



Texas v. United States (5th Cir.)

Topics Covered: Affordable Care Act

Issue

The issue in this case is whether the Affordable Care Act (ACA) remains valid, in light of the repeal of the Individual Mandate tax in the Tax Cuts and Jobs Act of 2017 (TCJA).

AMA Interest

The AMA opposes wholesale repeal of the ACA.

Case Summary

Twenty states (most, but not all, of which are commonly characterized as “red” states) sued to have the ACA declared invalid. The plaintiffs asserted that (1) the ACA has been viable only because of the existence of the Individual Mandate, which requires individuals either to maintain health insurance coverage or to pay money to the federal government, (2) the Individual Mandate is constitutional only because it can be deemed a form of tax, (3) the TCJA, although it did not repeal the Individual Mandate, reduced the monetary payment imposed on failure to maintain health insurance to zero, and (4) therefore the Individual Mandate can no longer be deemed a tax and is thus now unconstitutional. Seventeen other states (most, but not all of which are commonly considered “blue” states) intervened as defendants to defend the continued validity of the ACA. The plaintiffs have moved for a preliminary injunction against continued enforcement of the ACA.

On December 14, 2018, the district court held that (a) the plaintiffs had standing to bring their lawsuit, (b) the individual Mandate is unconstitutional because it falls outside the powers the Constitution allocated to Congress, (c) the remainder of the ACA is inseverable from the Individual Mandate, and (d) the entire ACA is therefore unconstitutional. In making its decision, the district court referred to the AMA *amicus* brief, which had questioned the plaintiffs’ standing to bring the suit. Subsequently, the district court granted partial summary judgment on its holdings of December 14th, and it certified the immediate appealability of that partial summary judgment.

The case is now being appealed to the Fifth Circuit. The United States House of Representatives has intervened as an additional appellant in the Fifth Circuit, in order to protect the ACA. It asserted that none of the other parties will adequately protect its interests.

AMA Involvement

The AMA, along with other medical societies, filed *amicus* briefs in the district court and before the Fifth Circuit. The briefs argued in favor of the continued viability of the ACA.

United States District Court brief

Fifth Circuit brief

