

Supreme Court: PPACA, Individual Mandate Ruled Constitutional

Written by Bob Herman June 28, 2012

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In a 5-4 vote, the Supreme Court has upheld the [Patient Protection and Affordable Care Act](#) (pdf) as constitutional, although the Medicaid expansion provision was limited but not invalidated.

The most controversial component of the healthcare reform law is the individual mandate, which requires most Americans to purchase health insurance. Chief Justice John Roberts delivered the opinion of the Supreme Court, joining Justices Stephen Breyer, Ruth Bader Ginsburg, Elena Kagan and Sonia Sotomayor saying the individual mandate is constitutional as a tax. Justices Samuel Alito, Anthony Kennedy, Antonin Scalia and Clarence Thomas dissented.

"The most straightforward reading of the individual mandate is that it commands individuals to purchase insurance," Chief Justice Roberts wrote. "But...the Commerce Clause does not give Congress that power. It is therefore necessary to turn to the Government's alternative argument: that the mandate may be upheld as within Congress's power to 'lay and collect taxes.'"

Chief Justice Roberts and the majority also saved the Medicaid expansion, ruling that "nothing in our opinion precludes Congress from offering funds under the ACA to expand the availability of healthcare...what Congress is not free to do is to penalize States that choose not to participate in that new program by taking away their existing Medicaid funding."

Essentially, the Medicaid expansion portion of the PPACA also survives, but states can only lose *new* Medicaid funding from the federal government if they don't comply with the new requirements. States would not lose all of their federal money for Medicaid, which the PPACA originally proposed.