

# Obamacare Is an Unhealthy Prescription

By Scott Walker  
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Since the Supreme Court upheld President Obama's health-care mandate, there has been exhaustive discussion about the philosophical basis of this federal law. As Election Day approaches, debate will surely grow about the proper role of our federal government.

But while much attention has focused on Congress's intention to repeal or replace the Affordable Care Act, too few are studying the law's practical impact. The best place to see the effects of the law is in our nation's laboratories, the states. Although the Supreme Court has ruled on the constitutionality of the act, Wisconsin shows that it is bad policy.

The budget I signed into law last year increased state taxpayer spending on Medicaid by \$1.2 billion in our biennial budget, which works out to be one of the largest annual increases in the country. While many states slashed Medicaid funding to deal with budget deficits, we made the biggest investment in the program in Wisconsin's history.

By putting in place the long-term structural changes needed to make our budget sustainable, we ensured that those who truly need assistance would continue to have access to affordable and quality health care well into the future.

The good news is that responsible budgeting has put our state in a fairly unique position: Nearly [91 percent of Wisconsin residents](#) have health insurance. According to the latest nationally available data, only three states have higher rates of coverage.

The bad news is that, from a practical standpoint, Obamacare will devastate Wisconsin. [An actuarial study](#) commissioned by my predecessor, a Democrat, and completed last year found that if Obamacare is implemented in Wisconsin:

- 100,000 people will be dropped by their employer-sponsored health insurance;
- 59 percent of people who buy their own health insurance will experience an average premium increase of 31 percent;
- 150,000 people will stop buying health insurance in the private sector and will instead become dependent on the government and taxpayers;
- Between 2014 and 2019, Obamacare could cost Wisconsin taxpayers \$1.12 billion; after all federal aid and tax credits are applied, the state's portion of the bill will be \$433 million; and
- Approximately 122,000 parents, caretakers and pregnant women with an income of more than 133 percent of the federal poverty level will no longer be eligible for Medicaid.

It's important to go beyond these facts and understand what they really mean for those of us who live in the Badger State. Young people will be hit hard with premium increases. Those between 19 and 29 years old who have individual insurance will experience an average premium increase of \$1,631 per year. A family of four that does not qualify for a subsidy can expect a 28 percent increase — from \$8,528 to \$10,912. For those who are covered by the small-employer group market, the average premium increase will be 15 percent.

These are just the law's effects on individuals. There are also statewide implications. In Wisconsin, 46 percent of residents who would receive assistance through Obamacare would have already had insurance coverage. That would result in taxpayers spending millions of dollars without providing new coverage.

The law has also raised serious philosophical questions: Should the federal government force people to buy a product? What is the proper relationship between federal and state governments?

Even setting aside those legitimate issues, one practical concern remains. I look at the effects that full implementation would have on my state, and I can't help but conclude that [Obamacare punishes Wisconsin](#) for budgeting responsibly and providing access to affordable and quality health care. It punishes young people, those who have responsibly purchased individual insurance, employers and employees of small businesses.

In Wisconsin, the data show that Obamacare will increase the cost of health care for most residents. That is not a prescription for positive change. Other states will face similar situations. We can do better.

Overall our federal government should be working to replicate the successes of states like Wisconsin — particularly focusing on those with high rates of coverage. And from a practical standpoint, the federal government should give Medicaid block grants to states. This would allow states to maximize the efficient use of tax dollars and increase private-sector competition while still providing care for those in need.

Increasing access to health care won't come through mandates, taxes or penalties. Truly improving access for families will require costs to go down. Unfortunately, Obamacare moves in the opposite direction by making insurance more expensive.