



Health Coverage Tax Credit (HCTC) Information

The Health Coverage Tax Credit (HCTC) program was established by the 2002 Trade Act to provide help to qualified individuals through tax credits for the purchase of certain health insurance policies. Qualifying individuals can register for the program's advance tax credit or choose an end-of-year-option. The HCTC program pays 65% of the insurance policy premium, and the individual is responsible for the remaining 35% of the premium.

IMPORTANT: For you to be considered for the HCTC program, you must be one of the following: 1) a displaced worker receiving certain Tax Adjustment Assistance (TAA/ATAA) benefits, OR (2) you must be age 55 or older and a recipient of the Pension Benefit Guaranty Corporation (PBGC) pension [plan] benefits. Only persons who are eligible for the HCTC program may fill out and submit the attached application for one of the state-qualified Anthem health plans shown below.

The following Anthem individual plans qualify for the tax credit:

Individual KeyCare Preferred	\$300, \$750, \$1,500 deductibles only
Individual KeyCare Flexible Choice	\$500, \$1,500, \$2,500, \$5,000 deductibles
Individual KeyCare HealthSmart	\$2,250, 3,500, \$5,000, \$7,500 and \$10,000 deductibles
Individual KeyCare HealthSmart with Enhanced Prescription drug benefit	\$2,250, 3,500, \$5,000, \$7,500 and \$10,000 deductibles
Individual Basic BlueCare	\$300, \$750, \$1,500 deductibles only
Individual Essential KeyCare	\$500, \$1,500, \$2,500 deductibles
Individual KeyCare HSA	\$1,200, \$2,250, \$3,000, \$5,000 single policies \$2,400, \$4,500, \$6,000, \$10,000 family policies
Virginia Standard	\$750, \$1,500, \$2,500

Expected Process

Once the Health Coverage Tax Credit program receives names of possible participants from the TAA/PBGC organizations, the HCTC program provides initial verification of eligibility and mails a Program Kit to these potential HCTC candidates. The candidate should apply for and be issued a state-qualified health insurance policy (Anthem's qualified policies are shown above) and complete the HCTC registration form as indicated in the Program Kit. Do not send the HCTC registration form to Anthem.

Please note that not all HCTC eligibility criteria are met at this point. The HCTC program verifies that the individual is enrolled in a qualified health plan and registers the individual. The individual must send an invoice (the premium bill from Anthem) to the HCTC program and register for the advance tax credit or end-of-year option. Thirty-five percent of the premium must be paid by the individual to the HCTC program at HCTC's specified time frames. The HCTC program adds sixty-five percent of the eligible premium and delivers payment to Anthem, which is then applied to the individual's account.

Because you may be eligible for the Health Coverage Tax Credit (HCTC) program, this form is required in addition to your application. It must be completed, signed, dated and returned along with your application and initial premium.

Mail your completed Application, including this form, and full initial payment to the address below,

1. Primary Applicant Name

Last First M.I.

City State Zip

Last 4 Digits of Social Security Number

2. Tax Adjustment Qualifying Individuals (TAA/ATAA) Benefits

Qualifying Individuals

The Trade Adjustment Assistance Reform Act was signed into law to provide employment training and job search assistance for workers who become unemployed because of increased imports from, or shifts in production to, foreign countries. In addition, the new law is intended to expand access to health insurance coverage for certain individuals who are receiving trade adjustment assistance (TAA) or who are receiving payments through the Pension Benefit Guaranty Corporation (PBGC). Eligible individuals will be determined by the Health Coverage Tax Credit program (HCTC).

A. If you are age 55 or over and a TAA or PBGC pension recipient, and if you qualify for the HCTC and have at least three months of previous creditable coverage without a break in coverage of more than 63 consecutive days, you are a Qualifying Individual. Qualifying Individuals are guaranteed coverage at our highest premium without having to answer health questions, and no pre-existing condition waiting periods will be imposed. Please list the first names of all qualifying TAA/PBGC recipients that have at least three months of previous creditable coverage in the space below and proceed to section 2B.

First Name(s) of Qualifying Individuals

B. If names are listed above and you are a qualifying individual with at least three months of previous credible coverage without a break in coverage of more than 63 consecutive days, you are guaranteed coverage at our highest premium. All TAA/PBGC Individuals will go through medical underwriting to try to qualify for a lower rate unless indicated below. This does not affect their eligibility for guaranteed coverage.

