

Reporting Income: Reporting Income on a Marketplace Application



Disclaimer: The contents of this training module do not have the force and effect of law and are not meant to bind the public in any way, unless specifically incorporated into a contract. This training module is intended only to provide clarity to the public regarding existing requirements under the law. This communication was printed, published, or produced and disseminated at U.S. taxpayer expense.

Contents

Let's Get Started 3

What You Need to Know..... 4

What You Need to Do 5

Wrap Up 19

Let's Get Started

Your Role?

How do I help consumers get the right eligibility outcome on a Marketplace application? Whose income is counted? Which income types are counted?

You'll need to help consumers estimate their household income as accurately as possible when they apply for Marketplace coverage and financial assistance.

Fortunately, the Marketplace application is designed to ask questions that will collect the right income information from the right people.

In this module, you'll help the Carter family—including George, Louise, and their 17-year-old son, Leo—as they estimate their annual household income on a Marketplace application.

What You Need to Know

Important Info

Before we get started, keep in mind that the Marketplace application asks consumers if they have any income in the current month. Then the application asks about total yearly income.

Can you recall how the Marketplace uses consumers' current month income and their projected annual income to determine eligibility for financial assistance and other coverage options?

Question: What type of income is always used for Marketplace (APTC and CSR) eligibility?

Answer: Projected annual income (for the coverage year).

Question: What type of income is generally used to determine Medicaid and CHIP eligibility?

Answer: Current month income.

The Marketplace counts income for the primary applicant, their spouse, and everyone they'll claim as a tax dependent on their federal income tax return (if the dependents are required to file). As a best practice, advise consumers that they should always include the income of children and tax dependents (of any age) on the Marketplace application when it is requested. The Marketplace will calculate whether to count their income based on their age and the income types and amounts they include on the application.

You can also review the resources provided throughout this module to learn more about reporting household members and their incomes on a Marketplace application.

What to include as income: [HealthCare.gov/income-and-household-information/income/](https://www.healthcare.gov/income-and-household-information/income/).

How to estimate your expected income: [HealthCare.gov/income-and-household-information/](https://www.healthcare.gov/income-and-household-information/).

What You Need to Do

George and Louise Carter live in Michigan with their son Leo. They are married, file a joint federal income tax return, and claim Leo as their dependent.

They've filled out the "family & household" and "additional information" sections, but need your help completing the "income" section.

Let's help George, Louise, and Leo report their income on a Marketplace application.

Scenario Directions: First, the Carters must confirm which household members will have income this month. George, Louise, and Leo will all receive income this month so they should select the checkbox next to all three household members and select **Save & continue**.



HealthCare.gov

[← Back](#)

Household income

[Learn more about types of income to report.](#)

Will any of these people have income this month?

George Carter

Louise Carter

Leo Carter

Save & continue

Scenario Directions: None of the Carters pay student loan interest, alimony, educator expenses, or contribute to an IRA, so they should leave all the checkboxes for Household expenses blank. Select **Save & continue**.

HealthCare.gov

[← Back](#)

Household expenses

Do any of these people pay student loan interest, alimony, or educator expenses, or contribute to an IRA in 2021?

[Learn more about reporting these expenses.](#)

George Carter

Louise Carter

Leo Carter

Save & continue

Scenario Directions: Let's start with George. Select **Continue**, to help him fill out his Marketplace application.

Since all three of the Carters will earn income this month, they each need to estimate their income on the Marketplace application.

George earns \$2,000 every month from his job as a construction project manager. He will also receive a \$4,000 bonus from his employer at the end of the coverage year. Even though that is several months down the road, George still needs to add the bonus to his expected yearly income. Why is that?

Because consumers should adjust their expected yearly income for any changes they *expect* for the year they want coverage. This includes future raises, bonuses, and income from other sources. This is because advance payments of the premium tax credit (APTC) and cost-sharing reduction (CSR) eligibility is calculated by using a consumer-provided projection of what their annual income will likely be over the year.

Scenario Directions: Let's help George fill out the "income and expenses" section. Select the correct source of income for George from the drop-down menu and then select **Save & continue**.

Correct option: Job (like salary, wages, commissions, or tips).

The screenshot shows the 'George's income' section of the HealthCare.gov application. At the top, there is a blue header with the 'HealthCare.gov' logo. Below the header, a blue arrow points to a 'Back' link. The main heading is 'George's income'. A sub-heading reads: 'You can enter amounts now, then update George's income later in the year if George's situation changes.' There are two informational boxes: a light blue one with an 'i' icon stating that multiple income sources can be entered later, and a light yellow one with a warning triangle icon stating that unemployment payments should be entered here. Below these boxes, a prompt asks to 'Select a type of income George currently gets this month.' with a link to 'Learn more about types of income to report.' A dropdown menu is open, showing the selected option 'Job (like salary, wages, commissions, or tips)'. At the bottom, there is a green 'Save & continue' button.

