



Client Services and Open Enrollment “Prime Time” for 2023: Session 6

Hosted by Client Services
Maryland AIDS Drug Assistance Program
Prevention and Health Promotion Administration
December 28, 2022



Mission and Vision

MISSION

The mission of the Prevention and Health Promotion Administration is to protect, promote and improve the health and well-being of all Marylanders and their families through provision of public health leadership and through community-based public health efforts in partnership with local health departments, providers, community-based organizations, and public and private sector agencies, giving special attention to at-risk and vulnerable populations.

VISION

The Prevention and Health Promotion Administration envisions a future in which all Marylanders and their families enjoy optimal health and well-being.

IDPHSB COMMITMENT STATEMENT

Our Commitment as a Bureau is to partner with communities to achieve health equity for all Marylanders. Our priority is to advance social and racial justice and we are committed to undoing racism within our public health systems. It is our responsibility to serve Marylanders without any bias or discrimination and ensure open access to services and resources.

MADAP's Goal

The goal of MADAP is:

- ❖ To improve client access to HIV medications
- ❖ To increase viral suppression by increasing client adherence to medication regimens and helping clients monitor their progress in taking their medications
- ❖ To educate stakeholders with respect to the dynamic health insurance environment that we live in
- ❖ To support *Ending the HIV Epidemic: A Plan for America* in securing at least a 90% reduction of new HIV infections by 2030

MADAP Pharmacy & Rebate Team

Misty Carney, MADAP Center Chief

Vacant, Financial Unit Deputy Chief

MADAP Financial and Pharmacy Team

David Oquist, Financial Analyst

Jordan Strieter, Pharmaceutical Advisor

Nuria McKennie, Pharmacy Specialist

Johannah Koch, Pharmacy Specialist

Gwendolyn Anderson, Rebate Specialist

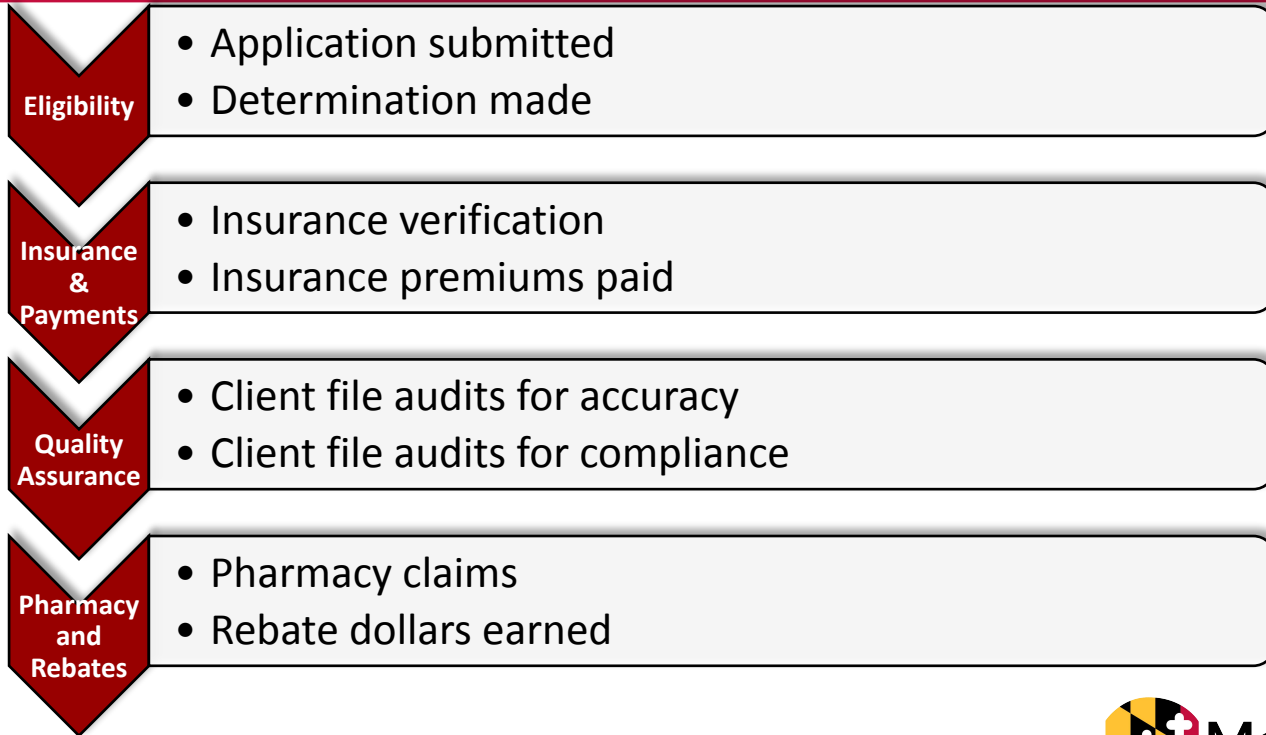
Prime Time for 2023 – Session 6 Agenda

- ☐ MADAP and MADAP Plus Recap
- ☐ Coordination of Benefits and Pharmacy Services
- ☐ Premium Tax Credits
 - IRS Requirements for Qualified Health Plans
 - MADAP Requirements for Qualified Health Plans
- ☐ Open Enrollment Resources

Prime Time for 2023

MADAP and MADAP Plus Recap

How does MADAP flow?



