



NEWS RELEASE

For Immediate Release
July 14, 2014

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Impending Court Decision Could Dismantle Obamacare

Citizens' Council for Health Freedom Says Elimination of Massive Subsidies Would Spell More Trouble for Already Troubled ACA

ST. PAUL, Minn.—Another landmark court decision in a case that challenges the Affordable Care Act (ACA) is expected anytime, and the outcome could have far-reaching effects for those receiving Obamacare subsidies for their government health care coverage.

The U.S. Court of Appeals for the D.C. Circuit is expected to rule any day in *Halbig vs. Burwell*, formerly *Halbig vs. Sebelius*, which calls on the carpet a May 2012 Internal Revenue Service rule that allows subsidies to be offered through the federal exchange.

The suit lists 12 plaintiffs, including a hospital chain and a restaurant franchise, who claim that the rule should be null and void as it contradicts the plain language and original intention of the Affordable Care Act. According to the plaintiffs, the ACA does not authorize subsidies for states that rely on the federal exchange. Currently, 36 states do so. The plaintiffs claim the IRS ventured out of the bounds of its legal authority when it issued the rule in the first place.

A decision by the court in favor of the plaintiffs could unravel additional parts of an already-floundering Obamacare system, says *Citizens' Council for Health Freedom (CCHF, www.cchfreedom.org)*, a Minnesota-based national organization dedicated to preserving patient-centered health care and protecting patient and privacy rights.

“If the plaintiffs see victory in this case, the entire infrastructure of Obamacare will fall apart,” said CCHF president and co-founder Twila Brase. “The exchange infrastructure is the heart and soul of Obama’s health care ‘reform.’ The law will still be in effect, but very few will purchase Obamacare coverage. In the end, after all the appeals are said and done, if the administration loses and the subsidies end for 36 states, the true cost of Obamacare coverage will be revealed and it will be found quite unaffordable. Even the penalties for failure to buy premiums—the lifeblood of Obamacare—will not be enough to keep the exchanges running. This case will have a far-reaching impact on the President’s attempt to impose government-run health care in America.”

The suit challenges that the subsidies available to help Americans pay for coverage should be used only for the state exchanges, not for the federal exchange at HealthCare.gov. Brase says that because 36 states, soon 38, have declined even to build and maintain a state exchange, a decision for the plaintiffs will be detrimental to the federal exchange.

Earlier this year, a U.S. District Court judge ruled against the plaintiffs, stating that it was clear that Congress intended that the tax credits be available for both state and federal exchanges. The plaintiffs filed an appeal, which is being decided now.

If the case has a positive outcome for the plaintiffs, nearly 5 million who purchased health plans through the federal insurance exchange—representing up to 90 percent of enrollees at HealthCare.gov—could lose the subsidies they use to pay for the coverage.

“Millions won’t be able to afford the high premiums without the help of the subsidies, Brase said. And Obamacare will not survive without these enrollees paying into the system. Over time, the exchange will experience a ‘death spiral,’ with premiums rising even more because not enough young and healthy Americans will purchase expensive plans to support the older and sicker Americans in the exchange.”

If the court does rule in favor of the plaintiffs, Brase said the federal government will definitely appeal, and the case could reach the Supreme Court.

Currently, just 14 states have their own exchanges, and two—Oregon and Nevada—are taking steps to ditch their struggling exchanges and funnel their residents into the federal exchange at HealthCare.gov. In the end, Brase notes, all of the existing state exchanges are controlled federally, so it’s actually a ruse that states are running their own exchanges, regardless of the names or web sites. The states simply set up the infrastructure and charge their taxpayers for the millions of dollars in ongoing costs.

*Celebrating its 20th year, **Citizens’ Council for Health Freedom** is a patient-centered national health freedom organization based in St. Paul, Minn. CCHF exists to protect health care choices and patient privacy. CCHF sponsors the daily, 60-second radio feature, Health Freedom Minute, which airs on more than 150 stations nationwide on the American Family Radio Network and 90-plus stations on the Bott Radio Network. Listeners can learn more about the agenda behind proposed health care initiatives and steps they can take to protect their health care choices, rights and privacy.*

CCHF president and co-founder Twila Brase, R.N., has been called one of the “100 Most Powerful People in Health Care” and one of “Minnesota’s 100 Most Influential Health Care Leaders.” Brase, a public health nurse, has been interviewed by CNN, Fox News, Minnesota Public Radio, NBC Nightly News, NBC’s Today Show, NPR, New York Public Radio, the Associated Press, Modern Healthcare, TIME, The Wall Street Journal, The Washington Post and The Washington Times, among others. She is at the forefront of informing the public of crucial health issues, such as intrusive wellness and prevention initiatives in Obamacare, patient privacy, informed consent, the dangers of “evidence-based medicine” and the implications of state and federal health care reform.

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