

## ***NEWS RELEASE***

**For Immediate Release**

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### ***Affordable Care Act Upheld, though Medicaid Expansion on Possibly Shaky Ground***

Salt Lake City—Just hours ago the Supreme Court of the United States issued its final ruling on the constitutional challenges to the Affordable Care Act: on a tight 5-to-4 vote, with Chief Justice Roberts voting with the majority, the court upheld most of the key provisions of the Affordable Care Act., including the controversial mandate. The mandate is upheld on the basis that it is, in effect, a tax.

This is great news for all of us, starting with those who are not well served by the current market practices.

- 1) **You and your family:** The ACA makes health care coverage more secure for working families. You can no longer be denied coverage due to a pre-existing condition, or lose your coverage when someone gets sick and needs to use it.
- 2) **Women:** The new health care law makes health care more secure and fair for women by ending denials due to pre-existing conditions and ensuring women can no longer be charged 150% of what men pay for the same coverage. Because of ACA, more than 20 million women have already received preventive care such as mammograms and pap smears without any out of pocket expenses.
- 3) **Young Adults:** Young adults want jobs and a future. Thanks to Obamacare, 2.5 million young adults are now more secure because they are able to stay on their parents insurance.
- 4) **People with Cancer and other Health problems:** Thanks to Obamacare, the more than 120 million Americans under 65 who have a “pre-existing condition” now have peace of mind from knowing they can no longer be denied affordable coverage.
- 5) **Small Business:** Under Obamacare, tax credits will help small businesses provide quality health care choices to their employees. Soon they will also have the ability to leverage their purchasing power as a group and get the same lower rates as big corporations do.

Hilman says: “The mandate, too, is upheld, which means that all of these changes will work better. Utah and many other states wanted to build reforms on the foundation of a private market: the mandate makes this possible. “

The court leaves the Medicaid expansion provision, however, on possibly shaky grounds. From [scotusblog.com](http://scotusblog.com): “Because the mandate survives, the Court did not need to decide what other parts of the statute were constitutional, except for a provision that required states to comply with new eligibility requirements for Medicaid or risk losing their funding. On that question, the Court held that the provision is constitutional as long as states would only lose new funds if they didn't comply with the new requirements, *rather than all of their funding.*”

“For Utah these conditions or exceptions could be problematic—we will have full analysis at our press conference at 11:00 AM, says Judi Hilman, E.D. of UHPP.

“This is to say now the real work begins,” says UHPP Executive Director Judi Hilman. “The task we face as a state is somewhat less daunting than the one we would have had if the Court had ruled against the ACA in part or in whole,” Hilman says. “We talk a lot in the policy community about Utah leading the nation. Well, here, at last, is our chance to do just that. Today’s ruling means it’s time to catch up on state efforts to implement the Affordable Care Act in good faith. What the people of Utah now need from all of us who have been party to the debate leading up to today’s historic decision is for us to work together to see these desperately needed reforms all the way through to the finish line,” adds Hilman. “For all the folks who stand to benefit from the ACA, not just Christine but all of us, we ask the community to join in this effort.”

*Christine was uninsurable after being diagnosed with Rheumatoid Arthritis. “I was worried every single day,” says Christine. “My family has a lot of health care issues and I know how important health insurance is. This strong family history of health care concerns, and the experience of watching a friend lose everything to bankruptcy after a bad accident, has made me acutely aware of the need to reform our health care system”. In fact, Christine chose to take a proactive approach and become an insurance broker so she can help others. “People don’t realize how important health reform is until a family member needs health care. The mandate makes it possible for insurers to handle risk so that our insurance will be there for us when we need it most.”*

Christine’s story (and [so many others](#)) shows that for the private insurance system to work properly, everyone needs to buy insurance. Today the court agreed with this reasoning, and that’s the principal significance of the court’s ruling. “Utahns want a mostly private market based system and the ACA is our best chance to get it,” says Hilman. “Working together does not mean ACA proponents and opponents need to agree on all the details along the way. But those disagreements shouldn’t keep us from getting down to work, insuring all Utahns while limiting the growth in health care costs.”