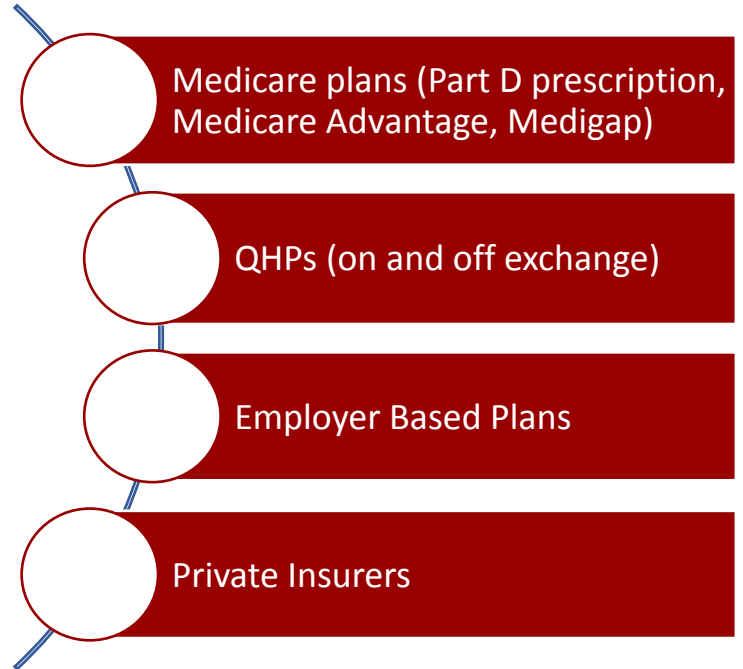
MADAP Eligibility

- ❑ To be eligible for MADAP services, an individual must:
 - ✓ Be a Maryland resident
 - ✓ Be HIV positive and prescribed HIV medication(s) on the MADAP formulary (MADAP does not cover pre or post-exposure treatment)
 - ✓ Have a household gross income below 500% of the Federal Poverty Level (FPL)
- ❑ An individual is prohibited from receiving full MADAP services if eligible for any Maryland Medicaid Programs or coverage groups that provide Medical Assistance (MA) with pharmacy benefits. MADAP provides temporary assistance (TAP) for clients with pending MA applications.

MADAP Plus Eligibility

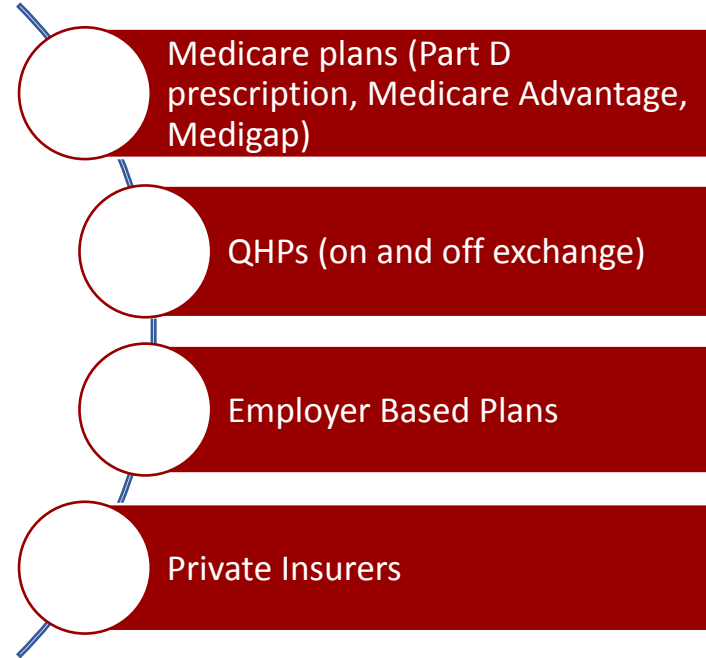
To qualify for MADAP Plus and receive insurance premium assistance, an applicant must:

- be MADAP eligible,
- be enrolled in an individual health or prescription plan, or covered under a spouse's or parent's health insurance plan that is eligible for MADAP Plus coverage



Insurance Verification and COB

After an applicant is deemed eligible for MADAP, the client's health insurance information is verified to assist with coordination of benefits for pharmacy services and to determine MADAP Plus eligibility for premium assistance.



MADAP Services

What MADAP covers for eligible clients:

- 100% of the cost of drugs on the formulary for clients with no insurance
- Deductibles, copays and coinsurance of drugs on the formulary for clients with insurance, except for Medical Assistance (MA)
- **Health care insurance and prescription plan premiums for eligible clients**



