



Daniels Requests Indiana Gubernatorial Candidates' Input on Obamacare Implementation

By: Jason A. Hart - October 5, 2012

Mitch Daniels, the Republican governor of Indiana, has reached out to his potential successors for input on how to proceed with implementation of President Obama's health care law.

Two major implementation decisions must be made before Daniels's current term ends. Daniels is responsible for setting Indiana's minimum health insurance coverage requirements by September, and he must determine by mid-November whether Indiana will implement PPACA-mandated insurance exchanges.

Daniels, who is not seeking reelection, told the Democrat, Republican, and Libertarian gubernatorial candidates in letters sent July 30, "I do not believe it would be right for me to make these choices."

Daniels has suggested that because the costs associated with PPACA will persist after he leaves office in January, he will choose how to proceed based on feedback from the candidates even though they're currently unelected to statewide office.

'Cowardly and Inexcusable'

Michael Cannon, director of health care policy at the Cato Institute, said states can block much of the impact of Obama's law by refusing to implement state exchanges, as the law was not written to provide for functional federal exchanges. With national debt at nearly \$16 trillion and PPACA compliance expected to cost Indiana at least \$50 million a year, Cannon was not enthusiastic about Daniels's recent indecision.

"Does ObamaCare cover spine transplants?" Cannon said. "It is cowardly and inexcusable for Daniels to punt this question to his successor. He says this decision will affect the next governor. So does every other decision the people elected him to make. Moreover, Daniels' duty is not to the next governor. It is to the people—*they* are the ones who bear the costs and consequences of his decisions, not the next governor."

Candidates Disagree Strongly

Although Daniels suggested he would like to reach some sort of agreement between the candidates, Democrat nominee John Gregg and Republican nominee Mike Pence gave dramatically divergent responses regarding Obama's law. Gregg has expressed a desire for a "hybrid" health insurance exchange run by Indiana officials in cooperation with the

federal government, whereas Pence has been adamant that the law must be blocked and ultimately repealed.

"Not participating is not an option," Gregg said at an August 27 press conference. In a subsequent letter to Daniels, Gregg wrote, "political gamesmanship on an issue that involves matters of life and death for Hoosiers is not wise."

Expressing confidence in Obama's law and the U.S. Department of Health and Human Services (HHS), Gregg continued, "Studies show that nearly one million Hoosiers may participate in a new health exchange. Regardless of one's party affiliation, we need to acknowledge that the Affordable Care Act is the law of the land. My job as governor will be to protect the best interests of the people of this state and make healthcare more affordable and more accessible for all Hoosiers."

In his response to Daniels, Pence wrote, "Because ObamaCare erodes the freedom of every Hoosier, will increase the cost of health insurance, and will cripple job creation in our state, I believe the State of Indiana should take no part in this deeply flawed healthcare bureaucracy."

Libertarian Candidate Favors Exchange

Libertarian gubernatorial candidate Rupert Boneham informed Daniels that he, like Gregg, believes Indiana should implement a "hybrid" exchange. Both Boneham and Gregg have expressed confidence a hybrid exchange would let Indiana officials make decisions while HHS disinterestedly foots the bill.

Pence scoffs at that notion. Addressing concerns that failure to implement state exchanges will give the federal government more power, Pence wrote, "Beyond my previous objections to ObamaCare, I have carefully considered this option, and believe there is too much uncertainty surrounding the Affordable Care Act to make it prudent for Indiana to even consider moving forward in implementing our own exchange."

According to Cannon, a "hybrid" exchange is really not significantly different from a normally created exchange. He says Daniels should ignore the candidates for his office and make a decision based on principle.

"What is the matter with this guy?" Cannon said.