

BARRIERS TO HEALTH INSURANCE PREMIUM ASSISTANCE FOR WOMEN ESCAPING DOMESTIC VIOLENCE

Under the Patient Protection and Affordable Care Act (ACA), families and individuals can receive help paying for health insurance beginning in 2014. However, women escaping domestic violence may face particular challenges in accessing these tax credits. The Department of the Treasury has proposed a regulation (IRS-2011-0024) to implement the tax credit regulation and has asked *specifically* whether something should be done to help survivors of domestic violence. It is important that groups weigh in by the comment deadline (October 31) to urge Treasury to amend the rule.

Who is eligible for health insurance premium credits?

Health insurance premium tax credits will be available to people who purchase coverage in the new Exchanges. To be eligible for these tax credits, individuals or families must have incomes between 133% and 400% of the Federal Poverty Level (FPL) and must not be offered other affordable coverage (such as Medicaid, Medicare or affordable job-based coverage). The Exchange will determine the credit amount at the beginning of the year and the credit will go directly to the enrollee's selected health insurance plan every month; the credit will be reported on tax forms at the end of the year to ensure the correct amount was received, relative to income.

The value of the credit can be thousands of dollars, depending on the enrollee's family income. With the availability of these credits and new rules to ensure that health insurers do not discriminate against people with pre-existing conditions, everybody will be required to have health insurance or to pay a tax penalty.

What barriers to affordable health insurance might women escaping domestic violence encounter?

In order to be eligible for this credit, married couples must file taxes jointly. This is a particular problem for victims of domestic violence who are trying to escape their abusers. If a woman has moved to a secure location, for instance, and does not want to file taxes with an abusive husband, she may be forced to use the married filing separately tax status. That filing status would disqualify her from potentially thousands of dollars in premium tax credits. If she received advanced credits throughout the tax year, she would owe some or all of that money back.

How can we remove barriers to affordable health insurance?

The IRS is soliciting comments on the tax credit regulation. Specifically, they ask if there should be relief for married taxpayers who have received advanced tax credit payments but face challenges in filing a joint return and whether survivors of domestic violence should qualify for an exception. It is very important to win an exception for survivors of domestic violence. No one should be required to put themselves in danger in order to pay for health insurance.

We urge your group to sign the attached letter to the IRS by **COB Friday, October 28**. To sign on, please contact Desiree Hoffman with YWCA USA at 202-835-2367 or dhoffman@ywca.org.