

# Supreme Court Upholds Affordable Care Act Insurance Subsidies

Article By:

Lisa English Hinkle

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In a 6-3 decision on Thursday, June 25<sup>th</sup>, the ***United States Supreme Court*** upheld the legality of the government healthcare insurance subsidies provided under the Patient Protection and ***Affordable Care Act (“ACA”)*** in the case of [\*King v. Burwell\*](#). At issue was language in the ACA that granted subsidies to taxpayers enrolled in an insurance plan through “an Exchange established by the State.” 26 U.S.C. §§36B(b)(2)(A).

The opinion, written by Chief Justice John Roberts, interpreted the ACA’s language to include the Federal Exchange as an equivalent to a state-run exchange. The opinion suggested that the language required the context of the surrounding provisions to make sense in the law, and that the ACA provides many other examples of what the court referred to as “inartful drafting.”

Justice Scalia penned a blistering dissent, joined by Justice Thomas and Justice Alito, suggesting that the majority imbued meaning not present into the phrase to achieve the result in the opinion.

The decision preserves subsidies for lower-income individuals required, under the ACA, to purchase health insurance, regardless of whether that insurance is purchased through a state or federal exchange. This case was the second major challenge to the ACA with a potential to force significant changes to the law; the Supreme Court upheld the major tenets of the law in both cases.

The provisions of the ACA are now likely to remain in place, and healthcare providers will likely continue to experience the effects of the law. The attorneys of McBrayer can assist healthcare providers complying with the regulatory features of the ACA and other healthcare laws as well as counsel them on how to best capitalize on the incentives and programs offered through the law.

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