



For your information

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## Supreme Court Upholds Health Care Reform Law

Today, in one of the most eagerly anticipated [decisions](#) in its history, the Supreme Court rejected constitutional challenges to the health care reform law. The Court held that Congress acted within its authority under the taxing power to impose the penalty associated with failure to purchase health insurance coverage. While the Court found that the individual mandate violates the Commerce Clause, the constitutionality of the mandate under the taxing power controls. Additionally, the Court ruled that the Anti-Injunction Act does not preclude the Court from addressing the constitutionality of the mandate. The Court also held that states must have a choice about whether to expand Medicaid eligibility without risking current Medicaid funding.

### What this means for employer plan sponsors

With the Court upholding the health reform law, plan sponsors should now focus on complying with those provisions of the law that become effective later this year and in 2013, such as:

- the summary of benefits and coverage (SBC) requirement
- Form W-2 reporting of the cost of health care
- the \$2,500 cap on health care flexible spending accounts

Although health care reform will continue to be a focus of the upcoming elections, plan sponsors that have not yet done so should also begin designing their benefits strategy for 2014 when the employer responsibility provisions go into effect and Exchange coverage becomes available.

Please join us for Buck's [July 11th webinar](#) on the Supreme Court ruling, which will help plan sponsors quickly identify the issues that need to be addressed and help to develop an effective compliance strategy.

This FYI is intended to provide general information. It does not offer legal advice or purport to treat all the issues surrounding any one topic.  
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