NEWS BRIEF

Provided by: Aebly & Associates Insurance Services, Inc.

Trump Asks Supreme Court to Overturn ACA

Late on June 25, 2020, President Donald Trump's administration asked the Supreme Court to strike down the Affordable Care Act (ACA). If successful, such action would eliminate health coverage for up to 23 million Americans.

The administration's argument hinges on Congress' decision in 2017 to remove the individual mandate, the tax penalty for not purchasing insurance. Removing that provision invalidated the entire law because the remaining provisions were intended to work in tandem, according to the White House's position.

"The individual mandate is not severable from the rest of the Act."

- The U.S. Justice Department, siding with the plaintiffs

It's unclear when the Supreme Court will hear oral arguments, but the proceedings will likely happen in the fall just before the November election. The Supreme Court agreed to consider three critical legal questions in the case:

- 1. Whether Texas and the other plaintiffs have legal standing
- 2. Whether the individual mandate was actually rendered unconstitutional by Congress in 2017

3. If rendered unconstitutional, whether the entire law must be struck down as a result

What's next?

The Supreme Court won't hear any arguments until fall, at the earliest. Employers and employees should proceed as usual for the time being.

If the individual mandate is deemed unconstitutional, but the remainder of the ACA is upheld, then little will change from the current state of affairs. If the ACA is struck down, then nearly everyone in the country will be affected.

Aebly & Associates Insurance Services, Inc. will monitor this story and will apprise you to any important developments.