### **Medicaid Expansion Also Upheld, though with possible loopholes for states; Privately Insured Utahns to Benefit from Reduced Upward Pressure on Their Premiums**

Starting in 2014, the ACA will extend Medicaid coverage to more parents and to adults without children – Utahns with incomes up to \$15,000 a year. “If there is a better deal for Utah’s health care system than the ACA’s Medicaid expansion, we don’t know what it is,” says Jason Cooke, Medicaid Policy and Research Director for UHPP and former Texas Medicaid Director, “and so we are immensely grateful for the SCOTUS ruling on this provision in particular.” Under the federal law, the federal government will pay 100% of Utah’s costs associated with the expansion for the first three years. After that Washington picks up 90% of those costs. Despite the parsing of the Medicaid ruling, the expansion will still take place—though states may have alternatives or loopholes.

For people like Adrienne, the Medicaid expansion *as envisioned in the ACA* cannot come soon enough...

*Adrienne is waiting on pins and needles for the day the expansion takes place. Having worked 30 years for the federal government, Adrienne was “downsized” and lost her job. Since then she has been unable to find employment that includes health benefits. And she’s been turned down for insurance in the individual market because of pre-existing conditions. If that’s not enough, she’s been turned down by Medicaid too, because she’s “not disabled enough” by her conditions. Right now she’s thankful to be covered by PCN (the Primary Care Network, which only covers primary and preventive care)—but PCN will only cover 4 medications (her conditions require more) and so she rations them. “I take some of my medications, when I can afford them, every other day. They don’t work as well at that dose, but with a \$550/month income, what else can I do?” muses Adrienne. The irony is that in order to go to work, Adrienne needs to take medications, but without work she can’t afford them. Adrienne states, “If I can hang on until 2014 I will qualify for Medicaid and finally be able to address my health concerns and manage my medical conditions. But I don’t know if I can hang on that long.”*

Bobbi Mathews’ experience reminds us that under current private market conditions, Medicaid actually picks up—at great expense to the state—where the private insurance market fails us as a community...

*“My family had private health insurance, says Mathews. But then my youngest daughter Katie was diagnosed with diGeorge Syndrome, which affects the heart, immune system, and parathyroid. By the time Katie turned 9, we had used our insurance to pay for her hospitalizations, home nursing care, and the many surgeries that Katie needed-- and she hit the life-time cap on our policy. We were left stranded with no coverage at all. Knowing that Katie’s condition meant ongoing medical needs, I enrolled Katie in Medicaid. When Katie was identified as an excessive risk patient, our insurance stopped being of use, and the state was ultimately forced to take on the risk,” says Mathews. “The ACA makes it possible for insurers to handle risk and places consumer protections on the industry so that our insurance will be there for us when we need it most.”* It actually minimizes the burden on programs like Medicaid by distributing the cost more efficiently across payors in the private market

“The terms of the ACA’s Medicaid expansion represent the deal of the century for Utahns who buy their coverage through their employer or on the open market,” Cooke adds. “The nearly 2 million Utahns who have coverage already are paying for the health care of the uninsured in our state. Every time one of the people who will be part of the expansion uses the emergency room or sees another health care provider, it amounts to a tax on commercially insured Utahns. The provider isn’t getting paid so they press the insurance company for increased payment on their insured patients and the insurance company in turn passes that cost on to insured Utahns.”

Scott Poppen, MD, MPA states: "The legality of Obamacare is no longer in question. It is a reasonable first step in getting most of our country’s uninsured access to care that is not dependent on a visit to an emergency department. It starts us down the road of health care cost control by championing value in health care delivery versus cost shifting to the ill and elderly. Let’s move on and give the ACA a chance to work."

*UHPP has others available to speak with reporters about how their lives will be touched by current and future provisions of the ACA (visit our [Storybank](#) to see sample stories). Call UHPP at (801) 433-2299 or (801) 870-3887 to interview story bank contributors.*

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