

Delaware Officials Gratified by Supreme Court Decision on Health Insurance Subsidies

NOTE TO MEDIA: DHSS Secretary Rita Landgraf will do a media-only call at noon today (12:00) to discuss the Supreme Court decision and what it means for Delaware. Call-in info: 302-255-2725/123147

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Health Insurance Subsidies

Federal Tax Credits for More Than 19,000 Delawareans Will Not
Change

NEW CASTLE (June 25, 2015) – Delaware officials are gratified by today's U.S. Supreme Court decision to uphold federal tax subsidies for enrollees of Health Insurance Marketplaces in every state who are eligible for them, including the more than 19,000 Delawareans who receive tax credits to help pay for their coverage.

While the provision of tax credits will not change, Delaware officials said they would continue to do their due diligence in evaluating Delaware's marketplace.

"I support today's decision by the Supreme Court that tax subsidies on the Health Insurance Marketplaces are legal in every state, including Delaware," Gov. Jack Markell said in response to the 6-3 decision in *King v. Burwell*. "For the more than 19,000 Delawareans who qualify, the federal subsidies are critical in helping to make health insurance more affordable. And we know that coverage is an important component in connecting Delawareans to care."

Department of Health and Social Services Secretary Rita Landgraf said she is grateful that the 19,128 Delawareans who

qualify for subsidies on Delaware's marketplace will continue to receive monthly tax credits that average \$265.

"For too many people, the federal subsidies are the difference between being able to afford access to care and not being able to afford that access. Or simply, the subsidies can be the difference between being insured or uninsured," Secretary Landgraf said. "Protecting those subsidies has been and will continue to be one of our highest priorities."

Delaware is a state-federal partnership state, which means that it is responsible for management and certification of the private insurance plans sold on the marketplace, along with assisting Delawareans in understanding their options during enrollment. To provide year-round information about the marketplace, Delaware officials created www.ChooseHealthDE.com. Under the state-federal partnership model, Delaware outsourced the information technology to the federal government through www.HealthCare.gov.

Because federal start-up funds ended after this year's second year of enrollment, Delaware officials also are evaluating the long-term operations of the state's marketplace. One option that officials are exploring is the Supported State-Based Marketplace (SSBM). Under this model provided by the U.S. Department of Health and Human Services (HHS), Delaware would be responsible for operating the marketplace, but would assess insurers a fee to sell plans on the marketplace and the state must pay a fee to the federal government to use HealthCare.gov and the Federal Call Center to facilitate enrollment each year. On June 1, Delaware applied for non-binding, conditional approval of a Supported State-Based Marketplace. HHS Secretary Sylvia Burwell granted conditional approval on June 15.

A final decision on any changes to Delaware's marketplace will be made later this summer.

Nationwide, Delaware had one of the highest increases in

enrollment between 2014 and 2015, with 25,036 Delawareans enrolling in 2015, up 74 percent over the 2014 enrollment of 14,397.

Enrollment for 2016 will begin Nov. 1 and run through Jan. 31, 2016. The penalties for not having insurance in 2016 will increase to \$695 per adult (\$347.50 for each child under 18), or 2.5 percent of your annual household income, whichever is higher.

NEWS FROM THE DELAWARE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

For more information, contact Jill Fredel, Director of Communications, (302) 255-9047 (office) or (302) 357-7498 (cell).

Delaware Health and Social Services is committed to improving the quality of the lives of Delaware's citizens by promoting health and well-being, fostering self-sufficiency, and protecting vulnerable populations.