

132 S.Ct. 2566

Supreme Court of the United States

NATIONAL FEDERATION OF INDEPENDENT BUSINESS et al., Petitioners,

v.

[SEBELIUS](#), Secretary of Health and Human Services, et al.

Department of Health and Human Services, et al., Petitioners,

v.

Florida, et al.

Florida, et al., Petitioners,

v.

Department of Health and Human Services et al.

Nos. 11–393, 11–398, 11–400.

Argued March 26, 27, 28, 2012. Decided June 28, 2012.

2607-08 (Roberts)

B

[353637](#) Nothing in our opinion precludes Congress from offering funds under the Affordable Care Act to expand the availability of health care, and requiring that States accepting such funds comply with the conditions on their use. What Congress is not free to do is to penalize States that choose not to participate in that new program by taking away their existing Medicaid funding.

[Section 1396c](#) gives the Secretary of Health and Human Services the authority to do just that. It allows her to withhold *all* “further [Medicaid] payments ... to the State” if she determines that the State is out of compliance with any Medicaid requirement, including those contained in the expansion. [42 U.S.C. § 1396c](#). In light of the Court's holding, the Secretary cannot apply [§ 1396c](#) to withdraw existing Medicaid funds for failure to comply with the requirements set out in the expansion.

*586 That fully remedies the constitutional violation we have identified. The chapter of the United States Code that contains [§ 1396c](#) includes a severability clause confirming that we need go no further. That clause specifies that “[i]f any provision of this chapter, or the application thereof to any person or circumstance, is held invalid, the remainder of the chapter, and the application of such provision to other persons or circumstances shall not be affected thereby.” [§ 1303](#). Today's holding does not affect the continued application of [§ 1396c](#) to the existing Medicaid program. Nor does it affect the Secretary's ability to withdraw funds provided under the Affordable Care Act if a State that has chosen to participate in the expansion fails to comply with the requirements of that Act.

This is not to say, as the joint dissent suggests, that we are “rewriting the Medicaid Expansion.” *Post*, at 2667. Instead, we determine, first, that [§ 1396c](#) is unconstitutional when applied to withdraw existing Medicaid funds from States that decline to comply with the expansion. We then follow Congress's explicit textual instruction to leave unaffected “the remainder of the chapter, and the application of [the challenged] provision to other persons or circumstances.” [§ 1303](#). When we invalidate an application of a statute because that application is unconstitutional, we are not “rewriting” the statute; we are merely enforcing the Constitution.

The question remains whether today's holding affects other provisions of the Affordable Care Act. In considering that question, “[w]e seek to determine what Congress would have intended in light of the Court's constitutional holding.” [United States v. Booker](#), 543 U.S. 220, 246, 125 S.Ct.

[738, 160 L.Ed.2d 621 \(2005\)](#) (internal quotation marks omitted). Our “touchstone for any decision about remedy is legislative intent, for a court cannot use its remedial powers to circumvent the intent of the legislature.” [Ayotte v. Planned Parenthood of Northern New Eng., 546 U.S. 320, 330, 126 S.Ct. 961, 163 L.Ed.2d 812 \(2006\)](#) (internal quotation marks omitted).

*587 The question here is whether Congress would have wanted the rest of the Act to stand, had it known that States would have a genuine choice whether to participate in the new Medicaid expansion. Unless it is “evident” that the answer is no, we must leave the rest of the Act intact. [Champlin Refining Co. v. Corporation Comm'n of Okla., 286 U.S. 210, 234, 52 S.Ct. 559, 76 L.Ed. 1062 \(1932\)](#).

**2608 We are confident that Congress would have wanted to preserve the rest of the Act. It is fair to say that Congress assumed that every State would participate in the Medicaid expansion, given that States had no real choice but to do so. The States contend that Congress enacted the rest of the Act with such full participation in mind; they point out that Congress made Medicaid a means for satisfying the mandate, [26 U.S.C. § 5000A\(f\)\(1\)\(A\)\(ii\)](#), and enacted no other plan for providing coverage to many low-income individuals. According to the States, this means that the entire Act must fall.

We disagree. The Court today limits the financial pressure the Secretary may apply to induce States to accept the terms of the Medicaid expansion. As a practical matter, that means States may now choose to reject the expansion; that is the whole point. But that does not mean all or even any will. Some States may indeed decline to participate, either because they are unsure they will be able to afford their share of the new funding obligations, or because they are unwilling to commit the administrative resources necessary to support the expansion. Other States, however, may voluntarily sign up, finding the idea of expanding Medicaid coverage attractive, particularly given the level of federal funding the Act offers at the outset.

We have no way of knowing how many States will accept the terms of the expansion, but we do not believe Congress would have wanted the whole Act to fall, simply because some may choose not to participate. The other reforms Congress enacted, after all, will remain “fully operative as a law,” [Champlin, supra, at 234, 52 S.Ct. 559](#), and will still function in a *588 way “consistent with Congress' basic objectives in enacting the statute,” [Booker, supra, at 259, 125 S.Ct. 738](#). Confident that Congress would not have intended anything different, we conclude that the rest of the Act need not fall in light of our constitutional holding.