

2020 Recipient Instructions for Form FTB 3895

California Health Insurance Marketplace Statement

What's New

Minimum Essential Coverage Individual Mandate – For taxable years beginning on or after January 1, 2020, California requires residents and their dependents to obtain and maintain minimum essential coverage (MEC), also referred to as qualifying health care coverage. Individuals who fail to maintain qualifying health care coverage for any month during taxable year 2020 will be subject to a penalty unless they qualify for an exemption. For more information, get the following new health care forms, instructions, and publications:

- Form FTB 3849, Premium Assistance Subsidy
- Form FTB 3853, Health Coverage Exemptions and Individual Shared Responsibility Penalty
- Form FTB 3895, California Health Insurance Marketplace Statement
- Publication 3849A, Premium Assistance Subsidy (PAS)
- Publication 3895B, California Instructions for Filing Federal Forms 1094-B and 1095-B
- Publication 3895C, California Instructions for Filing Federal Forms 1094-C and 1095-C

General Information

You received form FTB 3895, California Health Insurance Marketplace Statement because you or an applicable household member enrolled in a qualified health plan through the California Health Insurance Marketplace (Marketplace). The term "Marketplace" refers to the California state Marketplace, Covered California. This form FTB 3895 provides information you need to complete form FTB 3849, Premium Assistance Subsidy (PAS) (do not use federal Form 1095-A, Health Insurance Marketplace Statement to complete form FTB 3849). You must complete form FTB 3849 and file it with your tax return (Form 540, California Resident Income Tax Return or Form 540NR, California Nonresident or Part-Year Resident Income Tax Return) if any amount other than zero is shown in Part II, column (c), of this form FTB 3895 (meaning that you received financial help through advance payments of the premium assistance subsidy (also called advance subsidy payments)) or if you want to take the premium assistance subsidy. If you received the premium assistance subsidy, you are required to file a tax return regardless of California's income tax return filing thresholds. The Marketplace has also reported the information on this form to the Franchise Tax Board (FTB). If you or your applicable household members enrolled at the Marketplace in more than one qualified health plan policy, you will receive a form FTB 3895 for each policy. Check the information on this form carefully. Please contact your Marketplace if you have questions concerning its accuracy. If you or your applicable household members were enrolled in a Marketplace catastrophic health plan or only in a separate Marketplace dental policy, you are not entitled to take a premium assistance subsidy for this coverage when you file your tax return, even if you received a form FTB 3895 for this coverage.

For information about health coverage options and financial help, go to coveredca.com. For information about the penalty for not having qualifying health coverage, go to ftb.ca.gov/healthmandate.

VOID box. If the "VOID" box is checked at the top of the form, you previously received a form FTB 3895 for the policy described in the recipient information section. That form FTB 3895 was sent in error. You should not have received a form FTB 3895 for this policy. **Do not** use the information on this or the previously received form FTB 3895 to determine your premium assistance subsidy on form FTB 3849.

CORRECTED box. If the "CORRECTED" box is checked at the top of the form, use the information on this form FTB 3895 to determine your premium assistance subsidy and reconcile any advance subsidy payments on form FTB 3849. **Do not** use the information on the original form FTB 3895 you received for this policy.

Specific Instructions

Recipient Information

This section reports information about you, the insurance company that issued your policy, and the Marketplace where you enrolled in the coverage.

Recipient's name – You are the recipient because you are the person the Marketplace identified at enrollment who is expected to file a tax return and who, if qualified, would take the premium assistance subsidy for the year of coverage.

Recipient's SSN – This is your social security number (SSN). For your protection, this form may show only the last four digits. However, the Marketplace has reported your complete SSN to the FTB.

Recipient's date of birth – This is your date of birth.

Spouse's name/SSN/date of birth – Information about your spouse will be entered only if you and your spouse were enrolled in the same policy.

Address/City/State/ZIP code – Your address is entered on these lines.

Marketplace identifier – This line identifies California as the state where you enrolled for coverage.

Marketplace-assigned policy number – This line is the policy number assigned by the Marketplace to identify the policy in which you enrolled. If you are completing Part IV of form FTB 3849, enter this number on line 30, 31, 32, or 33 column (a).

Policy issuer's name – This is the name of the insurance company that issued your policy.

Policy start/termination date – These are the starting and ending dates of the policy.

