



June 22, 2022

The Honorable Robert Hertzberg
1021 O Street, Ste. 8610
Sacramento, CA 95814

SUBJECT: SB 967 (Hertzberg) Health care coverage: tax returns: information sharing authorization and outreach- Support if Amended

Dear Senator Hertzberg:

California Agents & Health Insurance Professionals (CAHIP) would be pleased to **SUPPORT** your measure **SB 967, if amended**, to require the Franchise Tax Board to include an additional checkbox for a taxpayer to indicate if they are currently offered health coverage by an employer, so Californians are not inadvertently saddled with substantial tax penalties.

CAHIP is the state's largest association of health insurance agents, brokers, and other health insurance industry professionals. At no additional cost to consumers, our members help millions of individual Californians, families and businesses evaluate, select, purchase, and use their health care coverage plans - including coverage offered through Covered California. In fact, with the help of over 11,000 contracted agents, agents are the top enrollers into Covered California year after year. It is through this experience that we offer the suggested amendment to add an additional checkbox for a taxpayer to indicate if they are currently offered health coverage by an employer.

CAHIP shares your objective to ensure that all Californians have access to high-quality, equitable, and affordable healthcare however, if an individual is offered affordable coverage by an employer, they are not eligible for financial help offered through Covered California. If an individual who is ineligible for coverage, obtains coverage through the exchange, they may face financial hardship when they file their taxes. Per [Covered California's website](#) "If your employer offers you affordable and minimum value coverage, but you turn it down, sign up for an individual plan through Covered California, and receive financial help to pay for that plan, you may have to pay back some or all of the tax credits or subsidy you received when you file your state and federal taxes."

Identifying individuals who are *eligible* for financial assistance through Covered California is a fantastic policy objective, and we emphatically support the effort. However, related efforts that do not correctly identify individuals who are *ineligible* would be a mistake as virtually all Californians may be "interested in no-cost or low-cost health care coverage" even if they are offered affordable coverage through an employer.

We believe our proposed amendment honors the worthy objective of increasing awareness and subsequently enrollment in affordable coverage for eligible Californians, while also avoiding the problematic and costly consequence of marketing to individuals who enroll in coverage while ineligible to the tune of thousands of dollars in penalties. CAHIP looks forward to working with you and your staff in **SUPPORT** of **SB 967 if amended**. To reach Faith Lane Borges, please call 916-441-5050.

Sincerely,

Faith Lane Borges
On behalf of California Agents & Health Insurance Professionals

cc: Chair and Members, Assembly Revenue & Taxation Committee
Harrison Bowlby, Consultant, Assembly Revenue & Taxation Committee
Julia King, Consultant, Assembly Republican Caucus