

### King v. Burwell: Impact on Hoosiers

- The implications of a Supreme Court finding for the plaintiff in King v. Burwell will lead to more than **8.2 million** uninsured nationally, and a **35 percent increase** in health insurance premiums.
- For the state of Indiana, this means:
  - **225,000** Hoosiers will lose tax credits
  - **195,000** more Hoosiers will be uninsured

Uninsured Pre HIP 2.0 Population	Uninsured Post HIP 2.0 Population	Number of Hoosiers Losing Tax Credits to King v. Burwell	Increase in Hoosiers Uninsured after King v. Burwell
944,000	609,000	225,000	195,000

- A ruling against the federal government in King v. Burwell will cause individuals in states that are served by the federal Marketplace (non-state-based exchanges) to lose tax credits that make coverage affordable. The consequences will be severe, for consumers and providers, ultimately jeopardizing the sustainability of the individual insurance market both inside and outside of the Marketplace. This means:
  - Healthy consumers are likely to stop paying for coverage without tax credits and – because most will be eligible for an affordability exemption to the individual mandate – without penalties for lack-of-coverage.
  - Non-payers will lose coverage quickly, as consumers generally have only a one-month grace period and no continuity of care protections in non-payment cases without tax subsidies.
  - Insurers will begin losing money quickly with some forced out of the market mid-year, leaving providers with spiking uncompensated care.
  - A catastrophic spiral of coverage loss and premium increases will occur as a result, and in many states, destroy the individual market altogether.
- The financial impact of a loss of subsidies for eligible individuals with policies purchased on the Federally Facilitated Marketplace under HIP 2.0 is significant, with an estimated **225,000 Hoosiers** expected to lose tax credits worth more than **\$924 million in 2016**.

Sources:

- <http://www.rwjf.org/en/library/research/2013/10/eligibility-for-assistance-and-projected-changes-in-coverage-und.html>
- <http://www.rwjf.org/en/library/research/2015/01/the-implications-of-a-supreme-court-finding-for-the-plaintiff-in.html>



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