Scenario Directions: George provided the following information about his job.

- Employer name: Technology Inc.
- Pay \$2,000
- Pay frequency: Monthly
- Phone: 616-000-3443

When you've completed all fields, select **Save & continue**.

Job (like salary, wages, commissions, or tips)

[Learn more about reporting job income.](#)

Enter the employer name.

Enter the amount George gets paid.

[Learn how to calculate income.](#)

How often is George paid this amount?

Hourly

Daily

Weekly

Every 2 weeks

Twice a month

Monthly

Yearly

One time only

Enter a phone number where we can reach.

Scenario Directions: The income information you helped George enter should appear on this screen. Now let's help him review his expected yearly income. Select **Continue**.

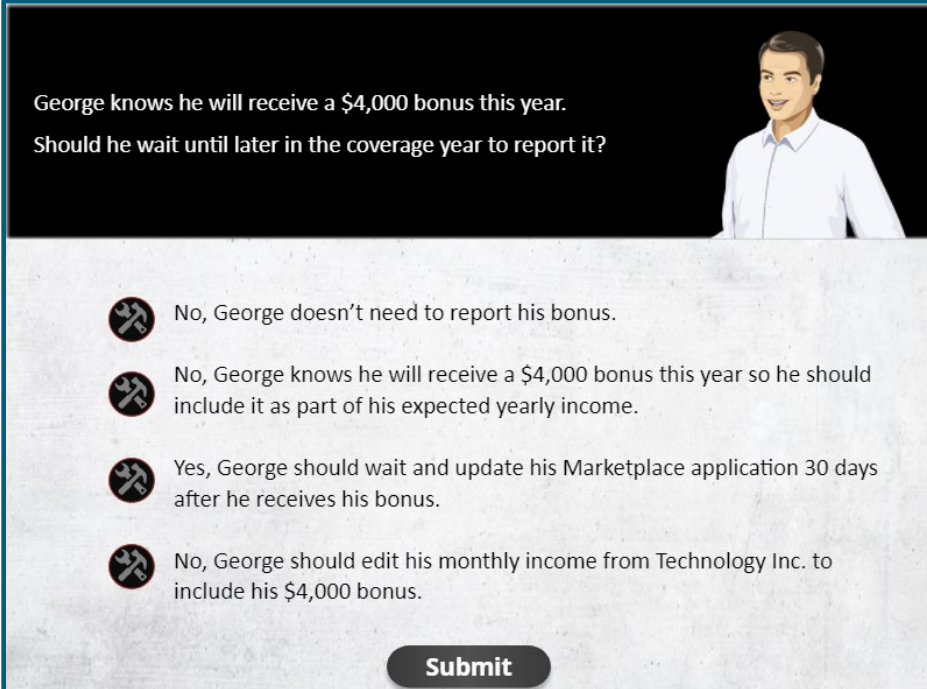
The screenshot shows the HealthCare.gov interface for reviewing income and expenses. At the top left is the HealthCare.gov logo. Below it is a back arrow and the text 'Back'. The main heading is 'Review George's income & expenses'. Underneath is the section 'George's income'. A yellow warning box contains a triangle icon and text: 'If George gets unemployment, including payments as a result of the COVID-19 emergency, be sure that's entered here. If they got a COVID-19 stimulus check, **don't** enter it here. [Learn more about COVID-19-related income.](#)'. Below the warning box, there is a job entry: 'Job: Technology Inc. \$2,000.00 each month' with 'Edit' and 'Remove' links. A button 'Add another income source for George' is below the job entry. The section 'George's expenses' follows, with a button 'Add expense for George'. A large 'Continue' button is positioned to the right of the expense button.

Scenario Directions: Select your choice and then select **Submit** to check your answer.

Question: George knows he will receive a \$4,000 bonus this year. Should he wait until later in the coverage year to report it?

- a. No, George doesn't need to report his bonus.
- b. No, George knows he will receive a \$4,000 bonus this year so he should include it as part of his expected yearly income.
- c. Yes, George should wait and update his Marketplace application 30 days after he receives his bonus.
- d. No, George should edit his monthly income from Technology, Inc. to include his \$4,000 bonus.

Answer: B. Consumers should adjust their expected yearly income for any changes they anticipate during the year they want coverage, including raises, bonuses, and changes to income from other sources. George should add the bonus to his expected yearly income generated by the Marketplace. For more information on estimating expected income, visit: [HealthCare.gov/income-and-household-information/how-to-report/](https://www.healthcare.gov/income-and-household-information/how-to-report/).



George knows he will receive a \$4,000 bonus this year.
Should he wait until later in the coverage year to report it?

