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ACA Ruled Invalid in Federal Court, Will Remain Pending Appeal

Last Friday, a federal judge ruled in *Texas v. United States* that the entirety of the Affordable Care Act (ACA) is invalid due to the reduction of the individual mandate penalty to \$0 in the Tax Cuts and Jobs Act, which was passed at the end of 2017. The reduced penalty is scheduled to go into effect beginning in 2019. As I discussed during our [webinar following the midterm elections](#), this ruling was not unexpected. The White House has stated that the law remains in place, pending appeal, so there is no substantive change at this time. This case is expected to eventually be heard by the Supreme Court and the constitutionality of the law will once again be determined by our nation's highest court.

Employers should understand that this ruling doesn't change anything relative to current reporting and coverage requirements. As it stands now, the only change that will take place in 2019 is the reduction of the individual mandate penalty, which has no impact on employer requirements. While this ruling is going through the appeals process, all existing ACA requirements remain intact.

We will continue to keep a close eye on any further developments in this case and any other changes impacting employer-sponsored healthcare.

For more information, [click here to read our ACA Compliance Bulletin](#) announcing Friday's ruling.

Written by Greg Stancil

Greg Stancil serves as Director of Healthcare Reform and Senior Account Executive at Scott Benefit Services. As Director of Healthcare Reform, Greg is responsible for the legislative compliance of the agency's employee benefit's clients, specifically related to the employer responsibilities included in the Affordable Care Act (ACA). His vast knowledge has allowed him to advocate on behalf of Triad employers in Washington, D.C., where he regularly meets with legislators and executive leaders. Greg also provides strategic planning and financial analysis related to employer health plans to Scott clients to ensure they receive the best possible benefits and services. He assists clients with complex compliance issues regarding market and/or legislative changes (COBRA, ERISA, FMLA, HIPPA, etc.). Greg is a Registered Health Underwriter (RHU), Chartered Healthcare Consultant (ChHC) and holds a Certificate of Studies in Healthcare Reform from the American College.