

Starting in July, the new Health Coverage Tax Credit (HCTC) could pay 65% of the eligible premium you pay for a qualified health plan. This federal tax credit was passed by Congress and signed into law by President George W. Bush on August 6, 2002.

### **Am I Eligible?**

We believe you may be eligible because you receive either Trade Adjustment Assistance (TAA) benefits or pension benefit payments from the Pension Benefit Guaranty Corporation (PBGC). In addition, you must meet certain requirements to be eligible to receive the HCTC. One of these requirements is that you be enrolled in a qualified health plan. Only certain types of health plans qualify for the HCTC. You should review page 6 of the enclosed Program Kit to determine if your current health plan is qualified. **Currently, the HCTC state-qualified health plan for Maine is Anthem Blue Cross and Blue Shield of Maine.** Questions regarding enrollment in this plan should be directed to Tanya Plante at the State of Maine Employee Health and Benefits Department (1-800-422-4503, ext. 76789; or email at tanya.l.plante@maine.gov).

### **Two Options**

If you are eligible and are enrolled in a qualified health plan, you have two options for claiming the credit:

1. Claim the HCTC on your federal tax return for eligible payments you made directly to a qualified health plan during the year. (This is also the way to obtain the tax credit for any eligible premiums that you paid for a qualified plan before you registered in the HCTC program.)
2. Claim and receive the HCTC in advance by registering for the HCTC program. This program combines your share of your health plan premium for each month with a 65% **advance** payment of the federal tax credit. The combined payment will then be sent to the health plan on your behalf.

### **Register Now for the July Advance Payment Option**

In most of the country, registration for the HCTC program will begin in August. However, the State of Maine and the Internal Revenue Service have developed a pilot program that allows you to register **now** to begin receiving the **advance** payment tax credit earlier. If you meet the eligibility criteria and are enrolled in a qualified plan, complete the enclosed HCTC Registration Form using the Program Kit as a guide. **To receive the advance payment for coverage beginning in July, you must bring your completed Registration Form to an HCTC Registration Session during the week of June 9th.** You should receive a separate letter that provides details about these sessions.

### **If You Cannot Attend a Registration Session**

If you cannot attend an HCTC Registration Session, you may still participate in the pilot, but you will receive the advance payment for coverage beginning in August instead of July. Mail your Registration Form to the HCTC program in the enclosed postage-paid envelope. The HCTC program must receive your Registration Form **by July 7** in order to successfully process your registration, send you an invoice, receive your payment, and send it along with the 65% advance credit to your health plan administrator for coverage beginning in August.

**Until you receive your first invoice from the HCTC program, you should continue paying 100% of your health plan premium directly to your health plan administrator.**

For general information on the HCTC program or the enclosed materials, please visit the IRS.gov web site at [www.irs.gov](http://www.irs.gov) and enter IRS Keyword: HCTC. You may also call the HCTC Customer Contact Center at 1-866-628-HCTC (TDD/TTY: 1-866-626-HCTC).