

## Partner Tips

### Helping individuals take advantage of the HCTC

The HCTC helps eligible individuals and their family members *stay covered*. As a valued partner, here are a few ways that you can help.

- Educate Individuals about the changes to the HCTC: The [Latest News](#) page on [irs.gov/hctc](http://irs.gov/hctc) has invaluable information about recent changes made to the HCTC Program. You can also help educate eligible individuals about the HCTC and help them begin their enrollment process by visiting [irs.gov/hctc](http://irs.gov/hctc).
- [Let us know](#) if you become aware of a large group of HCTC eligible individuals or an upcoming TAA certification. We can provide outreach and education.
- If individuals need help paying for their premiums while registering for the Monthly HCTC, inform them that some states offer a [National Emergency Bridge Grant \(NEG\)](#). “Gap filler” NEGs may be used to pay up to 72.5% of qualified health insurance premiums for certain individuals while they are enrolling in the HCTC. For information on how to set up a “Gap filler” NEG in your state, please contact DOL representative Crystal Antiri at 202-693-3512.

### **Please rate this newsletter.**

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## Welcome to the January 2012 Newsletter

### **New Legislative Changes to the HCTC Program**

On October 21 2011, the President signed the Trade Adjustment Assistance Extension Act of 2011 into law, which made significant changes to the Health Coverage Tax Credit (HCTC). For a full list of the changes made to HCTC, visit the “Latest News” page on [www.irs.gov/hctc](http://www.irs.gov/hctc). The following is an overview of the most significant changes made to the program and how they affect HCTC candidates and participants. These changes are effective until January 1, 2014.

#### **The Tax Credit has increased from 65% to 72.5%.**

Starting with January 2012 invoices, participants who are enrolled in the monthly HCTC program will pay only 27.5% of their qualified health insurance premiums, and the HCTC Program will pay 72.5%.

#### **Participants can claim an additional 7.5% retroactive credit.**

Participants who were enrolled in the monthly HCTC program and received the 65% tax credit in any month from March – December 2011, are eligible to claim an additional 7.5% retroactive credit by filing Form 8885, *Health Coverage Tax Credit* with their Form 1040, *U.S. Individual Income Tax Return*. Instructions on how to claim this additional credit will included with the Form 1099-H, which will be mailed to monthly participants by January 31, 2012.

#### **COBRA Coverage can be extended.**

TAA recipients and PBGC payees whose COBRA end date is on or after November 21, 2011, are eligible for COBRA coverage extensions through their former employer. TAA recipients are eligible for COBRA coverage extensions for as long as they have TAA eligibility or until January 1, 2014. PBGC payees are eligible for COBRA coverage extensions until January 1, 2014.

#### **Qualified Family Members have extended eligibility.**

Qualified family members of TAA recipients or PBGC payees who enroll in Medicare, pass away, or finalize a divorce, are eligible to receive the HCTC for up to 24 months from the month of the qualifying event, or until January 1, 2014.

#### **View our HCTC virtual presentation!**

On December 19, 2011 the HCTC Program hosted an information session that provided our partners with an overview of recent changes made by the Trade Adjustment Assistance Extension Act of 2011. If you were unable to attend or would like to learn more information, [click here](#) to view a recording of the presentation.

**If you have further questions about these changes, please [contact us](#).**