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Supreme Court to Hear Healthcare Reform Arguments

The U.S. Supreme Court is set to hear arguments in the cases challenging various aspects of the healthcare reform law that are now before the Court. The Supreme Court will hear oral arguments in March 2012 on four areas, including the:

- Individual Coverage Mandate: To determine the constitutionality of the law's requirement that certain individuals purchase coverage or pay a penalty, beginning in 2014.
- Severability: If the Court finds the individual coverage mandate unconstitutional, it will then decide whether the rest of the law can be implemented.
- Penalty: The Court will determine whether the penalty for not buying insurance functions like a tax. If so, the Court's determination would stop further lawsuits until the individual coverage mandate takes effect in 2014 since the law prevents people from challenging taxes until after the government collects them.
- Medicaid Expansion: To determine whether the planned federal funding conditions for the expansion of Medicaid amounts to coercion and a violation of states' rights.

A decision of the Court is expected sometime in June of 2012. The expected Supreme Court ruling will help remove legal uncertainty surrounding the healthcare law. If the Court finds the individual coverage mandate unconstitutional, the decision could threaten other related pieces of the healthcare law, including the future exchanges. There will be more to come as this will get a good deal of play and speculation in the near term. This also sets the stage for the issue to become front and center with the upcoming national election next year.

While awaiting a definitive Supreme Court ruling on the law, employers are advised to continue to monitor health reform developments and proceed with implementation. Conner Strong & Buckelew regularly monitors healthcare reform issues and will continue to publish updates as they become available. If you have questions related to any aspect of healthcare reform, please call your Conner Strong & Buckelew account representative toll-free at 1-877-861-3220. For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online Resource Center.

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