



Agent Alert

BREAKING NEWS FROM COVERED CALIFORNIA

May 6, 2020

When the actual Advanced Premium Tax Credit (APTC) is different than Shop and Compare

Are you seeing a different APTC determination than shown in the Shop and Compare tool after reporting an income change? If an existing customer who has already received APTC and/or State Subsidy during 2020 reports a change that you expect will increase their financial help for the rest of 2020, you should know that **Shop and Compare will *not* provide an accurate estimate of financial help for the remainder of 2020.** That is because Shop and Compare's estimate of financial assistance does *not* take into account any financial help received to-date that plan year.

Example: A consumer signed up January 1, 2020, reported \$40,000 annual income, and received \$175 per month in APTC. On May 17th, the consumer reports a change in income to \$30,000 annually. The Shop and Compare tool estimate shows that an annual income of \$30,000 would receive \$300 per month in APTC. However, the Shop for Plans Page shows the consumer will receive \$213 per month in APTC for the remainder of 2020.

Ordinarily, a new enrollment (no previous enrollment for the benefit year) for a consumer with an income of \$30,000 per year would result in approximately \$300 per month in APTC (\$3,600 per year). **However, because the consumer has already used \$175 per month in APTC like in the example, that amount is deducted from the total amount and divided by the number of months left in the benefit year:** \$175 per month, consumed January 1 through June 30, is \$1,050 of APTC. Therefore, $\$3,600 - \$1,050 = \$2,550$ annual APTC remaining (\$213 per month).

Important Reminders

- **Effective Dates for Income Changes**

Any Report a Change requests processed by the 15th of the month will have an effective date the 1st of the next month. Report a Change requests processed after the 15th of the month will have an effective date the 1st of the second month. For example:

Report a Change Date	Coverage Effective Date
May 1 – May 15, 2020	June 1, 2020
May 16 – June 15, 2020	July 1, 2020

- **Nonpayment Reinstatements**

Consumers whose plans are cancelled due to nonpayment of binder **can request to have their coverage reinstated if they can prove they made their binder payment before the due date.** If the consumer can't prove they made their payment on time, the carrier is not likely to approve reinstatement.

[Partner Tool Kit](#) | [Print Store](#) | [Online Store](#) | [Small Business](#) | www.coveredCA.com



Covered California's Agent Service Center
Phone: 877-453-9198 Monday - Friday 8:00 a.m. - 6:00 p.m.

E-mail: Agents@covered.ca.gov

Check the [Agent Service Center schedule](#) for availability.

Do you have suggestions for how we can make this newsletter better?
Contact us at OutreachandSales@covered.ca.gov. We want to hear from you.

Visit our [Link To Us](#) webpage to access official Covered California buttons which you can include on your website or any other digital marketing materials.