



Tax Credit Reconciliation and 1095s

Consumer FAQs for Assisters

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Introduction

This document provides answers for assisters for some frequently asked questions (FAQs) from consumers.

Note: BeWell cannot help consumers file their taxes, complete tax forms, or provide tax or legal advice and recommends that all New Mexicans seek help from a licensed tax professional while preparing their federal income tax returns.

FAQs

What is Form 1095-A?

Form 1095-A, Health Insurance Marketplace Statement, is a form consumers may need in order to fill out their federal income tax return. Form 1095-A is produced by BeWell for any individual or family who enrolled in a health plan through BeWell for any period of time last year. It has information about the health plan consumers and their family members received through BeWell. Consumers will not get a Form 1095-A if they received coverage through their employer or if they were enrolled in Medicaid.

Why do consumers need a Form 1095-A?

Consumers may need the information on Form 1095-A to complete Form 8962: Premium Tax Credit, for their federal tax return.

If consumers enrolled in health insurance through BeWell and chose to receive a tax credit in advance to help pay their monthly premiums (known as an advance payment of premium tax credit or APTC), the Internal Revenue Service (IRS) will use their Form 8962, along with other information in their tax filing (such as information about their income and family size), to make sure consumers received the right amount of tax credit.

If consumers received too little tax credit over the course of the year, consumers may get money back when they file their taxes. If consumers received too much tax credit, they may need to pay back the difference, either in the form of a reduced refund or an amount due when they file their taxes. When consumers complete Form 8962, they will learn if they need to pay back some of the tax credit consumers received or if they will receive more money when they get their refund.

If consumers enrolled in health coverage through BeWell without a tax credit (meaning consumers paid the full monthly premium), they may use Form 8962 to determine if they are eligible for a tax credit when they file their taxes.

What information is provided on Form 1095-A?

Form 1095-A has three parts:

1. Part I provides basic information about consumers and their family, and their health insurance start and end dates.
2. Part II provides information about each member of their “coverage household,” or those members of their family who were covered under the same policy.
3. Part III provides information for every month of the year for three items:
 1. the monthly cost of the health plan consumers selected;

2. the monthly cost of the Second Lowest Cost Silver Plan (SLCSP) available through BeWell; and
3. the tax credit consumers received to pay for their monthly health coverage.

There may be a very small difference between the monthly premium shown in column A from Form 1095-A and their actual monthly bill. This is because BeWell is required to report only the “essential health benefits” (EHB) portion of the premium on Form 1095-A. If the difference exceeds \$5.00 per month, please call us at 1-833-862-3935 (TTY: 711). The premium amount of the Second Lowest Cost Silver Plan (SLCSP) is included because the law requires that we use the cost of this plan to calculate their premium tax credit (PTC).

Why do consumers receive this Form 1095-A?

Form 1095-A provides consumers with information about their health coverage so they can:

- File their federal income taxes.
- Reconcile the advance payments of the premium tax credit (APTC). If there are differences between the premium tax credit (PTC) and APTC, they should claim net PTC (excess of PTC over APTC) or compute the excess APTC (excess of APTC over PTC) repayment amount.
- Claim the PTC if they are enrolled in coverage through BeWell without APTC and are eligible for a PTC.

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

Use it in conjunction with Form 8962 to file income taxes for the previous plan year. Consumers should keep their Form 1095-A until they are ready to file their taxes. The consumer or their tax preparer should use the information on the Form 1095-A to complete Form 8962. Form 8962, Premium Tax Credit, is used to calculate the amount of tax credit consumers should receive based on their final, year-end information, including income and family size.

When are Form 1095-A made available to consumers?

BeWell will start mailing out Form 1095-As as early as mid-Jan. Once they are mailed, consumers will see them online in the “Message Center” section in their BeWell account or through the link on the “My Enrollments” within a few days.

All Form 1095-As must be mailed by Jan. 31. Due to this, the latest a consumer should receive and/or be able to access their 1095-A will be mid-Feb.

What should a consumer do if they do not receive Form 1095-A?

If the consumer believes they should have received a Form 1095-A and did not, they should contact the Customer Engagement Center (CEC) at 1-833-862-3935 (TTY: 711) and select the IVR option for questions related to 1095s. Another option is to complete the [Contact Us](#) form.

What should a consumer do if their Form 1095-A looks wrong?

Form 1095-A shows the coverage and advance payments of the premium tax credit (APTC) the consumer got from BeWell during the coverage year.

