

## MEMORANDUM

**To:** Health Reform Oversight Committee

**From:** Devon Green, Special Counsel on Health Care Reform, Agency of Administration

**Date:** October 28, 2014

**Re:** Vermont Affordable Health Care Act Readiness for Tax Season 2014

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Beginning with the 2014 tax year, Americans above the filing threshold will have to report on their tax filings that they had health care coverage or an exemption from the requirement to have health care coverage or they will have to pay a tax penalty. Individuals who received advanced premium tax credits (APTC) will also need to reconcile the amount they received to the correct subsidy amount based on their income. Our goal is to enable all individuals and stakeholders to file taxes accurately and meet federal requirements.

In order to achieve our goal, we are continuing a targeted outreach effort supported by enhanced Vermont Health Connect operations. Primary audiences for this outreach effort include Vermont Health Connect customers, small businesses, and tax preparers.

For many months, State staff has been providing information to tax preparers about the new tax filing requirements. Currently, Vermont Health Connect is planning a statewide coordinated outreach effort targeting trained Assisters, Volunteer Income Tax Assistance (VITA) Clinics, and local agencies, so that individuals can comfortably discuss their needs and get help. The State will partner with the Office of the Health Care Advocate to develop guidance for individuals and small businesses related to filing year 2014. It will also work to prepare large employers for their responsibilities for 2015. (Large employers have no ACA tax filing obligations in 2014.) The State will also work with relevant partners to host public events where Vermonters will be directed to resources to help with their tax questions as well as enroll in a health insurance plan.

Over the coming months, the State will focus efforts and mobilize resources so that the call center will be trained and internal processes established to support customers through the process of tax filing. Call center staff will be able to handle questions and correct errors on the 1095-A tax form sent by Vermont Health Connect to all Vermonters with VHC plans. For all other tax-related issues, the call center cannot provide tax advice, but it will point customers to resources such as those described above and be prepared to provide referrals to the IRS and local tax professionals.

The State is engaging the following partners to ensure that information flows together seamlessly.

- Vermont Department of Taxes
- Office of the Health Care Advocate
- Assisters and their affiliated organizations
- Maximus
- Vermont Health Connect Operational Staff
- Professional tax preparation agencies
- Small Business Associations
- The State's Chambers of Commerce
- 2-1-1
- Voluntary Income Tax Assistance (VITA)
- Blue Cross and Blue Shield of Vermont
- MVP Health Care

Attached is the Tactical Plan detailing the Focus Areas and Actions for Tax Season 2014.

**Tactical Plan**

F O C U S	<u>October</u> Needs Assessment  Operational Planning	<u>November</u> Materials Development  Partnership Development  Training Development	<u>December</u> Training and Materials Dissemination  Strengthen Partnerships  Public Outreach  Organizational Readiness	<u>January</u> Tax Season Kick-Off  Partner Support  Continued Outreach	<u>February</u> Partner Support  Continued Outreach
A C T I O N S	<p>Identify planning needs with all partners to be addressed through 2014 filing season</p> <p>Coordinate existing resources: customer service identifies staff capability, needs and resources</p> <p>Formulate timeline and designate roles for all tax-related functions by all partners</p> <p>Enable partners and stakeholders to start their own task-oriented plans</p> <p>Develop core messaging to explain the basics of changes in tax filing</p> <p>Develop foundation for materials: all messages at appropriate reading level and labeled with customer rights and appeals</p>	<p>Vermont Department of Taxes will receive training on substantive issues and VHC resources</p> <p>Identify additional partners to achieve goals</p> <p>Develop materials for partners to distribute: letters, references</p> <p>Create PowerPoints, live trainings and webinars, for both internal and external education on tax filing</p> <p>Coordinate with partners, including Department of Taxes to utilize materials and maximize outreach efforts</p> <p>Create FAQs about taxes</p> <p>Identify resources already being utilized by partners; enhance those with <i>new</i> tax relevant tips</p> <p>Develop state plans and disseminate training to Vermont Health Connect and related staff to ensure consumers obtain answers to their questions and/or appropriate referrals</p> <p>Incorporate up-to-date, relevant national materials and guidance into State outreach</p>	<p>Generate Mailings to educate partners and customers about new filing requirements</p> <p>Work with partners on materials/education dissemination plans</p> <p>Begin e-outreach to customers about tax filing considerations (e-news, social media, website, etc.)</p> <p>Update VermontHealthConnect.gov, Department of Taxes website and partner websites with instructions/resources for tax filing Ready Vermont Health Connect customer service to manage and handle consumer needs</p> <p>Operational readiness for 1095 distribution</p>	<p>Mail 1095 Tax Forms out to all VHC customers</p> <p>Continued support to tax professionals and stakeholders as they educate consumers</p> <p>Ready VHC call center for clients; ready partners for routing of calls to get easy, informed answers</p> <p>Begin to host tax-filing public events to support filing and enrollment</p> <p>Send letters to Large Employers, small businesses and Stakeholders to outline guidance for 2014 and prepare for future</p>	<p>Continue support to tax professionals and agencies</p> <p>Route calls to appropriate, knowledgeable partners</p> <p>Support VHC staff in fielding and handling calls</p> <p>Continued and renewed outreach via media</p> <p>Continue public events</p>