MADAP Can Pay for the Following Plans

Part D Plans	Medicare Advantage Plans	Medigap Plans	Qualified Health Plans
<p>•MADAP will be able to pay for the following Insurer's Part D plans (PDP):</p> <ul style="list-style-type: none"> •Cigna Rx •Humana Insurance Co. •Mutual of Omaha Rx •SilverScript •United HealthCare Insurance Company (AARP Medicare) •WellCare 	<p>•MADAP will be able to pay for the following Insurer's Medicare Advantage plans:</p> <ul style="list-style-type: none"> •Alterwood Advantage •CareFirst Advantage •Cigna Healthspring •Humana Advantage •Johns Hopkins Advantage MD •Kaiser Permanente Medicare Plan 	<p>•MADAP will be able to pay for the following Insurer's Medigap plans:</p> <ul style="list-style-type: none"> •CareFirst •Cigna Health and Life Insurance Co. •Humana Insurance Co. •United HealthCare Insurance Co. 	<p>•MADAP will be able to pay for the following Insurer's QHP plans:</p> <ul style="list-style-type: none"> •CareFirst - On Exchange •CareFirst - Off Exchange •Kaiser Permanente - On Exchange •Kaiser Permanente - Off <p>Dental Plans</p> <p>•MADAP will be able to pay for the following Insurer's Dental plans</p> <ul style="list-style-type: none"> •CareFirst



Prime Time for 2023

Coordination of Benefits and Pharmacy Services

Benefits of Health Care Coverage

The Ryan White Program is not health coverage

The RWHAP and AIDS Drug Assistance Program (ADAP) provide direct services, prescription benefits and premium assistance to fill the gaps in HIV care as ***payer of last resort***. These services do not replace insurance for health care coverage. Eligible RWHAP and MADAP clients benefit greatly from enrolling in health care coverage that provides:

- ☐ affordable access to both HIV and non-HIV health care services and medications, and
- ☐ financial protection against unexpected medical costs not covered by the Ryan White Program (in-patient care, rehab, home health).

Coordination of Benefits

Definition

- What is 'Coordination of Benefits'?
 - A process in which health plans or programs coordinate to establish which plan is *primary* and which plan is *secondary* when paying for covered services
- What is the difference between *primary* and *secondary* coverage?
 - **Primary:** the health plan or program that contributes to initial cost of covered services*
 - **Secondary:** the health plan or program that covers copay or coinsurance cost; can pay up to 100% of the total cost when service is not covered under primary plan

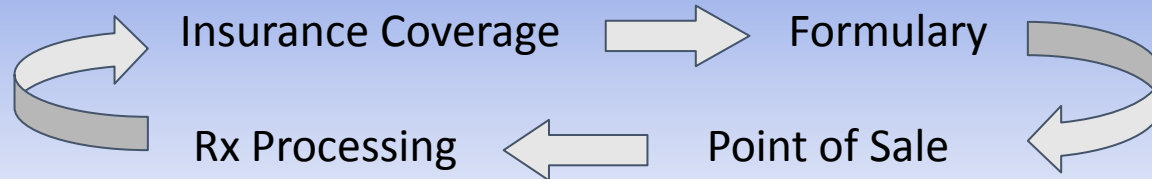
*after any applicable deductible

Coordination of Benefits

Contributing Factors

- What role does **MADAP** play?
 - Pays pharmacy costs for covered prescriptions as either *primary* or *secondary*, depending upon client's insurance status. MADAP also pays applicable deductibles for prescriptions

Contributing Factors:



*after any applicable deductible

PAYER OF LAST RESORT

Ryan White Program Requirements

- Ryan White Program funds “cannot be used to make payments for any item or service if payment has been made, or can reasonably be expected to be made, with respect to that item or service under any state compensation program, under an insurance policy, or under any federal or state health benefits program; or by an entity that provides prepaid health care.”

PAYER OF LAST RESORT

Ryan White Program Requirements

- ❑ If other payer sources exist that could assume responsibility as payer of last resort for a person applying for the ADAP, or enrolled in, the ADAP program.
- ❑ Not only should the ADAP consider Medicare, Medicaid and private insurance, but also determine if the client has access to employer, union or retiree group health plans; COBRA continuation coverage; or access to a State Pharmaceutical Assistance Program (SPAP).

Plan Formularies

- A **formulary** is a list of generic or brand prescription drugs covered by a prescription drug plan or health insurance carrier offering prescription drug benefits. Also called a drug list.
- Formulary-related Terms of Private / Commercial Plans
 - Coverage Tiers & Covered Medications
 - Deductible / Co-pay / Co-insurance
 - Out of pocket limits / maximum
 - Restrictions / Prior Authorization
 - Updates / Changes to medication list

MADAP Formulary

- Effective January 1, 2022 the MADAP formulary has been essentially open with certain **excluded drugs**
- The MADAP formulary covers:
 - all FDA approved HIV antiretroviral and Hepatitis C medications, and
 - drugs to prevent and treat clients with conditions associated with HIV infection
- Certain **restricted drugs** require prior authorization
- A user-friendly formulary listing – in the works



Pharmacy Point-of-Sale Program

How pharmacies process claims for clients:

- State of Maryland Medicaid Pharmacy Program
 - Pharmacy network/Rebate model program
 - Over 1,700 pharmacies within network
 - Maryland, DC, Virginia, West Virginia, Pennsylvania, Delaware
- Any pharmacy that can electronically bill Maryland Medicaid, including mail-order pharmacies, can bill MADAP
- Conduent PBM
 - Pharmacy Help Line: 1-800-932-3918

Rx Processing

- Processing Claims at the pharmacy
 - Client presents copies of both primary and MADAP cards
 - MADAP Filling Restrictions:
 - MADAP allows for 30 day claims to be filled on all mediations
 - Utilization of 80% of medication before next refill
 - DME supplies (pen needles, syringes) are approved if medication related product (i.e. insulin dispensed within the last 34 days)

