Middlesex
Amesbury	Essex	Fall River	Bristol	Middlefield	Hampshire	Shrewsbury	Worcester
Amherst	Hampshire	Falmouth	Barnstable	Middleton	Essex	Shutesbury	Franklin
Andover	Essex	Fitchburg	Worcester	Milford	Worcester	Somerset	Bristol
Arlington	Middlesex	Florida	Berkshire	Millbury	Worcester	Somerville	Middlesex
Ashburnham	Worcester	Foxborough	Norfolk	Millis	Norfolk	South Hadley	Hampshire
Ashby	Middlesex	Framingham	Middlesex	Millville	Worcester	Southampton	Hampshire
Ashfield	Franklin	Franklin	Norfolk	Milton	Norfolk	Southborough	Worcester
Ashland	Middlesex	Freetown	Bristol	Monroe	Franklin	Southbridge	Worcester
Athol	Worcester	Gardner	Worcester	Monson	Hampden	Southwick	Hampden
Attleboro	Bristol	Gay Head	Dukes	Montague	Franklin	Spencer	Worcester
Auburn	Worcester	Georgetown	Essex	Monterey	Berkshire	Springfield	Hampden
Avon	Norfolk	Gill	Franklin	Montgomery	Hampden	Sterling	Worcester
Ayer	Middlesex	Gloucester	Essex	Mount Washington	Berkshire	Stockbridge	Berkshire
Barnstable	Barnstable	Goshen	Hampshire	Nahant	Essex	Stoneham	Middlesex
Barre	Worcester	Gosnold	Dukes	Nantucket	Nantucket	Stoughton	Norfolk
Becket	Berkshire	Grafton	Worcester	Natick	Middlesex	Stow	Middlesex
Bedford	Middlesex	Granby	Hampshire	Needham	Norfolk	Sturbridge	Worcester
Belchertown	Hampshire	Granville	Hampden	New Ashford	Berkshire	Sudbury	Middlesex
Bellingham	Norfolk	Great Barrington	Berkshire	New Bedford	Bristol	Sunderland	Franklin
Belmont	Middlesex	Greenfield	Franklin	New Braintree	Worcester	Sutton	Worcester
Berkley	Bristol	Groton	Middlesex	New Marlborough	Berkshire	Swampscott	Essex
Berlin	Worcester	Groveland	Essex	New Salem	Franklin	Swansea	Bristol
Bernardston	Franklin	Hadley	Hampshire	Newbury	Essex	Taunton	Bristol
Beverly	Essex	Halifax	Plymouth	Newburyport	Essex	Templeton	Worcester
Billerica	Middlesex	Hamilton	Essex	Newton	Middlesex	Tewksbury	Middlesex
Blackstone	Worcester	Hampden	Hampden	Norfolk	Norfolk	Tisbury	Dukes
Blandford	Hampden	Hancock	Berkshire	North Adams	Berkshire	Tolland	Hampden
Bolton	Worcester	Hanover	Plymouth	North Andover	Essex	Topsfield	Essex
Boston	Suffolk	Hanson	Plymouth	North Attleborough	Bristol	Townsend	Middlesex
Bourne	Barnstable	Hardwick	Worcester	North Brookfield	Worcester	Truro	Barnstable
Boxborough	Middlesex	Harvard	Worcester	North Reading	Middlesex	Tyngsborough	Middlesex
Boxford	Essex	Harwich	Barnstable	Northampton	Hampshire	Tyringham	Berkshire
Boylston	Worcester	Hatfield	Hampshire	Northborough	Worcester	Upton	Worcester
Braintree	Norfolk	Haverhill	Essex	Northbridge	Worcester	Uxbridge	Worcester
Brewster	Barnstable	Hawley	Franklin	Northfield	Franklin	Wakefield	Middlesex
Bridgewater	Plymouth	Heath	Franklin	Norton	Bristol	Wales	Hampden
Brimfield	Hampden	Hingham	Plymouth	Norwell	Plymouth	Walpole	Norfolk
Brockton	Plymouth	Hinsdale	Berkshire	Norwood	Norfolk	Waltham	Middlesex
Brookfield	Worcester	Holbrook	Norfolk	Oak Bluffs	Dukes	Ware	Hampshire
Brookline	Norfolk	Holden	Worcester	Oakham	Worcester	Wareham	Plymouth
Buckland	Franklin	Holland	Hampden	Orange	Franklin	Warren	Worcester
