

With ACA upheld, let's focus on further enhancements

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President

The June 17 decision upholding the constitutionality of the Affordable Care Act (ACA) by our nation's highest court finally puts to rest a lengthy legal challenge, largely fueled by partisan politics, over the legitimacy of this landmark legislation. Now it's time to implement the improvements needed to make the ACA work better for all.

The case at hand, *California v. Texas*, began in 2018 after the ACA's individual mandate penalty was reduced to \$0 following the enactment of the Tax Cuts and Jobs Act of 2017. As a result of zeroing out of the penalty, Texas and a group of other states—in addition to two men who did not want to purchase health insurance—argued that the mandate was unconstitutional because it could no longer be construed as a tax.

But in a 7-to-2 decision written by Justice Stephen Breyer, the court ruled that the plaintiffs had “failed to show a concrete, particularized injury” and thus lacked the legal standing to challenge the ACA's individual mandate. For the individual plaintiffs, as the individual mandate penalty was zeroed out, the government – notably the Internal Revenue Service – could not be connected to any harm or injury suffered by the plaintiffs. For the states involved in the lawsuit, the harm raised by states of the individual mandate's role in their residents enrolling in state programs like Medicaid, was not proven.

This decision marks the third time the nation's highest court has considered a significant legal challenge to the ACA—and the third time the justices allowed the law to stand.

And that is clearly a good thing. More people than ever—31 million—are covered under the ACA through the marketplace or Medicaid. In addition, during the current special enrollment period for ACA coverage open through Aug. 15, at least 1.2 million more people have signed up for coverage. The ACA continues to reconfigure the landscape of health care to put patients first in dozens of ways, from protecting the millions of our patients with pre-existing conditions to ensuring that preventive services are covered at no cost to our patients.

Covering the uninsured and improving health insurance affordability have been long-standing goals of the AMA. Our AMA's plan to cover the uninsured is rooted in AMA policy from over 20 years ago. We

used this policy to launch our Voice for the Uninsured campaign in 2007, providing needed momentum as health reform was being debated in DC.

Now, momentum is now on the ACA's side to use the law as the foundation to cover more of our nation's uninsured. Improving the ACA appropriately targets providing coverage to the uninsured population, rather than upending the health insurance coverage of most Americans.

Furthermore, this approach reinforces long-standing AMA policies in support of premium tax credits to make health insurance more affordable, along with preserving the role of Medicaid in covering our nation's poorest. Building upon our current modes of health insurance coverage in this country underscores our AMA's support of pluralism, freedom of both choice and practice, and universal access for patients.

Room for improvement

Its impressive, game-changing benefits notwithstanding, the ACA can be refined and enhanced. This process is already underway. Significant improvements to the ACA were provided in the most recent COVID-19 relief bill, the American Rescue Plan Act of 2021, which became law this past March. Effective for this year and next year, premium tax credits are more generous, which makes even more individuals eligible for low-cost – if not zero-premium – health insurance coverage.

Also, the ACA's "subsidy cliff" has been eliminated for two years, ensuring individuals and families with higher incomes are no longer shut out from needed premium assistance to purchase ACA marketplace coverage. We support making these changes to the ACA permanent.

But these improvements should only be seen as first steps. Our AMA is committed to working with Congress and the Biden administration to achieve further advancements, such as making cost-sharing help more generous and available to more people, providing a coverage pathway to residents in states that have not expanded Medicaid who qualify for neither Medicaid nor ACA marketplace coverage, and fixing the ACA's "family glitch." This refers to families who have difficulties affording the health care coverage offered through their employer, but do not qualify for financial assistance to purchase an ACA marketplace plan.

Benefits of extending coverage

It is important to remember that extending coverage to the uninsured—by subsidizing ACA marketplace coverage, expanding Medicaid and by other means—boosts our efforts to dismantle longstanding inequities in our health care system that have directly harmed Black, Latino and



Indigenous communities and other historically marginalized groups. The coverage gains under the ACA have helped to narrow—but have not eliminated—disparities in health insurance coverage.

The AMA's Plan to Cover the Uninsured, and our active involvement in the recently formed Affordable Care Coalition, are just two examples of our commitment to ensuring that quality health care coverage is available to everyone at an affordable cost.

Over the years in my family medicine practice, I have learned firsthand the tragic reality that people who lack health coverage get sick more often. I also know the power of preventive care in helping healthy people stay that way. Now that the ACA has withstood several serious legal challenges, our AMA offers our support to all those in government and the private sector who seek to strengthen it as the best route to achieving meaningful and affordable health care coverage for all of us.