

# Palm Beach Post

## ***What will happen if the U.S. Supreme Court upholds health reform?***

by Stacey Singer

[This video](#) features the Cato Institute's Michael Cannon, the small-government, libertarian think-tank wonk who was Florida Gov. Rick Scott's transition health adviser.

In it, Cannon spells out a strategy for attacking the Affordable Care Act forever — even if the U.S. Supreme Court upholds its constitutionality.

Bottom line? If states refuse to set up their own insurance health exchanges, Cannon reasons, those states' businesses will have legal standing to mount a new and different constitutional challenge aimed at weakening the Affordable Care Act. The challenge, Cannon explains, would be against a regulation that the IRS has issued to implement the law.

Florida is one of the states following the Cato playbook. It has refused to create its own health insurance exchange. This means that after 2014, Floridians will have access to a federal health exchange now being set up by the U.S. Department of Health and Human Services.

What's an insurance exchange? Modeled on what [Massachusetts has](#), it's an insurance store, where individuals can be pooled into a large group of buyers able to negotiate out of insurers the same deals that large-group employers now enjoy.

It's the tool that will give the nation's 50 million uninsured people a chance to make apples-to-apples comparisons among health plans.

Why is this viewed as evil by the people at Cato? Cannon notes that it enables a large number of Americans buying their health insurance on exchanges to qualify for federally subsidized rates.

(Cannon writes to say it's the fact that the exchanges help implement the individual mandate, and that they serve as the conduit for billions in subsidies to private insurers — subsidies that add to the federal debt — that he objects to, in addition to the tax on employers that they facilitate.)

The Cato Institute for many years was funded by [Charles and David Koch](#), who are now suing the institute to take control. Cannon says my earlier description of the Kochs' involvement was incorrect. "The Kochs have contributed to Cato in the past, but Charles stopped giving many years ago and David stopped giving in 2010."