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Appeals Court Finds Individual Mandate Unconstitutional

A federal appeals court has sided with 26 states that filed a lawsuit to block health reform by [ruling](#) that the health care law mandate requiring individuals to buy health insurance is unconstitutional. The Eleventh Circuit Appeals Court did not invalidate the entire law however, so other reform provisions remain legally operative.

This new Eleventh Circuit ruling creates a split among the circuits, as the Sixth Circuit Court of Appeals [previously](#) ruled that the individual mandate is a valid exercise of congressional authority under the Commerce Clause and therefore is constitutional. This split among the circuits virtually assures that the U.S. Supreme Court will take up the issue, probably next summer.

This means it is highly likely that the U.S. Supreme Court will ultimately decide the issue of whether health reform's individual mandate is constitutional. For now, the Eleventh Circuit ruling has no immediate impact on health reform's implementation or employer requirements. However, the ruling will add to the continued uncertainty surrounding the implementation of health care reform. In the meantime, states may also slow down their efforts to prepare for the future Exchanges to await the outcome of a U.S. Supreme Court decision.

If the U.S. Supreme Court ultimately finds the individual mandate unconstitutional, the decision could threaten other important parts of health reform designed to improve the functioning of the insurance market, including the Exchanges.

Employers are advised to continue to monitor health reform developments and proceed with implementation. Should you have questions about this or any aspect of federal health insurance reform, contact your Conner Strong & Buckelew account representative toll free at 1-877-861-3220. For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online [Resource Center](#).

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