

US judge says Obamacare can stand while appeal is heard

December 31 2018

A US judge who ruled earlier this month that Obamacare is unconstitutional has said the health care law can stand while his decision is appealed.

In a stay order issued Sunday, Texas-based Judge Reed O'Connor said that while he was confident his ruling would be upheld, it should not take effect until the outcome of an appeal is known "because many everyday Americans would otherwise face great uncertainty."

That appeal process is widely expected to take at least a year.

Opposition Democrats, who have seen the law survive previous legal and legislative attacks, view it as a signature achievement of former president Barack Obama.

Republicans on the other hand dismiss it as governmental overreach and President Donald Trump made repealing the law a key part of his campaign platform.

In a separate Obamacare case in 2012, five of the nine Supreme Court justices upheld the law. All five remain on the court.

Still, it remains unclear how they might rule in the new case. If the decision is upheld, it could significantly disrupt the US health care system.

The law, formally known as the Affordable Care Act, was premised on a so-called three-legged stool.

It forced insurers to offer customers with pre-existing conditions the same plans at the same prices as the healthy; subsidized the cost of insurance for those in lower-income brackets; and required that Americans sign up for an [insurance policy](#) that meets minimum standards.

The last requirement was enacted to prevent a scenario in which [healthy people](#) waited until they got sick to take insurance, thereby driving up premiums and creating a vicious cycle of rising costs.

It was accompanied by a penalty for non-compliance, which was eliminated by the Republican-held Congress in 2017 in their tax code overhaul.

The 2012 case was over whether such a penalty was legal—but now that it is gone, O'Connor said in his December 14 ruling, the whole ACA should be stricken down because that provision was "the keystone" of the program.

The lawsuit was brought by 20 conservative states and two individuals, while it was opposed by 17 Democratic attorneys general led by Xavier Becerra of California.

The defendants had asked the court to clarify whether the December 14 ruling was immediately binding, resulting in Sunday's stay.

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Citation: US judge says Obamacare can stand while appeal is heard (2018, December 31)
retrieved 10 April 2024 from

<https://medicalxpress.com/news/2018-12-obamacare-appeal-heard.html>

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