Rx Processing

- Data Network Interfacing
 - Occurs in real time between pharmacy / providers / insurance
 - Immediate medication claim status
 - Adjudication status to pharmacy and MADAP
 - Decreased rate of error
 - Potential for mismatched information between systems

Rx Processing

- Pharmacy Benefits Manager

MADAP Rx Information:

BIN: 610084

PCN: DRAPPROD / PCN: DRAPPROD01 (Medicare Part D)

Group: MADAP

ID: 9 4 _ _ _ _ _ _ _ _ _ _ (11 digits total)

- Claims-related issues at the Pharmacy:
 - MADAP claim specialist available Monday thru Friday from 8:30 to 4:30
 - Pharmacy Benefits Vendor, Conduent
available after hours at 800 932-3918

Prescription Rebilling

- Prescription rebilling for temporary overrides may be the result of one of the following:
 - Pharmacy incorrectly billed medication (i.e. client with dual coverage)
 - Pharmacy incorrectly filled medication (i.e. quantity and day supply)
 - Primary not active at time when claim processed (i.e. retro-billing)
 - Delay or issue filling medication (i.e. prior authorization)
- Rebill window for claims is typically 90 days

Special Considerations

- Early Medication Refills - must coordinate with primary as well
 - Authorization form available online
 - Submit itinerary if early fill due to traveling
 - Mail order pharmacies restricted from mailing out of state
 - Approved by MADAP pharmacy claims specialists
- Lost / Stolen Medication - must coordinate with primary as well
 - One-time annual override
 - If applicable, provide police report or tracking info

Problems at the Pharmacy

Handling problems with pharmacies and insurance plans:

- Pharmacy unable to process claims
 - MADAP eligibility, premium payment status, active Medicaid coverage
 - Check status of client's insurance plan, prior authorization requirements
- Client can not get medications or paid for medications out of pocket
 - Check client's primary plan benefits, dates, deductibles, formulary
 - Contact information on insurance card, website
- Client lost insurance coverage
 - Check client's insurance enrollment status, Medicare eligibility status, change in employment/group insurance
 - Open enrollment and/or Special enrollment period dates & options

Recommendations for Prescribers

- Prescribing Considerations
 - Provider made aware of both primary and secondary insurance
 - Medication restrictions within each formulary
 - Prior Authorization
 - Medication not covered
 - Medication requires use of specialty pharmacy
- Pharmacy Network - must be contracted with Maryland Medicaid
 - Includes almost all Maryland clinical & retail pharmacies
 - Select mail order pharmacies

Recommendations for Clients

- If clients have problems at the pharmacy, consider the following:
 - Current prescriptions on file for all requested medication
 - Pharmacy gets in touch with MADAP to review billing of claim
 - Cost of covered medications
 - Drug not covered, or brand vs generic considerations
 - Primary insurance issues
 - Other claims processing issues and denial codes
- Check with MADAP if pharmacy reports client is not covered
 - No override available for eligibility issues

Prime Time for 2023

Premium Tax Credits: IRS Requirements for QHPs

Definition

What is the Premium Tax Credit (PTC)?

- **Federal** subsidy to assist with paying insurance premiums for a qualified health plan (QHP) obtained through a Health Exchange
 - Maryland – all functions handled by Maryland Health Exchange
 - Amount is based on income, household, residency, or eligibility for other health care coverage upon enrollment
- Married Filing Separately generally not eligible

Definition

PTC cont'd

- For individuals lawfully present with income between 100% and 400% (changed Apr 1, 2021) of Federal Poverty Level
- Advance monthly payments of the Premium Tax Credit (APTC) are made directly to insurance carrier by the U.S. Treasury
 - APTC is an *estimate* calculated by the exchange at time of enrollment
 - Amount shown as credit on the premium invoice

IRS Process

PTC Reconciliation

- When Advance payments of the Premium Tax Credit were made for even one month during the year, the IRS requires *reconciliation* on ***Federal*** income tax filing (see Form 1095-A)
 - This requirement takes precedence over income filing threshold
 - The result of the reconciliation is calculated within the tax filing—the insurance carrier is no longer involved in process

IRS Process

PTC Reconciliation

- 1095-A: Health Insurance Marketplace Statement
 - Month-by-month detail of insurance premium and subsidy info (APTC)
 - This form represents information reported directly to the IRS
 - Mailed by Maryland Health Exchange by Jan 31st (also available on website within customer account)

IRS Process

PTC Reconciliation

- 1095-A: Health Insurance Marketplace Statement
 - Any APTC applied during year will appear in Part III, Col C
 - Coverage information on the 1095-A will be compared to any MADAP Plus payments made for client during the applicable tax year
 - For corrections, missing, or misplaced forms, contact Maryland Health Exchange (1-855-642-8572)

IRS Process

Form 1095-A		Health Insurance Marketplace Statement		<input type="checkbox"/> VOID	OMB No. 1545-2232
Department of the Treasury Internal Revenue Service		▶ Do not attach to your tax return. Keep for your records. ▶ Go to www.irs.gov/Form1095A for instructions and the latest information.		<input type="checkbox"/> CORRECTED	2020

