

INSTRUCTIONS FOR COMPLETION OF EMERGENCY APPLICATION FOR REDUCED PREMIUM, DEDUCTIBLE, AND DRUG OUT-OF-POCKET MAXIMUM

You are considered a **household** if you are:

- Single, whether you live alone or with others.
- Married, and you and your spouse live together.

You are each considered a separate household if you are married but you and your spouse maintain separate homes.

LINE 1 — Reported Total Household Income

Fill in the amount of total household income reported from the prior calendar year.

LINE 2 — Projected Total Income

a-e. Fill in the amount of wages, business income, farm income, interest and dividends, and distribution from any Individual Retirement Account (IRA) or deferred compensation plan you expect to earn in the current year in the spaces provided.

LINE 3 — Other Projected Income

- 3a. Unemployment compensation.** Fill in the total amount of unemployment compensation you expect to receive in the current year that is not already included on lines 2a-2e. Both taxable and nontaxable unemployment compensation must be included in household income.
- 3b. Social Security, SSI, SSI-E, SSD, and Caretaker Supplement.** Fill in the total amount of Social Security benefits you expect to receive in the current year. Include amounts deducted for Medicare premiums and any Social Security death benefits you expect to receive. Also fill in anticipated federal and state "SSI" (Supplemental Security Income) payments, "SSI-E" (Supplemental Security Income-Exceptional Needs), "SSD" (Social Security Disability), and "caretaker supplement" payments. Do **not** include Social Security or SSI payments paid directly to your children or Title XX benefits (payments for services).
- 3c. Railroad Retirement.** Fill in the total amount of Railroad retirement benefits you expect to receive in the current year. Include amounts deducted for Medicare premiums.
- 3d. Pensions and annuities, including IRA, SEP, SIMPLE, and qualified plan distributions.** Fill in the **gross** amount of **all** pensions and annuities you expect to receive in the current year and not included elsewhere. Include veterans' pensions, disability payments, any amounts you expect to contribute in the current year to a pension fund, and nontaxable IRA, Simplified Employee Pension (SEP), Savings Incentive Match Plan for Employees (SIMPLE), and qualified plan distributions. Both taxable and nontaxable amounts must be included in household income. Do not include rollovers (amounts transferred from one plan to another), or tax-free Section 1035 insurance contract exchanges.

3e. Contributions to deferred compensation plans. Fill in contributions to deferred compensation plans that you expect to exclude from the current year's income on the income tax return (do not include nondeductible contributions).

3f. Contributions to IRA, SEP, SIMPLE, and qualified plans. Fill in contributions to these plans that you expect to deduct from income on the income tax return (do not include rollover contributions or nondeductible contributions).

LINE 4 — Subtotal

Enter the total of lines 2a through 3f.

LINE 5 — Projected Household Income Continued

5a. Fill in the subtotal from line 4.

5b. Interest on United States securities and state and municipal bonds. Fill in any nontaxable interest you expect to receive in the current year on securities of the federal government or its instrumentalities, such as U.S. Savings Bonds or Treasury Notes, and on nontaxable state and municipal bonds, such as Higher Education Bonds.

5c. Scholarships, fellowships, grants, and military compensation. Fill in the total amount you expect to receive in the current year for **nontaxable** scholarship and fellowship income (for example, books or tuition), educational grants, or military compensation (for example: basic quarters and subsistence allowances, Veterans Educational Assistance Program [VEAP] payments, G.I. Bill benefits; pay from duty in a combat zone; or pay received by certain members of a reserve component of the armed forces). Do not include student loans or amounts included elsewhere.

5d. Child support, maintenance payments, and other support. Fill in the total amount of any court-ordered support payments you expect to receive in the current year, including child support and family maintenance, but not foster care, voluntary support, or amounts included elsewhere.

5e. Wisconsin Works (W2), county relief, kinship care, and other cash public assistance. Fill in the total amount of any Wisconsin Works (W2), county relief, kinship care, and other cash public assistance payments (such as adoption assistance) you expect to receive in the current year. Do not include the following: a prior year's homestead credit, nontaxable foster care, gifts, food stamps, nontaxable Community Options Program (COP) payments, or fuel or energy assistance paid to a fuel supplier or utility or provided under the federal Low-Income Home Energy Assistance Act.

