

CBO: Supreme Court ruling means 3 million fewer with health care

By: David Grant

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Congress's non-partisan budget umpire had some relatively bad news for both Republicans and Democrats in its updated scoring of the president's health-care reform legislation.

The new estimates for the law's cost and scope were prompted by last month's [Supreme Court's](#) ruling that states did not have to accept the [Affordable Care Act's](#) (ACA) requirement to expand [Medicaid](#) coverage. Several states run by Republican governors who are opponents of the law have said they will not expand Medicaid to include those earning less than 138 percent of the federal poverty limit, as posited in the law.

Republicans hell-bent on repealing [President Obama's](#) signature health-care legislation would have to find some \$11 billion per year over the next decade (for a total of \$109 billion) to offset the law's repeal and avoid increasing the nation's debt, the [Congressional Budget Office](#) estimated in a [letter](#) to [House Speaker John Boehner](#) (R) of [Ohio](#) on Tuesday.

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In addition, the law as currently constituted will save taxpayers \$84 billion, the CBO said, as greater government-subsidized participation in health-care exchanges is more than offset by lower costs from fewer Americans enrolling in Medicaid.

"These numbers tell a powerful story," said House Democratic whip [Steny Hoyer](#) (D) of [Maryland](#) in an e-mailed statement. "The health reform legislation we passed in the Democratic-controlled [111th Congress](#) is achieving the goals of expanding access to insurance coverage and controlling the growth of costs for Americans' care."

[Republicans](#) could take some solace in the fact that the \$84 billion figure is down from \$210 billion that the CBO had estimated in 2011 due to a variety of factors, including the Supreme Court's ruling, changes in the rate of growth of [Medicare](#), and the Department of Health and Human Service's decision to halt the implementation of the law's long-term care insurance provision.

But Democrats have to contend with the CBO's estimate that some 3 million more Americans will go without health-care coverage in 2022 due to the Supreme Court's ruling. Costs are going down while coverage is also declining because, as the CBO writes, two-thirds of those who will

find themselves without Medicaid coverage will also be unable to access state health insurance exchanges.

If the law is fully repealed, as many as 30 million Americans, however, would be without health care insurance by 2022, according to the CBO. One conservative health-care analyst did see a benefit from potential repeal, however.

“The Supreme Court decision liberated the near-poor,” said [National Center for Policy Analysis](#) President [John Goodman](#) in an e-mail. “Residents in states refusing Medicaid expansion for people between 100% and 138% of the poverty level will now be eligible for much better, private insurance coverage.”

The CBO also estimates that repealing the law could cost somewhere in a “broad range” around 0.5 percent of GDP (currently, amounting to about \$1.5 trillion) in the decade following 2022.

Still, the CBO warned that any estimates about the complex legislation and its impact on the massive [US](#) health-care market are highly uncertain.

Repeal projections “are quite uncertain because they are based, in large part, on projections of the effects of the ACA, which are themselves highly uncertain. Assessing the effects of making broad changes in the nation’s health-care and health insurance systems requires estimates of a broad array of technical, behavioral, and economic factors,” the CBO wrote.