



June 25, 2015

ADP Issues Response to Supreme Court *King v. Burwell* Decision

U.S. Supreme Court Rules That Affordable Care Act (ACA) Subsidies Remain Available for Health Insurance Purchased on Federal and State-Based Exchanges

ROSELAND, NJ -- (Marketwired) -- 06/25/15 -- ADP®, a leading global provider of Human Capital Management (HCM) solutions, today issued the following response to the U.S. Supreme Court ruling on *King v. Burwell*:

"With this long-awaited ruling from the Supreme Court, the ACA remains in effect," said Vic Saliterman, Senior Vice President and General Manager at ADP. "It is imperative that employers comply with the law in order to avoid potentially harsh financial penalties, including accurately tracking and integrating employee data from the full range of workforce management systems and anticipating the possible effect of the 40-percent excise tax on high cost health plans that will take effect beginning in 2018. ADP remains fully committed to assisting businesses with these challenging compliance requirements, allowing employers to focus on running their businesses."

The ACA requires states to establish a Health Insurance Marketplace, or public Exchange, through which qualified individuals and employers may purchase health insurance coverage. States were given the option to leverage the government-developed Healthcare.gov, or to create their own Marketplaces. While the majority of states (34) chose to use Healthcare.gov, other states, including California, Colorado, Kentucky and New York, run their own Marketplaces. See Health Care Reform Exchange [map](#) for more information.

In its decision, the Court ruled that the ACA permits the Internal Revenue Service (IRS) to provide tax credits for health insurance purchased through a federal Exchange. As a result of this ruling, subsidies will remain available for qualifying individuals regardless of whether they obtain coverage on a state or federal Exchange; however, subsidies generally are not available for employees eligible for employer-sponsored coverage, if the coverage offered meets certain affordability and minimum value thresholds.

On July 8, ADP will hold a free, hour-long webinar to provide expert analysis on *King v. Burwell* and what the outcome means for employers. The webcast will address questions such as:

- What does the ruling mean for business owners, HR directors and benefits providers?
- Will IRS information reporting still be required?
- Could Congress step in and propose changes to the existing ACA law?

For more information, or to register for the webinar, click [here](#).

About ADP Compliance Resources

ADP maintains a staff of dedicated professionals who carefully monitor federal and state legislative and regulatory measures affecting employment-related human resource, payroll, tax and benefits administration, and help ensure that ADP systems are updated as relevant laws evolve. For the latest on how federal and state tax law changes may impact your business, visit the ADP *Eye on Washington* webpage located at www.adp.com/regulatorynews or contact a local ADP sales representative for information on how your business can remain in compliance with the law.

About ADP

Employers around the world rely on ADP® (NASDAQ: ADP) for cloud-based solutions and services to help manage their most important asset -- their people. From human resources and payroll to talent management and benefits administration, ADP brings unmatched depth and expertise in helping clients build a better workforce. A pioneer in Human Capital Management (HCM) and business process outsourcing, ADP serves more than 625,000 clients in more than 100 countries. ADP.com

The ADP logo and ADP are registered trademarks of ADP, LLC. All other marks are the property of their respective owners. Copyright © 2015 ADP, LLC.

ADP-Media

Dick Wolfe
ADP
Office: 973-974-7034
Mobile: 201-396-5954
Dick.wolfe@adp.com

Source: ADP, LLC

News Provided by Acquire Media