5f. Workers' compensation, income continuation, and loss of time insurance (e.g., sick pay). Fill in the total amounts you expect to receive in the current year from these sources.

5g. Gain from sale of home. Fill in the projected gain from the sale or exchange of a principal residence excluded from taxable income under Section 121 of the Internal Revenue

Code. Attach a schedule showing the computation of the gain (selling price minus adjusted basis minus expense of sale).

- 5h. Other capital gains not taxable.** Include the 60% capital gain exclusion on assets held more than one year, plus any other nontaxable capital gains that are not reported elsewhere that you expect to claim in the current year.
- 5i. Net operating loss carryforward and capital loss carryforward.** Fill in any net operating loss carryforward or capital loss carryforward (one incurred in a prior year and not used in that year to offset taxable income) you expect to deduct in computing Wisconsin taxable income for the current year.
- 5j. Income of nonresident spouse or part-year resident spouse and nontaxable income from sources outside Wisconsin.** Fill in the projected income of your nonresident or part-year resident spouse for the time you resided in the same homestead. Also, fill in the income you expect to receive from sources outside Wisconsin that will be excluded from Wisconsin taxable income.
- Resident manager's rent reduction, clergy housing allowance, and nontaxable Native American income.** Fill in the projected amount that a resident manager's rent is reduced in return for services, the nontaxable housing allowance provided to a member of the clergy, and nontaxable income of a Native American.
- 5k. Partners, LLC members, and S corporation shareholders.** Fill in the distributive share of partnership, limited liability company (LLC), and tax-option (S) corporation depreciation, Section 179 expense, depletion, amortization, and intangible drilling costs that you expect to receive in the current year.
- 5l. Car or truck depreciation (standard mileage rate).** If car or truck expenses will be claimed using the standard mileage rate on a business, rent, or farm schedule, 21 cents per mile is considered depreciation. Multiply the number of miles claimed by 21 cents, and include that number on line 5l. (The 21-cent-per-mile income adjustment is not required for miles claimed after the adjusted basis of your car or truck reaches zero. If this applies to you, attach a note explaining the situation.)
- 5m. Other depreciation, Section 179 expense, depletion, amortization, and intangible drilling costs.** Fill in any depreciation, Section 179 expense, depletion, amortization, and intangible drilling costs you expect to claim in computing Wisconsin taxable income, except amounts already filled in on line 5k or 5l.

LINE 6 — Other Income

Fill in any additional projected income not accounted for above.

LINE 7 — Subtotal

Enter the total of lines 5a through 6.

LINE 8 — Number of Dependents

Fill in the amount of your "dependent deduction" by filling in the number of "qualifying dependents" and multiplying that number by \$250.

A qualifying dependent is a person who: a) is or may be claimed as a dependent on your **federal** income tax return, and b) occupied your (the applicant's) homestead for more than six months during the calendar year. A dependent is considered to have occupied your homestead during temporary absences for reasons such as school, illness, or vacations.

The six months' occupancy requirement is considered to have been met if: a) the dependent was born or died during the calendar year and occupied your homestead during the entire time he or she lived during the calendar year; or b) during the calendar year, the dependent was adopted by you, was placed with you for adoption, or became your stepchild, and he or she occupied your homestead from that date to the end of the calendar year.

Caution: The term "dependent" does **not** include you or your spouse. Do not include yourself or your spouse in the number you fill in on line 8.

LINE 9 — Total Projected Household Income

Subtract the amount on line 8 from line 7. This is your total projected household income.

Documentation Requirements

Loss of Job:

1. Pay stub or other documentation showing previous income for HIRSP Policyholder
2. Unemployment benefits statements showing income currently received
3. If married, pay stub or other documentation showing current income for spouse
4. Letter of explanation of how you currently pay your bills if unemployment benefits are unavailable

Divorce:

1. Copy of the final Divorce Decree
2. Pay stub or other documentation showing income for divorced spouse
3. Pay stub or other documentation showing current income for HIRSP Policyholder

Death of Spouse

1. Copy of Death Certificate
2. Pay stub or other documentation showing income for deceased spouse
3. Pay stub or other documentation showing current income for HIRSP Policyholder