

A Summary of The Supreme Court Affordable Patient Care Act Healthcare Decision

(Preview)

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How Our Supreme Court Works

Our U.S. Supreme Court has nine justices who interpret state and federal laws to decide whether they meet the requirements of the U.S. Constitution. The Supreme Court is a court of limited jurisdiction so

not every case can be brought before it. The term “jurisdiction” tells us what types of legal disputes a court may hear. Typically, jurisdiction is set according to certain topics or “subject matter” and/or the value of the case, typically a certain amount of money in dispute. The Supreme Court decides the constitutionality of laws in the following types of cases:

- cases between the federal government and a state such as (U.S. v California)
- cases between two or more states (such as New Jersey v. New York)
- cases brought by a state against a citizen of another state
- cases involving an ambassador or foreign minister or consul
- appeals of cases from lower federal courts
- cases from state supreme courts when an important federal question is involved

The case involving the Affordable Patient Care Act (ACA) fell within the first category. Twenty-six states filed suit against a federal agency, the Department of Health and Human Services (DSHS). DSHS was the federal agency appointed by Congress to administer the ACA.

The Majority Decision

The Individual Mandate Held Unconstitutional Under The Commerce Clause

Chief Justice Roberts, in the Majority Opinion, addressed two key components of the Affordable Patient Care Act (“ACA”): 1) the individual mandate or “shared responsibility” payment and 2) expansion of Medicaid to cover the poor and uninsured in each state. In its original form, beginning in 2014, the ACA requires all of us to maintain healthcare and requires those who do not purchase healthcare to pay a penalty to help the government pay for healthcare costs for those who remain uninsured. To help cover those whose incomes are at or below 133% of the federal poverty level (roughly \$25,390 for a family of three) the original law required state governments to expand Medicaid program eligibility to cover these citizens. States refusing to expand its Medicaid eligibility to cover those under specified federal poverty guidelines would lose all federal dollars for their existing Medicaid program. If this penalty against states went into effect, thousands of pregnant women, children, needy families, the blind, the elderly, and the disabled would no longer receive Medicaid assistance since the current program would be dismantled. By 1982 every State had chosen to participate in Medicaid. Federal funds received through the Medicaid program have become a substantial part of state budgets, now constituting over 10 percent of most States’ total revenue. The act increases federal funding to cover states' costs of expanding medicaid coverage but states will still bear a portion of the costs on their own.

The Concurring Opinion

The Commerce Clause Supports The Individual Mandate

Justice Ginsburg agreed with the majority in principal that the ACA was constitutional and should be upheld. However, Justice Ginsburg agreed with the government's lawyers that the Commerce Clause allowed Congress to create the Individual Mandate and the Medicaid Expansion as originally written. She pointed to the huge impact that high healthcare costs had on the nation's economy and the fact that health insurance companies operate in every state. She found it bordering on naive for the majority to argue that the government did not have a right to regulate the purchase of health insurance because people have a right to be “inactive” in the market place. Justice Ginsburg found it disingenuous that the Majority would find that anyone is “inactive” in the healthcare marketplace. Young people don't seek medical treatments as often as older Americans. However, most citizens seek medical services at least once per year with or without insurance. Since our laws force most medical institutions to treat everyone, it's reasonable for the court to uphold the ACA under the Commerce Clause. She would have also upheld the Medicaid Expansion as Congress originally crafted it. The impact of health care costs for the uninsured is significant and unique and impacts every American. Therefore, Congress should be permitted to use both the Commerce Clause and its Spending and Taxing Power to raise revenues for the care of those who we are forced to treat and whose cost of care raises the cost of healthcare for everyone.

The Dissenting Opinion

Commerce Clause Can't Force Citizens To Buy Insurance

Justice Kennedy and those who joined him in the dissenting opinion felt that the federal government could not use any provision of the Constitution to force individual citizens to purchase healthcare or to require state governments to expand Medicaid coverage to provide healthcare for the poorest citizens. The Commerce Clause and the power to tax and spend, do not allow the Federal Government to regulate all private conduct and to compel the States to function as administrators of federal programs. One of the key questions to be answered in this case is whether failure to engage in economic activity (the purchase of health insurance) is subject to regulation under the Commerce Clause.