Health insurance reform and marriage penalty

MYTH: *Democrats have inserted a marriage penalty into the House-passed and Senate-passed health reform bills - unfairly penalizing married couples.*

FACT: This new-found myth has nothing to do with health insurance reform-it is a new criticism of how the federal poverty level has been calculated for decades-under Republican and Democratic leadership alike.

Under all federal income-related assistance programs, total assistance provided to two single people is greater than the total assistance provided to a married couple for the simple fact that two people living together have lower expenses than two people living separately. (And the federal government assumes that single people are living separately and a married couple is living together.) It is considered good stewardship of tax dollars to reflect actual costs.

The Wall Street Journal article that picked up on this claim focused on the particular situation of comparing affordability credits for an unmarried couple living together with affordability credits for a married couple

living together. The point seemed to be that, although this couple's living expenses don't change when they get married, their affordability credits would.

So it turns out this myth is really focused on a small subset of Americans who are: 1) unmarried couples who are living together and then decide to get married; and 2) are among the 6 percent of Americans who are using the Exchange because they do not have access to employer-provided insurance or a program such as Medicare and Medicaid and who qualify for affordability credits.

This myth also ignores all the benefits married couples get under health reform, such as allowing coverage under a spouse's plan, and more affordable rates per person under a family plan than individuals got when they were single.