Repayment cap may not apply – If this box is checked and you received advance payment of the premium assistance subsidy, get form FTB 3849 for instructions.

Part I – Covered Individuals

Line 1 through Line 5 – Part I reports information about each individual who is covered under your policy. This information includes the name, SSN, date of birth, and the starting and ending dates of coverage for each covered individual.

If advance subsidy payments are made, the only individuals listed on form FTB 3895 will be those whom you certified to the Marketplace would be in your applicable household for the year of coverage (yourself, spouse, and dependents). If you certified to the Marketplace at enrollment that one or more of the individuals who enrolled in the plan are not individuals who would be in your applicable household for the year of coverage, those individuals will not be listed on your form FTB 3895. For example, if you indicated to the Marketplace at enrollment that an individual enrolling in the policy is your adult child who will not be your dependent for the year of coverage, that adult child will receive a separate form FTB 3895 and will not be listed in Part I on your form FTB 3895.

If advance subsidy payments are made and you certify that one or more enrolled individuals are not individuals who would be in your applicable household for the year of coverage, your form FTB 3895 will include coverage information in Part II that is applicable solely to the individuals listed on your form FTB 3895, and separately issued forms FTB 3895 will include coverage information, including dollar amounts, applicable to those individuals not in your applicable household.

If advance subsidy payments were not made and you did not identify at enrollment the individuals who would be in your applicable household for the year of coverage, form FTB 3895 will list all enrolled individuals in Part I on your form FTB 3895.

If there are more than 5 individuals covered by a policy, you will receive one or more additional forms FTB 3895 that continue Part I.

Part II – Coverage Information

Line 6 through Line 18 – Part II reports information about your insurance coverage that you will need to complete form FTB 3849 to reconcile advance subsidy payments or to take the premium assistance subsidy when you file your tax return. The Marketplace will report the amounts in columns (a), (b), and (c) on line 6 through line 17 for each month and enter the totals on line 18. Use this information to complete form FTB 3849, line 11 or line 12 through line 23.

Column (a). This column is the monthly premiums for the plan in which you or your applicable household members were enrolled, including premiums that you paid and premiums that were paid through advance payments of the premium assistance subsidy. If you or an applicable household member enrolled in a separate dental plan with pediatric benefits, this column includes the portion of the dental plan premiums for the pediatric benefits. If your plan covered benefits that are not essential health benefits, such as adult dental or vision benefits, the amount in this column will be reduced by the premiums for the nonessential benefits. If the policy was terminated by your insurance company due to nonpayment of premiums for one or more months, then a -0- will appear in this column for these months regardless of whether advance subsidy payments were made for these months.

Column (b). This column is the monthly premium for the second lowest cost silver plan (SLCSP) that the Marketplace has determined applies to members of your applicable household enrolled in the coverage. ~~The applicable SLCSP premium is used to compute your monthly advance subsidy payments and the premium assistance subsidy you take on your tax return.~~ Get the instructions for form FTB 3849, Part II, for how to use the information in this column or, how to complete form FTB 3849 if there is no information entered. If the policy was terminated by your insurance company due to nonpayment of premiums for one or more months, then a -0- will appear in this column for the months, regardless of whether advance subsidy payments were made for these months.

Column (c). This column is the monthly amount of advance subsidy payments that were made to your insurance company on your behalf to pay for part of the premiums for your coverage. If this is the only column in Part II that is filled in with an amount other than zero for a month, it means your policy was terminated by your insurance company due to nonpayment of premiums, and you are not entitled to take the premium assistance subsidy for that month when you file your tax return. You still must reconcile the entire advance subsidy payment that was paid on your behalf for that month using form FTB 3849. No information will be entered in this column if no advance subsidy payments were made.



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General Information

Purpose

Form FTB 3895, ~~California Health Insurance Marketplace Statement~~, is used to report certain information to the Franchise Tax Board (FTB) about individuals who enroll in a qualified health plan through the California Health Insurance Marketplace (Marketplace). The term "Marketplace" refers to the California state Marketplace, Covered California. Form FTB 3895, is also furnished to individuals to allow them to take the Premium Assistance Subsidy (PAS), to reconcile any advanced premium assistance subsidies, and to file an accurate tax return.

Who Must File

The Marketplace must file form FTB 3895 to report information on all enrollments in qualified health plans in the individual market through the Marketplace. **Do not** file a form FTB 3895 for a catastrophic health plan or a separate dental policy (called a "stand-alone dental plan" in these instructions).

