

Administrative Information Bulletin 02-09
Guidance Regarding M.G.L. c. 111M and
M.G.L. c. 176Q, as implemented by 956 CMR 6.00

December, 2009

Pursuant to its authority under M.G.L. c. 111M, Section 4, and M.G.L. c. 176Q, Sections 3(a)(5) and 3(a)(7), the Commonwealth Health Insurance Connector Authority (the “Health Connector”) is issuing this Administrative Information Bulletin (“Bulletin”) in coordination with the Department of Revenue to provide guidance regarding implementation of M.G.L. c. 111M, Section 2(b)(i), 956 CMR 6.08(3) and 830 CMR 111M.2.1. (The imposition of the individual mandate penalty.)

(1) Penalty Requirement. Beginning in calendar year 2009, the penalty stated in M.G.L. c. 111M, Section 2(b) shall be assessed for each of the months the individual did not have creditable coverage as required by Section 2(a); provided however that any lapse in coverage of 63 days or less shall not be subject to the penalty. To implement this requirement, taxpayers completing the Schedule HC must indicate on the return whether they had creditable coverage in force for each of the 12 months in 2009.

This bulletin clarifies that, for purposes of penalty calculation for calendar year 2009, taxpayers will not be subject to the penalty if they had lapses in coverage consisting of three or fewer consecutive calendar months.

This Administrative Bulletin takes effect immediately and is effective for calendar year 2009 only.