



Exemption from ACA Info

Health Sharing Plan members are exempt from Affordable Care Act.

Members of a Health Sharing Plan are Exempt from the requirements of the Affordable Care Act (ACA). The Affordable Care Act (ACA) is the new health care reform legislation and is more commonly referred to as ‘Obamacare’.

INDIVIDUAL MANDATE. The ACA legislation contains many provisions that are complex and detailed about our nation’s health care. Among these provisions is the ‘individual mandate’; this requires every American to purchase health insurance. Under the law, you must purchase health insurance by March 31, 2014, be exempt from the law, or face a fine imposed and collected by the IRS.

BE EXEMPT. Members of a Health Sharing Plan are exempt from the mandate to purchase health insurance by 2014 or face financial penalties. Enrollment with a Health Sharing Plan (a recognized sharing ministry) REMOVES your requirement under the healthcare mandate to purchase health insurance.

EXEMPTION ACTION POINT. PERSONAL TAXES The IRS has prepared tax forms where taxpayers claim exemption as a member of a healthcare sharing ministry. These forms are simple to fill out and fairly easy to understand.

Follow these basic steps:

Step 1: Calculate your 'Shared Responsibility Payment' on [Form 8965](#)

Step 2: Claim the months that you were a part of a healthcare sharing ministry as an exemption in [Part III of Form 8965 using code ‘D’](#).

Step 3: Report on line 61 of [Form 1040](#) the 'Shared Responsibility Payment' which was calculated from [Form 8965](#)

Form 8965 just asks for the Code under which members are exempt. Members of a health care sharing ministry utilize a Code “D” exemption. On Form 8965, leave Parts I and II blank, and in Part III, members simply write in the letter “D” in the column titled “Exemption Type.”

In the event an accountant or tax preparer asks for the name of the recognized HCSM through which members share medical bills, go the www.freedomhealth.org website and download the listing of the recognized Health Sharing Plans. From the listing, locate the health sharing ministry that is referenced in your Sharing Guidelines.

Obviously, you or your tax preparer will be able to access the Forms referenced above. Have questions? The Freedom HealthShare™ team is here to help you! Contact us anytime. questions@freedomhealthshare.org or 877-747-1113 (Option 1, Option 1)

<p>Excerpt from 26 U.S.C. § 5000A(d)(2)(B): US Patient Protection and Affordable Care Act:</p>	<p>Freedom HealthShare™ is an affiliated administrator for a recognized healthcare sharing ministry.</p>
<p>“(2) RELIGIOUS EXEMPTIONS. “(B) HEALTH CARE SHARING MINISTRY. “(i) IN GENERAL. Such term [<i>Our note: ‘term’ refers to ‘penalty’</i>] shall not include any individual for any month if such individual is a member of a health care sharing ministry for the month. “(ii) HEALTH CARE SHARING MINISTRY. The term ‘health care sharing ministry’ means an organization:</p>	
<p>“(I) which is described in section 501(c)(3) and is exempt from taxation under section 501(a),</p>	<p>A recognized health sharing ministry is a 501(c)3 Non-profit organization exempt from taxation under 501(a)</p>
<p>“(II) members of which share a common set of ethical or religious beliefs and share medical expenses among members in accordance with those beliefs and without regard to the State in which a member resides or is employed,</p>	<p>Freedom HealthShare™ is an affiliated administrator of a recognized health sharing ministry. Members of a health sharing ministry endorse a common set of religious and ethical beliefs when they enroll, and share expenses accordingly and without regard to the State in which a member resides or works.</p>
<p>“(III) members of which retain membership even after they develop a medical condition,</p>	<p>Freedom HealthShare™ does not “raise rates” or “cancel” anyone because of a costly health condition</p>
<p>“(IV) which (or a predecessor of which) has been in existence at all times since December 31, 1999, and medical expenses of its members have been shared continuously and without interruption since at least December 31, 1999, and</p>	<p>Freedom HealthShare™ administers recognized sharing ministries that have been sharing medical expenses continuously and without interruption since at least 1999.</p>
<p>“(V) which conducts an annual audit which is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and which is made available to the public upon request.</p>	<p>All recognized health sharing ministries must conduct annual audit with a certified public accounting firm and make audit results available to the public upon request.</p>