Consumers should check their forms to make sure it includes the information below:

- dates their Qualified Health Plan (QHP) started and ended and the dates they had other coverage.
- household members covered.
- correct monthly premiums for any plan(s) they or their household members had (shown in Part III, Column A of Form 1095-A.) The premium might be off by up to \$5.00 due to EHB. If it is off by more than \$5.00, let us know.
- correct amount of APTC they got each month during the year (shown in Part III, Column C of Form 1095-A.)

If a consumer disagrees with the information on their Form 1095-A, BeWell will continue to help them.

What should consumers do if their Form 1095-A shows a different amount of premium than they paid and a different amount of tax credit than they received.

If the consumer or a family member enrolled in a separate dental plan with pediatric benefits, the premium on Form 1095-A includes the portion of the dental plan premiums for the pediatric benefits. If their plan covered benefits that are not essential health benefits (EHB), such as adult dental or vision benefits, the amount of the premium will be reduced by the premiums for the nonessential benefits.

If this scenario does not apply to the consumer, additional research will be needed.

**See example of this scenario at the end of this document.*

What should consumers do if the information on the form (dates, amounts, household members, etc.) is incorrect?

If the consumer's information on the 1095 is incorrect, they should contact the Customer Engagement Center (CEC) at 1-833-862-3935 (TTY: 711) and select the IVR option for questions related to 1095s. Another option is to complete the [Contact Us](#) form.

What should a married consumer do if they got a tax credit file separately from my spouse. Can they still file separately?

Generally, consumers must file jointly to obtain a tax credit. There are two exceptions recognized by the Internal Revenue Service (IRS): 1) if the consumers are victims of domestic violence or 2) spousal abandonment. If either or both situations apply, consumers may be eligible to file separately. To answer the question based on their specific circumstances, consumers should talk to the IRS or their tax preparer.

Why does a consumer's name appear on multiple lines of their Form 1095-A?

If the consumer had multiple coverage spans throughout the plan year in the same plan, they may have one line on Form 1095-A for each set of coverage start and end dates. Coverage spans in different plans will result in multiple Form 1095-As.

Will consumers who only have dental coverage receive a Form 1095-A?

BeWell consumers who were enrolled in *only* dental coverage will not receive a Form 1095-A, even if that coverage contains pediatric dental coverage.

What does it mean if Form 1095-A has the "Void" or the "Corrected" box checked?

If coverage is completely removed for Plan Year 2023, the consumer may receive a Form 1095-A with the "Void" box checked at the top.

If coverage is corrected for Plan Year 2023, either at the request of the consumer or due to necessary account updates by BeWell, the consumer will receive a Form 1095-A with the "Corrected" box checked at the top.

The consumer should use the final form they receive to file their taxes.

Updated Form 1095-As are generated every two weeks starting approximately Feb. 10, 2024.

The consumer received a corrected Form 1095-A after they filed their taxes. Do they need to amend their income tax return?

Generally, yes. If consumers received a corrected Form 1095-A *after* consumers submitted their tax filing, consumers may need to amend their tax return. The information on their tax return needs to match the information the Internal Revenue Service (IRS) gets from BeWell. To answer the question based on their specific

circumstances, BeWell recommends that consumers seek assistance from the IRS or their tax preparer.

The consumer experienced a life change during the year but did not report it to BeWell. Now that the year is over, what should they do?

Qualifying life events (QLE) include getting married, having a baby, becoming a U.S. citizen, adopting a child, and other changes to the consumer's household size or income. BeWell consumers should report life changes within 30 days of the event. By doing this, they will make sure they get the right amount of financial help and avoid owing money at tax time.

If the consumer did not report the change during the calendar year, they should report it now to BeWell to make sure they get the right amount of financial help next year. In most cases, they will not need a new Form 1095-A to file their taxes; they should simply include the change on their federal tax return. This will allow them to reconcile the advance payments of the premium tax credit (APTC) received based on these changes.

If the consumer asked for a coverage change to the qualified health plan (QHP) they got through BeWell last year (for example, they ended their coverage, or added or dropped a family member) but Form 1095-A does not show the change, they should contact BeWell at 1-833-862-3935 (TTY: 711) and select the IVR option for questions related to 1095s to see if they need a new form.

Why can consumers not correct Form 1095-A themselves?

The information the consumer files on their tax return needs to match the information the IRS gets from BeWell. BeWell reports advance payments of the premium tax credit (APTC) to the Internal Revenue Service (IRS), and BeWell reports it to the consumer on their Form 1095-A. The IRS may audit the consumer's tax return if the information does not match the information they received from BeWell, and the IRS may hold all or part of their tax refund until it is resolved.

Where can consumers find Form 1095-A?

