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ADVANCING AMERICAN FREEDOM
FOUNDATION

How Obamacare Subsidies Pay for Abortions

While the legislative text of the Affordable Care Act (ACA) says that an insurance plan “shall not use any amount attributable” to the federal tax credit to pay for abortion services, the legislation allows subsidies to fund plans that cover abortions. As written today, D.C. and 25 states allow ACA plans to cover abortions (and 12 mandate it). This state loophole makes the existing abortion funding restrictions toothless.

How the ACA Abortion Loophole Works

Simply put, taxpayer dollars are provided to insurance companies to subsidize plans that are then used to provide abortion services. Under the current system, insurance companies act as middlemen who collect premium payments from the government and pay for abortion services under that coverage plan.

1. ACA prohibits federal tax credits from directly funding abortion services.
2. States pass laws that allow or require ACA insurance plans to pay for abortions.
3. Federal tax credits are provided to insurance companies to pay premiums.
4. Insurance companies then pay for abortions through insurance plans that were funded with federal dollars through ACA premium tax credits.
5. Because federal funds are used to pay the premium – not for the service directly – taxpayer dollars can subsidize abortions through this Democrat loophole.

Without **specific language banning all ACA insurance plans from covering abortions**, pro-life Republicans should *never* allow the extension of these insurance subsidies.

States that Allow or Mandate Abortion Coverage for ACA Insurance

Under Section 1303 of the ACA, “A State may elect to prohibit abortion coverage in qualified health plans offered through an Exchange.” In total, 25 states plus D.C. have no limitations on the funding going to provide abortions. Of those 25, 12 states actually *force* all ACA plans to guarantee abortion coverage (see underlined).

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| 1. Alaska | 10. <u>Maine</u> | 19. <u>New York</u> |
| 2. <u>California</u> | 11. <u>Maryland</u> | 20. <u>Oregon</u> |
| 3. <u>Colorado</u> | 12. <u>Massachusetts</u> | 21. Rhode Island |
| 4. Connecticut | 13. Michigan | 22. <u>Vermont</u> |
| 5. Delaware | 14. <u>Minnesota</u> | 23. Virginia |
| 6. D.C. | 15. Nevada | 24. <u>Washington</u> |
| 7. Hawaii | 16. New Hampshire | 25. West Virginia |
| 8. <u>Illinois</u> | 17. <u>New Jersey</u> | 26. Wyoming |
| 9. Iowa | 18. New Mexico | |



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