

BREAKING NEWS: Supreme Court Decision on ACA Subsidies

In a 6-3 decision issued this morning, the United States Supreme Court has ruled that subsidies provided through federal exchanges **are legal.** This decision upholds the ACA's provision to provide premium subsidies regardless of whether a state operates its own exchange or uses the federal exchange. The anxiously awaited decision in this King v. Burwell case means that the "status quo" remains regarding the law.

Conner Strong & Buckelew is examining the full ruling of the Court, and a more comprehensive update will be issued shortly.

While this decision settles the subsidy issue, it does not mean that other efforts to streamline and adjust the law will not continue. Specifically, efforts to simplify the reporting rules, modify the eligibility rules above 30 hours, and deal with the impact of the Cadillac tax will continue. Legislation is making its way through both houses of the Congress to address these issues. It remains unlikely the President will sign any legislation that materially changes his signature domestic legislation albeit pressure may continue to mount for some needed changes to help employers and plan sponsors.

We will continue to monitor all related developments closely.



Click here to change your email preferences or unsubscribe from all communication.