



April 11, 2025

IMPORTANT: Failure to File and Reconcile (FTR) Recheck Notices Will Be Sent in April 2025

Failure to File and Reconcile (FTR) Recheck Notices Will Be Sent for Plan Year 2025

Enrollees and tax filers will begin receiving FTR Recheck notices beginning in mid-April. These will be sent either through an indirect notice sent to the enrollee or a direct notice sent to the household tax filer, or both.

If an enrollee or tax filer receives an FTR Recheck notice, they should immediately file their federal income tax return and reconcile their Advance Premium Tax Credit (APTC) for the applicable tax years listed on their notices. If they fail to do so, APTC will be removed in summer 2025.

Why am I getting this email?

The Marketplace is conducting FTR Recheck, which is when Centers for Medicare and Medicaid Services (CMS) verifies the tax filing status of enrollees who were previously identified as failing to file and reconcile APTC. In mid-April, the Marketplace will begin sending notices to enrollees identified as being in an FTR status. Enrollees who have failed to file and reconcile for two consecutive tax years **are at risk of losing their APTC**. You are getting this email because you have been identified as someone who may interact with and need to provide guidance to enrollees in an FTR status.

What is Failure to File and Reconcile (FTR)?

FTR occurs when enrollees who have Marketplace coverage with advance payments of the premium tax credit (APTC) don't file their federal income tax return and reconcile their APTC.

Prior to Open Enrollment (OE), the Marketplace checked IRS data to determine if tax filers filed their federal income tax returns and reconciled their APTC for the most recent two consecutive tax years for which data is available. For plan year 2025, data from the 2022 and 2023 tax years were checked. The IRS returned a response to the Marketplace indicating that the tax filer has not filed and/or reconciled their APTC (referred to as having either a "one-tax year FTR status or a "two-tax year FTR status"). During OE, enrollees could attest to having filed and reconciled. Enrollees with a two-tax year FTR status who did not attest to filing and reconciling had their APTC removed on January 1, 2025.

Consumers that are in two-year FTR status are at risk for losing APTC once FTR recheck is completed in the summer.

What is Failure to File and Reconcile (FTR) Recheck?

The Marketplace is performing FTR Recheck, a recheck of IRS data to verify that enrollees who attested to filing and reconciling on their application during OE actually filed their federal income tax return and reconciled their APTC.

For those in a one-tax year FTR status: Enrollees with a **one-tax year FTR status** will receive a notice alerting them to take one of the actions listed in the notice. The tax filer will receive an additional notice that

alerts them to file and reconcile as soon as possible or remain at risk of losing their APTC for the following coverage year if they fail to file and reconcile APTC for a second, consecutive tax year.

For those in a two-tax year FTR status: Enrollees that attested to having filed and reconciled in their application, with a **two-tax year FTR status** will receive a notice alerting them to take one of the actions listed in the notice. The tax filer will receive a notice that alerts them to file and reconcile as soon as possible or they or their covered household member **will lose their APTC for the remainder of the current coverage year.**

A final check of IRS data will be conducted in Summer 2025, to verify the FTR status of those enrollees who attested to having filed and reconciled in their application. If IRS data still indicates that the consumer has a two-tax year FTR status, the enrollee will remain in QHP coverage but will generally have their APTC ended effective the month after the final check is completed.

How You Can Help FTR Enrollees

Enrollees who have either a one-tax year or two-tax year FTR status may contact you:

- For help understanding the notices
- For information on how to file and reconcile their APTC
- You may direct them to the following IRS page: <https://www.irs.gov/affordable-care-act/individuals-and-families/the-premium-tax-credit-the-basics>
- For help choosing a new plan or re-enrolling in Marketplace with a qualifying Special Enrollment Period (SEP) after filing and reconciling APTC
- For help with filing an appeal if they believe their APTC was ended erroneously

What should an enrollee do to regain APTC after losing APTC due to FTR?

Enrollees are encouraged to file and reconcile immediately upon receiving notice that they have an FTR status. Enrollees who believe their APTC was ended erroneously and wish to regain APTC eligibility for the rest of the coverage year in which their APTC was removed may file an appeal with the Marketplace Appeals Center, which can be reached by calling 1-855- 231-1751 (TTY: 711). Additionally, enrollees can visit <https://www.healthcare.gov/marketplace-appeals/getting-help/> for help filing an appeal, or they may also refer to their Eligibility Determination Notice (EDN) which provides instructions on how to submit an appeal. Enrollees in State-based Exchanges (SBEs) can file an appeal with their State Exchange's appeals entity. Enrollees can find information about their SBE by visiting <https://www.healthcare.gov/marketplace-in-your-state/>.

Additional Resources:

- **FTR Operations FAQ (April 19, 2024):** <https://www.cms.gov/files/document/failure-file-and-reconcile-faq.pdf>