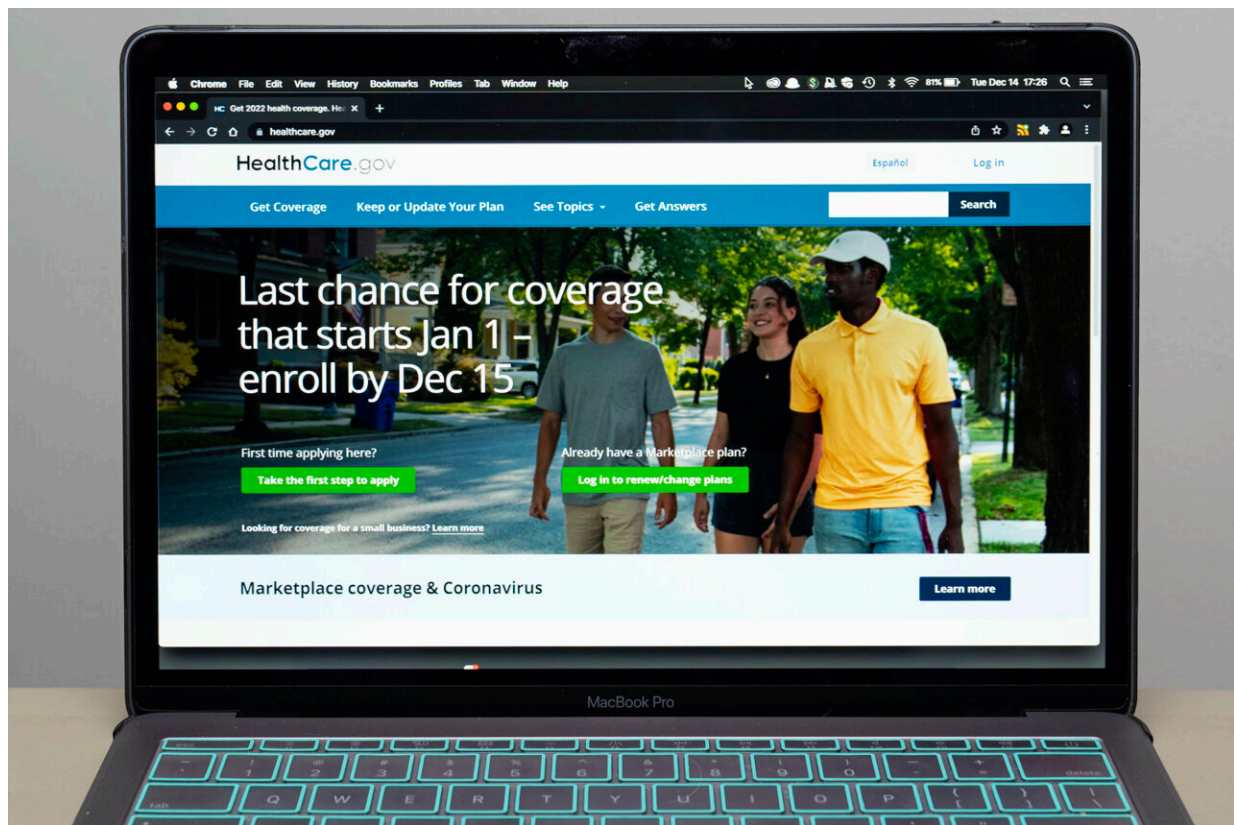


# New rules fix 'flaw' for families seeking Obamacare coverage

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The healthcare.gov website is seen, on Dec. 14, 2021 in Fort Washington, Md. More families who are offered expensive health insurance premiums from their employers will get a discount if they sign up instead for coverage through the Affordable Care Act marketplace this fall. The Treasury Department announced new rules that determine the tax breaks for certain families when they buy private health insurance plans through the Affordable Care Act. Credit: AP Photo/Alex Brandon, File

Families who get expensive health insurance through employers could see a price break if they sign up instead for coverage through the Affordable Care Act marketplace this fall.

The [Treasury Department on Tuesday announced new rules](#) that determine the tax breaks for certain families when they buy private health insurance plans through the Affordable Care Act.

The new interpretation of the Obama-era health law aims to fix the "[family glitch](#)," which determines a family's eligibility for ACA tax credits based on the cost of an individual's work-sponsored health insurance plan rather than the cost of the plan for the whole family.

Since the law was enacted more than a decade ago, people who have access to health insurance plans through their employers are supposed to get price breaks on the Affordable Care Act marketplace if they pay more than 9.5% of their income toward monthly premiums.

But for years, the Internal Revenue Service arrived at that calculation based on the cost of a work-sponsored health insurance plan for a single individual, instead of a more expensive family plan. That meant many families didn't qualify for the tax breaks offered through the ACA, popularly known as "Obamacare."

"Today's action resolves a flaw in prior ACA regulations to bring more affordable coverage to about one million Americans," Health and Human Services Secretary Xavier Becerra said in a statement. "Our goal is simple: leave no one behind, and give everyone the peace of mind that comes with health insurance."

The number of uninsured Americans has dipped to a historic low of 8% this year, with an estimated 26 million people in the U.S. still without health insurance.

Open enrollment for the Affordable Care Act marketplace begins Nov. 1.

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