

November 2019

Important Update about the SAG-AFTRA Health Plan and Massachusetts Minimum Creditable Coverage Requirements: Submission of Requests for Individual Exemptions to MA Connector

To all SAG-AFTRA Health Plan participants and dependents residing in Massachusetts:

Previously, we advised you that, effective January 1, 2019, the SAG-AFTRA Health Plan (Plan) would no longer offer comprehensive dependent maternity health coverage and therefore would no longer meet the Massachusetts Minimum Creditable Coverage (MCC) requirements, which could subject you to tax penalties in Massachusetts starting with your 2019 tax year filing (done in 2020) if the Plan is your sole source of coverage. As noted in our prior communications, the Plan has been working with the Massachusetts Health Connector (Connector) to try to obtain exemptions, which would provide relief from state tax penalties for Massachusetts residents covered by the Plan.

Although we advised you in our prior notices that the Plan would file for this permitted exemption on behalf of all covered individuals residing in Massachusetts for the 2019 tax year, the Connector has asked that we reach out to you again to make sure that you understand that the Plan will be filing for an individual exemption from the MCC requirements on your behalf for the 2019 tax year and thereafter.

Be advised that, in order to file for the individual exemption on your behalf, **the Plan must provide the Connector with the following information about your Plan coverage: your full name, date of birth, social security number, address, and the month(s) that you were covered under the Plan for the 2019 tax year** (and subsequent years as we file in the future). Once we provide this information to the Connector, we understand that the Connector will issue individual exemption numbers to each Massachusetts resident in advance of your state personal income tax filing deadline in 2020 for the 2019 tax year.

This information is essentially the same information that we have been providing on your behalf to the state of Massachusetts' Department of Revenue for the past several years in order to comply with reporting requirements for the form MA 1099-HC, however, the Connector cannot obtain that information from the Department of Revenue and wanted to be sure that we let you know that we would now be providing the information to the Connector as well in order to obtain an individual exemption from the MCC requirements on your behalf. *If you have any objections to the Plan providing this information on your behalf to the Connector in order to obtain an individual exemption, please contact the Plan Office by **December 9, 2019**.* Note that if you do not wish to have the Plan provide this information to the Connector, we will not be able to apply for an exemption on your behalf and you will instead need to submit an appeal of any tax penalties directly on your Massachusetts income tax return. *If we do not hear from you, we will assume you have no objections to the provision of this information to the Connector for this limited purpose.*

If you have any questions regarding this notice, please contact the Plan.