

PUBLICATION

Supreme Court Rules on Affordable Care Act [Ober|Kaler]

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The U.S. Supreme Court ruled today on the three companion cases challenging the federal Patient Protection and Affordable Care Act (ACA). In summary, health care providers should continue their efforts to comply with the federal legislation.

Since the constitutionality of the individual mandate was upheld, concerns about whether the demise of that requirement might undermine the ACA as a whole, are moot.

The Court did strike down a portion of the ACA that threatened States with withholding federal Medicaid funding if they failed to expand access to Medicaid benefits to certain required levels. Thus, States will need to address individually whether they want to expand access to Medicaid benefits in the absence of the ACA's stricken penalty. This will likely be a subject of continued focus and debate among the White House, Congress and the States.

Ober|Kaler is evaluating the ruling closely. We will continue to provide updates and guidance to our clients regarding specific provisions of the ACA. At this time, however, the efforts of health care providers to respond to the ACA, including the formation of ACOs or other shared savings programs, should continue without interruption.