- No, George doesn't need to report his bonus.
- No, George knows he will receive a \$4,000 bonus this year so he should include it as part of his expected yearly income.
- Yes, George should wait and update his Marketplace application 30 days after he receives his bonus.
- No, George should edit his monthly income from Technology Inc. to include his \$4,000 bonus.

Submit

Scenario Directions: Based on the monthly income information George provided, the Marketplace estimates that his expected income is “About \$24,000 per year.”

Question: Is this correct? Select **Yes** or **No**.

Answer: No. While it is true that $\$2,000 \times 12$ is equal to $\$24,000$ per year, George needs to add his bonus to this estimate.

George's net income totals

George's expected monthly income for 2022

About \$2,000.00

We calculated this current monthly income amount based on what you entered for George's income and expenses. Don't worry if this isn't the exact total — we just need a close estimate.

George's expected yearly income for 2022

About \$24,000.00

We calculated this expected yearly income amount based on what you entered for George's monthly income and expenses. Is this correct for 2022?

[I'm not sure if this amount is correct.](#)

Yes

No

Scenario Directions: George knows he will receive a \$4,000 bonus by the end of the year so his 2022 income is not hard to predict.

Since George indicated his expected yearly income is incorrect, a second question appears asking, "Is George's income for 2022 hard to predict?"

Question: How should George respond?

Answer: Select **No** and then enter \$28,000 as his expected income for the year.

George's expected yearly income for 2022

About \$24,000.00

We calculated this expected yearly income amount based on what you entered for George's monthly income and expenses. Is this correct for 2022?

[I'm not sure if this amount is correct.](#)

Yes

No

Is George's income for 2022 hard to predict?

Yes

No

Make your best estimate of George's expected yearly income for 2022.

Scenario Directions: Now that you have helped George, let's help Louise. Select **Continue**, to move to the next screen.

Louise receives \$750 a month in Social Security Disability (SSDI).

Question: Should Louise enter her SSDI as a source of income? Select **Yes** or **No**.

Answer: Yes. Consumers should report Social Security income on their Marketplace application. This includes Social Security Disability Insurance (SSDI), retirement income, and survivor's benefits.

Consumers **should not** include Supplemental Security Income (SSI). Consumers who receive SSDI might either have Medicare or are in a 24-month waiting period before Medicare starts. If a consumer has Medicare, they won't be eligible for savings on a Marketplace plan. You should inform consumers who are in a 24-month waiting period that they may be eligible for Medicaid or Marketplace coverage while they wait for Medicare coverage to start. For more information on SSDI and SSI, visit:

[HealthCare.gov/people-with-disabilities/coverage-options/](https://www.healthcare.gov/people-with-disabilities/coverage-options/).

Scenario Directions: Select the type of income Louise currently gets this month from the drop-down list. Then select **Save & continue**.

Correct option: Social Security benefits (retirement and disability).

Remember, Louise receives SSDI, which is a type of Social Security benefit.

HealthCare.gov

[← Back](#)

Louise's income

You can enter amounts now, then update Louise's income later in the year if Louise's situation changes.

i If Louise has more than one source of income, you'll be able to enter more later.
If Louise got a COVID-19 stimulus check, **don't** enter it here.

Select a type of income Louise currently gets this month.
[Learn more about types of income to report.](#)

A If Louise gets unemployment, including payments as a result of the COVID-19 emergency, enter that here.
[Learn more about COVID-19-related income.](#)

Social Security benefits (retirement and disability)

Save & continue

Scenario Directions: Now enter Louise’s monthly income. Louise receives \$750 each month from SSDI, so enter that amount in the application. Then select the **Monthly** option to indicate how often Louise receives this amount. When you’ve completed all fields, select **Save & continue**.

Social Security benefits (retirement and disability) ▾

i Enter the amount this person gets each month from Social Security disability (Social Security Disability Income (SSDI)), retirement (including railroad retirement (RRB)), or survivor’s benefits. Include both taxable and non-taxable Social Security income.

Don’t include Supplemental Security Income (SSI). We don’t consider this income.

[Learn more about Social Security benefits.](#)

Enter the amount Louise gets paid.
If you’re not sure, make your best estimate.

\$750

How often does Louise get this amount?

Monthly

Yearly

One time only

Save & continue

Scenario Directions: You should help Louise review her monthly income and confirm whether her expected yearly income is correct.

We know Louise’s only source of income is from SSDI, so she should select **Yes** to confirm her expected yearly income is about \$9,000. Then select **Save & continue**.

Louise's net income totals

Louise's expected monthly income for 2022

About \$750.00

We calculated this current monthly income amount based on what you entered for Louise's income and expenses. Don't worry if this isn't the exact total — we just need a close estimate.

