

Reporting Life Changes

Module 4: Reporting a Change in Income

Let's Get Started

How do income changes affect Marketplace coverage eligibility with financial assistance?

How do I report a change in income on Marketplace?

What steps can be taken to adjust the Marketplace's income estimate?

Objectives

After completing this module, you should be able to:

- Understand the impact an income change has on eligibility for Marketplace coverage with financial assistance.
- Guide consumers through the process of reporting a change in income to the Marketplace.

Assister Tip: If consumers are enrolled in a Marketplace plan with financial assistance (i.e., premium tax credits or cost-sharing reductions), and their household income changes, they should report this income change as soon as possible to ensure they continue receiving the amount of financial assistance they're eligible to receive.

For more information, visit the [When your household or income changes](#) website.

What You Need to Know

What impact does an income change have on eligibility for Marketplace coverage with financial assistance?

If an increase in income is reported. Consumers may qualify for less savings than they're getting now. If they don't report the change, they could have to pay money back when they file their federal income tax return.

If a decrease in income is reported. They could qualify for additional premium tax credits or cost-sharing reductions. Alternatively, they may qualify for Medicaid or the Children's Health Insurance Program (CHIP).

In this module, you'll help a consumer report a change in income on their Marketplace application.

What You Need to Do

The following are real-world situations you may encounter when helping consumers report a change in income.

Andrea, needs to report a change in her income. Andrea is a graduate student who works at the Science Center year-round. On July 1, she started a second job at her university science lab to make extra money while in graduate school.

She currently receives advance payments of the premium tax credit (APTC) but needs to update her Marketplace application to determine whether she'll receive the same amount with a second source of income.

On the "Report a life change" screen, Andrea uses the scroll bar to find the Report a Life Change option. She selects the Report a Life Change option to get started on updating her Marketplace application.

Andrea needs to report a change in her household income, so she selects the "Report a change in my household income, size, address, or other information" option on the Have you had any changes like these? page.

Now, let's review Andrea's monthly income and expenses.

Her primary job at the Science Center is already on her application, so she now needs to add information about her second job. Andrea selects the Add more income option to add income from her second job.

Andrea's employer for her second job is the University Science Lab, which pays her a monthly wage. Andrea documents this income by selecting Job (like salary, wages, commissions, or tips) from the Income type drop down menu.

Next, Andrea fills out her income information. She enters University Science Lab as her employer and \$1700 as her income for this month. She then selects Add.

On the next screen, Andrea's estimated annual income will appear.

The HealthCare.gov application automatically annualizes all monthly income that's reported, so it's currently estimating Andrea's annual income as \$56,400. However, Andrea only started working at University Science Lab in July, so she'll only be earning this second source of income for half of the year.

The application asks Andrea if \$56,400 is a good estimate for her income for this year? Andrea expects her income to be different, so she selects the "Amount will probably be different than this" option to indicate her expected yearly income is not correct.

When the Marketplace calculates Andrea's net income, it assumes the dollar amount Andrea entered for her second job applies to the entire year. However, Andrea started her second job in July, midway through the year, so the Marketplace estimate is not correct.

For the next question, "Is Andrea's yearly income hard to predict?" Andrea answers "No" since she knows exactly how much she'll make from her second job.

Next, Andrea calculates her income. The application will ask Andrea to provide the best estimate of her income for the year she's applying for coverage.

For July 1 – December 31, Andrea thinks she will receive six monthly payments of \$1,700 from her second job, which is a total of \$10,200. When she adds that to the income from her first job, her estimated total yearly income is \$46,200.

Andrea can also select the Income calculator option for more help estimating her income or the Monthly estimator option to enter her income for each month. Andrea enters \$46,200 into the

“Enter your best estimate for this year’s total income (minus certain expenses)” field, then select Update estimate.

Andrea’s estimated income for the year is updated. She selects the Save & continue option to save these changes to her application.

Andrea will need to review and submit the rest of her application to receive a new eligibility result, which will include updated information about her APTC eligibility.

Assisters should remind Andrea to update her income if her situation changes.

Wrap Up

Congratulations!

You have completed Reporting a Change in Income. Visit HealthCare.gov’s [When your income or household changes – Reporting income & household changes after you’re enrolled](#) website for more information on making changes to a Marketplace application.

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