Part I Recipient Information

1 Marketplace identifier	2 Marketplace-assigned policy number	3 Policy issuer's name	
4 Recipient's name		5 Recipient's SSN	6 Recipient's date of birth
7 Recipient's spouse's name		8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth
10 Policy start date	11 Policy termination date	12 Street address (including apartment no.)	
13 City or town	14 State or province	15 Country and ZIP or foreign postal code	

Part II Covered Individuals

A. Covered individual name	B. Covered individual SSN	C. Covered individual date of birth	D. Coverage start date	E. Coverage termination date
16				
17				
18				
19				
20				

Part III Coverage Information

Month	A. Monthly enrollment premiums	B. Monthly second lowest cost silver plan (SLCSP) premium	C. Monthly advance payment of premium tax credit
21 January			
22 February			
23 March			

IRS Process

PTC Reconciliation

- 8962: Premium Tax Credit (worksheet)
 - Obtained by tax preparer or tax software, also at IRS.gov
 - Uses data obtained from the 1095-A
 - Exemption for filing status Married Filing Separately, check box
 - Result transferred to 1040 (schedules change yearly)

IRS Process

Form 8962 **Premium Tax Credit (PTC)** OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service

► Attach to Form 1040, 1040-SR, or 1040-NR.
► Go to www.irs.gov/Form8962 for instructions and the latest information.

2020
Attachment
Sequence No. 73

Name shown on your return _____ Your social security number _____

You cannot take the PTC if your filing status is married filing separately unless you qualify for an exception. See instructions. If you qualify, check the box ☐ ☐ ☐ ☐

Part I Annual and Monthly Contribution Amount

1	Tax family size. Enter your tax family size. See instructions	1	
2a	Modified AGI. Enter your modified AGI. See instructions	2a	
b	Enter the total of your dependents' modified AGI. See instructions	2b	
3	Household income. Add the amounts on lines 2a and 2b. See instructions	3	
4	Federal poverty line. Enter the federal poverty line amount from Table 1-1, 1-2, or 1-3. See instructions. Check the appropriate box for the federal poverty table used. a <input type="checkbox"/> Alaska b <input type="checkbox"/> Hawaii c <input type="checkbox"/> Other 48 states and DC	4	
5	Household income as a percentage of federal poverty line (see instructions)	5	%
6	Did you enter 401% on line 5? (See instructions if you entered less than 100%.) <input type="checkbox"/> No. Continue to line 7. <input type="checkbox"/> Yes. You are not eligible to take the PTC. If advance payment of the PTC was made, see the instructions for how to report your excess advance PTC repayment amount.		
7	Applicable figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions	7	
8a	Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount.	8a	
b	Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount	8b	

Part II Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit

9 Are you allocating policy amounts with another taxpayer or do you want to use the alternative calculation for year of marriage? See instructions.
☐ Yes. Skip to Part IV, Allocation of Policy Amounts, or Part V, Alternative Calculation for Year of Marriage. ☐ No. Continue to line 10.

10 See the instructions to determine if you can use line 11 or must complete lines 12 through 23.
☐ Yes. Continue to line 11. Compute your annual PTC. Then skip lines 12-23 ☐ No. Continue to lines 12-23. Compute your monthly PTC and continue to line 24.

	(a) Annual enrollment premiums (Form(s) 1095-A, line 33A)	(b) Annual applicable SLCSP premium (Form(s) 1095-A, line 33B)	(c) Annual contribution amount (line 8a)	(d) Annual maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-)	(e) Annual premium tax credit allowed (smaller of (a) or (d))	(f) Annual advance payment of PTC (Form(s) 1095-A, line 33C)
11 Annual Totals						
Monthly Calculation	(a) Monthly enrollment premiums (Form(s) 1095-A, lines 21-32, column A)	(b) Monthly applicable SLCSP premium (Form(s) 1095-A, lines 21-32, column B)	(c) Monthly contribution amount (amount from line 8b or alternative marriage monthly calculation)	(d) Monthly maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-)	(e) Monthly premium tax credit allowed (smaller of (a) or (d))	(f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21-32, column C)
12 January						
13 February						
14 March						

IRS Process

7	Applicable figure. Using your line 5 percentage, locate your "applicable figure" on the table in the instructions					7		
8a	Annual contribution amount. Multiply line 3 by line 7. Round to nearest whole dollar amount		8a		b Monthly contribution amount. Divide line 8a by 12. Round to nearest whole dollar amount		8b	

Part II Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit

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☐ Yes. Continue to line 11. Compute your annual PTC. Then skip lines 12-23 ☐ No. Continue to lines 12-23. Compute your monthly PTC and continue to line 24.

