



GROUP HEALTH PLAN ADVISORY

Supreme Court Rejects Challenge to Affordable Care Act; Upholds Law

The Supreme Court has issued a ruling that has rejected a lawsuit claiming the Affordable Care Act (ACA) was unconstitutional. In the case *Texas v. California*, the plaintiffs argued that the entire law was unconstitutional due to a change made by Congress in 2017 Congress that reduced the tax for failure to carry health insurance (the “individual mandate”) to \$0.00.

The court decided in a 7-2 decision that the plaintiffs did not have standing to bring the case to court in the first place, so it was unnecessary to rule on other details of the case. The decision brings to a close a case that has been working its way through the courts since a Texas judge first ruled that the ACA was unconstitutional in 2018.

With the constitutionality of the ACA no longer in question, the end of this case may allow Congress to consider addressing some of the technical issues with the ACA that have bipartisan support, including possible changes to employer reporting and the employer shared responsibility rules (i.e., the employer mandate).

Please contact your Oswald client team representative for further information.

Oswald Companies Compliance Team | gbcompliance@oswaldcompanies.com
Danielle Jarvis, Compliance Team Leader | djarvis@oswaldcompanies.com; 216.649.7384
Luke Clark, Sr. Benefits Consultant | lclark@oswaldcompanies.com; 216.367.8758

Disclaimer: Materials are solely for informational purposes as an educational resource. Please contact counsel to obtain advice with respect to any specific issue.