



Business »

Education »

Government »

Health »

Horses »

Living »

Opinion »

Philanthropy »

WKY »

Sports »

Bank won't renew your commercial loan?  
[CLICK HERE FOR DETAILS >](#)

**REPUBLIC BANK**  
 RepublicBank.com Member FDIC



**Bluegrass Tomorrow**  
 WE CONNECT THE REGION

Enter your e-mail to sign up for Our Daily News Updates



**75 YEARS**  
 1939 2014  
**Bluegrass Community & Technical College**

**TOYOTA. PART OF THE COMMUNITY.** **TOYOTA**   
 KENTUCKY

Thursday, June 28, 2012

## Reactions to health care ruling mixed, state prepares to move ahead on provisions

- [Add to Reddit](#)
- [Post to Digg](#)
- [Post to StumbleUpon](#)
- [Post to Twitter](#)

By **Alex Forkner**  
*KyForward Reporter*

In one of the most anticipated decisions in decades, the Supreme Court has upheld the Affordable Care Act, the health care reform law passed in 2010, as constitutional by a 5-4 margin.

This decision will not only send a ripple through the political landscape in an election year, but will also have an economic impact in the future.

Aaron Yelowitz, associate professor of economics in the Gatton College of Business at the University of Kentucky, said the Supreme Court's decision will certainly be felt throughout the bluegrass state.

"Basically, today's ruling shores up the financial solvency of that arrangement, where people can purchase health insurance whether or not they're sick, but it comes at a real cost," he said. "There are provisions that weren't talked about today, like employer mandates, which essentially say that if you're a firm with 50 or more employees you have to provide health insurance to your employees, which will almost certainly raise labor costs. I've actually done some back-of-the-envelope calculations on how many workers will be affected by those sorts of permissions in the healthcare reform law, and the answer is around a quarter of a million Kentuckians."

Yelowitz described the individual mandate, the part of the law requiring most Americans to buy health insurance, as a "hidden tax." Most people who choose to forgo buying health insurance tend to be young and healthy, he said. According to the Associated Press, approximately 640,000 Kentuckians are currently uninsured. Under the Affordable Care Act, those individuals must purchase healthcare or face a penalty.

"The mathematics behind it then would be that you have young people purchasing plans that are actually priced above their risk," Yelowitz said. That extra cost will go toward lowering premiums for people with pre-existing conditions.

"So the big winners out of a policy like that tend to be people that are sick," Yelowitz said. "Remember that a key feature of healthcare reform was, regardless of whether you're sick or not, you'll still be able to purchase healthcare at affordable prices. But the way which it is done, essentially, is on the backs of people who aren't sick and before were not purchasing health insurance, and that's where the individual mandate comes in."

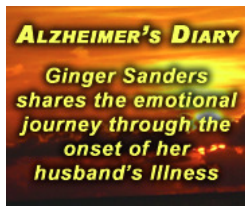
Tom Underwood, the Kentucky state director for the National Federation of Independent Businesses, released a statement criticizing the ruling.

"Under the health-care law, small-business owners are going to face an onslaught of taxes and mandates, resulting in job loss and closed businesses. NFIB will continue to fight for the repeal of health-care in the halls of Congress. Only with a full repeal of the law will Congress have the ability to go back to the drawing board to craft real reform that makes reducing costs a number one priority."

Much of the constitutional contention over the law was centered on the individual mandate issue. Nicole Huberfield, a law professor and bioethics

TAKE **FREE ONLINE COURSES** FROM THE BEST UNIVERSITIES IN THE WORLD.  
[VIEW THE LATEST COURSES AT EDX.ORG >>](#)

**Wellness Matters:**  
 Are you getting a good night's sleep?  
[Click here to read more](#)



associate in the colleges of law and medicine at the University of Kentucky, said the Court's decision is founded on Congress's ability to impose taxes and a clause in the constitution giving the federal government the right to regulate commerce between the states.

"Anytime Congress acts, it can have more than one source of authority in the Constitution to support the enactment. It appears what the Court is saying here, is that we believe Congress relied on two sources of authority for what everybody calls the individual mandate, both the power to tax and the commerce clause power. Apparently there is a majority [opinion] written by Chief Justice [John] Roberts that says the individual mandate is a permissible exercise of the constitutional power to tax."

Huberfield also said it "appears that there is some number of justices who would have struck down the individual mandate as an exercise of the commerce clause authority." However, labeling the mandate as a tax is enough to make it constitutionally legitimate.

A mammoth decision spanning 193 pages, it will take time before all the details of the Court's ruling are clear. Essentially, the entirety of the law was upheld, although there could be tweaks to the expansion of Medicaid.

"Even though the Medicaid expansion is being upheld as a permissible exercise of what's called the spending power, it also appears the Court has said—at least some majority of the Court has said—if states choose not to comply with the expansion of Medicaid, they cannot lose all of their Medicaid funding," Huberfield said. "I'm eager to read all of it, but that piece in particular, I'm eager to see how they've worked that, because that's not how the Medicaid act itself reads. I'm not sure if they've reached out to strike down that particular aspect of the Medicaid act, or if they're simply saying the expansion is permissible but it can't ride on all the Medicaid funding and so it's just a limitation of the Affordable Care Act itself."

In his reaction to the ruling, President Barack Obama chose to eschew political scorekeeping and urged the public to understand how this law can help Americans.

"I know there will be a lot of discussion today about the politics of all this, about who won and who lost. That's how these things tend to be viewed here in Washington. But that discussion completely misses the point. Whatever the politics, today's decision was a victory for people all over this country whose lives will be more secure because of this law and the Supreme Court's decision to uphold it..."

"With today's announcement, it's time for us to move forward—to implement and, where necessary, improve on this law. And now is the time to keep our focus on the most urgent challenge of our time: putting people back to work, paying down our debt, and building an economy where people can have confidence that if they work hard, they can get ahead."

Gov. Beshear released this statement: "This Supreme Court decision removes much of the uncertainty about the Affordable Care Act.

"Kentucky has been systematically preparing to meet the implementation deadlines set forth in the bill as a precautionary matter, and now we will move ahead to establish a state-operated Health Benefit Exchange. I will soon issue an Executive Order to create the state health insurance exchange so Kentucky will be prepared to operate it by the date the law requires.

"We continue to review the Supreme Court's opinion, particularly on the Medicaid portion of the Affordable Care Act to determine what our options may be."

Secretary Audrey Haynes of the Cabinet for Health and Family Services said, "As the Governor has directed, the Cabinet will continue plans to establish a state-operated Health Benefit Exchange. A great deal of preliminary work to establish the Exchange has already been done at the state level and significant federal grant funding has been received. The Governor will issue an executive order soon to create the Exchange, and we are developing plans for a series of forums to gather input from around the state."

- [Add to Reddit](#)
- [Post to Digg](#)
- [Post to StumbleUpon](#)
- [Post to Twitter](#)



You may also like:

Unique Telehealth Primary Care Clinic in Campton gets visit from Rep. Andy Barr

Foot Health: Stress fractures, especially in athletes, can 'bench' longer if ignored

Mark Stoops: Alex Montgomery out for year, suffered torn ACL on touchdown celebration

## KOSAIR CHARITIES GIVES UNIVERS OF

From learning hallway etiquette to meeting teachers, orientation gives freshmen a boost

Tax Foundation ranks Kentucky in bottom half of the country for its business tax climate

Kosair Charities gives University of Louisville \$7.3 million to help hurt children use limbs

### Comments

0 comments



Add a comment...

Comment

Facebook social plugin