Louise's expected yearly income for 2022

About \$9,000.00

We calculated this expected yearly income amount based on what you entered for Louise's monthly income and expenses. Is this correct for 2022?

[I'm not sure if this amount is correct.](#)

Yes

No

Save & continue

Now we have just one family member left! Let's take a look at what Leo has been doing this month. Select **Continue**, and let's get started.

Leo earned \$3000 working at a summer camp. However, Leo is George and Louise's tax dependent and his income falls below the tax filing threshold for dependents.

Question: Should Leo enter his income on this application? Select **Yes** or **No**.

Answer: Yes. Consumers should always include the income of children and tax dependents (of any age) on the Marketplace application when it is requested. There is a special rule for tax dependents and children and the Marketplace will calculate whether to count their income based on their age, as well as the income types and amounts they include on the application. For more information on whose income to include on a Marketplace application, visit: [HealthCare.gov/income-and-household-information/income/](https://www.healthcare.gov/income-and-household-information/income/).

Scenario Directions: Leo received a federal taxable wage this month for his work, so he selects **job (like salary, wages, commissions, or tips)** from the drop-down menu.

The screenshot shows the HealthCare.gov interface for entering income. At the top, there is a blue header with the HealthCare.gov logo. Below the header, there is a back arrow and the text 'Leo's income'. A paragraph explains that users can enter amounts now and update later. There are two informational boxes: a light blue one with an 'i' icon stating that multiple income sources are allowed but COVID-19 stimulus checks are not, and a light yellow one with a warning triangle icon stating that unemployment payments should be entered. Below these is a section titled 'Select a type of income Leo currently gets this month.' with a link to learn more. A dropdown menu is open, showing 'Job (like salary, wages, commissions, or tips)'. At the bottom, there is a green 'Save & continue' button.

Scenario Directions: Leo provides the following information about his job.

- Summer Camp Co.
- \$3,000
- Pay frequency: One time only
- 616-000-4334

When you've completed all fields, select **Save & continue**.

[Learn more about reporting job income.](#)
Enter the employer name.

Enter the amount Leo gets paid.
[Learn how to calculate income.](#)

How often is Leo paid this amount?
 Hourly
 Daily
 Weekly
 Every 2 weeks
 Twice a month
 Monthly
 Yearly
 One time only
Enter a phone number where we can reach.

Scenario Directions: Leo's only source of income is his summer job, so his expected yearly income is correct. Select **Yes** to indicate Leo's expected yearly income is correct for 2022 and then **Save & continue**.

Leo's net income totals

Leo's expected monthly income for 2022

About \$3,000.00

We calculated this current monthly income amount based on what you entered for Leo's income and expenses. Don't worry if this isn't the exact total — we just need a close estimate.

Leo's expected yearly income for 2022

About \$3,000.00

We calculated this expected yearly income amount based on what you entered for Leo's monthly income and expenses. Is this correct for 2022?
[I'm not sure if this amount is correct.](#)

Yes
 No

Save & continue

Scenario Directions: The Carter family should read the statement then check the box to agree to it. George should type his full name to electronically sign the application. Fill out this information then select **Sign & submit**.

HealthCare.gov

[← Back](#)

Sign & submit

I'm signing this application under penalty of perjury, which means I've provided true answers to all of the questions to the best of my knowledge. I know I may be subject to penalties under federal law if I intentionally provide false information.

I agree to this statement.

George Carter, type your full name below to sign electronically.

George Carter

Sign & submit

Scenario Directions: Select **Continue**, to move to the next screen.

Congratulations! You've completed this exercise and have helped George, Louise, and Leo estimate their household income for the year they want coverage.

Good job on those scenarios! Continue to the Wrap Up section or you can go through the scenarios again.

Wrap Up

Congratulations! You have completed Reporting Income on a Marketplace Application.

In this module, you helped the Carter family estimate three relatively straightforward types of income.

- Annual salary
- SSDI
- Summer wage

Let's cover a few reminders and important notes to consider:

As an assister, you should remind consumers that Marketplace savings are based on their expected household income for the year they want coverage, not last year's income.

Also remind consumers that it's very important to report any income changes as soon as possible. If consumers don't report these changes, they could miss out on savings or wind up having to pay money back when they file their federal tax returns for the year.

Under the American Rescue Plan of 2021:

- For Plan Year 2020 only, repayment of excess APTC for the 2020 tax year is not required. The Internal Revenue Service (IRS) will provide taxpayers with additional guidance on those provisions that could affect their 2020 tax return.
- Some consumers may receive stimulus payments. These payments do not need to be included in the household income consumers report on the HealthCare.gov application and do not impact eligibility for healthcare coverage through the Marketplace or their eligibility for Medicaid or CHIP.