

# Proposed regs limit working families' access to affordable healthcare, study finds

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(Medical Xpress) -- Tens of thousands of working Californians' family members could be denied access to affordable health insurance under proposed regulations to the federal health care law, says a new report released today by researchers at the University of California, Berkeley, and the University of California, Los Angeles.

The Patient Protection and Affordable Care Act (ACA) offers premium subsidies to eligible individuals without access to affordable job-based coverage. Yet the ACA is unclear on how the affordability standard is applied when self-only coverage offered by an employer meets the affordability standard (9.5 percent of family income), but family coverage does not. Regulations recently proposed by the U.S. Department of the Treasury would make family members ineligible for subsidized coverage in the new [health insurance](#) exchanges if an employee is offered affordable self-only coverage, even if the cost of family coverage exceeds the affordability threshold.

The report, "Proposed Regulations Could Limit Access to Affordable Health Coverage for Workers' Children and Family Members," by the UC Berkeley Center for Labor Research and Education and the UCLA Center for Health Policy Research, estimates that if affordability for additional [family members](#) was determined based on the cost of family coverage, an additional 144,000 [Californians](#), more than half of them children, would gain access to affordable coverage through the health insurance exchange.

“If California is representative of the United States as a whole, this translates into more than one million people who would be affected by the regulations,” said Ken Jacobs of the UC Berkeley Center for Labor Research and Education.

Bruce Lesley, president of First Focus, a bipartisan advocacy organization for children and families, commented, “As a dad, I'd never build a groceries budget just for me – my wife and the kids eat too. We should expect at least that level of financial planning sophistication from the Treasury Department.”

Researchers’ models show projected costs well below previous estimates, which were based on a much broader interpretation of the law. Gerald Kominski, incoming director of the UCLA Center for Health Policy Research, explained, “Less than one percent of people with employer-based coverage would move to subsidized coverage in the exchange as a result of having unaffordable coverage. The additional participants will be younger than the average in the exchange overall, so their health insurance costs will be lower.”

Kristen Golden Testa, health director at The Children's Partnership, a nonprofit, nonpartisan child advocacy organization, said “The intent of the Affordable Care Act was to help this exact population, children and families for whom no affordable options are available. The Treasury Department should act swiftly to remedy this ‘glitch’ and deliver on the promise of [health](#) care families can afford.”

“This new analysis highlights the importance of the Obama administration getting the affordability measure right,” said U.S. Representative Pete Stark (D-CA). “If they define it only in relationship to individual coverage, children and spouses fall through the cracks.”

**More information:** Download the full report, “[Proposed Regulations](#)

[Could Limit Access to Affordable Health Coverage for Workers' Children and Family Members"](#) .

Provided by University of California - Berkeley

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