



# Federal Appeals Court Deals Major Blow to ObamaCare

By John Nolte

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**President Obama's un-Constitutional practice of lawlessly ignoring and rewriting laws to suit his left-wing political agenda has come back to bite his signature domestic achievement. Tuesday morning a federal appeals court dealt what USA Today describes as a "potentially major blow" to ObamaCare with a 2-1 ruling against the Obama administration's end-run around Congress to disburse federal subsidies:**

The appeals panel ruled that as written, the health care law allows tax credits to be offered to qualified participants only in state-run exchanges. The administration had expected most if not all states to create their own, but only 16 states did so.

The court said the Internal Revenue Service went too far in allowing participants in other states served by the federal exchange to qualify for billions of dollars in government assistance. The aid has helped boost enrollment figures to more than 8 million.

Once it became clear 36 states could not be bribed with federal dollars or bullied by the media into setting up their own ObamaCare exchanges, rather than go back to Congress to lobby for changing the law, President Obama blithely believed he could ignore and rewrite a law he signed after helping to usher it through a Congress dominated by Democrats.

If the ruling stands, those enticed into purchasing ObamaCare coverage with the help of untold billions in federal tax dollars will lose their subsidy in these 36 states. This is almost certain to force many ObamaCare recipients to drop coverage. The big question is how many of these people lost their affordable coverage after ObamaCare made the affordable insurance they were happy with illegal and cancelled those plans?

"We reach this conclusion, frankly, with reluctance," Judge Thomas Griffith said. "At least until states that wish to can set up exchanges, our ruling will likely have significant consequences both for the millions of individuals receiving tax credits through federal exchanges and for health insurance markets more broadly." ...

Michael Cannon, a Cato Institute health economist who helped devise the legal challenge, said the refusal by so many states to create health exchanges led to the court ruling. "This is popular resistance to the law," he said.

For now, USA Today reports, everything is on hold. The Administration has already announced that the taxpayer-funded subsidies will continue to flow.

Although the ruling will have no impact while it is appealed -- either to the full appeals court, which includes four Obama appointees, or to the Supreme Court -- the result could be chaotic if ultimately allowed to apply nationwide.

While the political Left and mainstream media are almost certain to wring their hands over the roughly 5 million able-bodied Americans not receiving federal monies (the sick, elderly, disabled, and truly poor are covered by Medicare and Medicaid) paid for by other able-bodied Americans, the principle here is much larger and more important: The rule of law.

Moreover, as Michael F. Cannon of Forbes points out, the winners in this decision outnumber the losers 10 to 1. As many as 57 million Americans will now be out from under the punitive ObamaCare mandate, compared to the 5 million who will not see an increase of their health insurance premiums but will lose their illegal taxpayer-funded subsidies.

Cannon also reminds that the whole idea and original intent of awarding billions in federal subsidies only to those states that built their own ObamaCare exchanges, wasn't accidental or a technicality. Throughout the law it is made clear that those subsidies are available only "through an Exchange established by the State."

Congress's intent behind shaping the law in this manner was to entice/threaten the states into building their own exchanges. After 36 states wisely refused, Obama rewrote the law and illegally awarded the subsidies anyway.

The Constitution is very clear that it is the job of the legislative branch (House and Senate) to write law. The Executive branch enforces the law.

Rather than enforce the law, Obama broke it by rewriting it.

The potential danger of the court's allowing such a precedent is staggering.