

Types of Coverage Exemptions

This chart shows all of the coverage exemptions available for 2018, including information about where each can be obtained and the code that is to be used on Form 8965 when you claim the exemption. If your coverage exemption was granted by the Marketplace, you will need to enter the Exemption Certificate Number (ECN) provided by the Marketplace. For additional details about the eligibility rules for the coverage exemptions that are claimed on the tax return, see the Instructions for Form 8965.

Coverage Exemption	Granted by Marketplace	Claimed on tax return	Code for Exemption
Income below the filing threshold — Your gross income or your household income was less than your applicable minimum threshold for filing a tax return.		✓	No Code See Part II
Coverage considered unaffordable — The required contribution is more than 8.05% of your household income.		✓	A
Short coverage gap — You went without coverage for less than 3 consecutive months during the year. There is a look-back rule for gaps of coverage at the start of the year. See the Instructions for Form 8965 for details.		✓	B
Citizens living abroad and certain noncitizens — You were: <ul style="list-style-type: none"> • A U.S. citizen or resident who was physically present in a foreign country or countries for at least 330 full days during any period of 12 consecutive months; • A U.S. citizen who was a bona fide resident of a foreign country or countries for an uninterrupted period that includes an entire tax year; • A bona fide resident of a U.S. territory; • A resident alien who was a citizen or national of a foreign country with which the U.S. has an income tax treaty with a nondiscrimination clause, and you were a bona fide resident of a foreign country for an uninterrupted period that includes an entire tax year; • Not lawfully present in the U.S and not a U.S. citizen or U.S. national. For this purpose, an immigrant with Deferred Action for Childhood Arrivals (DACA) status is not considered lawfully present and therefore qualifies for this exemption. For more information about who is treated as lawfully present in the U.S. for purposes of this coverage exemption, visit Healthcare.gov; or • A nonresident alien, including (1) a dual-status alien in the first year of U.S. residency and (2) a nonresident alien or dual-status nonresident alien who elects to file a joint return with a U.S. spouse. This exemption doesn't apply if you are a nonresident alien for 2018, but met certain presence requirements and elected to be treated as a resident alien. For more information see Pub. 519. 		✓	C
Members of a health care sharing ministry — You were a member of a health care sharing ministry.		✓	D
Members of Indian tribes — You were either a member of a Federally-recognized Indian tribe, including an Alaska Native Claims Settlement Act (ANCSA) Corporation Shareholder (regional or village), or you were otherwise eligible for services through an Indian health care provider or the Indian Health Service.	*	✓	E
Incarceration — You were in a jail, prison, or similar penal institution or correctional facility after the disposition of charges.		✓	F
Aggregate self-only coverage considered unaffordable — Two or more family members' aggregate cost of self-only employer-sponsored coverage was more than 8.05% of household income, as was the cost of any available employer-sponsored coverage for the entire family.		✓	G
Resident of a state that did not expand Medicaid — Your household income was below 138% of the federal poverty line for your family size and at any time in 2018 you resided in a state that didn't participate in the Medicaid expansion under the Affordable Care Act. See calculation on the following page.		✓	G
General hardship — You experienced a hardship that prevented you from obtaining coverage under a qualified health plan.		✓	G
Member of tax household born or adopted during the year — The months before and including the month that an individual was added to your tax household by birth or adoption. You should claim this exemption only if you are also claiming another exemption on your Form 8965.		✓	H
Member of tax household died during the year — The months after the month that a member of your tax household died during the year. You should claim this exemption only if you are also claiming another exemption on your Form 8965.		✓	H
Members of certain religious sects — The marketplace determined that you are a member of a recognized religious sect.	✓		Need ECN See Part I
Ineligible for Medicaid based on a state's decision not to expand Medicaid coverage — The marketplace found that you would have been determined ineligible for Medicaid solely because the state in which you resided didn't participate in Medicaid expansion under the Affordable Care Act.	✓		Need ECN See Part I
Coverage considered unaffordable based on projected income — The Marketplace determined that you didn't have access to coverage that is considered affordable based on your projected household income.	✓		Need ECN See Part I
Certain Medicaid programs that are not minimum essential coverage — The Marketplace determined that you were (1) enrolled in Medicaid coverage provided to a pregnant woman that is not recognized as minimum essential coverage; (2) enrolled in Medicaid coverage provided to a medically needy individual (also known as Spend-down Medicaid or Share-of-Cost Medicaid) that is not recognized as minimum essential coverage; or (3) enrolled in Medicaid coverage provided to a medically needy individual and were without coverage for other months because the spend-down had not been met.	✓		Need ECN See Part I