Annual Calculation		(a) Annual enrollment premiums (Form(s) 1095-A, line 33A)	(b) Annual applicable SLCSPP premium (Form(s) 1095-A, line 33B)	(c) Annual contribution amount (line 8a)	(d) Annual maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-)	(e) Annual premium tax credit allowed (smaller of (a) or (d))	(f) Annual advance payment of PTC (Form(s) 1095-A, line 33C)
11 Annual Totals							
Monthly Calculation		(a) Monthly enrollment premiums (Form(s) 1095-A, lines 21-32, column A)	(b) Monthly applicable SLCSPP premium (Form(s) 1095-A, lines 21-32, column B)	(c) Monthly contribution amount (amount from line 8b or alternative marriage monthly calculation)	(d) Monthly maximum premium assistance (subtract (c) from (b); if zero or less, enter -0-)	(e) Monthly premium tax credit allowed (smaller of (a) or (d))	(f) Monthly advance payment of PTC (Form(s) 1095-A, lines 21-32, column C)
12	January						
13	February						
14	March						
15	April						
16	May						
17	June						
18	July						
19	August						
20	September						
21	October						
22	November						
23	December						
24 Total premium tax credit. Enter the amount from line 11(e) or add lines 12(e) through 23(e) and enter the total here						24	
25 Advance payment of PTC. Enter the amount from line 11(f) or add lines 12(f) through 23(f) and enter the total here						25	
26 Net premium tax credit. If line 24 is greater than line 25, subtract line 25 from line 24. Enter the difference here and on Schedule 3 (Form 1040), line 8. If line 24 equals line 25, enter -0-. Stop here. If line 25 is greater than line 24, leave this line blank and continue to line 27						26	

Part III Repayment of Excess Advance Payment of the Premium Tax Credit

27 Excess advance payment of PTC. If line 25 is greater than line 24, subtract line 24 from line 25. Enter the difference here
 27 | |

28 Repayment limitation (see instructions)
 28 | || 29 Excess advance premium tax credit repayment. Enter the smaller of line 27 or line 28 here and on Schedule 2 (Form 1040), line 2 | | | | | | 29 | |

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 37784Z

Form 8962 (2020)

IRS Process

PTC Reconciliation

- Schedule 2 of Form 1040 (2020 example)
 - Line 2, Excess Advance Premium Tax Credit repayment
 - Amount of subsidy overpaid by U.S. Treasury during year
 - This amount normally eligible for repayment by MADAP back to the IRS – for tax year 2020 only, IRS waived need for repayment as part of the American Rescue Plan Act!

IRS Process

PTC Reconciliation

- Schedule 3 of Form 1040 (2020 example)
 - Line 8, Net Premium Tax Credit
 - Amount of additional subsidy credited to taxpayer – “refundable” credit
 - This amount may represent an overpayment by MADAP to the insurance carrier—if so, client must reimburse MADAP

IRS Process

SCHEDULE 2 (Form 1040) <small>Department of the Treasury Internal Revenue Service</small>		Additional Taxes <small>► Attach to Form 1040, 1040-SR, or 1040-NR. ► Go to www.irs.gov/Form1040 for instructions and the latest information.</small>		<small>OMB No. 1545-0074</small> 2020 <small>Attachment Sequence No. 02</small>
Name(s) shown on Form 1040, 1040-SR, or 1040-NR			Your social security number	
Part I Tax				
1 Alternative minimum tax. Attach Form 6251			1	
2 Excess advance premium tax credit repayment. Attach Form 8962			2	
3 Add lines 1 and 2. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 17			3	
Part II Other Taxes				
4 Self-employment tax. Attach Schedule SE			4	
5 Unreported social security and Medicare tax from Form: a <input type="checkbox"/> 4137 b <input type="checkbox"/> 8919			5	
6 Additional tax on IRAs, other qualified retirement plans, and other tax-favored accounts. Attach Form 5329 if required			6	
7a Household employment taxes. Attach Schedule H			7a	
b Repayment of first-time homebuyer credit from Form 5405. Attach Form 5405 if required			7b	
8 Taxes from: a <input type="checkbox"/> Form 8959 b <input type="checkbox"/> Form 8960			8	
c <input type="checkbox"/> Instructions; enter code(s)				
9 Section 965 net tax liability installment from Form 965-A			9	
10 Add lines 4 through 8. These are your total other taxes . Enter here and on Form 1040 or 1040-SR, line 23, or Form 1040-NR, line 23b			10	

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 71478U Schedule 2 (Form 1040) 2020

SCHEDULE 3 (Form 1040) <small>Department of the Treasury Internal Revenue Service</small>		Additional Credits and Payments <small>► Attach to Form 1040, 1040-SR, or 1040-NR. ► Go to www.irs.gov/Form1040 for instructions and the latest information.</small>		<small>OMB No. 1545-0074</small> 2020 <small>Attachment Sequence No. 03</small>
Name(s) shown on Form 1040, 1040-SR, or 1040-NR			Your social security number	
Part I Nonrefundable Credits				
1 Foreign tax credit. Attach Form 1116 if required			1	
2 Credit for child and dependent care expenses. Attach Form 2441			2	
3 Education credits from Form 8863, line 19			3	
4 Retirement savings contributions credit. Attach Form 8880			4	
5 Residential energy credits. Attach Form 5695			5	
6 Other credits from Form: a <input type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>			6	
7 Add lines 1 through 6. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 20			7	
Part II Other Payments and Refundable Credits				
8 Net premium tax credit. Attach Form 8962			8	
9 Amount paid with request for extension to file (see instructions)			9	
10 Excess social security and tier 1 RRTA tax withheld			10	
11 Credit for federal tax on fuels. Attach Form 4136			11	
12 Other payments or refundable credits:				
a Form 2439			12a	
b Qualified sick and family leave credits from Schedule(s) H and Form(s) 7202			12b	
c Health coverage tax credit from Form 8885			12c	
d Other:			12d	
e Deferral for certain Schedule H or SE filers (see instructions)			12e	
f Add lines 12a through 12e			12f	
13 Add lines 8 through 12f. Enter here and on Form 1040, 1040-SR, or 1040-NR, line 31			13	

For Paperwork Reduction Act Notice, see your tax return instructions. Cat. No. 71480G Schedule 3 (Form 1040) 2020

IRS Process

PTC Reconciliation

■ Form 1040

- Main tax form – individual mandate removed beginning 2019
- Overall tax result not relevant for MADAP purposes with regard to PTC reconciliation
- Form 1040X – may be needed if taxes have been amended

IRS Process

1040 Department of the Treasury—Internal Revenue Service (99) **2020** OMB No. 1545-0047 IRS Use Only—Do not write or stamp in this space.

