Court ruling could affect health insurance subsidy for Utahns

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Government subsidies for Obamacare may be limited

Cache Valley Daily

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Link: http://www.publicnewsservice.org/2014-07-23/health-issues/could-ruling-mean-utahns-lose-aca-health-insurance-subsidy/a40693-1

Wednesday, July 23, 2014

Troy Wilde / Utah News Connection

SALT LAKE CITY - A court ruling on Tuesday may eliminate the government tax credits that the vast majority of Utahns who purchased health insurance through the Affordable Care Act are receiving.

The U.S. Court of Appeals for the District of Columbia Circuit issued <u>a 2-1 ruling</u> in a lawsuit against the U.S. Department of Health and Human Services. According to the ruling, only states with their own health-insurance exchanges, which number fewer than 20 - and Utah is not one of them - can offer the subsidies.

Jason Stevenson, education and communications director for the Utah Health Policy Project which helps people get insurance through the ACA, said "84,000 people who signed up during that first open enrollment period - and we had, I believe, 86 or 87 percent of those Utahns received premium subsidies, some of them worth thousands of dollars a year, to make that insurance, those premiums, more affordable to them and their family."

On average, Stevenson said, the subsidies provide about \$5,000 a year to each family getting insurance coverage through the ACA.

The court concluded that the original ACA said subsidies would be made available through state exchanges only.

White House Press Secretary Josh Earnest said the Justice Department will appeal the ruling. He told reporters the clear intent of the Affordable Care Act is to provide subsidies to anyone who gets insurance through the program.

"You don't need a fancy legal degree to understand that Congress intended for every eligible American to have access to tax credits that would lower their health-care costs, regardless whether it was state officials or federal officials who are running the marketplace," he said. "I think that is a pretty clear intent of the congressional law."

Earnest said there will be no impact on anyone who is receiving subsidies through the ACA as the case moves through the court system.

Also Tuesday, the 4th Circuit Court of Appeals ruled in a separate case that the law's language was ambiguous, which allows the Obama administration to continue offering the subsidies nationwide.

The ruling in case #14-5018 is online at cadc.uscourts.gov.