



FOR IMMEDIATE RELEASE

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**Contact: Susan Peters
800.322.5934 or info@cahu.org**

Supreme Court Ruling on Healthcare Subsidies Favors Burwell

Subsidies for federally-facilitated exchanges will continue as the Obama administration intended

(Sacramento, California)— Patrick Burns, president of the California Association of Health Underwriters commented today, that, "The decision in Burwell was on point. There was ambiguity in the law regarding the federal premium tax subsidies and who may receive them. The Supreme Court got it right."

The California Association of Health Underwriters (CAHU) issued the following statement today:

"The Supreme Court of the United States has just released their opinion in the *King v. Burwell* case concerning a provision in the Patient Protection and Affordable Care Act (PPACA) and ruled that subsidies will continue to be available in all states, not just those with state-based exchanges. The vote was 6-3.

"California has a state-based exchange (Covered California), so nothing will really change here, but the clarification was very important to residents in the 34 states that utilize the federally facilitated health insurance marketplace in some form."

"The Court considered two possible scenarios in its decision: adhere to the strict reading of the law that subsidies may only be available in exchanges established by the state, or rule in favor of the intent of the law for universal availability of subsidies in all states and all exchanges.

In the most recent open enrollment period, California's certified licensed health insurance agents helped millions of Californians enroll in Covered California insurance programs. Overall, 45 percent of Californians using the state exchange turned to our agents to help understand their options and enroll in a health plans

"Following this ruling in favor of the Administration to allow for premium subsidies to be distributed through both federally-facilitated and state-based exchanges, the implementation of PPACA will continue and its insurance reform provisions will remain in effect. Since the continuity of subsidies in all exchanges is no longer in question, it is our hope that legislation to make health reform more workable for both individual and business consumers of health insurance will now be able to gain traction and move forward in Congress and the State Legislature.

"Our hope is that state and federal policymakers will now turn their attention on efforts to truly reduce the cost of providing health care, something that the PPACA has not fully addressed. Lawmakers and regulators need to look at and improve the portions of our health care system that work well and keep a variety of health insurance product options available to all. The employer-based system has reliably and effectively delivered quality health coverage to generations of Americans. And we as a nation need to work to preserve it.

"Every day, health insurance agents and brokers work to obtain insurance for clients who are struggling to balance their desire to purchase high-quality and comprehensive health coverage with the reality of rapidly escalating health premium costs. As such, one of our primary goals as an association of benefit specialists is to do everything we can to promote affordable access to health insurance coverage."

The California Association of Health Underwriters is the state's largest association of health insurance agents, brokers and other health insurance industry professionals. Our members help millions of individual Californians and businesses evaluate, select, purchase and use their health care coverage plans, resulting in greater health and financial security. CAHU agents and brokers also act as advocates for policyholders and their families when coverage disputes arise. CAHU agents and brokers also perform many functions for small employers with respect to managing their employee benefits program--at no additional cost to the small employer. For more information, please contact info@cahu.org

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