



2020 BENEFITS BRIEFING FOR CALIFORNIA RESIDENTS

Beginning January 1, 2020, several changes to health insurance in California will go into effect. As a California resident, the following changes may impact you and your family.

New State Individual Mandate

Although the federal Individual Mandate under the Affordable Care Act (ACA, otherwise known as Obamacare) is no longer in effect, California residents must enroll in minimum essential coverage (MEC) by January 1, 2020, or pay an annual penalty. The annual penalty is \$695 per individual (up to three individuals per household) or a maximum of 2.5 percent of your household income, whichever is greater.

This penalty applies to all uninsured household members, as reported on your tax return, including registered domestic partners (if you filed a joint tax return). However, individuals can go without coverage for up to three consecutive months in a calendar year and not pay the penalty. This is known as the three-month grace period. If you meet certain criteria, you may also be exempt from complying with the individual mandate. To learn more, visit ftb.ca.gov.

Premium Tax Credit Expansion

To help more California residents pay for health insurance, California will expand its premium tax credits (PTC) program. Singles with an annual household income of \$72,840* or less, and families of four with a combined annual income of \$150,600* or less, will qualify for PTC to pay for health care coverage from Covered California. Covered California (www.coveredca.com) is the official health insurance marketplace for the state.

WHAT'S NEXT?

Review your medical plan options carefully and enroll in MEC by January 1, 2020. If you do not, you will not be allowed to enroll in a Covered California plan or your employer's sponsored plan until the next Open Enrollment period, unless you experience a qualifying family status change.

Medi-Cal Young Adult Expansion

Effective immediately, California residents ages 19 through 25 who satisfy certain income requirements can enroll in Medi-Cal regardless of their immigration status. Medi-Cal provides free or low-cost health care to low-income California residents. For more information, visit medi-cal.ca.gov or call 800-541-5555.

*Based on your 2018 tax return



LOGO PLACEMENT