Filing Status ☐ Single ☐ Married filing jointly ☐ Married filing separately (MFS) ☐ Head of household (HOH) ☐ Qualifying widow(er) (QW)
Check only one box.
If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial Last name Your social security number
If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street), if you have a P.O. box, see instructions. Apt. no. Presidential Election Campaign
City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.
Foreign country name Foreign province/state/country Foreign postal code ☐ You ☐ Spouse

At any time during 2020, did you receive, sell, send, exchange, or otherwise acquire any financial interest in any virtual currency? ☐ Yes ☐ No

Standard Deduction **Someone can claim:** ☐ You as a dependent ☐ Your spouse as a dependent
☐ Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: ☐ Were born before January 2, 1956 ☐ Are blind **Spouse:** ☐ Was born before January 2, 1956 ☐ Is blind

Dependents (see instructions):

(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) <input checked="" type="checkbox"/> If qualifies for (see instructions):	Child tax credit	Credit for other dependents
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

If more than four dependents, see instructions and check here ☐

Attach Sch. B if required.

1	Wages, salaries, tips, etc. Attach Form(s) W-2	1
2a	Tax-exempt interest	2b
3a	Qualified dividends	3b
4a	IRA distributions	4b
5a	Pensions and annuities	5b
6a	Social security benefits	6b
7	Capital gain or (loss). Attach Schedule D if required. If not required, check here	7
8	Other income from Schedule 1, line 9	8
9	Add lines 1, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income	9
10	Adjustments to income:	
a	From Schedule 1, line 22	10a
b	Charitable contributions if you take the standard deduction. See instructions	10b
c	Add lines 10a and 10b. These are your total adjustments to income	10c
11	Subtract line 10c from line 9. This is your adjusted gross income	11
12	Standard deduction or itemized deductions (from Schedule A)	12
13	Qualified business income deduction. Attach Form 8995 or Form 8995-A	13
14	Add lines 12 and 13	14
15	Taxable income. Subtract line 14 from line 11. If zero or less, enter -0-	15

Standard Deduction for—
• Single or Married filing separately, \$12,400
• Married filing jointly or Qualifying widow(er), \$18,600
• Head of household, \$18,650
• If you checked any box under Standard Deduction, see instructions.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 113208 Form **1040** (2020)

IRS Process

Form 1040 (2020) Page **2**

16	Tax (see instructions). Check if any from Form(s): <input type="checkbox"/> 8814 <input type="checkbox"/> 4972 <input type="checkbox"/> 3 <input type="checkbox"/>	16	
17	Amount from Schedule 2, line 3	17	
18	Add lines 16 and 17	18	
19	Child tax credit or credit for other dependents	19	
20	Amount from Schedule 3, line 7	20	
21	Add lines 19 and 20	21	
22	Subtract line 21 from line 18. If zero or less, enter -0-	22	
23	Other taxes, including self-employment tax, from Schedule 2, line 10	23	
24	Add lines 22 and 23. This is your total tax	24	
25	Federal income tax withheld from:		
	a Form(s) W-2	25a	
	b Form(s) 1099	25b	
	c Other forms (see instructions)	25c	
	d Add lines 25a through 25c	25d	
26	2020 estimated tax payments and amount applied from 2019 return	26	
27	Earned income credit (EIC)	27	
28	Additional child tax credit. Attach Schedule 8812	28	
29	American opportunity credit from Form 8863, line 6	29	
30	Recovery rebate credit. See instructions	30	
31	Amount from Schedule 3, line 13	31	
32	Add lines 27 through 31. These are your total other payments and refundable credits	32	
33	Add lines 25d, 26, and 32. These are your total payments	33	
34	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you overpaid	34	
35a	Amount of line 34 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>	35a	
35b	Routing number		
35c	Account number		
35d	Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
36	Amount of line 34 you want applied to your 2021 estimated tax	36	
37	Subtract line 36 from line 34. This is the amount you owe now	37	
	Note. Schedule H and Schedule SE filers, line 37 may not represent all of the taxes you owe for 2020. See Schedule 3, line 12e, and its instructions for details.		
38	Estimated tax penalty (see instructions)	38	

Refund
Direct deposit? ☐ See instructions.

Amount You Owe
For details on how to pay, see instructions.

Third Party Designee
Do you want to allow another person to discuss this return with the IRS? See instructions ☐ Yes. Complete below. ☐ No

Sign Here
Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Designee's name Phone no. Personal identification number (PIN)

Your signature Date Your occupation

Spouse's signature, if a joint return, **both** must sign. Date Spouse's occupation

Joint return? ☐ See instructions. Keep a copy for your records.

