



# Jonathan Gruber: ‘I am embarrassed, and I am sorry’

December 9, 2014

By [Suzy Khimm](#)

MIT economist Jonathan Gruber apologized on Capitol Hill Tuesday for making “glib, thoughtless and sometimes downright insulting comments” about the Affordable Care Act – comments that have not only given Republicans new political ammunition against the landmark health care law, but also could help an upcoming Supreme Court challenge to it.

Recordings have emerged in recent months showing Gruber, who was a paid consultant helping to draft Obamacare, making a series of comments that cited the “stupidity of the American voter” as a reason the law was passed. Republicans have seized upon this and other comments Gruber made over the years as proof that Democrats intentionally deceived the public in passing the law.

Gruber denied that he was the “architect” of the law, as he’s been described in the past, and apologized for the tone of his remarks.

“In some cases I made uninformed and glib comments about the political process behind health care reform,” Gruber said, according prepared testimony before the House Oversight Committee. “I am not an expert on politics and my tone implied that I was, which is wrong. In other cases I simply made insulting and mean comments that are totally uncalled for in any situation ... I am embarrassed, and I am sorry.”

Republicans seized on Gruber’s comments as a reason not to trust his economic analysis that lawmakers relied on while passing the health care law. “Why should we believe your analysis?” said Rep. Michael Turner of Ohio.

They also slammed Gruber for refusing to comment on the total number of government contracts he’s received over the years. “What are you hiding?” asked GOP Rep. Jason Chaffetz of Utah. Gruber provided a partial list of his contracts as part of his testimony and referred further questions to his legal counsel.

Marilyn Tavenner, administrator for the Centers for Medicare and Medicaid Services, also apologized at the hearing for the administration’s inflated reports that 7.3 million were enrolled in Obamacare, which erroneously included 400,000 who only enrolled in dental plans. “Simply put, this was a mistake,” she said, denying that the administration intentionally meant to deceive the public.

But the most significant moment of the hearing came when Gruber was questioned about the actual policy written into law.

On two separate occasions in 2012, Gruber said that states who didn't set up their own exchanges would not receive tax credits to subsidize health care, which supports the latest Supreme Court challenge to the law. That's the question that is at the crux of the *King vs. Burwell* challenge to Obamacare, which seizes on language in the law suggesting that tax credits would not be offered to those consumers.

At the hearing, Gruber said his comments about the tax credits had been taken out of context, explaining that he was speculating about a scenario that did not come to pass.

"The point I believe I was making was about the possibility that the federal government, for whatever reason, might not create a federal exchange," he said. "If that were to occur, and only in that context, then the only way that states could guarantee that their citizens would receive tax credits would be to set up their own exchanges."

But Gruber's explanation for his remarks also raised further questions, as Republicans pointed out during the hearing. The law as passed required that Washington set up a federal exchange in states that chose not to set up their own exchanges. Rep. Justin Amash of Michigan asked Gruber whether he was aware that requirement was in the law.

"I don't recall," Gruber said.

"You ran the economic model on Obamacare, and you don't know what the law says?" Amash retorted.

The question is not simply a political one: The ambiguity surrounding the federal exchanges may be fodder for the *King vs. Burwell* case that is the biggest threat to Obamacare. If the Supreme Court strikes down the tax credits for those in the federally supported exchanges, it would dramatically raise premiums for millions of Americans and imperil the entire future of the law.

"Gruber's attempt to explain away his comments that tax credits are not available in federal exchanges is just not believable. It is not consistent with what he said repeatedly in 2012," said Michael Cannon of the Cato Institute, whose writings on the provision are at the heart of the *King vs. Burwell* challenge.

GOP Rep. Jim Jordan criticized Tavenner for failing to inform those enrolled in Obamacare that their subsidies could be at risk.

"Do you think it's responsible to not tell the millions of enrollees ... that things may change dramatically, and they have a tax liability and their premiums may increase as much as four-fold?" Jordan said.

"Nothing has changed for consumers," Tavenner said. "The law is pretty clear."

Open enrollment for 2015 coverage began on Nov. 15, but the Supreme Court is expected to rule on the legality of the federal exchange's subsidies in June, which could upend the Obamacare marketplace.

"It is unbelievably irresponsible not to warn low-income enrollees about that risk," said Cannon.