## Bloomberg

## **Obama Health-Care Law Goes to Appeals Court**

By Andrew Harris - Jun 1, 2011

President <u>Barack Obama</u>'s health-care law, including its mandate that most Americans obtain insurance, goes before a U.S. appeals court, the second of at least three such panels that will consider the act's constitutionality.

Opponents of the <u>Patient Protection and Affordable Care Act</u>, signed into law by Obama, a Democrat, in March 2010, have argued Congress exceeded its authority in requiring almost all Americans to have health insurance or face a tax penalty starting in 2014.

Decisions by courts, including the three-judge panel in Cincinnati that will hear arguments today, may set the stage for review by the U.S. Supreme Court.

"A ruling that a major act is unconstitutional cannot just sit there," Harvard Law School Professor Charles Fried said yesterday in a phone interview. "If one court says it's unconstitutional, it'll go up."

Three lower-court judges have upheld the legislation, intended to create the first near-universal U.S. health-care coverage program. Two have declared it all or partly invalid.

The 955-page law bars insurers from denying coverage to people who are sick and from imposing lifetime limits on costs. It includes provisions to test ideas, such as incentives for better results and bundled payments to medical teams for patient care. The lawsuits focus on the insurance mandate.

The case before the Cincinnati court was filed in 2010 by the Thomas More Law Center, based in Ann Arbor, Michigan. The center says on its website that it advocates Christian values.

## **Insurance Costs**

U.S. District Judge George Caram Steeh in <u>Detroit</u> last year rejected the group's arguments that compulsory medical coverage amounts to an unlawful tax.

"Decisions to forgo insurance coverage in preference to attempting to pay for health care out of pocket drive up the costs of insurance," Steeh said in his Oct. 7 ruling. "The cost of caring for the