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**BAUCUS APPLAUDS PROGRESS DELIVERING
AFFORDABLE HEALTH INSURANCE TO MILLIONS**

Finance Chairman Says Exchanges, Tax Credits Are Critical to Middle-Class Families in Need of Insurance

Washington, DC – Senate Finance Committee Chairman Max Baucus (D-Mont.) today applauded the Departments of Health and Human Services (HHS) and Treasury for their progress establishing Affordable Insurance Exchanges, the new state-based marketplaces created by the Affordable Care Act (ACA) on which individuals, families and small businesses will be able to shop for health insurance plans at competitive prices. HHS and Treasury today proposed separate rules to assist states as they organize exchanges and to assist middle class families claiming tax credits that will help make insurance affordable. The Departments also announced \$185 million in Exchange Establishment grants to help fund the exchange setup process. Baucus played a key role in the creation of the exchanges, tax credits and grants as a principal Senate architect of the ACA.

“Millions of people in Montana and across the country will have access to affordable health insurance thanks to these exchanges and tax credits. The best way to get consumers the right affordable insurance plan is to create a competitive marketplace, and that’s exactly what these exchanges will be,” said Baucus. **“These new tax credits will be critical to working families who were unable to afford insurance before health reform. Today’s announcement is a big step toward getting these exchanges set up and helping families access health care.”**

The rules proposed by HHS and Treasury will help consumers and small businesses find appropriate, affordable plans on the insurance exchanges, and they will provide tax credits to help defray the costs, increasing access to insurance for millions of middle class families. Tax credits will be available to individuals and families with incomes between 100 percent and 400 percent of the federal poverty level, or between approximately \$22,000 and \$89,000 a year for a family of four. The Congressional Budget Office estimates the credits will help some 20 million Americans afford insurance. Americans who face higher premiums, like near-retirees, will also receive a larger tax credit to help cover the additional cost of their insurance. The proposed rules announced today will also improve coordination between the exchanges, Medicaid and the Children’s Health Insurance Program, making enrollment and coverage more efficient and seamless.

The Exchange Establishment grants were awarded to 13 states and the District of Columbia following applications based on each state’s exchange proposals. More than half of all states are underway building their exchanges, and the ACA is providing financial assistance throughout the process. Just last year, 49 states and the District of Columbia also received planning grants, and more awards will come as other states progress with their exchange plans and apply.

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