

Coburn Amendment #417 —To reduce the tax burden on Americans paying for federal subsidies to wealthier Americans whose income is up to four times above the federal poverty level, by reducing the eligibility for subsidies to 300 percent of the federal poverty level below.

While the health reform law is known as the “Affordable Care Act,” the law didn’t actually make care more *affordable* for the majority of Americans.

Instead, the law increased taxes by \$1 trillion over the coming decade, and increased the cost of health insurance, pharmaceutical drugs, and medical devices.

The law also contains subsidies in the tax code to help Americans buy this more costly health insurance. Americans with annual income *four times higher* than the poverty level are eligible for these subsidies. This means that a family of four with annual income of \$92,000 would be eligible for subsidies.¹

It’s not fair to force millions of Americans to pay higher taxes in order to subsidize the health coverage of wealthier Americans. This amendment caps eligibility for the subsidies, ending eligibility for Americans at 300% of the federal poverty level (\$70,000 for a family of four).

Supporting this amendment is a vote for the middle class.

It is unfair to make lower-income Americans pay higher taxes to subsidize wealthier Americans’ care.

According to the U.S. Census Bureau, the median household income during the period 2007 to 2011 was \$52,000.

But under the health reform law, a family of four with an annual income of more than \$90,000 dollars could be eligible for subsidies. These subsidies provided through the tax code are ultimately paid for by taxpayers.

There is only one set of taxpayers: the American People. It is not fair to hard-working Americans to increase their tax burden and effectively take

¹ <http://www.familiesusa.org/resources/tools-for-advocates/guides/federal-poverty-guidelines.html>

money out of their pocket to subsidize American families making more than \$90,000.

Even in Massachusetts – the state with insurance changes most similar to those now in federal law—the subsidies for health insurance end at 300 percent of the federal poverty level.

This amendment will require fewer taxes to be levied on middle class Americans for subsidizing other wealthier Americans' health insurance coverage.