



# It *Didn't* Work... ObamaCare's Destructive Impact On The Economy

## *What We've Learned About ObamaCare In The Past Few Weeks*

### OBAMACARE PROVIDES A PATHWAY TO GOVERNMENT-MANDATED OUTSOURCING OF AMERICAN JOBS

**ObamaCare Could Drive Companies To Outsource Jobs To Comply With Its Medical Loss Ratio Mandate.** "Moreover, the health care reform law could prod insurers to move more jobs to cheaper-wage countries. The new law requires companies to spend 80% to 85% of premiums on medical care, limiting the amount available for administrative expenses." (Don Lee, "Worries Grow As Health Care Firms Send Jobs Overseas," [Los Angeles Times](#), 7/25/12)

- **ObamaCare "May Be A Catalyst For New Forms Of Outsourcing."** "The Affordable Care Act, by increasing the number of people in the health care system and changing the way delivery is funded, may be a catalyst for new forms of outsourcing." (George Lauer, "Outsourcing May Grow As Health System Evolves," [California Healthline](#), 8/2/12)

**Phillip R. Lee Institute For Health Policy Studies Professor Joanne Spetz: "I Think It's Very Likely We'll See Outsourcing Grow."** "I think it's very likely we'll see outsourcing grow," said Joanne Spetz, professor at the Philip R. Lee institute for Health Policy Studies and Center for the Health Professions at UC-San Francisco." (George Lauer, "Outsourcing May Grow As Health System Evolves," [California Healthline](#), 8/2/12)

- **Spetz: Outsourcing "Will Probably Grow Quickly."** "It will probably grow quickly, maybe even dramatically, in some areas like IT (information technology). But in other areas, especially the hands-on clinical parts of health care, it will be much slower," Spetz predicted." (George Lauer, "Outsourcing May Grow As Health System Evolves," [California Healthline](#), 8/2/12)

**Since The Passage Of ObamaCare, "More Health Care Related Work Has Been Sent Overseas."** "In other industries the word 'outsourcing' often carries an offshore connotation, implying jobs formally done in this country are being sent elsewhere in the world. Until recently, that generally hasn't been the case in health care. In the past few years, more health-care related work has been sent overseas. Workers in India, the Philippines, Ireland and other countries are working for U.S. health care companies." (George Lauer, "Outsourcing May Grow As Health System Evolves," [California Healthline](#), 8/2/12)

- **“Nearly 1,000 WellPoint Employees Have Either Lost A Job Or Hours To Outsourcing In The Past Two Years.”** (George Lauer, “Outsourcing May Grow As Health System Evolves,” [California Healthline](#), 8/2/12)

## **OBAMACARE’S TAX ON MEDICAL DEVICES HAS APPLIED THE BRAKES ON ECONOMIC GROWTH**

**Cook Medical Inc. Has Canceled Plans To Open Five New Plants Due To ObamaCare’s Medical Device Tax.** “Cook Medical Inc. had been planning to open five new manufacturing plants over the next five years in small communities around the Midwest, including Indiana, but has shelved those plans because of the hit it will take from a new U.S. tax on medical devices.” (J.K. Wall, “Cook Medical Shelves Midwest Expansion Plans,” [Indianapolis Business Journal](#), 7/27/12)

**The Indiana-Based Manufacturer Estimated It Will Pay Between \$20 And \$30 Million When The Medical Device Tax Takes Effect.** “The Bloomington-based medical device maker estimates it will pay between \$20 million and \$30 million once the tax takes effect in January, Pete Yonkman, executive vice president of strategic business units at Cook Medical, said this week.” (J.K. Wall, “Cook Medical Shelves Midwest Expansion Plans,” [Indianapolis Business Journal](#), 7/27/12)

- **Cook Currently Employs 4,000 People In Bloomington, IN.** “Cook is the nation’s largest privately held maker of medical devices, with annual revenue of more than \$1.8 billion. The company employs about 4,000 people in the Bloomington area and 10,000 worldwide.” (J.K. Wall, “Cook Medical Shelves Midwest Expansion Plans,” [Indianapolis Business Journal](#), 7/27/12)

**As A Result Of ObamaCare, Cook Medical Officials Have Said Their Future Growth Will Be Focused Overseas.** “Since then, Cook officials have said their future growth will be focused overseas. Cook already has production facilities in Ireland, Denmark and Australia.” (J.K. Wall, “Cook Medical Shelves Midwest Expansion Plans,” [Indianapolis Business Journal](#), 7/27/12)

### ***Device Manufacturers Are In Agreement That ObamaCare Will Hamper The Medical Device Industry***

**Medical Device Company Executives Find That ObamaCare Medical Device Tax Will Hurt Manufacturers.** “Executives in the medical device manufacturing industry predict that a new excise tax and the burden of its related compliance costs will hurt their companies’ bottom lines, according to a survey conducted by KPMG LLP, an audit, tax, and advisory firm.” (Chris Reidy, “KPMG Survey: New Tax Could Hit Medical Device Companies Hard,” [The Boston Globe](#), 4/18/12)

