

COLORADO GENERAL ASSEMBLY

Senate Members
Sen. Irene Aguilar, Chairman
Sen. Kevin Lundberg
Sen. Jeanne Nicholson
Sen. Ellen Roberts
Sen. Jessie Ulibarri



House Members
Rep. Beth McCann, Vice-chair
Rep. Bob Gardner
Rep. Dianne Primavera
Rep. Amy Stephens
Rep. Max Tyler

Legislative Health Benefit Exchange Implementation Review Committee

ROOM 029 STATE CAPITOL
DENVER, COLORADO 80203-1784
E-mail: lcs.ga@state.co.us

303-866-3521 FAX: 303-866-3855 TDD: 303-866-3472

October 18, 2013

The Honorable Jacob L. Lew
Secretary, U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Mr. Lew:

We are writing to you on behalf of the Colorado Health Benefit Exchange Implementation Review Committee (Committee) concerning eligibility for a health insurance premium tax credit under the Patient Protection and Affordable Care Act (ACA) (26 C.F.R. 1.36B-2). We are concerned that the final rule creates a situation where an employee will have access to affordable health insurance, but the employee's family may not be able to access affordable health insurance or premium tax credit subsidies.

The final rule states that if the cost of self-only coverage for an employee does not exceed 9.5 percent of the taxpayer's household income, then coverage would be considered affordable for the employee's family, regardless of the cost of family coverage. Dependent children and spouses would then be denied access to premium tax credit subsidies under the Exchange and be potentially left without any affordable health care coverage. In light of this concern, we ask you to consider amending the rule to establish an affordability threshold for the cost of family coverage in addition to the existing threshold for self-only coverage.

Colorado has been working since 2011 to establish the Colorado Health Benefit Exchange (Exchange). The Exchange is a nonprofit public entity that is governed by a Board of Directors with oversight by the Committee. The Committee consists of members of the legislature who are charged with overseeing the financial and operational plans of the Exchange.

The Honorable Jacob L. Lew
October 18, 2013
Page 2

Please let us know if you will be able to amend the rule to establish an affordability threshold for the cost of family coverage in addition to the existing threshold for self-only coverage.

Sincerely,



Senator Irene Aguilar, Chair



Representative Beth McCann, Vice-Chair

c: Senator Kevin Lundberg Representative Bob Gardner
 Senator Jeanne Nicholson Representative Dianne Primavera
 Senator Ellen Roberts Representative Amy Stephens
 Senator Jessie Ulibarri Representative Max Tyler

Colorado Health Benefit Exchange Board of Directors

Mark J. Mazur, Assistant Secretary (Tax Policy), U.S. Department of the Treasury
Daniel I. Werfel, Acting Commissioner, U.S. Internal Revenue Service
Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services