

States ask Supreme Court to stop Medicaid expansion

The national health system reform law will require states to broaden coverage to people who earn up to 133% of the federal poverty level.

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Florida and 25 other states officially have requested the U.S. Supreme Court to overturn what they call the unconstitutional expansion of the Medicaid program as part of the national health system reform law.

In a brief filed with the high court on Jan. 10, the states said that, by threatening to pull their federal funding, the government is unfairly compelling them to expand their Medicaid programs.

"Judicial approval of this unprecedentedly coercive legislation would signal the end to any meaningful judicial effort to curb Congress' exercise of the spending power," the states said in their brief. "If the court declines to intervene even in a case like this, where Congress' coercion was open and notorious, it welcomes more of the same and risks tipping the scales of power irretrievably against the sovereign states."

The Medicaid expansion issue is one of the components of the health reform law debate that has sparked less debate than other provisions, but a decision by the justices to invalidate the Medicaid piece would strike a large blow to the statute. Starting in 2014, Americans who earn up to 133% of the federal poverty level -- an effective rate of 138% -- will qualify for Medicaid coverage, and states must cover them. The federal government initially will fund 100% of the expansion. But by 2017, states will be responsible for 5% of the costs, and that portion will increase to 10% by the end of the decade.

While the Medicaid program historically has required participating states to provide health coverage to certain categories of individuals, the states say Congress consistently has allowed them to retain discretion in setting threshold eligibility criteria in accordance with budgetary constraints.

"The Medicaid program is a substantial portion of each state's annual budget," Florida Attorney General Pam Bondi said in a statement. "Forcing states to vastly expand their Medicaid programs or risk losing all funding is an abuse of federal authority. This overreach of government power threatens the taxpayers of every state in the nation."

The Obama administration, which is defending the law before the Supreme Court, has until February to file its brief on the issue. At this article's deadline, the government had not issued its response.

Some public interest groups also have filed court briefs in support of the states, including the Social Security Institute, the American Civil Rights Union, the CATO Institute and the Pacific Legal Foundation.

Briefs also filed on individual mandate

Meanwhile, several organizations have issued Supreme Court briefs addressing the reform law's individual mandate. The question, the primary one facing the justices in the reform law case, refers to whether the federal government can require individuals to obtain health coverage starting in 2014 or pay a penalty.

Opponents of the mandate say Congress is exceeding its constitutional authority by requiring all Americans to obtain health insurance.

In a brief, the American Academy of Pediatrics, the American Medical Student Assn., Doctors for America, the National Hispanic Medical Assn. and the National Physicians Alliance voiced their support for the mandate. The minimum coverage provision is essential to the reform law's purpose of ensuring that health insurance is universally available and affordable, the medical associations said.

Because the brief's authors "work on the front lines of the health care system, they know from experience that patients who put off needed care due to lack of insurance often end up sicker and require costlier emergency room care," the brief said. "Delaying the purchase of insurance in order to effectively transfer the cost of health care to third parties is an activity that substantially affects interstate commerce and thus may be regulated by Congress."

If the court were to prohibit Congress from regulating anything other than "preexisting, freely chosen classes of activities," the decision would have disastrous effects, the brief said, citing the example of a pervasive influenza outbreak.

"Managing a pandemic that is similarly widespread, virulent and deadly could not be done by fifty divergent state governments," the medical associations said. "It would require the kind of coordinated response that can only be conducted by the federal government." But if the court were to allow Congress to regulate only preexisting activities, "federal officials would lack the authority to regulate people who became infected through no 'freely chosen' action of their own."

The Supreme Court will begin hearing oral arguments on the mandate on March 26.