



## Supreme Court Upholds ACA Premium Assistance Nationwide

06.25.2015

This morning, the Supreme Court ruled that Affordable Care Act (ACA) premium tax credits will remain available to individuals residing in states that did not establish their own health insurance marketplaces.

In *King v. Burwell*, the Supreme Court analyzed ACA statutory language providing that premium assistance is available to individuals purchasing coverage through health insurance marketplaces “established by the State.” The petitioners, four Virginia residents, challenged the availability of premium assistance in Virginia because, like thirty-three other states, Virginia has not established a health insurance marketplace. The federal government operates health insurance marketplaces in states that have not established their own marketplace.

The Court rejected the petitioners’ argument. The Court reasoned that, within the context of other provisions of the Act, the phrase “established by the State” is ambiguous. Then, considering the ACA’s purpose and structure, determined that Congress did not intend to limit the availability of premium assistance to individuals living in states that established a health insurance marketplace.

Consequently, there is no change to ACA benefits or compliance following today’s Supreme Court ruling. Premium tax credits will continue to be available to people living in the thirty-four states that participate in federally-run health insurance marketplaces. Employers with employees in states that have federally-run exchanges will continue to be subject to the ACA penalties for failure to offer ACA-compliant health insurance to such employees.

Helpful information regarding employer compliance can be found [here](#). Williams Mullen will continue to closely monitor developments in this area and provide updates.

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