



Tennesseans could lose health coverage subsidies

By Tom Wilemon
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Tennesseans who qualified for tax credits to buy coverage on the federal exchange are among the millions of Americans who could lose subsidies that made health insurance affordable.

By a 2-1 decision, a panel of the U.S. Court of Appeals for the District of Columbia Circuit ruled today that people living in the 34 states that did not set up their own insurance exchanges do not qualify for those subsidies because of the wording in the Affordable Care Act. After holding public hearings about setting up a state-based exchange, Gov. Bill Haslam decided not to take that action.

However, Tennesseans will not lose the credits any time soon because the final outcome is likely to play out before the U.S. Supreme Court. Another scenario could be that the full 11 members of the U.S. Court of Appeals for the District of Columbia Circuit weigh in on the issue, according to Ron Pollack, executive director of Families USA, which supports the federal health law.

He also noted that similar legal questions are coming up before other U.S. courts that are likely to decide otherwise.

“Today’s decision represents the high-water mark for Affordable Care Act opponents, but the water will recede very quickly,” Pollack said. “The likelihood that today’s decision will not be implemented does not obscure the harm it could cause. It would eliminate help for almost 5 million low- and moderate-income people who currently receive subsidies so they can afford health insurance.”

Eighty percent of the 151,352 Tennesseans who selected a plan between Oct. 1, 2013, and April 19 of this year got financial assistance toward buying coverage, according to the U.S. Department of Health and Human Services.

The Cato Institute claimed credit for the court decision. The organization said on its website that the case, *Halbig v. Burwell*, was spurred by an article by Jonathan H. Adler and Cato scholar Michael F. Cannon that appeared in the spring 2013 issue of *Health Matrix: Journal of Law-Medicine*.

“The purpose of *Halbig* was to end the massive economic and political disruption caused by the president’s decision to ignore the clear statutory language he is sworn to uphold,” Cannon said.