

# In wake of high court ruling, what's next for Obamacare

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Insurers can begin making sound business decisions based on a stable Affordable Care Act, experts say.

(HealthDay)—The Affordable Care Act will grow stronger in the next few years, now that the U.S. Supreme Court has upheld the controversial health reform law for a second time.

That's the consensus from both supporters and detractors of the legislation.

John Graham, a senior fellow with the free-market National Center for Policy Analysis, said the Supreme Court's decision Thursday essentially brings to an end efforts to repeal the [law](#) through the legal system. The law, championed by President Barack Obama and fellow Democrats and denounced by Republicans as fatally flawed, is often called Obamacare.

"For opponents of Obamacare like myself, we can now let go of the

fantasy that the judges are going to solve this problem for us," Graham said. "We are going to have to solve it ourselves, through the political process."

Ron Pollack, executive director of Families USA, a pro-Obamacare group, said the end of the legal battles will bring a sense of legitimacy to the Affordable Care Act. This will make it easier for the law to weave itself ever more firmly into the fabric of American life, he said.

The high court's ruling "means the Affordable Care Act is not just the law of the land, but that it will remain the law of the land," Pollack said. "It is a stable part of America's [health care](#) system."

Now that insurers know that Obamacare isn't going away, they can begin making business decisions based on the law, allowing it to become the "stable operating platform for insurance in this country," said Dan Mendelson, chief executive officer of Avalere Health, a [health](#) care advisory firm.

"It sends the message to insurance companies that they can invest in this system and it will be durable, at least for the next few years," Mendelson said.

Republicans, despite Thursday's ruling, reiterated their pledge to work for the repeal of the Affordable Care Act.

In its decision Thursday, the Supreme Court upheld the legality of tax subsidies for an estimated 6.4 million Americans who signed up for health insurance under the Affordable Care Act. The major point of contention in the case was whether people in states that failed to set up their own health marketplaces, or exchanges, to buy insurance under Obamacare could qualify for the tax credits if they used the federally run HealthCare.gov online exchange.

Opponents of Obamacare insisted that, as the 2010 law was written, the tax credits could only come with insurance purchased through online exchanges operated by individual states. But, only 13 states and the District of Columbia created their own exchanges. Most states that chose not to create exchanges are headed by Republicans.

In the run-up to Thursday's decision, the Obama administration insisted that Congress intended the tax credits to be available to all eligible buyers, whether they used the federally run HealthCare.gov exchange or a state-established exchange.

Thursday's ruling marks the second time the Supreme Court has decided in favor of the Affordable Care Act. In 2012, the court found the law constitutional.

Supporters of Obamacare said Republicans now will face mounting pressure to approve Medicaid expansion in their states, which would further strengthen the Affordable Care Act. Currently, 21 states have refused to accept federal funding available through Obamacare that would expand Medicaid down to low-income adults who make 138 percent of the federal poverty level.

In a Rose Garden speech following the Supreme Court's decision, Obama promised to continue urging GOP state leaders to accept the Medicaid expansion—and the Affordable Care Act itself.

"The law is working and it's going to keep doing just that," said Obama, calling the Affordable Care Act a success story similar to Social Security and Medicare. "This is health care in America."

The National Center for Policy Analysis' Graham said he's hopeful that Republicans will work with Obama to amend and improve the Affordable Care Act over the next couple of years.

There's not much chance of major political movement on the matter, given that Obama has vowed to oppose any bill that would unravel the law. But Congress and the president might find common ground on some issues that would revise the law but not weaken it, observers said.

The House of Representatives already has approved repeal of a 2.3 percent sales tax on medical devices, such as artificial hips and pacemakers. The tax is designed to help fund the Affordable Care Act, but has been criticized as unfairly burdening device manufacturers. The bill has some Democratic support, mainly from states where the manufacturers are located, but its passage is still uncertain.

The two political parties also might be able to hammer out a compromise on a mandate that requires businesses with 50 or more employees to provide health insurance. Or there might be movement on an excise tax set to take effect in 2018 that would penalize employer-provided health plans that provide a too-rich array of benefits, health industry experts said.

"We have at least two years or more of Obamacare, and there are things that can be done," Graham said. "I don't think Republicans in Congress should be afraid of putting forward amendments to Obamacare and be accused of caving in to Obamacare," he added.

"Obama has said he will consider changes. The majority in Congress should give it a shot," Graham concluded.

Added Mendelson: "You've got still a majority in the Congress that believes the law should be repealed. Until there is some level of acceptance, you will not have an environment that is conducive for legislative calibrations."

The Affordable Care Act likely will serve as an issue in the 2016

presidential race, but in the meantime health care reform will continue to march forward, experts said.

Operators of the online [health insurance](#) exchanges likely will turn their attention toward practical policy matters that improve and expand coverage, industry experts said.

"Looking ahead, while this [the Supreme Court ruling] is a major victory for exchange markets, critical challenges remain for future years," said Caroline Pearson, senior vice president at Avalere, where she heads Health Reform and Policy Practice.

"Exchanges need to focus on increasing enrollment and attracting younger, healthier individuals in order to ensure that a variety of affordable health plan options participate in the market," Pearson said.

Younger participants are viewed as vital to the success of the Affordable Care Act. The reason: they tend to be healthier, and their premiums are designed to help counterbalance the expenses of older Americans, who are more likely to be sick.

**More information:** To learn more about the Affordable Care Act, visit [HealthCare.gov](http://HealthCare.gov).

To read more about Thursday's Supreme Court decision, click [here](#).

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