- **Nearly Half Of Those Executives Polled Said They Planned To Cut Costs And May Lay-Off Workers To Comply With The Tax.** “According to the survey of 190 financial executives from the medical device manufacturing industry, 40 percent of respondents said their companies are already contemplating actions such as price increases and cost reductions, including possible layoffs, as a way to stay competitive.” (Chris Reidy, “KPMG Survey: New Tax Could Hit Medical Device Companies Hard,” [The Boston Globe](#), 4/18/12)

**“The Tax Likely Will Have Its Greatest Impact On Small And Mid-Size Companies, Particularly Those Developing New Technologies, [Phillip] Seligman [Of Standard & Poor’s] Wrote.”** (Ben Sutherly, “Medical-Device Makers Fight Tax,” [The Columbus Dispatch](#), 5/15/12)

- **AdvaMed Report Said ObamaCare’s Medical Device Tax Could Force “43,000 Jobs Overseas.”** “The Advanced Medical Technology Association (AdvaMed) released a report Wednesday that says device-makers might ship 43,000 jobs overseas once the tax takes effect in 2013.” (Sam Baker, “Device-Makers Say Tax Will Cost 43,000 U.S. Jobs,” [The Hill’s “Health Watch”](#), 9/7/11)

## TO REMAIN ECONOMICALLY VIABLE, EMPLOYERS WILL STOP OFFERING HEALTH CARE COVERAGE TO THEIR EMPLOYEES

**A Deloitte Survey Found That Nearly 10 Percent Of Employers Will Drop Their Employer-Sponsored Health Care Coverage.** “Around one in 10 employers in the U.S. plans to drop health coverage for workers in the next few years as the bulk of the federal health-care law begins, and more indicated they may do so over time, according to a study to be released Tuesday by consulting company Deloitte.” (Louise Radnofsky, “Deloitte: One In 10 U.S. Employers To Drop Health Coverage,” [The Wall Street Journal](#), 7/24/12)

- **10 Percent Of Employers Aren’t Sure That They Will Continue Providing Health Care Coverage.** “In all, 9% of companies in the Deloitte study said they expected to stop offering insurance in the next one to three years. Around 81% were planning to continue providing benefits, and 10% weren’t sure.” (Louise Radnofsky, “Deloitte: One In 10 U.S. Employers To Drop Health Coverage,” [The Wall Street Journal](#), 7/24/12)

**Nearly 75 Percent Of The Employers Questioned Have Had Or Plan To Increase Employee Contributions.** “Around three quarters of respondents said they had increased the amount that employees contributed to their plans, and a similar proportion said they would do so in coming years.” (Louise Radnofsky, “Deloitte: One In 10 U.S. Employers To Drop Health Coverage,” [The Wall Street Journal](#), 7/24/12)

### ***Obama’s Promise To American Workers That Their Health Care Will Stay The Same Is Broken***

**More Americans Will Lose Their Employer Health Care Coverage Than Before ObamaCare Was Enacted.** “For one thing, CBO says 11 million Americans won’t get employment-based health insurance they would have had before the law — so they will be forced out (technically by their employer, not by the president, but the context will be the changes brought about by the health law). Another 9 million would gain coverage — but everyone who loses it will see their lives disrupted, and it will be used as more evidence of broken Obama promises.” (David Nather, “4 Hard Truths Of Health Care Reform,” [Politico](#), 3/16/12)

- **Americans Are Finding Out That Obama’s “Keep Your Plan” Promise Is Just Not True.** “President Barack Obama promised over and over during the health care debate that ‘if you like your health care plan, you can keep your health care plan.’ It turns out that, for a lot of people, that isn’t true.” (David Nather, “4 Hard Truths Of Health Care Reform,” [Politico](#), 3/16/12)

## AMERICANS CONTINUE TO FAVOR OBAMACARE REPEAL

**55 Percent Of Voters Favor Repeal Of ObamaCare.** “Fifty-five percent of U.S. voters surveyed by Rasmussen expressed support for repeal, the firm reported. Thirty-nine percent, meanwhile, want to keep the law in place.” (Elise Viebeck, “Poll: Voters Still Back Health-Law Repeal,” [The Hill’s “Health Watch”](#), 7/30/12)

**The Most Recent Kaiser Health Tracking Poll Found That A Plurality Of Americans (44 Percent) Continue To Oppose ObamaCare.** “Americans remain roughly divided on the ACA as a whole, with unfavorable views of the law slightly outweighing favorable views this month, 44 percent to 38 percent.” ([Kaiser Family Foundation](#), 1,227 A, MoE 3%, 7/17-23/12)

- **A Plurality Of Americans (32 Percent) Say That Their Family Will Be “Worse Off” Because Of ObamaCare.** ([Kaiser Family Foundation](#), 1,227 A, MoE 3%, 7/17-23/12)
- **A Plurality Of The Middle Class (42 Percent) Say That ObamaCare Will Make Them “Worse Off.”** ([Kaiser Family Foundation](#), 1,227 A, MoE 3%, 7/17-23/12)

- **Under ObamaCare, The Country Will Be “Worse Off As A Whole” According To 41 Percent Of Americans Polled.** ([Kaiser Family Foundation](#), 1,227 A, MoE 3%, 7/17-23/12)