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## Courts Cloud Outlook for Health Subsidies

*Conflicting Rulings Portend Confusion During Fall Enrollment Period*

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Link: <http://online.wsj.com/articles/courts-cloud-outlook-for-health-subsidies-1406419954>

Health-industry officials said last week's conflicting court rulings over [federal health-law subsidies](#) have set the stage for further confusion when consumers return to marketplaces this fall to shop for next year's coverage.

On Tuesday, the U.S. Court of Appeals for the District of Columbia Circuit struck down a regulation that provided subsidies for people seeking coverage through the federally run exchange that serves 36 states. Then, an appeals court in Virginia issued a ruling upholding the subsidies. The issue isn't likely to be resolved in the near future, and health-care executives said they will be closely watching the appeals process.

The rulings have no immediate impact on the estimated 4.7 million people receiving the subsidies. But "people are going to be coming in with more questions about these court cases," said Jason Stevenson, a spokesman for the Utah Health Policy Project, a nonprofit that helps residents enroll on the federal exchange. "People are already asking about the long-term stability of the [Affordable Care Act]."

Insurers including [Aetna](#), [AET -3.47%](#) [Molina Healthcare](#) [MOH -1.74%](#) and others said they would nonetheless move forward with plans to sell coverage in the marketplaces -- including in states that use the federal exchange where subsidies are in question. Others said they would seek to reassure consumers that, at least for now, nothing has changed.

Hospitals in many states were already under pressure after a 2012 Supreme Court ruling allowed state officials to opt out of the law's Medicaid expansion. If courts ultimately strip subsidies from the federally run exchanges, hospitals in states opposed to the health law could end up missing out on most of the law's benefit for the industry.

—Anna Wilde Mathews, Christopher Weaver, and Stephanie Armour  
The Wall Street Journal