



July 16, 2013

Honorable Dave Camp
Chairman
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

CBO and the staff of the Joint Committee on Taxation (JCT) have begun a review of H.R. 2668, the Fairness for American Families Act, but we have not yet completed a cost estimate for the bill. On a preliminary basis, however, we expect that enacting H.R. 2668 would have the effect of reducing the deficit in 2014 and over the 2014–2023 period. That initial conclusion is based on our prior work on proposals to repeal the individual mandate established in the Affordable Care Act.

The legislation would delay for one year the requirement that nearly every resident of the United States have health insurance coverage by January 1, 2014. The bill also would shift by one year the schedule of penalties for people who do not comply with the mandate.

CBO and JCT expect that, during the period of delayed phase-in of the penalty for failing to comply with the mandate, health insurance premiums for individually purchased coverage would be higher under H.R. 2668 than they are projected to be under current law. In addition, the number of people with health insurance coverage would be reduced relative to current law.

I hope you find this preliminary information useful; if you wish further details, we will be pleased to provide them.

Sincerely,

A handwritten signature in cursive script that reads "Douglas W. Elmendorf".

Douglas W. Elmendorf

Enclosure

cc: Honorable Sander M. Levin
Ranking Member

Honorable Todd C. Young