



FREE CHOICE VOUCHERS

What is the free choice voucher?

The Free Choice Voucher provision was repealed on April 15, 2011. This provision would have required employers to provide financial subsidies for certain employees to purchase health coverage through exchanges if their employer-sponsored plan was defined as not affordable.

Free Choice Voucher Program

Employers that offer coverage would have been required to provide any employee with income less than 400% of the poverty level a free-choice voucher if the employee's cost of coverage under the employer-sponsored plan was more than 8%, but less than 9.8%, of such employee's household income.

Vouchers Defunded as Part of Budget Deal

April 15, 2011

President Obama signed the final federal funding bill for the remainder of this year on April 15. The legislation, among other things, eliminated a provision in the Patient Protection and Affordable Care Act (PPACA) known as the Free Choice Voucher program. The provision was set to be implemented in 2014 along with the new state health care exchanges. The vouchers would have provided subsidies for certain employees to purchase health coverage through exchanges if their employer's plan was defined as not affordable.

Congressional leaders and the Obama Administration agreed to reductions in current year spending \$38 billion below last year in order to avert a federal government shut down that would have begun on April 8.