

Obamacare v. Romneycare: Which States Would Be Most Affected?

BY DYLAN SCOTT | OCTOBER 2, 2012

The connections between the Affordable Care Act (ACA), President Barack Obama's effort to secure universal health coverage, and the 2006 Massachusetts health reform law, GOP presidential candidate Mitt Romney's attempt to do the same in the state he governed, have been discussed ad nauseam. The Obama campaign is quick to point out that Romney's policies served as the basis for the ACA, and the Romney campaign is equally eager to note the differences and assure the public that their candidate will repeal the relatively unpopular law.

That leaves the question: what would happen if the candidates had their way? Full implementation of the ACA (complete with an expansion of Medicaid and establishment of health exchanges) or repeal of the law (replaced largely by tax incentives to purchase health insurance and a Medicaid block grant). Which states would see the biggest changes?

Two analyses released in the last week attempt to answer that question. Though they differ in their specifics, the conclusion is largely the same: if Obamacare were replaced with Romneycare, the number of uninsured Americans would increase substantially.

It is important to note that both analyses were released by groups that generally support the ACA: the Commonwealth Fund and Families USA. But they still provide a starting point for understanding how particular states would be affected under the different scenarios that American voters will be choosing from in November. Both relied in part on estimates prepared by MIT economist Jonathan Gruber, who has typically advised Democrats on health policy but also aided Romney in developing his 2006 reform law.

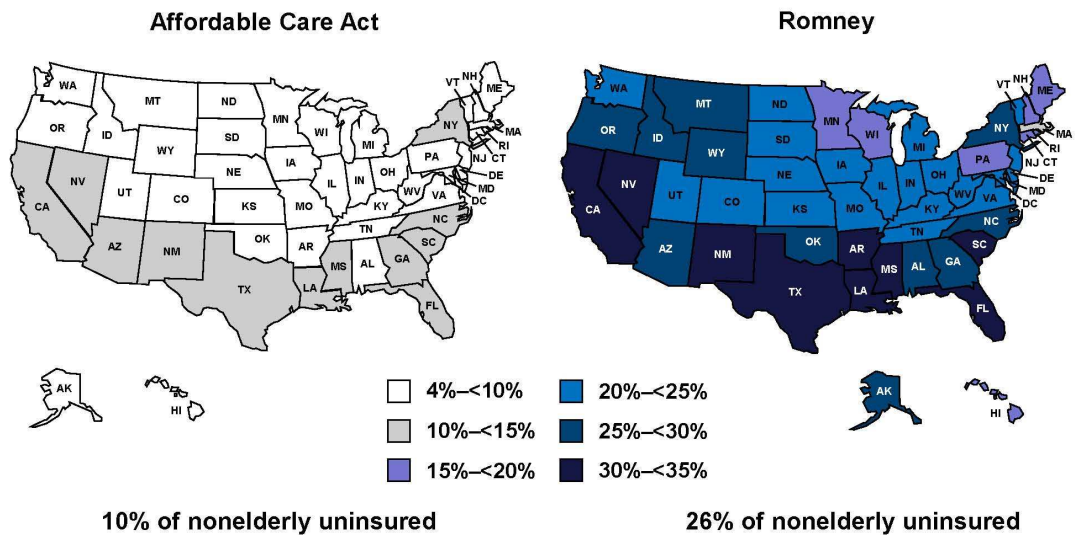
Governing was unable to track down a similar state-by-state breakdown from conservative sources. We reached out to the American Enterprise Institute, Cato Institute, Heritage Foundation and FreedomWorks.

The swing in insurance coverage is substantial: under the ACA, the number of uninsured is expected to drop by 30.7 million by 2016. Under the Romney reforms, the number is expected to increase by 11.2 million. States with entrenched opposition to the federal law would experience some of the biggest shifts. Texas, which has the most uninsured residents in the country, would drop its uninsured ranks by an estimated 3.7 million under the ACA, but the number of uninsured would grow by 670,000 under the Romney plan. Likewise, the number of uninsured in Louisiana would decrease by 640,000 under Obamacare, but increase 160,000 under Romneycare. California, in part because it is the largest state in the union, has the most to gain or lose: 4 million fewer uninsured under Obama or 2.4 million more uninsured under Romney.

Though neither candidate has made health reform a pillar of their campaign, despite both having secured significant legislative achievements on the issue, key Electoral College states would also see some of the largest swings depending on which candidate's plan is implemented. Ohio would go from dropping the number of uninsured by more than 1 million under Obama to increasing the number of uninsured by nearly 500,000 under Romney. Under Obama, Florida is expected to have nearly 2.5 million fewer uninsured; under Romney, the uninsured would swell by 490,000. Virginia goes from reducing the uninsured ranks by 740,000 under Obama to increasing those numbers by 150,000 under Romney.

Now, one of the presumed counters from the Romney campaign is that the ACA costs the federal government too much money given the current federal debt crisis. The key difference between Romney's plan and Obama's plan is the federal law's Medicaid expansion, which is expected to account for more than half of the 30 million people who would gain coverage under the ACA. Romneycare has no equivalent public insurance expansion. According to the federal government's own projections, federal Medicaid spending is expected to increase from \$283.4 billion in 2013 to \$356.3 billion in 2014, the first year the expansion takes effect. Instead, Romney has endorsed the Medicaid block grant plan popular among conservatives. As *Governing* previously detailed, the block grant plan proposed by Romney's running mate, U.S. Rep. Paul Ryan, is estimated to save the United States a combined \$750 billion. Conservative-led states like Florida and Texas would save \$31 billion and \$49 billion respectively, some of the highest figures in the country. Opponents of the block grant have expressed concerns about an accompanying drop in enrollment, projected to be as high as 13.8 million. Again, some states that support moving to a block grant, like Florida and Texas, would see the largest drops in coverage. *The image below is courtesy of the Commonwealth Fund.*

Exhibit 9. Uninsured Nonelderly Under the Affordable Care Act and Governor Romney's Plan in 2022, by State



Note: Baseline scenario is if the Affordable Care Act had not been enacted in 2010; Affordable Care Act is full implementation of the law; Romney plan includes full repeal of the Affordable Care Act and replacement with state block grants for the Medicaid program and equalization of the tax treatment of individually purchased health plans and employer plans.
 Source: Estimates by Jonathan Gruber and Sean Sall of MIT using the Gruber Microsimulation Model for The Commonwealth Fund.