General hardship (code "G") See Instructions for Form 8965 for details

- Homelessness
- Evicted or facing eviction or foreclosure
- Utility shut-off notice
- Domestic violence
- Recent death of a close family member
- Disaster that resulted in significant property damage
- Bankruptcy in the last 6 months
- You had medical expenses you could not pay
- Unexpected increases in necessary expenses due to caring for ill, disabled or aging relative
- Failure of another party to comply with a medical support order for a dependent child who is determined ineligible for Medicaid or CHIP
- You were without coverage while awaiting an appeals decision from the Marketplace;
- Determined ineligible for Medicaid because the state did not expand coverage
- You lived in a country where there is no qualified health plan offered, there is only one issuer offering coverage, or all affordable plans provide abortion coverage contrary to your beliefs
- You experienced personal circumstances that create a hardship, such as when no affordable plans provide access to needed specialty care
- You experienced a hardship not included in this list that prevented you from getting health insurance

* The coverage exemptions for members of Indian tribes is no longer granted by the Marketplace, except in Connecticut. See the Instructions for Form 8965 to claim the exemption.

Determining Eligibility for Certain Exemptions

Keep for Your Records

Worksheet: Resident of a State That Didn't Expand Medicaid Exemptions (Code G)

Taxpayer(s) Household Income (Click on "Summary/Print" in the Menu to see Form 1040)

1. AGI (Form 1040) 1. \$ _____
2. Tax-Exempt Interest (Form 1040). 2. \$ _____
3. Amounts from Form 2555, lines 45 and 50;
and Form 2555-EZ, line 18 3. \$ _____
4. If there is untaxed Social Security:

Form 1040, Total Social Security	a.	\$ _____	
Form 1040, Taxable Social Security	b.	\$ _____	
Untaxed Social Security (Subtract line b from a)			4. \$ _____
5. Add lines 1-4 5. \$ _____

Dependent's Household Income

Note: This is only done for any dependent who is required to file because the dependent's income exceeds the filing threshold (page H-11).

6. Dependent's Modified AGI (calculated as shown above for the taxpayer) 6. \$ _____

Total Household Income

7. Total Household Income (adds lines 5 and 6). 7. \$ _____
8. Family size (see table below) 8. _____
9. 138% of FPL (from table below) 9. \$ _____

If **line 9 is greater than line 7**, everyone on the return qualifies for Exemption Code G (Resident of a state that did not expand Medicaid).

Table: 138% of Federal Poverty Line

Note: The Family Size is the total number of taxpayer, spouse and all dependents claimed on Form 1040.

Family Size	1	2	3	4	5	6	7	8
138% FPL	\$16,643	\$22,411	\$28,180	\$33,948	\$39,716	\$45,485	\$51,253	\$57,022

Short Coverage Gap Exemption (Code B)

Exemption Code B: Uninsured for less than 3 consecutive months.

Notes:

- If the coverage gap is 3 months or longer, none of the months in the gap qualify for the exemption.
- Exemption must be applied to the first gap in coverage.
- A person is considered to have coverage for the entire month if they have coverage for one day in the month.
- Months covered by another exemption are treated like months with coverage.
- When a gap in coverage straddles two tax years, the months in the second tax year in the continuous period aren't counted. For example, a person who is uninsured December 2017 through February 2018 cannot claim the Code B exemption for the 2018 gap because the gap is not less than 3 months. However, a person who is uninsured November 2018 through January 2019 can claim this exemption because the months in the second year aren't counted in the continuous period.