



State Subsidy Program

California's State Subsidy Program

In January of 2021 and 2022, Covered California sent Form FTB 3895: California Health Insurance Marketplace Statement to consumers enrolled in a health plan through Covered California.

Under "Covered Individuals," Form FTB 3895 lists everyone in your household who was enrolled in a plan and when coverage began and ended. If you changed plans during the year, you got a different Form FTB 3895 with information for that plan. Note: Covered California did not send a 3895 for minimum coverage (catastrophic) plans.

Under "Coverage Information," the form lists for each month of the year:

- The cost of your monthly premium.
- The cost of the premium for the second-lowest-cost Silver plan available where you live.
- How much *state subsidy* (called the *Premium Assistance Subsidy*) you received each month.

Note that in 2021, some people got more state subsidy (also called California premium subsidy or Premium Assistance Subsidy) than they were entitled to. They may have to pay this extra money back when they file their 2021 taxes. The government refers to paying back subsidies you used in advance as "reconciliation."

Follow these steps to reconcile your state subsidy if you need to amend your 2020 or 2021 state tax return.

Reconciling Your State Subsidy/State Premium Assistance Subsidy on Form FTB 3849

1. Get Form FTB 3895 by mail or online from Covered California.

Sign in to your CoveredCA.com account and click on "View [tax year] California Tax Form 3895." If you told Covered California that you prefer communications by mail, you should have also received a physical copy of the form. Didn't receive Form FTB 3895 or can't find it in your account? Call us at (800) 300-1506 (TTY: 1-888-889-4500).

2. Make sure your Form FTB 3895 is correct.

Check the information about your health plan and household members on Parts I and II of the form. See any errors? Call us.

3. Fill out Form FTB 3849 to see how much states subsidy/Premium Assistance Subsidy you need to pay back.

Form FTB 3849 tells you to enter your monthly premium, the cost of the premium for the second-lowest-cost Silver plan premium available where you live, and how much state subsidy (called the Premium Assistance Subsidy) you got that month.

You can find this information on Form FTB 3895 under “Coverage Information.”

Didn’t receive Form FTB 3895 for 2020 or 2021 enrollment? Call us at (800) 300-1506 (TTY: 1-888-889-4500).

4. Use Form FTB 3853 to determine if you owe an individual shared responsibility penalty or to claim exemptions from the [state individual health coverage mandate](#) on your California state tax return.

Form FTB 3853 may tell you to fill out the Marketplace Coverage Affordability Worksheet to find your lowest-cost Bronze plan and second-lowest-cost Silver plan premiums. To find these amounts, use our calculator and enter the gross monthly premium for the lowest-cost Bronze plan and second-lowest-cost Silver plan in the form.

[Step-by-step instructions can be found here.](#)

Your situation may vary, and the information above is not intended as tax advice. Please consult the California Franchise Tax Board or a tax advisor if you have questions about how to use these forms when preparing your taxes, your penalty amount, or your tax return.

For other information, see: [Where to Find Your Forms](#), [Errors on your forms?](#), and [If You Didn’t Receive Your Tax Forms](#).

If you need help, please contact the Covered California Service Center. Representatives can help you calculate the lowest-cost Bronze plan and second-lowest-cost Silver plan premium amounts but cannot provide tax advice. To view the forms referenced here and get more detailed instructions for how to complete these forms, use [the California Franchise Tax Board forms finder](#).

2021 Financial Help Repayment Limits

There are limits to the amount of state subsidy you may need to repay, depending on your income and if you file taxes as “Single” or another filing status. The limits are calculated based on the federal poverty level (FPL). See the “Household Income Ranges by Federal Poverty Level (2021)” table to learn your FPL.

Below are the tax year 2021 repayment limits for the state subsidy (also called the California Premium Assistance Subsidy).

Household Income	Single	All other filers
Less than 200% FPL	\$300	\$600
200% - 300% FPL	\$775	\$1,550
300% - 400% FPL	\$1,300	\$2,600
400% - 500% FPL	\$2,000	\$4,000
500% - 600% FPL	\$3,000	\$6,000
600% - 700% FPL	\$4,200	\$8,400
Over 700% FPL	No Limit	No Limit

Example 1: A single individual with income under \$25,520 would have to repay no more than \$300 if they received too much of the state subsidy.

A single individual with income between \$25,520 and \$38,280 would have to repay no more than \$775 if they received too much of the state subsidy.

Example 2: A household of two with income under \$34,480 would have to repay no more than \$600 if they received too much state subsidy.

A household of two with income between \$34,480 and \$51,720 would have to repay no more than \$1,550 if they received too much state subsidy.

Household Income Ranges by Federal Poverty Level (2021)

Household Size*	Less than 200%	200% – 300%	300% – 400%	More than 400%
1	\$0 - \$25,520	\$25,520 - \$38,280	\$38,280 - \$51,040	\$51,040 or more
2	\$0 - \$34,840	\$34,840 - \$51,720	\$51,720 - \$68,960	\$68,960 or more
3	\$0 - \$43,440	\$43,440 - \$65,160	\$65,160 - \$86,880	\$86,880 or more
4	\$0 - \$52,400	\$52,400 - \$78,600	\$78,600 - \$104,800	\$104,800 or more

*For other household sizes, see the [2021](#) FPL chart.

Please contact the [California Franchise Tax Board](#) or a tax advisor if you have questions about your specific forms, penalty amount, or tax return. The information on this page is not intended as tax advice, and your situation may vary.