Burlington	Middlesex	Holliston	Middlesex	Orleans	Barnstable	Warwick	Franklin
Cambridge	Middlesex	Holyoke	Hampden	Otis	Berkshire	Washington	Berkshire
Canton	Norfolk	Hopedale	Worcester	Oxford	Worcester	Watertown	Middlesex
Carlisle	Middlesex	Hopkinton	Middlesex	Palmer	Hampden	Wayland	Middlesex
Carver	Plymouth	Hubbardston	Worcester	Paxton	Worcester	Webster	Worcester
Charlemont	Franklin	Hudson	Middlesex	Peabody	Essex	Wellesley	Norfolk
Charlton	Worcester	Hull	Plymouth	Pelham	Hampshire	Wellfleet	Barnstable
Chatham	Barnstable	Huntington	Hampshire	Pembroke	Plymouth	Wendell	Franklin
Chelmsford	Middlesex	Ipswich	Essex	Pepperell	Middlesex	Wenham	Essex
Chelsea	Suffolk	Kingston	Plymouth	Peru	Berkshire	West Boylston	Worcester
Cheshire	Berkshire	Lakeville	Plymouth	Petersham	Worcester	West Bridgewater	Plymouth
Chester	Hampden	Lancaster	Worcester	Phillipston	Worcester	West Brookfield	Worcester
Chesterfield	Hampshire	Lanesborough	Berkshire	Pittsfield	Berkshire	West Newbury	Essex
Chicopee	Hampden	Lawrence	Essex	Plainfield	Hampshire	West Springfield	Hampden
Chilmark	Dukes	Lee	Berkshire	Plainville	Norfolk	West Stockbridge	Berkshire
Clarksburg	Berkshire	Leicester	Worcester	Plymouth	Plymouth	West Tisbury	Dukes
Clinton	Worcester	Lenox	Berkshire	Plympton	Plymouth	Westborough	Worcester
Cohasset	Norfolk	Leominster	Worcester	Princeton	Worcester	Westfield	Hampden
Colrain	Franklin	Leverett	Franklin	Provincetown	Barnstable	Westford	Middlesex
Concord	Middlesex	Lexington	Middlesex	Quincy	Norfolk	Westhampton	Hampshire
Conway	Franklin	Leyden	Franklin	Randolph	Norfolk	Westminster	Worcester
Cummington	Hampshire	Lincoln	Middlesex	Raynham	Bristol	Weston	Middlesex
Dalton	Berkshire	Littleton	Middlesex	Reading	Middlesex	Westport	Bristol
Danvers	Essex	Longmeadow	Hampden	Rehoboth	Bristol	Westwood	Norfolk
Dartmouth	Bristol	Lowell	Middlesex	Revere	Suffolk	Weymouth	Norfolk
Dedham	Norfolk	Ludlow	Hampden	Richmond	Berkshire	Whately	Franklin
Deerfield	Franklin	Lunenburg	Worcester	Rochester	Plymouth	Whitman	Plymouth
Dennis	Barnstable	Lynn	Essex	Rockland	Plymouth	Wilbraham	Hampden
Dighton	Bristol	Lynnfield	Essex	Rockport	Essex	Williamsburg	Hampshire
Douglas	Worcester	Malden	Middlesex	Rowe	Franklin	Williamstown	Berkshire
Dover	Norfolk	Manchester	Essex	Rowley	Essex	Wilmington	Middlesex
Dracut	Middlesex	Mansfield	Bristol	Royalston	Worcester	Winchendon	Worcester
Dudley	Worcester	Marblehead	Essex	Russell	Hampden	Winchester	Middlesex
Dunstable	Middlesex	Marion	Plymouth	Rutland	Worcester	Windsor	Berkshire
Duxbury	Plymouth	Marlborough	Middlesex	Salem	Essex	Winthrop	Suffolk
East Bridgewater	Plymouth	Marshfield	Plymouth	Salisbury	Essex	Woburn	Middlesex
East Brookfield	Worcester	Mashpee	Barnstable	Sandisfield	Berkshire	Worcester	Worcester
East Longmeadow	Hampden	Mattapoisett	Plymouth	Sandwich	Barnstable	Worthington	Hampshire
Eastham	Barnstable	Medford	Norfolk	Saugus	Essex	Wrentham	Norfolk
Easthampton	Hampshire	Medfield	Norfolk	Savoy	Berkshire	Yarmouth	Barnstable
Easton	Bristol	Medford	Middlesex	Scituate	Plymouth		