

United States Senate
WASHINGTON, DC 20510-4606

COMMITTEES:
FINANCE
BANKING, HOUSING, AND
URBAN AFFAIRS
BUDGET
INTELLIGENCE
RULES AND ADMINISTRATION

November 23, 2020

The Honorable Charles P. Rettig
Commissioner
The Internal Revenue Service
1111 Constitution Avenue NW
Washington, DC 20224

The Honorable Seema Verma
Administrator
The Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Commissioner Rettig and Administrator Verma:

I am writing to draw your attention to an issue that could cause a significant number of individuals to be denied affordable health insurance on the Affordable Care Act (ACA) Marketplace. It is my understanding that due to delayed processing of 2019 tax returns, numerous Americans have been deemed in violation of the Marketplace's "failure to file and reconcile" requirement (FTR), and will be ineligible for advanced premium tax credits (APTCs) to ensure affordable health coverage starting January 1, 2021.

Under existing Marketplace regulations, an enrollee becomes ineligible for an APTC if they did not file an income tax return for a prior year during which an APTC was received. However, in response to the COVID-19 pandemic, Treasury delayed the tax filing deadline for all Americans from April 15, 2020 to July 15, 2020. In addition, the Internal Revenue Service (IRS) has cut staff hours as result of the COVID-19 pandemic and continues to experience significant tax return processing delays.

Put simply, a number of Americans will be denied an APTC in the Marketplace through no fault of their own, because their tax returns were delayed. I have already heard from several Virginians who – as a direct result of delayed tax returns – have been unable to or confused about their ability to enroll in health care coverage during this years' open enrollment period.

Financial assistance is essential to millions of working class Americans and their families to ensure affordable health coverage on the Marketplace. I am concerned that individuals will be wrongfully denied coverage and that a failure to address this issue could result in these families going without health care coverage during the peak of an unprecedented global pandemic.

I urge you to address this problem by suspending the termination of 2021 APTC. In addition, I ask that you inform affected enrollees of this change and extend the deadline to apply for 2021 coverage through a special open enrollment period for individuals who were deterred from enrolling due to the previous notices they received threatening to end their financial assistance.

Thank you for your attention to this important matter, and I look forward to hearing back from you.

Sincerely,



Mark R. Warner
Mark R. Warner
United States Senator