

WS&Co. Benefits Alert

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Supreme Court Rules Subsidies are Available Through the Federal Marketplace (Exchange)

In a 6-3 decision, the Supreme Court has ruled that Affordable Care Act (ACA) subsidies will continue to be available to certain individuals who purchase health insurance plans in states that use the federal Marketplace. This decision is important for employers as they work to implement the strategies necessary to comply with ACA employer requirements.

Effect on Employer Plans

The Court's decision in *King v. Burwell* has obvious implications for the approximately 6 million people currently receiving subsidies in the affected states, and the media has focused on this aspect of the case. Less discussed, however, was the potential impact of the case on employer-sponsored plans.

A ruling for the challengers could have significantly impacted the ACA employer requirements, and could have caused uncertainty in some state's health insurance markets. With this decision, employers know that implementation of the law is status quo for now. Applicable large employers (ALEs) should continue to move forward with their efforts to comply with the §4980H shared responsibility rules and ACA reporting requirements.