- Please enroll the person(s) listed below **without** medical underwriting. *(Please be aware that you will receive coverage at our highest premium.)* If all persons to be covered are waiving medical underwriting, please do not answer the medical questions in the enclosed application.

First Name(s) of qualifying individuals that wish to waive medical underwriting

Important: Please attach copies of any certification or other documentation of prior creditable coverage furnished by previous carriers or employers, if available. In addition, please attach a copy of your confirmation letter sent by HCTC. This will help us process your application.

Special Note

If you are a qualifying individual for TAA/ATAA purposes, you are not required to complete the HIPAA qualification section (Section 5) in the main application for coverage. The main application is found inside this Anthem HCTC wrap and starts with "Applicant Information" on page 1.

Eligibility Requirements for Health Coverage Tax Credit Program

Two groups of individuals are potentially eligible for the HCTC program's tax credit towards state-qualified health plan premium cost. If you are one of the two types of potential recipients described below, you may apply for one of Anthem's state-qualified health plans offered in this application. Ineligible applicants are also described below.

Trade Adjustment Assistance (TAA) recipients potentially eligible are:

- Individuals receiving a Trade Readjustment Allowance (TRA);
- Individuals who would be eligible to receive TRA, but have not yet exhausted their unemployment insurance (UI) benefits; or
- Individuals receiving benefits under the Alternative Trade Adjustment Assistance (ATAA) program.

Pension Benefit Guaranty Corporation (PBGC) pension recipients aged 55 and over who meet one of the following are potentially eligible:

- Individuals who receive pensions from the PBGC;
- Individuals who receive benefits from the PBGC as a survivor or beneficiary of a PBGC participant;
- Individuals who receive a portion of his/her ex-spouse's benefits from the PBGC as an alternative payee; or
- Individuals who received a lump sum payment after August 5, 2002.

Individuals are not eligible for the Health Coverage Tax Credit for any month if on the first day of such month any of the following apply:

- Enrolled in a health plan maintained by an employer or former employer that pays (or the employee pays with pre-tax dollars) at least 50% of the cost of the coverage;
- Entitled to health coverage under Medicare Part A or enrolled in Medicare Part B;
- Enrolled in a state's Medicaid program;
- Enrolled in the State Children's Health Insurance Program (SCHIP);
- Enrolled in a plan with the Federal Employees Health Benefit Program (FEHBP);
- Entitled to health coverage through the U.S. military health system (TRICARE/CHAMPUS);
- Are imprisoned by a federal, state or local authority; or
- Can be claimed as a dependent on someone else's Federal tax return.

Individual KeyCare HSA

If you choose to enroll in an Individual KeyCare HSA plan, here are some things to keep in mind. You are not required to set up a Health Savings Account (HSA) with your High Deductible Health Plan. However, HSAs offer tax advantages that can help you save more on your coverage. If you choose to enroll in an HSA, it's important to remember that the HCTC program does not make any payments into your health savings account. Please note that you will be responsible for meeting your deductible before receiving certain benefits.

Please read, sign and date the following statement:

As primary applicant, I understand that information provided by me in this Anthem HCTC wrap becomes part of my application. If there are any conflicts between information provided on this Anthem HCTC wrap and my application information, my Anthem HCTC wrap information shall control.

I also understand:

- 1. No coverage will be in force until my entire application is approved by Anthem and that the effective date will be the date assigned by Anthem.*
- 2. The Anthem policy does not provide coverage for pre-existing health conditions for the first 12 months after the policy start date. I understand that if I have been covered by eligible health insurance before the Anthem policy, the 12 month waiting period may not apply to me, or the waiting period may be shorter than the entire 12 months;*
- 3. The Maternity Coverage (does not apply to Individual Essential KeyCare): If I am a Qualifying Individual as described in this wrap, I understand the Maternity Coverage six month waiting period is waived if conception occurs before the policy effective date. If I am not a Qualifying Individual, I understand the original terms of the Maternity Coverage apply, including that conception must occur at least six months after the rider effective date.*

Signature of Primary Applicant

Printed Name

Date