Consumers should get their Form 1095-A in the mail by mid-January. All Form 1095-As must be mailed by Jan. 31. Therefore, the latest a consumer should receive and/or be able to access their 1095-A will be mid-February.

This form is also available under the Message Center at the top of the consumer's Dashboard in the BeWell Individual Portal or through a link on their My Enrollments screen. If consumers need help accessing their online account, they should contact BeWell at 1-833-862-3935 (TTY: 711).

Where can consumers find Form 8962?

Consumers can find Form 8962 online. Additionally, their tax preparer or the Internal Revenue Service (IRS) can provide consumers with this form, or consumers can find it where federal tax forms are available to the public (for example, their local post office or library). BeWell does not have copies of this form and cannot mail it to consumers.

Why did the consumer get more than one Form 1095-A?

A separate Form 1095-A will be generated for each qualified health plan (QHP) insurance policy in which a member of the household enrolled.

Each member of a tax household who is on the same policy will be listed together on one Form 1095-A.

Households of more than five (5) enrolled members will receive an additional Form 1095-A that is a continuation of the first Form 1095-A and lists additional family members under the member section.

What if the consumer's address is wrong on Form 1095-A but the other information is right?

Consumers can report changes like their address, number of household members, corrections to Social Security Number, name, date of birth, and income when they file their taxes. However, they still need to report changes to BeWell to get the right coverage and financial help in the following coverage year.

What is APTC reconciliation?

If Form 1095-A shows that advance payments of the premium tax credit (APTC) was paid on behalf of a consumer or a member of their household, the household's tax filer is required to file a tax return for the year of coverage and include with the return a completed Form 8962: Premium Tax Credit, to reconcile those advance payments.

The reconciling process compares two figures:

- The amount of APTC paid on behalf of the consumer or a member of their household during the year.
- The amount of premium tax credit (PTC) the consumer qualifies for based on their actual income and household size for the year.

Any difference between the two figures will affect a tax filer's federal income tax refund or tax owed.*

**Note: Due to exceptional circumstances, such as the COVID-19 pandemic, the Internal Revenue Service (IRS) has been issuing guidance that completing Form 8962: Premium Tax Credit is optional. Consumers can check the latest guidance on [the IRS's](#)*

[ACA page](#) or with their tax preparer to determine whether filing is required for the prior year's taxes. Even if the filing is not required, it may be beneficial to the consumer to file this form.

Can representatives help consumers file their taxes, complete tax forms, or provide tax or legal advice?

Customer Engagement Center (CEC) representatives cannot help consumers file their taxes, complete tax forms, or provide tax or legal advice. CEC representatives can help consumers address errors on their Form 1095-As, locate the forms, and address questions regarding information provided in this FAQ and internal trainings. When consumers ask questions beyond the scope of this FAQ and BeWells internal training, including whether or not they need to use Forms 1095-A and 8962 when filing their taxes, CEC representatives are required to refer consumers to licensed tax advisers, tax preparers, or other resources for assistance with tax preparation and tax advice related to consumer questions on premium tax credit (PTC) reconciliation.

Will any 1095-A information be made available to the Broker/Enrollment Counselor of record?

These forms are available in the consumer's Message Center which can be accessed through the Broker and Enrollment Counselor portals. There is also a "Notices" area in Assister portals.

To access the Message Center, the Assister should click on the "View Profile" link on the Dashboard and then the Message Center on the top right-hand side of the screen.

The "Notices" screen is on the main Dashboard and may also contain the Form 1095-A.

However, to protect their privacy, BeWell cannot accept calls from a tax preparer. If their tax preparer has general questions about the 1095-A process, they can review these FAQs. They can also take advantage of the extensive information available from the Internal Revenue Service (IRS) to support tax preparers and their understanding of the Affordable Care Act at [The IRS's ACA page](#).

How do consumers use Form 1095-A to fill out their Form 8962?

Form 8962 is a tax form and BeWell cannot help consumers with their tax filings. Please ask for help from the Internal Revenue Service (IRS) or a qualified tax preparer. The instructions for Form 8962 are readily available online and provide the most helpful information on how to complete this form.

Why does a consumer's Form 1095-A say they received a tax credit during a month when they did not pay their monthly premium?

If consumers receive a tax credit, the law requires their insurance company to keep them covered in their health plan for a certain period of time even if they are not paying premiums. This is called a "grace period." If consumers do not start paying their premiums again before the end of the grace period (after 90 days), their coverage is canceled retroactively. Even if their coverage is canceled, their insurance company counts consumers as covered during the first month consumers stopped paying. If their coverage is terminated because consumers did not pay their monthly bills, the Internal Revenue Service (IRS) may hold consumers responsible for the tax credit consumers received during the first month consumers stopped paying. Consumers may have to pay those tax credits back when consumers file their taxes.