When To File

File the annual report with the FTB and furnish the statements to individuals on or before January 31, 2021, for coverage in calendar year 2020.

How To File

Electronic filing. You must submit the information to the FTB electronically. For more information, get FTB File Exchange System – Technical Specifications (3895).

Statements to Individuals

Furnishing required information to the individual.

The Marketplace uses form FTB 3895 to furnish the required statement to recipients. A separate form FTB 3895 must be furnished for each policy and the information on the form FTB 3895 should relate only to that policy. If two or more tax filers are enrolled in one policy, each tax filer receives a statement reporting coverage of only the members of that tax filer's applicable household (an applicable household may include the tax filer, the tax filer's spouse if the tax filer is filing a joint return with their spouse, and the tax filer's dependents). See the instructions for "Recipient's name" for more information about who is a recipient. **Do not** furnish a form FTB 3895 for a catastrophic health plan or a stand-alone dental plan. See the instructions for Part II, column (a).

On form FTB 3895 statements furnished to recipients, filers of form FTB 3895 may truncate the social security number (SSN) of an individual receiving coverage by showing only the last four digits of the SSN and replacing the first five digits with asterisks (*) or Xs. Truncation is not allowed on forms filed with the FTB.

Statements must be furnished to recipients on paper by mail, unless a recipient affirmatively consents to receive the statement in an electronic format.

If mailed, the statement must be sent to the recipient's last known permanent address, or if no permanent address is known, to the recipient's temporary address.

Consent to furnish statement electronically.

The requirement to obtain affirmative consent to furnish a statement electronically ensures that statements are sent electronically only to individuals who are able to access them. A recipient may provide their consent on paper or electronically, such as by email. If consent is provided on paper, the recipient must confirm the consent electronically. An electronic statement may be furnished by email or by informing the recipient how to access the statement on the Marketplace website (for example, in the recipient's Marketplace account).

Specific Instructions

Recipient Information

Recipient's name – Enter the name of the recipient of the statement. This should be the person identified at enrollment as the tax filer (the person who is expected to file a tax return, to claim other applicable household members as dependents, and who, if qualified, would take the premium assistance subsidy for the year of coverage for their applicable household). If the tax filer cannot be identified from the information provided at enrollment (for example, because no financial assistance was requested), enter the name of the primary applicant for the coverage.

Recipient's SSN – Enter the SSN for the recipient shown on the recipient's name line.

Recipient's date of birth – Enter the recipient's date of birth.

Spouse's name/SSN/date of birth – Enter information about the recipient's spouse, if enrolled under the same policy. Enter this information even if the advance subsidy payments were not made for the spouse's coverage.

Address/City/State/ZIP code – Enter the recipient's address.

Marketplace identifier – Enter California or abbreviation.

Marketplace-assigned policy number – Enter the number the Marketplace assigned to the policy. Enter the full policy number.

Policy issuer's name – Enter the name of the issuer of the policy.

Policy start date – Enter the date that coverage under the policy started. If the policy was in effect at the start of the year, enter 1/1/2020.

Policy termination date – Enter the date of termination if the policy was terminated during the year. If the policy was in effect at the end of the year, enter 12/31/2020.

Repayment cap may not apply – Check this box for individuals who indicate a household income above 400% of the federal poverty line for the entire year.

Part I – Covered Individuals

Enter on line 1 through line 5 and columns (a) through (e) information for each individual covered under the policy, including the recipient and the recipient's spouse, if covered. If advance subsidy payments were not made for any coverage under the policy and an applicable household cannot be identified, enter in Part I information for all covered individuals. If advance subsidy payments were made for the coverage or an applicable household can be identified, enter in Part I information only for covered individuals whom the tax filer certified at enrollment would be a part of the tax filer's applicable household. Information about individuals enrolled in the same policy as the tax filer's applicable household who are not members of that applicable household, including children, must be reported on a separate form FTB 3895.

For each line, enter a date of birth in column (c) whenever available. If no SSN is provided in column (b), a date of birth must be provided. Enter in column (d) the date the coverage started for the individual. Enter in column (e) the date of termination if the individual's coverage was terminated during the year. If the coverage was in effect at the end of the year, enter 12/31/2020.

If there are more than 5 covered individuals, complete one or more additional forms FTB 3895, Part I.

