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BETTER CARE RECONCILIATION ACT COULD CAUSE LOSS OF NEARLY 1.5 MILLION JOBS BY 2026; ALMOST EVERY STATE WILL SEE FEWER JOBS AND WEAKER ECONOMIES

Health Care Sector Will Lose Nearly 1 Million Jobs; Most Medicaid Expansion States Will See Deeper Economic Losses

New York, NY, July 6, 2017--If it becomes law, the draft Better Care Reconciliation Act (BCRA) proposed by the U.S. Senate could cause an estimated 1.45 million jobs to disappear by 2026 and trigger an economic downturn in all but one state, according to a report published today by Leighton Ku and colleagues at George Washington University's Milken Institute School of Public Health and The Commonwealth Fund. The projected overall job losses from the BCRA are about 50 percent greater than the nearly one million estimated for the House-passed American Health Care Act by Ku and colleagues in an earlier report.

States that will see the worst job loss include New York (132,000), California (117,000), Pennsylvania (110,000), Ohio (99,000), Michigan (86,000), Florida (78,000), Illinois (71,000), New Jersey (60,000), Massachusetts (54,000), and Indiana (39,000). Although states that expanded Medicaid experience greater losses, even states that did not expand, like Florida and Maine, will see job losses and weaker economies as a result of the BCRA. Economic impact and job loss data for every state can be found in the report's appendix.

The report, *The Better Care Reconciliation Act: Economic and Employment Consequences for States*, shows the impact of the BCRA on states' economies and updates prior research that looked at the likely effects of repealing the Affordable Care Act (ACA) and implementing the U.S. House of Representatives' American Health Care Act (AHCA). The authors estimate that if the BCRA is enacted in its current form, gross state products—an economic measure akin to

gross domestic product—could fall by \$162 billion by 2026, and state business output could fall by \$265 billion.

“Although the Congressional Budget Office found that both the Senate and House bills had similar effects in increasing the number of uninsured, our analysis indicates that the Senate bill has the potential to be more damaging to states’ economies,” said Leighton Ku, Ph.D., Director of the Center for Health Policy Research at the Milken Institute School of Public Health the study’s lead author.

According to the report, the job losses and economic slowdown would not happen everywhere right away, since the tax repeals in the law would lead to an initial period of economic growth and job creation in some states and sectors. However, job loss in the health care sector would be immediate, with 30,000 jobs lost in 2018, deepening to 919,000 health jobs lost by 2026.

“Twenty-two million Americans will become uninsured under the Better Care Reconciliation Act, and now this research makes it clear that people will also be at risk of losing their jobs and that states’ economies will suffer,” said Sara Collins, Vice President for Health Care Coverage and Access at the Commonwealth Fund. “Instead of taking away coverage, we should be building on the Affordable Care Act’s successes and improving it to ensure all Americans can get the health care they need.”

The full report is available [here](#).

Methodology

The George Washington University researchers estimated how more than 20 provisions of the law—including changes in Medicaid, premium tax credits, health funds for states, and taxes repealed—would affect federal funds flowing to states or state residents. These changes were input into the PI+ model, developed by Regional Economic Models, Inc., to estimate changes in employment and state economies for all 50 states and the District of Columbia from 2018 to 2026. The model estimates how funding changes affect employment, consumption, and business activity in health care and other sectors of state economies, as well as changes in flows of funds across states due to interstate commerce.

About Milken Institute School of Public Health at the George Washington University:

Established in July 1997 as the School of Public Health and Health Services, [Milken Institute School of Public Health](#) is the only school of public health in the nation’s capital. Today, more than 1,900 students from 54 U.S. states and territories and more than 50 countries pursue undergraduate, graduate and doctoral-level degrees in public health. The school also offers an online Master of Public Health, [MPH@GW](#), and an online Executive Master of Health Administration, [MHA@GW](#), which allow students to pursue their degree from anywhere in the world.

The Commonwealth Fund is a private, nonprofit foundation supporting independent research on health policy reform and a high performance health system.