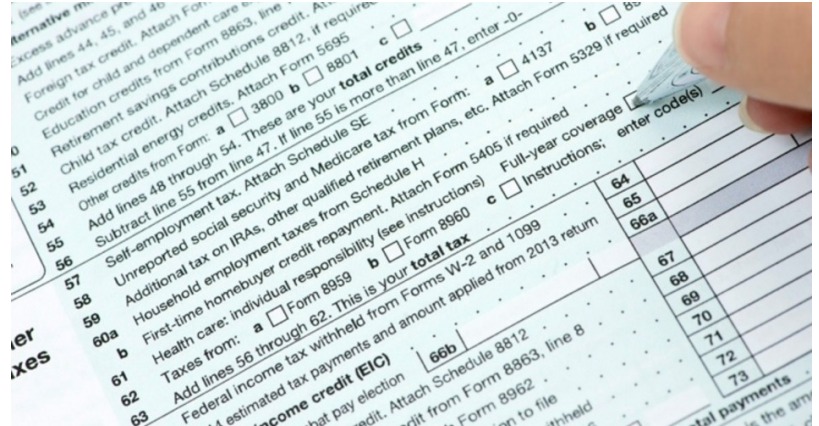




Written by [Raven Clabough](#) on February 20, 2015

ObamaCare Confusion Leads to Special Enrollment and Incorrect Tax Forms

The Obama administration has conveniently decided to re-open the ObamaCare enrollment period for those Americans who are hoping to avoid bigger fines next year for being without health insurance. The administration is ultimately capitalizing on the fact that many people were surprised to learn as they did their taxes this year that they were being fined for not having coverage in 2014.



Politico reports, "The six-week special enrollment period that CMS announced Friday morning will be a one-time opportunity. It will run from March 15 to April 30 for individuals who say that they paid a penalty for not having 2014 coverage and that they first learned that they were subject to Obamacare's individual mandate fine after regular enrollment ended Feb. 15."

Under the healthcare law, individuals who did not have health insurance for nine months out of the year in 2014 must pay a fine of \$95 or one percent of their income, whichever is higher. In 2015, that penalty will increase to \$325, or two percent of the household income, whichever is higher.

According to some officials, people were unaware of the mandated fines and therefore should be afforded the option of a special enrollment period so that they may avoid two consecutive years of fines. "Our intention is one year only for people who have not been in the communication loop around the tax penalty," CMS Principal Deputy Administrator Andy Slavitt said.

Those who sign up during the special enrollment period will not have health coverage until April or May, which means they will still be responsible for a portion of the fine, as they will not have had insurance for nine months of the year in 2015.

"We recognize that this is the first tax filing season where consumers may have to pay a fee or claim an exemption for not having health insurance coverage," Marilyn Tavenner, one of the main Obama administration officials overseeing the healthcare exchanges, said in a statement. "Our priority is to make sure consumers understand the new requirement to enroll in health coverage and to provide those who were not aware or did not understand the requirement with an opportunity to enroll in affordable coverage this year."

Critics are view the special enrollment period as a mere ploy to increase enrollment figures and tout ObamaCare's successes, though officials deny this.

"Our intention in doing this is not to increase numbers for numbers' sake," said Slavitt. "If there were people who were unaware of the fee, this is the way they become aware."

And yet despite the purported lack of knowledge regarding the individual mandates, advocates continue to claim that the second enrollment period was a success.



“Even though the second enrollment period was a big success, there remain millions of people who are unaware of the premium subsidies that make insurance affordable and who didn’t know about the tax penalty for failing to buy insurance,” Families USA Executive Director Ron Pollack said in a statement Friday. “This special enrollment period will therefore be a helpful, teachable moment and will enable many people to obtain health coverage and avoid future penalties.”

State-based exchanges are reportedly opening up special enrollment periods, as well, after pressure from consumer groups.

Slate reports that in order to be eligible for the special enrollment period, consumers must “attest” to paying the 2014 uninsured penalty and to becoming aware of the penalty only when they prepared their taxes.

Though the Treasury Department projects that the special enrollment period will impact up to six million who currently face a penalty for being uninsured, officials claim that they are unsure of how many people may qualify for the enrollment, and that it is even more difficult to make that determination after Healthcare.gov sent incorrect tax information to approximately 800,000 taxpayers.

On Friday, the Obama administration revealed that it sent 800,000 Healthcare.gov customers a tax form with the wrong information, of which about 50,000 have already filed their taxes based on the wrong subsidy amount. Those 50,000 people may need to resubmit their forms.

The cause of the problem, which reportedly has impacted one out of every five forms, is currently unknown, but officials state they are investigating. According to Slavitt, the error is the result of erroneous calculations of a “benchmark” premium that is used to help calculate subsidy amounts.

Ironically, earlier this month, the president told his supporters at Vox that Healthcare.gov was working “[flawlessly](#).”

Politico reports, “Subsidies are based on income estimates that applicants provide to HealthCare.gov. When they file their taxes, the amounts are reconciled against individuals’ actual income for the year, and people may be owed additional subsidies or have to pay some back if their income was higher or lower than estimated.”

California, which runs its own insurance market, just announced a similar problem affecting 100,000 people.

Critics of ObamaCare seized on the recent bungle as further evidence of the incompetency of the administration.

Representative Diane Black (R-Tenn.) said the administration has built a law so complex “that even they don’t know how to properly administer it.”

She added, “This is beyond embarrassing for President Obama and is an unfair blow to taxpayers who are once again left holding the bag for this administration’s incompetence.”

White House Press Secretary Josh Earnest states that those affected should still be able to file their taxes on time. “We do anticipate that they’ll be able to resolve this within the next couple of weeks,” he said. Meanwhile, the Supreme Court is set to hear challenges regarding the legality of subsidies provided through nearly three dozen states relying on the federal-run exchange. If the court sides with the challengers, about 85 percent of people who signed up for coverage on HealthCare.gov will lose



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subsidies that discounted monthly premiums by as much as 75 percent.

Legal scholars and health policy experts have warned that the case is the biggest legal threat against ObamaCare since 2012, when the Supreme Court upheld most provisions of the law. The 129-page Petitioners Opening Brief on the Merits, found [here](#), provides a compelling case against the legality of the subsidies.



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