

# The Supreme Court ruling on Obama's health care overhaul

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30 June 2012

When the Patient Protection and Affordable Care Act was voted into law in March 2010, President Barack Obama hailed the measure as a vindication of the “American dream” and proof that “government of the people and by the people still works for the people.”

Thursday's ruling by the US Supreme Court upholding key provisions of the law met with a similar response from the president, Democratic supporters of the bill and what passes for the liberal media in the US. The basic premise of their celebration of the high court decision was that the health care law is a genuine reform that will expand coverage for ordinary Americans and implement safeguards to guarantee quality care. Nothing could be further from the truth.

The law constitutes a sweeping attack on health care for tens of millions of working people. Its principal aim is not to provide universal health coverage—millions will remain uninsured under its provisions—but rather to reduce costs for corporations and the government, in large part by rationing care for all but the wealthy. The Supreme Court ruling upholding the law, moreover, is itself a deeply reactionary decision with far-reaching implications for the social and democratic rights of the American people.

The health care legislation was crafted to serve the interests of the private insurers, pharmaceutical firms and giant health care chains. They stand to profit handsomely from its provisions.

The centerpiece of the law, the so-called individual mandate, which was upheld by the 5-4 Supreme Court ruling, will require all but the very poorest individuals to obtain health insurance from private companies or pay a penalty. This will funnel tens of millions of new cash-paying customers to the private insurance companies.

Other features of the law include:

- \$500 billion in cuts to the Medicare program for the elderly
- An Independent Payment Advisory Board to ration health care under Medicare
- Accountable Care Organizations tying payments for Medicare to cost-cutting
- A tax on so-called “Cadillac” health insurance plans held by unionized and other employees.

While individuals can be fined by up to 2 percent of their income if they do not have coverage, the fines for employers who fail to offer insurance to their employees are so low as to create an incentive for companies to drop their insurance programs. That will force workers to buy individual policies offering reduced coverage. One recent study showed that as many as 9 percent of businesses plan to drop coverage for their employees by 2014.

The fact that such a regressive measure is passed off as a progressive reform says a great deal about 21<sup>st</sup> century America, as does the Supreme Court ruling that upheld it. The decision—written by the right-wing chief justice, John Roberts, and endorsed by the four nominal liberals on the court—reflects the fact that the corporate establishment is heavily invested in the legislation.

Justice Roberts joined with the other right-wing justices to reject the Obama administration's argument that the health care law, and its requirement that every person obtain health insurance, was constitutional on the basis of the government's authority to regulate interstate commerce (according to the Commerce Clause of the US Constitution). Roberts instead based his ruling upholding the individual mandate on the government's taxation powers, equating the penalty for those who do not purchase insurance to a tax.

The rejection of the Commerce Clause as the basis for federal social legislation is the culmination of an

expanding right-wing attack on what had, ever since the New Deal of the 1930s, been regarded as a settled matter of constitutional jurisprudence. Congress had cited the Commerce Clause as the constitutional foundation for reforms such as the minimum wage, child labor laws and civil rights legislation, as well as regulations on the activities of corporations. The aim of all five right-wingers on the court, including Roberts, was to set a legal precedent weakening the power of Congress to legislate any social reforms or limitations on corporate profit-making.

Justice Ruth Bader Ginsburg characterized Roberts' "rigid reading" of the Commerce Clause as "stunningly retrogressive." She noted that it harkened back to the early part of the last century, when the Supreme Court routinely overturned social reform legislation and laws regulating corporate activities.

The one provision of the health care law that was rejected by the court was a measure related to the expansion of Medicaid, the health care program for the poor jointly administered by the states and the federal government. The law sought to cover an estimated 11 million people by extending Medicaid coverage to all individuals under the age of 65 with incomes at 133 percent of the poverty level or less.

It empowered the federal government to withhold Medicaid funding from any state that refused to implement this expansion. Thursday's Supreme Court ruling stripped that power from the federal government, making the expansion of Medicaid by the individual states, as a practical matter, optional.

What the Supreme Court and the ruling elite as a whole have in their sights is not only Medicaid, but the entire framework of social programs such as Social Security, Medicare and food stamps, as well as laws upholding democratic rights such as the Civil Rights Act and Voting Rights Act.

Passage of the Obama health care legislation in 2010 ushered in a new stage in the assault on the working class. Austerity measures have been implemented across the country, with states implementing deep cuts to Medicaid and other social programs. In the midst of the worst jobs crisis since the Great Depression, the White House and Congress made a deal to reduce the duration of unemployment benefits.

The Affordable Care Act and the Supreme Court ruling upholding it underscore the incompatibility of

private ownership of the means of production and production for profit with basic social needs such as health care. There is no possibility of achieving genuinely progressive social change within the framework of the capitalist economic and political system.

Universal, quality health care requires taking profit out of the provision of medical care and placing the health care system on socialist foundations. The insurance firms, pharmaceutical companies and health care chains must be nationalized and transformed into public utilities under the democratic control of the working people.

The Socialist Equality Party and its candidates in the 2012 elections, Jerry White for president and Phyllis Scherrer for vice president, are committed to the fight for high-quality, universal health care as a basic social right of the working class. Visit the Socialist Equality Party campaign website.

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