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Supreme Court to ACA's Enemies: "Have a Seat, because there is No Standing!"

The Affordable Care Act Overcomes Another Fatal Threat

Today, the Supreme Court, at long last, put an end to the absurd *California v. Texas* lawsuit cooked up by a host of eighteen conservative state attorneys general as the third major effort to take down the Affordable Care Act in court. [The majority opinion](#), authored by Justice Stephen Breyer, did not reach the underlying legal challenge to the constitutionality of the 2010 law. Instead, seven justices concluded that the two individuals and eighteen states bringing the lawsuit do not have standing. Standing is a basic requirement imposed on all litigants filing lawsuits in federal court. It demands that the plaintiffs show that they have an injury caused by the defendant and able to be redressed by the court. In this case, the enemies of the ACA could not show that they had any injury caused by Congress's decision to zero out the tax penalty associated with the individual mandate. A zero dollar penalty is no penalty at all—thus, no injury. With [no standing](#), the ACA proved once again that it may have [nine lives](#), and will live on to provide meaningful coverage for millions of Americans. A necessary safety net at any time, the continued vitality of the ACA is made all the more significant by the fact that the country is still recovering from the pandemic.

The lawsuit may have cast a three-year shadow over the future of the ACA, but it did little to dampen American enthusiasm for the benefits it provides. Since the complaint was filed, coverage numbers have remained stable, [from 11.7 million enrolled in Marketplace plans in 2018 to 12 million in 2021](#). Likewise, the Medicaid expansion at the heart of the ACA has reduced the population of uninsured Americans, even during the course of the pandemic. Since the lawsuit was filed in early 2018, an [additional six states have opted in to Medicaid expansion](#). The number of Americans who owe their coverage to the ACA is now more than 31 million—[an all-time record high](#). With today's Supreme Court decision, these trends are likely to continue positively for years to come.

Our coverage of the 2018 complaint quoted legal commentators who called the claims at the center of this lawsuit "risible" (the legal code word for "junk"); no one expected it to get as far as it has. The legal theory animating this lawsuit was built on the story that changes following the ACA's 2010 passage had rendered it unconstitutional. Longtime proponents of the ACA will remember the controversy over the law's requirement that uninsured individuals either enroll in Marketplace coverage or be required to pay a certain amount to the federal government annually. [In 2012](#), the Supreme Court announced that this provision—known as the "individual mandate"—was constitutional, because it qualifies as a valid exercise of [Congress's taxing power under the Constitution](#). Then, as part of Donald Trump's tax law, [Congress](#)

[changed the penalty for non-compliance with the individual mandate to \\$0](#), beginning in 2019. Seizing on this change, eighteen Republican states, led by Texas, [filed a lawsuit](#) alleging that this change invalidated the entirety of the ACA. They argued that the individual mandate is “inseverable” from the community rating and guaranteed issue provisions, all of which are essential elements of ACA. Together, these provisions prohibit insurers from denying coverage or imposing prohibitive premiums on individuals living with preexisting conditions. A finding of that any of these provisions are “inseverable,” would mean that if one of the elements violates the Constitution, the whole ACA must be struck down. The trial court allowed 16 Democratic states, led by California, to join the lawsuit and defend the ACA. And the federal government has flip-flopped its position with the political winds, first taking the unprecedented step in 2018 of [declining to defend a federal law against an existential challenge](#), then, in 2021, [agreeing with California and the intervening states that the ACA should stand](#).

Today’s result speaks for itself—[the ACA lives on](#), with an ongoing Special Enrollment Period now in effect until August 15. Given how novel the idea behind the case was, it is notable that two members of the Court—Justices Alito and Gorsuch—believed the plaintiffs to have standing and [would have ruled to strike down the ACA in its entirety](#). But that view did not carry the day. Instead, the lawsuit will be dismissed and relegated to a footnote in [the long history](#) of ideologically motivated attacks on the ACA. Health care advocates thus can turn to other vital issues on their [long list of priorities](#) for federal health care policy. The ACA is safe for now.

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