



This guide explains the new 2020 laws impacting your clients living in California. It explains the tax penalty for not having health insurance in 2020 and how they can enroll with Covered California to receive the state subsidy to lower their health plan premiums if they are eligible.

What is Covered California?

Covered California is the health benefit exchange that connects Californians with brand-name health insurance companies under the Patient Protection and Affordable Care Act. It's the only place where consumers can get financial help from the federal and state government when they purchase health insurance. That means when consumers apply through Covered California, they may qualify for subsidies to lower their health plan premiums or get health insurance through the state's Medi-Cal program.

CoveredCA.com is sponsored by Covered California and the Department of Health Care Services, which work together to help Californians get the coverage and care that are right for them.

New State Laws for 2020

State-Based Individual Mandate Penalty

Beginning in 2020, California residents must either:

- Have qualifying health insurance coverage, or
- Pay a penalty when filing a state tax return, or
- Get an exemption from the requirement to have coverage.

Increased Financial Help

For 2020, financial help is available to more Californians than ever. People who already get financial help could get even more from the state of California, on top of what they will continue to qualify for from the federal government.

Helpful Tips for Tax Preparers

Although a client can enroll through June 30 due to the COVID-19 pandemic, they may be subject to up to 5 months' worth of tax penalty. After June 30, consumers will need to have a Qualifying Life Event to enroll before the Open Enrollment period starting November 1, 2020.

Refer clients to:

- A local Covered California Storefront operated by our Certified Enrollers who are expert advisors trained and certified by Covered California. [Click here to see the Storefront search engine](#)
- Covered California Help On-Demand tool where a Certified Enroller can call them back in 10 minutes once they input their contact information on the online form. [Click here for the tool](#)
- Covered California website at www.CoveredCA.com or call 800-806-7828 for more information and find local help.

Review the resource links on page 2 of this document to learn more. Use the Franchise Tax Board (FTB) Estimator to project the potential penalty. Review the Penalty and Exemptions document on what consumers can claim when filing their state taxes.

Resources

Resource	Type	Description
What You Should Know About Coronavirus (COVID-19)	Website	Information about the Special Enrollment Period through June 30, 2020, in response to the COVID-19 pandemic
FTB Estimator	Online Tool	Franchise Tax Board tool used to estimate potential penalty for going without health care coverage in 2020
Penalty and Exemptions	Website	Information about the tax penalty and types of exemptions consumers can claim when filing state taxes
2020 Individual Mandate Penalty Fact Sheet	Fact Sheet	Information produced by Covered California and the Franchise Tax Board outlining penalty estimates and various exemptions
Help On-Demand	Online Form	Form for consumers to fill out requesting a Certified Enroller contact them to provide enrollment assistance
Storefront Finder	Website	Powered by Google Maps, search feature to locate Covered California Storefronts throughout the state
Shop & Compare	Online Tool	Form to help determine potential health coverage program eligibility
February 18 Press Release	News Release	Headline: New California Policies Make Huge Difference, Increasing New Signups During Covered California's Open Enrollment by 41 Percent
Covered California By the Numbers	Fact Sheet	Statistics of Covered California enrollees, state subsidies, and health insurance companies (2019)
APTC Insert	Insert	Information sheet to share with consumers who have questions about Advanced Premium Tax Credits (APTC) and its effect on their taxes
800-806-7828	Phone Number	Covered California phone number for additional information or to connect with a local enroller