

IRS reminds millions about fines for not signing up for Obamacare

January 16 2017



(HealthDay)—Even as Republicans in Congress race to repeal the

Affordable Care Act, the IRS is reminding millions of Americans they still need to sign up soon for health insurance if they don't want to pay fines.

The Internal Revenue Service enforces one of the most disliked parts of the controversial health care reform law—the fines. The Obama administration is hoping the 7.5 million letters the agency is sending out will prod as many people as possible to meet the Jan. 31 enrollment deadline set by the law.

The fines, which were designed to make sure healthy people were included in the insurance pool to help keep premiums down, are probably the most likely part of Obamacare to be repealed because of their unpopularity. The IRS letters will go to people who either claimed an exemption from the law or paid a penalty for being uninsured during the 2015 tax year. The penalty this year could exceed \$2,000, the *Associated Press* reported.

Republicans are calling the \$4 million mailing campaign an exercise in futility and a waste of taxpayer money, the news service reported.

"People receiving these letters have already made up their minds about Obamacare when they applied for an exemption or paid a penalty," said House Ways and Means Chairman Kevin Brady, R-Texas. "They don't want stock letters. They want better health care choices and lower costs."

Last week, both the Senate and the House took the first steps toward dismantling the Affordable Care Act. They passed a budget measure that protects efforts to repeal the 2010 law—one of the centerpieces of President Barack Obama's administration—from a possible Senate filibuster.

Obamacare advocates say many uninsured Americans don't know they

can qualify for government subsidies to help pay their premiums. Those subsidies are designed as tax credits, one of the reasons why the IRS is involved in administering the law.

Last year, about 6.5 million people paid fines for being uninsured, according to recent IRS data. The amount is generally deducted from a taxpayer's anticipated refund, according to the *AP*.

Though controversial, the Affordable Care Act has several provisions that are popular with a majority of Americans. Those provisions include requiring insurance companies to offer coverage to people with pre-existing medical conditions, and allowing children to remain on a parent's plan until age 26.

But the insurance penalty is widely unpopular because opponents of the law call it intrusive government overreach.

More information: Visit HealthCare.gov for more on the Affordable Care Act.

Copyright © 2017 [HealthDay](http://HealthDay.com). All rights reserved.

Citation: IRS reminds millions about fines for not signing up for Obamacare (2017, January 16) retrieved 23 April 2024 from <https://medicalxpress.com/news/2017-01-irs-millions-fines-obamacare.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--