Part II – Coverage Information

Enter information in Part II, line 6 through line 17, for each month of coverage. This information is determined on a monthly basis and may change during the year if there is a change in enrollment or other circumstances that affect eligibility for, or the amount of, the premium assistance subsidy. Total the amounts on line 6 through line 17 and enter on line 18.

Column (a). Enter the total monthly enrollment premiums for the policy in which the covered individuals enrolled. Include only the premiums allocable to essential health benefits. If a covered individual is enrolled in a stand-alone dental plan, include the portion of the premiums for the stand-alone dental plan that is allocable to pediatric dental coverage in the total monthly enrollment premiums. If more than one form FTB 3895 is filed for coverage of the recipient's applicable household for the same months because, for example, an applicable household member enrolled in a separate policy, include the portion of the premium for pediatric dental coverage in the amount in column (a) on only one form FTB 3895. If more than one tax filer is enrolled in a policy, report on each tax filer's form FTB 3895 only those enrollment premiums allocated to that tax filer.

If a policy is terminated by an issuer for nonpayment of premiums, enter -0- for a month in which the covered individuals have coverage but the premiums are not fully paid (generally, the first month of a grace period). Premiums and subsidy amounts are automatically prorated based on the number of days covered per that month.

Column (b). Enter the premiums for the applicable second lowest cost silver plan (SLCSP) that was used as a benchmark to compute monthly advance subsidy payments. If advance subsidy payments were made, the applicable SLCSP for a month is the SLCSP that applies to individuals in Part I who were identified at enrollment as members of the tax filer's applicable household (the tax filer, the tax filer's spouse if the tax filer is filing a joint return with their spouse and any dependents of the tax filer) and who are enrolled in the coverage on the first day of the month and are not eligible for other health coverage for that month. However, if an individual enrolls in coverage and the enrollment is effective on the date of the individual's birth, adoption, placement in foster care, or on the effective date of a court order, the individual should be considered to have enrolled on the first day of the month for purposes of the applicable SLCSP premium reported in column (b). If all covered individuals enroll after the first of the month, and no individual's coverage is effective on the date of the individual's birth, adoption, placement in foster care, or on the effective date of a court order, enter -0- in column (b) for that month. If more than one form FTB 3895 is filed for coverage of a tax filer's applicable household for the same month (for example, because members of the applicable household were split among several policies), enter the SLCSP premium that applies to all the applicable household members who were enrolled in any policy on the first of the month and who were not eligible for other health coverage for that month. Enter this SLCSP premium in column (b) on each form FTB 3895.

In some cases, the information provided at enrollment may not indicate which covered individuals are members of the recipient's applicable household and are not eligible for other health coverage. (Such information may not be provided, for example, because no financial assistance was requested.) If this is the case, and if the Marketplace has provided a tool for determining the applicable SLCSP premium for the year of coverage at the time of filing the tax return, leave column (b) blank. If the Marketplace has not provided a tool for determining the applicable SLCSP premium, enter the premiums for the SLCSP that would apply to all individuals identified in Part I as covered for the month.

If a policy is terminated by an issuer for nonpayment of premiums and advance subsidy payments are made, enter -0- for a month in which the covered individuals have coverage but the premiums are not paid (generally, the first month of a grace period). However, if an individual enrolled on the first day of a month terminates coverage before the last day of the month, the individual should be considered to have been enrolled for the entire month for purposes of the applicable SLCSP premium reported in column (b).

Column (c). Enter the amount of advance subsidy payments for the month. If more than one form FTB 3895 is filed for coverage of a tax filer's applicable household for the same months, enter only the advance subsidy payment amount allocated to the policy reported on this form FTB 3895. If the tax filer's applicable household is also enrolled in a stand-alone dental plan, any advance subsidy payments allocated to the stand-alone dental plan should be added to the advance subsidy payments allocated to one of the policies reported on a form FTB 3895.

Void Statements

If a form FTB 3895 was sent for a policy that should not be reported on a form FTB 3895, such as a stand-alone dental plan or a catastrophic health plan, send a duplicate of that form FTB 3895 and check the void box at the top of the form. Provide this information to the FTB and to the recipient of the statement as soon as possible after discovering that the statement was sent in error.

Correction to Information Reported

Report corrected information on the form FTB 3895 to the FTB and to the recipient as soon as possible after discovering that information reported is incorrect. Check the corrected box on the top of the form.