Phone no. Email address

Paid Preparer Use Only
Preparer's name Preparer's signature Date PTIN Check it: ☐ Self-employed

Firm's name Phone no.

Firm's address Firm's EIN

Go to www.irs.gov/Form1040 for instructions and the latest information. Form **1040** (2020)

Prime Time for 2023

**Premium Tax Credits:
MADAP Requirements for QHPs**

PTC & MADAP

Federal Guidance for MADAP

- The mandate for MADAP to be payer of last resort also applies to health insurance premiums covered under MADAP Plus
 - APTC directly reduces cost of monthly health insurance premiums
 - MADAP Plus pays remainder of monthly QHP premium to the insurance carrier after APTC is applied

PTC & MADAP

Federal Guidance for MADAP

- Charged to ***vigorously pursue*** reconciliation of PTC, and to collect applicable Net Premium Tax Credit identified
- Allowed to make payment to IRS for Excess APTC—but not interest, late fees or penalties
- MADAP cannot make payments directly to clients

PTC & MADAP

MADAP Requirements

- MADAP implemented PTC reconciliation process as of 2015 tax year
- MADAP requires clients to select the option for Advance payments if eligible at time of enrollment—This part is very important!
 - Reduces the amount MADAP pays upfront for premiums
 - Guarantees a 90-day grace period for the QHP

PTC & MADAP

MADAP Requirements, cont'd

- Report changes to Exchange in income, household, etc promptly
 - Monthly APTC may fluctuate—but still an *estimate*
- Adjustments for PTC reconciliation will be *pro-rated* if client's MADAP Plus coverage period and QHP premium payments don't match the Coverage Information reported on the 1095-A
- MADAP cannot assist with tax *preparation* or *filing*

PTC & MADAP

MADAP PTC Correspondence

- Initial mailing of PTC packet normally by mid-February
 - Letter plus two forms for completion by clients—*not* tax forms
- Payment confirmations for payments to IRS—similar to insurance premium payments, but payee is “United States Treasury”
- Notification of Net PTC due to MADAP—payment plans are available and tailored to clients’ needs

PTC & MADAP

MADAP PTC Correspondence, Cont'd

- Payment receipt letters—as payments for Net PTC are received, shows updated balance or paid in full
- PTC packet follow-up—sent to clients who haven't yet sent tax forms
- Missing information letters—as needed
- 2020 workload drastically affected by COVID19, also delay in 2021/22 letters due to Network Security Incident

PTC & MADAP

Key Points!

- ✓ Select **Advance** option for PTC during (re)enrollment if eligible!
- ✓ Report changes promptly/accurately to MADAP & Exchange
- ✓ IRS requires taxes to be filed if **Advance** PTC applied
- ✓ Client must present Form 1095-A(s) to tax preparer
- ✓ Additional credit reported as **Net PTC** must be returned to MADAP

Prime Time for 2023

Open Enrollment Resources

Partnership in Client Services Modular Series

MADAP: Partnership in Client Services

A comprehensive training series from **Alive! Maryland** that lays the groundwork for understanding and applying to MADAP and covers various essential sub-topics. This training series is entirely self-paced and online — participate on your own schedule and revisit the material as needed.

This training is designed for HIV case managers, community health workers, and other HIV care providers. At the conclusion of this training, you will be able to:

- ☐ Define and describe the components of MADAP
- ☐ Assist clients with applying for and receiving MADAP resources
- ☐ Engage with the community about the benefits of MADAP

Interactive Client Services Resources

MADAP Resources Page

Alive! Maryland has launched the **MADAP Resources Page** designed for clients, case managers, healthcare providers, and other stakeholders to do the following:

- ☐ Become familiar with MADAP basics
- ☐ Access resources and updates on the program, including FAQs, glossary, MADAP operations updates, and more
- ☐ Submit questions to the experts at ***Alive! Maryland***

Target ACE TA Center

Access, Care, and Engagement (ACE) TA Center

- ❑ Source of HRSA's RWHAP training and technical assistance, organized by topic area:
<https://targethiv.org/>
- ❑ Gives you a library of Tools and Resources including an overview of Health Care Basics and other archived webinars on health care, organized by coverage type:
 - Marketplace
 - Medicare
 - Medicaid

https://targethiv.org/sites/default/files/media/documents/2022-09/NewStaffWebinarPt1_508.pdf

- ❑ Furnishes Policy Blogs to read and stay up-to-date on health care policy news

Questions and Answers



MADAP
1223 W. Pratt Street
Baltimore, MD 21223



Telephone Lines:
Local: 410-767-6535;
Toll Free: 1-800-205-6308

Fax Lines:
410-333-2608,
410-244-8617

Office hours:
8:30 AM to 4:30PM, Mon-Fri

Pharmacy Help Line:
1-800-932-3918

Email and Website Addresses:

MADAP applications and forms:
client.services@maryland.gov

Insurance invoices and bills:
mdh.csopen_enrollment@maryland.gov

Website for MADAP Forms:
<https://health.maryland.gov/phpa/OIDPCS/Pages/MADAP.aspx>

Questions and Answers



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Maryland

DEPARTMENT OF HEALTH

Prevention and Health Promotion Administration

<https://phpa.health.Maryland.gov>