

**BRIAN J. BOQUIST**  
**STATE SENATOR**  
DISTRICT 12



**OREGON STATE SENATE**

February 4, 2015

Cover Oregon Tax Credits

Senator MonnesAnderson  
Representative Greenlick  
Joint Committee on Health Insurance Transition  
900 Court Street N.E.  
Salem, Oregon 97301

Dear Co-Chairs:

In response to inquiries, Cover Oregon reported on January 29, 2015 that Advance Premium Tax Credits (APTC) to Oregonians via the state exchange totaled roughly \$116 million in 2014.

The above is not a final number but close to the value low income individuals may receive on their federal tax returns. Some small business members and other individuals may get additional credits above the \$116 million. What is clear is the fact if Oregon gave the whole system back to the federal government these credits would be at risk given the U.S. Supreme Court cases. Depending upon the likely ruling this could mean a de facto \$116 million dollar tax increase on low income Oregonians if the State does not maintain custody of its own future.

On related issues, we are still hearing discussions on SB 1 (LC 1203) outside the Committee with Legislators. One question is whether DCBS should be the receiving agency verses SAIF which has insurance experience. Another is whether the small business phase-in known as SHOP has enough oversight given Cover Oregon's technology failure i.e. should the Legislature approve any future IT build out in advance if required by SHOP. Should the Legislature require advance approval of fee assessments in advance.

Hopefully, the aforementioned information will be useful to Committee members.

Sincerely,

Brian J. Boquist  
Co-Vice Chairman  
Joint Committee on Health Insurance  
Transition

Attachment (1)



## Sen Boquist

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**From:** David <dbarenberg@gmail.com>  
**Sent:** Monday, February 02, 2015 1:24 PM  
**To:** Sen Boquist  
**Subject:** Re: Total of Advanced Tax Credits

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

**Categories:** Action Completed, Print

Yes Senator.. Also some less if their income went up etc.

David

David Barenberg  
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On Feb 2, 2015, at 1:17 PM, Sen Boquist <[sen.brianboquist@state.or.us](mailto:sen.brianboquist@state.or.us)> wrote:

David:

Just to ensure I understand. \$116 million in APTC tax credits for 2014 under the exchange function of Cover Oregon correct?

Further, additional people or the same people may be eligible for additional credits (value) when they file their tax return.

Brian

-----Original Message-----

**From:** David [<mailto:dbarenberg@gmail.com>]  
**Sent:** Thursday, January 29, 2015 12:53 PM  
**To:** Sen Boquist  
**Cc:** Sen MonnesAnderson; Rep Greenlick; Rep Kennemer; Aaron Patnode  
**Subject:** Total of Advanced Tax Credits

Hi Senator,

Cover Oregon Executive Director Aaron Patnode asked that I send you our new information on tax credits.

Cover Oregon has just completed processing the IRS 1095-A (Health Insurance Market Place statements) that reports to each household that accessed coverage through Cover Oregon the amount of Advanced Premium TaxCredits (APTC) they took in 2014. The total amount of the APTC used by Oregonians is over \$116 million. This does not represent the total amount of tax credits consumers may be eligible for. Households eligible to take the APTC, had the option to take a portion or none of the tax credits available to them during 2014 but instead to reconcile their taxes and receive any

balance due at filing. Additionally, people who took the APTC may be eligible for more or less tax credit depending on fluctuations in income or errors caused in calculating the credits. Finally, people who did not apply for tax credits at all through Cover Oregon have the option to see if they were eligible and to collect their tax credits at tax filing.

Please do not hesitate to contact me with any additional questions.

Best,

David

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