

Protect our Care: Biden Administration addresses “family glitch,” lowering healthcare costs for families nationwide

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President Biden Finalizes Measure to Strengthen the ACA and Lower Health Care Costs for Working Families

Washington, DC — Today, the Biden administration [issued](#) a final rule to fix the “family glitch,” which has blocked millions of families from accessing affordable coverage through the Affordable Care Act (ACA) marketplaces. The Biden administration’s rule will expand coverage and lower health care costs for more than [one million Americans](#). In response, Protect Our Care Chair Leslie Dach issued the following statement:

“The Affordable Care Act is the gift that keeps on giving. Fixing the family glitch is just the latest example of how the Biden administration’s commitment to strengthening the ACA is increasing coverage, lowering costs and addressing health equity. Working families across the country will save hundreds of dollars a month on health insurance, dramatically increasing the number of insured Americans and giving them more room to pay for other necessities like food, gas, and rent. Meanwhile, Republican lawmakers have already announced their opposition to this commonsense measure and virtually every other step that the Biden administration has taken to make health care more affordable, accessible, and equitable. Fortunately, President Biden has not stopped delivering on his promise to lower costs, improve care, and put the needs of families first.”

BACKGROUND:

The “Family Glitch” Impacts Millions of Americans. Millions of Americans qualify for affordable employer health coverage and are therefore not eligible for ACA premium savings on the Marketplace. However, as workers add dependents onto their health coverage, premiums rise, pushing the total cost of health coverage far beyond the percentage of income stipulated by the ACA. Because of the Family Glitch, workers are not eligible to receive premium subsidies through a Marketplace plan. the family glitch and it is estimated to impact more than [five million](#) Americans.

Fixing The Family Glitch Benefits Children & Improves Health Equity. Of the estimated 5.1 million Americans in the family glitch, the vast majority are relatively low-income and [2.8 million](#) are children who are not eligible for CHIP. This puts families in the terrible situation of having to choose between health insurance for their children and other necessities. Lack of affordability continues to be a significant barrier to health coverage and an obstacle that must be addressed to reduce health inequities. Fixing the family glitch will [especially](#) help people of color, rural Americans, and low-income families access the health care they need.

Families Could Save Hundreds Of Dollars Per Month. A Health Affairs study estimated Americans in the family glitch pay an average of [15.8 percent](#) of their income towards health premiums, nearly double what is permitted under the ACA. President Biden has [proposed a rule](#) that would eliminate the family glitch and allow families to purchase affordable coverage on the Marketplace with premium tax credits. Under this rule, 200,000 uninsured Americans would gain coverage and many families would [save hundreds](#) of dollars each much on health premiums.