



**PARTNERSHIP FOR
EMPLOYER-SPONSORED COVERAGE**

February 23, 2022

The Honorable Mark Warner
United States Senate
703 Hart Senate Office Building
Washington, DC 20510

The Honorable Rob Portman
United States Senate
448 Russell Senate Office Building
Washington, DC 20510

Dear Senators Warner and Portman:

As members of the Partnership for Employer-Sponsored Coverage, we write with our endorsement of the Commonsense Reporting Act of 2022 (S. 3673). We are grateful for your leadership on this important effort to bring clarity to the Affordable Care Act's (ACA) tax credit eligibility and employer information reporting processes under the Internal Revenue Service (IRS).

The information process currently required under the ACA's tax Code sections 6055 and 6056 is unnecessarily complex for employers and individuals. S. 3673 provides a pathway whereby data currently reported to the IRS during year-end tax filing season is instead reported prior to regular health insurance Exchange open enrollment season before the beginning of a new coverage year. The prospective reporting option created under the legislation aids consumers, employers, Exchanges, and the IRS in better navigating the ACA tax credit eligibility and employer information reporting processes.

S. 3673 provides: individuals with more consumer-focused data during Exchange health coverage enrollment by including information on employer-sponsored coverage in the Data Hub used by federal and state Exchanges to verify eligibility; employers with reporting compliance relief, and mitigates possible threats of tax penalties and additional accounting and legal costs incurred appealing a 226-J tax penalty notice; and Exchanges and the IRS with an additional tool to verify tax credit and subsidy eligibility. The legislation also protects Social Security numbers and modernizes the flow of information to consumers.

Again, thank you for leadership on this critical issue. We look forward to working with you and your colleagues in a bipartisan manner to enact S. 3673. If we can be of help to you, please have your staff contact P4ESC's Executive Director Neil Trautwein at eneiltrautwein@gmail.com.

Sincerely,

Partnership for Employer-Sponsored Coverage
www.p4esc.org