

The Honorable Charles Rettig  
Commissioner  
Internal Revenue Service  
U.S. Department of the Treasury  
P.O. Box 7604, Ben Franklin Station  
Washington, D.C., 20044

**Re: Affordability of Employer Coverage for Family Members of Employees (REG-114339-21)**

Dear Commissioner Rettig:

On behalf of the more than five million people who stand to benefit from more affordable private insurance options when the “family glitch” is fixed, we thank you and the Biden administration for your proposed rule, “Affordability of Employer Coverage for Family Members of Employees” (RIN 1545–BQ16), published April 7, 2022.

We strongly urge you to move expeditiously, following the close of the public comment period, to finalize the rule so families newly eligible for premium tax credits may enter federal and state marketplaces during this fall’s open enrollment period to enroll in more affordable health care coverage for 2023.

A primary goal of the Affordable Care Act (ACA) is to expand access to quality, affordable coverage. The creation of health insurance marketplaces and the state option for Medicaid expansion have helped the country make great strides in increasing coverage. However, millions of people still do not have access to regular health care. They are forgoing cancer treatments, preventive care, mental health supports, well-child visits, prenatal care and more because they can’t afford the high costs of premiums. Millions more are low-wage earners who are paying hundreds of dollars a month for health insurance, neglecting other necessities so that they can access care without amassing medical debt.

The proposed rule will help dependent family members – mostly women and children – who are currently shut out of accessing care through a family member’s work insurance due to the high cost of coverage. One recent estimate by Third Way found that eliminating the “family glitch” would reduce annual health care costs for a family at 200 percent of the federal poverty level by more than \$4,000—nearly 10 percent of a three-person family’s income.<sup>1</sup> Further, of the millions of people this rule will impact:

- Over half are children;
- Half have incomes below 250 percent of the federal poverty level – \$23,000 for a family of three – and two-thirds are below 400 percent of the federal poverty level; and

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<sup>1</sup> David Kendall, Ladan Ahmadi, and Kylie Murdock. “Capping Families’ Health Care Costs: Savings by State.” Third Way, April 13, 2022. <https://www.thirdway.org/report/capping-families-health-care-costs-savings-by-state>, accessed May 26, 2022.

- A disproportionate number work for small businesses with fewer than 200 employees or in the service sector, where premiums for family coverage are often high and many employees must cover the entire cost of family coverage or forgo coverage altogether.

As organizations committed to health equity and justice for low-income families, we support this proposed rule and its goal of reducing the costs of care that families in every community face. We look forward to the swift final adoption of the rule and to continuing our shared work to help all families access the resources and support they need to thrive.

Sincerely,

Community Catalyst  
AIDS Foundation Chicago  
Be A Hero  
Center for American Progress  
Center for Law and Social Policy (CLASP)  
Children's Defense Fund  
Families USA  
First Focus on Children  
Florida Policy Institute  
Georgians for a Healthy Future  
Health Care for America Now (HCAN)  
Health Care Voices  
HIV + Hepatitis Policy Institute  
Justice in Aging  
Kentucky Equal Justice Center  
Maryland Health Care for All! Coalition  
NAACP  
National Association of Pediatric Nurse Practitioners  
National Immigration Law Center  
National League for Nursing  
Oklahoma Policy Institute  
Planned Parenthood Federation of America  
Protect Our Care  
RESULTS  
Service Employees International Union  
South Carolina Appleseed Legal Justice Center  
The Children's Partnership  
The Leadership Conference on Civil and Human Rights  
Universal Health Care Foundation of Connecticut  
URGE: Unite for Reproductive & Gender Equity  
Virginia Organizing  
Young Invincibles