



**The Daily Dish**

## March 26th Edition

DOUGLAS HOLTZ-EAKIN | MARCH 26, 2015

Last night, the [House approved a budget](#) in a 228-199 vote. The budget increases defense spending to \$96 billion, above the president's \$58 billion request. The House-passed budget would balance in just under a decade without raising taxes, in contrast to the budget proposed by the White House.

Senator Flake has his own March Madness bracket, the “Egregious Eight.” [People can visit his site](#) and vote on the most “egregious and unnecessary use of their taxdollars.” Examples include, \$1.5 million to determine if stressed monkeys with access to cocaine will become addicted and \$10,000 to help fund a buddy-comedy about Elvis, Teddy Roosevelt, and a meatpacker’s road trip across the US.

The House Energy and Commerce Committee passed a bill to change how the EPA enforces the new coal ash rule. According to [The Hill](#), the bill “improves enforcement mechanisms by requiring states to set up permit systems for coal ash sites, while removing some of the requirements of the EPA rule, like public disclosure of the status of disposal ponds and pits.”

### *Eakinomics: Grading Obamacare*

The president has made his official [defense](#) of the Patient Protection and Affordable Care Act (ACA, aka Obamacare) on the occasion of its 5th anniversary. “The bottom line is this for the American people: this law is saving money for families and for businesses,” he said. “This law is also saving lives, lives that touch all of us.”

Let’s step back and look at the record. As I noted in my recent [testimony](#), it is hard to make the case that Obamacare was good economic policy. Its combination of \$500 billion in new taxes and \$400 billion in new regulatory costs (over 10 years) are a key contributor to a rotten economy. They also made it much harder for the middle class to afford health insurance, along with everything else. It is equally hard to make the case that it was good budgetary policy. Obamacare was littered with budget gimmicks and its additional trillion in new spending are among the reasons that the Congressional Budget Office projects that the U.S. is headed toward a debt spiral under current law.

What about insurance policy? It betrayed the repeated promise that “if you like your plan, you can keep it.” It broke the promise that insurance would be \$2,500 cheaper for every family. Its taxes, regulations, and mandates forced the young and healthy into premium spikes in the double digits. It undercut the financial stability of Medicare and Medicare Advantage, the most important part of the insurance safety net, and pushed expansions of Medicaid instead of undertaking needed reforms. Yes, it did cover more people, but that is not too tough a trick when it is illegal to not have insurance and you are paying with someone else’s money. What about health policy? No sight of “bending the cost curve.” Certainly no sight of “if you like your doctor, you can keep your doctor.” The featured demos for Accountable Care Organizations and other reforms have been disappointing at best.

It is hard to make the case that Obamacare is working; certainly not working better than expected. And I didn't mention the website.

***From the Forum***

[FSOC Accountability: Nonbank Designations](#) by Douglas Holtz-Eakin, AAF President