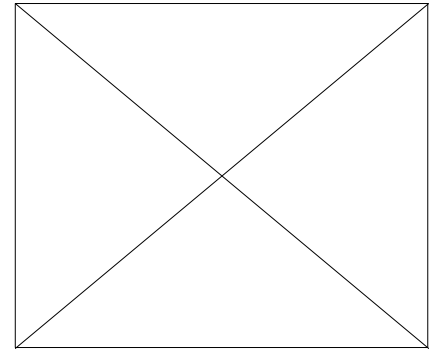




DECEMBER 19, 2011

# They'd Rather Be Caught Sacrificing to Satan Than Voting for Obamacare

**By Michael F. Cannon**  
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Michigan has become the latest [to repudiate Obamacare](#):

*In an action with major implications for health reform in Michigan, the state House has voted to turn down—at least for now—nearly \$10 million in federal funds to create a statewide health exchange by 2014 to sell more affordable, standardized health insurance to consumers and small businesses.*

The Michigan House's action is consistent with what everyone from the American Legislative Exchange Council to the [Heritage Foundation](#) to the Cato Institute has recommended that states do: refuse to create an Exchange and send the money back to Washington.

Our friend Jack McHugh of the Mackinac Center for Public Policy [writes](#):

*Under the Michigan Constitution, no money can be spent by the state—including federal grant money—unless the Legislature passes an appropriation bill authorizing the spending...*

*House Republicans have shown no eagerness [to create a state Obamacare exchange], and that reluctance extended to this appropriation bill. In the colorful words of House Appropriations Chair Chuck Moss, R-Birmingham, to MIRS News, "They'd rather be caught sacrificing to Satan than voting for Obamacare, so that's the way it is."*

Jonathan Adler and I explain in [this Wall Street Journal oped](#) how Michigan officials can protect Michigan employers (including the state government itself) from penalties under Obamacare's employer mandate—and even help bring down the entire law—by refusing to create an Exchange.

## [Va. Gov. McDonnell \(Sort of\) Takes My Advice, Defers Creating ObamaCare Exchange](#)

In June, I testified in Richmond before Virginia's Joint Commission on Health Care that Virginia should refuse to create one of [ObamaCare's](#) health insurance "exchanges":

*[ObamaCare's] health insurance "Exchanges" are scheduled to become operational in 2014. These new government bureaucracies would enforce the law's regulations that will drive up health insurance premiums, and would distribute hundreds of billions of taxpayer dollars to private health insurance companies, thereby driving up the national debt...*

*Neither the Commonwealth nor the federal government has money to waste on new government agencies that might be repealed or overturned tomorrow...*

*At a minimum, Virginia should defer the question of creating an Exchange until the courts dispose of the constitutional challenges brought against this law. Legal scholars expect the U.S. Supreme Court to rule on this law in the summer of 2012...If the Court voids the law, Virginia will be glad she waited.*

Virginia Gov. Bob McDonnell (R) has inexplicably been [gung-ho](#) to create an ObamaCare Exchange. According to the [Richmond Times-Dispatch](#), however, McDonnell may be modulating his tune:

*McDonnell said he does not want to create an exchange legislatively until after the court makes its decision on the mandate's constitutionality. The court will hear arguments in the case in March and possibly rule in July, just after a federal deadline for states to seek grant money to set up exchanges.*

*"Any major expense prior to the court decision is irresponsible and a waste of money," the governor said at a luncheon meeting with members of the Capitol press corps.*

Unfortunately, McDonnell is still laboring under the misapprehension that creating her own Exchange will let Virginia retain a measure of control over her health insurance markets:

*McDonnell said he hopes the Supreme Court will strike down the law's individual mandate, rendering an exchange unnecessary, but he made clear he wants Virginia to operate the exchange if the law stands.*

*"If we have to do it, I clearly want to have a state-based exchange," he said.*

To read about why Virginia doesn't "have to do it," and why there is no defensible rationale whatsoever for an ObamaCare opponent such as McDonnell to create an Exchange, read [my Missouri testimony](#).

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