

Congress of the United States
Washington, DC 20515

October 29, 2014

The Honorable John Koskinen
Commissioner
Internal Revenue Service
1111 Constitution Avenue, NW
Washington, DC 20224

Dear Commissioner Koskinen:

Many Americans would be surprised to learn that their tax dollars may be subsidizing health coverage for foreign diplomats. The Committees on Foreign Affairs and Ways and Means are investigating the extent to which these diplomats receive taxpayer-subsidized premium tax credits and cost-sharing subsidies under the Affordable Care Act. We are seeking to determine how many such individuals participate in these programs and the total cost of such benefits. As the agency principally responsible for administering health coverage tax credits, we request that you provide this information as soon as possible.

According to the Department of Health and Human Services, foreign diplomats holding “A” or “G” visas are eligible to participate in an array of medical programs administered by the federal government, including participation in Health Insurance Marketplaces governed by the Affordable Care Act (ACA).¹ The Secretary of Health and Human Services has informed the Committee on Foreign Affairs that, if they meet basic ACA requirements, “a foreign diplomat could satisfy the statutory criteria to be eligible for a premium tax credit and cost-sharing reductions.”² The State Department has gone so far as to advertise to Foreign Missions, Permanent Missions to the United Nations, and the United Nations Secretariat that health care exchanges and “the benefits of the United States Affordable Care Act are available” to them.³

The Foreign Affairs Committee has sought to determine the number of diplomats receiving coverage and subsidies under the ACA.⁴ Unfortunately, the State Department has informed the Foreign Affairs Committee that it “is not involved in the process through which foreign

¹ Letter to House Committee on Foreign Affairs Chairman Edward R. Royce from Department of Health and Human Services Secretary Sylvia M. Burwell, September 30, 2014.

² *Id.*

³ U.S. Department of State Diplomatic Note 13-1117: Affordable Care Act Guidance, November 21, 2013; USUN Diplomatic Note HC-115-13: USUN Affordable Care Act Guidance, November 26, 2013; USUN Diplomatic Note HC-115-(S)-13: UN Secretariat Affordable Care Act Guidance, November 26, 2013, *available at*: <http://www.state.gov/ofm/notes/c60388.htm>.

⁴ *See attached* Letter from House Committee on Foreign Affairs Chairman Edward R. Royce to Department of State Secretary John F. Kerry, with carbon copies to U.S. Attorney General Eric H. Holder and Department of Health and Human Services Secretary Kathleen Sebelius, December 23, 2013; Letter from House Committee on Foreign Affairs Chairman Edward R. Royce to Department of Health and Human Services Secretary Kathleen Sebelius, January 22, 2014; and Letter from House Committee on Foreign Affairs Chairman Edward R. Royce to Department of Health and Human Services Secretary Kathleen Sebelius, April 25, 2014.

diplomats obtain government-funded benefits” and cannot provide that data.⁵ The Department of Health and Human Services is likewise unable to provide this information. Specifically, it noted that “[t]he Department does not collect data that identify whether individuals receiving services through our medical programs have diplomatic status.” Similarly, “the Department does not collect data that identifies whether individuals receiving tax credits and/or cost sharing reductions have diplomatic status.”⁶ Copies of these letters are attached for your reference.

We fully support the ability of foreign diplomats to purchase health care coverage in the United States. We do not, however, believe that American taxpayers should subsidize these services. To assist with our oversight of this matter, we ask that you please provide the following information as soon as possible, but **not later than 5:00 p.m. on November 12, 2014.**

1. The total number, including from which country, of all non-immigrant, non-citizen “A” and “G” visa holders who are eligible for, and who have received, premium tax credits for qualified health plans under the Affordable Care Act;
2. The total number, including from which country, of all non-immigrant, non-citizen “A” and “G” visa holders who are eligible for, and who have received, cost-sharing reductions for qualified health plans under the Affordable Care Act; and
3. The total cost, and cost per individual, of all subsidies provided to the individuals above.

We fully expect the IRS to communicate with the Department of Health and Human Services and other entities to obtain any and all information necessary to respond to this request.

If you have any questions, please contact Foreign Affairs Committee Chief Counsel for Oversight and Investigations Thomas Alexander at 202-225-5021, or Ways and Means Oversight Subcommittee Staff Director Mark Epley at 202-225-3625.

Thank you for your prompt attention to this important matter.

Sincerely,



EDWARD R. ROYCE
Chairman
Committee on Foreign Affairs



DAVE CAMP
Chairman
Committee on Ways and Means

⁵ Letter to House Committee on Foreign Affairs Chairman Edward R. Royce from Department of State Secretary John F. Kerry, May 8, 2014.

⁶ Letter to House Committee on Foreign Affairs Chairman Edward R. Royce from Department of Health and Human Services Secretary Sylvia M. Burwell, September 30, 2014.

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Attachments

Cc: The Honorable John F. Kerry, Secretary, U.S. Department of State
The Honorable Sylvia M. Burwell, Secretary, U.S. Department of Health and Human
Services