A consumer's income is less than the filing limit, but they did receive a tax credit. Do they have to file?

Yes. Consumers must file a federal tax return if consumers received the premium tax credit (PTC), no matter the amount of their income. For more information, please contact the Internal Revenue Service (IRS) or their tax preparer.

What happens if a consumer received the premium tax credit and they do not complete Form 8962 with their federal income tax return?

BeWell reports all tax credits to the Internal Revenue Service (IRS). Failure to file is a serious matter and may impact their eligibility to receive tax credits in the future. For more information on failure to file Form 8962 when consumers have received a premium tax credit (PTC), please contact the IRS or a qualified tax preparer.

Do consumers still need to pay back the tax credit and/or file Form 8962?

The American Rescue Plan Act of 2021, signed into law on March 11, 2021, provided forgiveness for excess advance payments of the premium tax credit (APTC) received in tax year 2020 *only*. The requirement to reconcile tax credits using Form 8962 is required for all other tax years. The instructions for Form 8962 provide guidance on how to report income on this form to make sure tax credits are correctly reconciled.

Can consumers take less tax credit in advance and still get what remains when they file their taxes?

Yes, consumers can take all or part of their estimated tax credit during the year and receive any remaining tax credit when consumers file. Consumers also have the choice

of not taking any tax credit during the year and filing for all of it when consumers file their taxes.

Can BeWell help consumers complete their income tax return?

No. BeWell cannot help consumers complete their tax return. If consumers need help completing their tax return, consumers should consult a qualified tax preparer. For information about free tax assistance organized by the Internal Revenue Service (IRS), please visit www.irs.gov/Individuals/Free-Tax-Return-Preparation-for-Consumers-by-Volunteers. To find free local tax help, visit <https://www.cnm.edu/depts/taxhelp>.

Where can consumers get help with tax filing?

Here are two links consumers can access that may help:

- [IRS Free File](#)
- [Free Tax Return Preparation for Qualifying Taxpayers](#)

What is the Form 1095-B?

Form 1095-B is used to report certain information to the Internal Revenue Service (IRS) and to taxpayers about individuals who are covered by minimum essential coverage (MEC) and, therefore, are not liable for the individual shared responsibility payment.

The types of MEC include Medicaid, Medicare, coverage through a job if the individual works at a small employer, and individual/family coverage purchased directly from a carrier.

The carrier sends Form 1095-B for SHOP coverage.

If a consumer needs the Marketplace identifier for their Form 1095-B, they should contact SHOP via the main Customer Engagement Center (CEC) number. If the consumer is part of an existing SHOP group, they can email business@nmhix.com.

What is the Form 1095-C?

Consumers will only receive a Form 1095-C from their employer if that employer is an applicable large employer, meaning it had 50 or more full-time employees – including full-time equivalent employees – in the year before the year to which the form relates. Most employers have fewer than 50 employees and, therefore, are not applicable large employers required to provide Form 1095-C to their full-time employees.

Even if a consumer's employer is an applicable large employer, they will only receive a Form 1095-C from that employer if they were a full-time employee for that employer for at least one month of the year or if they are enrolled in an applicable large employer's self-insured health plan, even if they are a part-time employee.

Example: Essential Health Benefits and Form 1095-A

- Medical Coverage
 - Medical Premium of \$50 (\$47 = EHB, \$3 adult vision)
 - Eligible for \$65 total in tax credits.
 - Consumer Responsibility (Medical) = \$3 (non-EHB) after \$47 of APTC is applied.
 - * Remember: APTC does not cover non-EHB. Because adult vision is a non-EHB, it could not be covered by the APTC. Therefore, only \$47 of APTC could be used.
- Dental Coverage
 - Dental Premium = \$30 (\$20 adult dental, \$10 pediatric which is an EHB)
 - Consumer Responsibility (Dental) = \$20 after \$10 of APTC is applied to cover pediatric portion.
- Totals for Coverage
 - Total Consumer Responsibility for both types of coverage: \$23
 - Total APTC applied for both types of coverage: \$57
- What will show on Form 1095-A
 - Premium \$57 a month (\$47 for medical + \$10 for pediatric dental)
 - APTC showing as applied per month: \$57

Note: These numbers are not necessarily a real-life example. They were created to illustrate the policy.

Reminder: “Consumer Responsibility” is the portion of the premium the consumer is responsible to pay.



Document Information

Document Title:

BeWell Department:

Draft Version	Date Submitted	Author	Description of Changes
1.0	12/01/2023	Senior Training Specialist	Initial Submission