

Courts Consider Challenges To Health Law Subsidies

July 08, 2014

A federal judge weighs whether to allow a Republican senator's lawsuit challenging the awarding of tax-free federal subsidies to buy health insurance to members of Congress and their staffs. Meanwhile, a U.S. appeals court is expected to decide any day on another challenge that argues the health law's subsidies may be given only to residents of states that created their own insurance exchanges.

The Milwaukee Journal Sentinel: Ron Johnson's Obamacare Lawsuit Gets Hearing In Green Bay A federal judge on Monday weighed whether to keep alive a lawsuit by U.S. Sen. Ron Johnson attempting to force members of Congress and their staffs to stop getting subsidies for their health insurance, one of the many flashpoints over Obamacare. Johnson, an Oshkosh Republican, argues members of Congress and their staffs are required to get insurance on their own under the Affordable Care Act, or Obamacare. He sued in federal court challenging a policy of President Barack Obama's administration that allows members of Congress and their staffs to receive health coverage as they have for decades or to buy it through a federal insurance marketplace available to small businesses in the Washington, D.C., area (Marley, 7/7).

Green Bay Press/Gazette/USA Today: Senator Gets Day In Court Against Obamacare A federal judge will issue a decision "in short order" on whether a Republican senator's lawsuit against the Obama administration can proceed. Lawyers on both sides of the issue argued in Green Bay, Wis., for more than two hours Monday over whether U.S. Sen. Ron Johnson, R-Wis., was harmed when the administration gave members of Congress and their staff subsidies to help pay for health insurance bought on the exchange (Srubas, 7/7).

The Associated Press: Judge Hears Arguments In Health Care Lawsuit A Wisconsin senator on Monday argued that his lawsuit challenging rules that call for congressional members and their employees to seek government-subsidized health insurance through small-business exchanges should be allowed to move forward. U.S. Sen. Ron Johnson, an Oshkosh Republican, contends the rules twist the Affordable Care Act to ensure senators, representatives and their staffers continue to receive generous health insurance subsidies and place them above the American people (7/7).

Fox News: GOP Senator Launches Effort To Sue Administration Over Obamacare For Congressional Staffers

Sen. Ron Johnson, R-Wis., Monday launched an effort to sue the Obama administration because

it gave many staffers in Congress something no other American has: tax-free money to cover their costs under ObamaCare. "Americans hate it when elected officials or people in power are exempt from laws," Johnson said after the first hearing to determine whether he has standing to sue. The original health care law was clear that lawmakers and their staffers should be treated the same as other Americans, but then the administration issued a ruling that did just the opposite (Angle, 7/7).

And in a separate case challenging the health law's subsidies -

Los Angeles Times: Obama Awaits Another Court Ruling That Could Deal Blow To Health Law President Obama's healthcare law could be dealt a severe blow this week if a U.S. appeals court rules that some low- and middle-income residents no longer qualify to receive promised government subsidies to pay for their health insurance. The case revolves around a legal glitch in the wording of the Affordable Care Act, which as written says that such subsidies may be paid only if the insurance is purchased through an "exchange established by the state" (7/7).

CQ Healthbeat: Court Decision Could Push Effort to Shut State Health Exchanges As early as Tuesday, the U.S Circuit Court for the District of Columbia may rule on whether federal subsidies to buy insurance can only be given to the residents of states that have established their own health law insurance exchanges. Such a decision, if upheld by the U.S. Supreme Court, could shrink the number of states with their own exchanges, according to Michael Cannon, the Cato Institute analyst who has led the charge to strike down the current system that awards subsidies irrespective whether states create exchanges under the law (Reichard, 7/7).

CBS News: Will The Supreme Court Get Another Shot At Obamacare? The Supreme Court last week chipped away at one part of the Affordable Care Act, but its ruling in the Hobby Lobby contraception case left most of Obamacare intact. Other court cases, however, are making their way through the court system in an attempt to deliver a more fatal blow to the controversial law. As early as this week, a three-judge panel from the D.C. Circuit Court of Appeals is expected to hand down a ruling on whether the federal government can give subsidies to Obamacare recipients in states with federally-run health care exchanges. If the appeals court rules in favor of the law's opponents, it could cripple the law (Condon, 7/8).