



STATE OF CALIFORNIA
Franchise Tax Board

Individual Healthcare Mandate & Subsidy Program

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Program Agenda

- Mandate Program
- Franchise Tax Board's Role
- Progress to Date
- Next Steps

Individual Healthcare Mandate & Subsidy Program

Mandate Program

- Established to closely mirror the federal Affordable Care Act
- The CA individual mandate becomes effective January 1, 2020
- Penalties:
 - \$695 per adult
 - \$347 per minor
 - High income earners may have a larger penalty
 - Insurers and others to provide coverage data to FTB

Individual Healthcare Mandate & Subsidy Program

Subsidy Program

- Subsidies are based on:
 - Earnings at or below 600% of the federal poverty level
 - Estimated income
- State subsidy program would sunset December 31, 2022

Individual Healthcare Mandate & Subsidy Program

Health Mandate and Premium Subsidy Program

- Administer the Individual Shared Responsibility Penalty
 - Establish data sharing agreements
 - Develop healthcare related instructions and forms
 - Create business rules to for validation, compliance, and enforcement efforts
 - Collect insured data for mandated reports

Individual Healthcare Mandate & Subsidy Program

Progress To Date

- FTB project team created
- Covered California interagency workgroup team
- Completed procurement for system changes
- Developed a project plan and schedule

Individual Healthcare Mandate & Subsidy Program

Next Steps

- Start planning regulatory process
- Public outreach and communication
 - Webpage on ftb.ca.gov with basic information and link to Covered CA
 - Joint News Release with Covered CA
 - Social Media Campaign
 - Stakeholder meeting on November 14, 2019
- System design and implementation

Questions?