

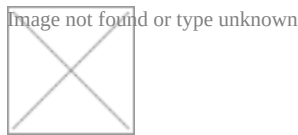


Weekly Checkup

More Than 500,000 Ineligible Individuals May Have Received ACA Subsidies

TARA O'NEILL HAYES | FEBRUARY 11, 2016

Under the [Affordable Care Act](#), individuals earning between 100 and 400 percent of the federal poverty level are eligible to receive tax subsidies called Advance Premium Tax Credits to reduce the amount owed by the individual for the purchase of health insurance through an exchange. These subsidies are paid in advance by the federal government to the insurance company on the individual's behalf. One qualification for eligibility of such a subsidy is that the individual be "a citizen or national of the United States or an alien [lawfully present](#) in the United States".^[1] If an individual cannot produce the necessary documents to verify their eligibility, the individual must still be permitted to enroll in coverage and has 95 days (or more) to provide sufficient documentation before coverage may be terminated.^[2] The U.S. Senate Committee on Homeland Security and Governmental Affairs [estimates](#) that more than \$765 million may have been paid on behalf of ineligible recipients between September 2014 and September 2015. These calculations are based on the number of terminations made and estimates of the length of time individuals received coverage prior to termination, the average number of enrollees receiving tax credits, and the amount of the average tax credit.



^[1] 42 U.S.C. § 18032(f)(3)