

January 18, 2011

The Honorable John Boehner
Speaker of the House
Washington, DC 20515

The Honorable Harry Reid
Senate Majority Leader
Washington, DC 20515

The Honorable Nancy Pelosi
House Minority Leader
Washington, DC 20515

The Honorable Mitch McConnell
Senate Minority Leader
Washington, DC 20515

Dear Speaker Boehner, Minority Leader Pelosi, Majority Leader Reid, and Minority Leader McConnell:

To promote job growth and help to restore the federal government to fiscal balance, we, the undersigned, feel that it would be beneficial to repeal and replace the Patient Protection and Affordable Care Act (P.L. 111-148). Too many Americans remain unemployed and the United States faces a daunting budgetary outlook. We believe the Patient Protection and Affordable Care Act is a threat to U.S. businesses and will place a crushing debt burden on future generations of Americans.

A Barrier to Job Growth: The Patient Protection and Affordable Care Act contains expensive mandates and penalties that create major barriers to stronger job growth. The mandates will compete for the scarce business resources used for hiring and firm expansion. The law also levies roughly \$500 billion in new taxes that will enter the supply chain for medical services, raising the cost of medical services. At the same time that businesses juggle the potential for higher interest rates or higher taxes, these medical costs will translate to higher insurance premiums, further increasing the cost of operating a business in the United States.

A Massive Spending Increase and a Crushing Debt Burden: The Patient Protection and Affordable Care Act is fiscally dangerous at a moment when the United States is already facing a sea of red ink. It creates a massive new entitlement at a time when the budget is already buckling under the weight of existing entitlements. At a minimum, it will add \$1 trillion to government spending over the next decade. Assertions that these costs are paid for are based on omitted costs, budgetary gimmicks, shifted premiums from other entitlements, and unsustainable spending cuts and revenue increases. A more comprehensive and realistic projection suggests that the Affordable Care Act could potentially raise the federal budget deficit by more than \$500 billion during the first ten years and by nearly \$1.5 trillion in the following decade.

The Patient Protection and Affordable Care Act does not constitute real health care reform. The first step is to remove barriers to stronger job growth and to help restore fiscal balance to the nation's budget by protecting taxpayers, American business, seniors, families, workers, and health care consumers from the damage that the Patient Protection and Affordable Care Act will cause. Congress should start with a clean sheet of paper and adopt initiatives that would encourage providers to offer higher-quality care at lower costs; reduce the cost pressures that threaten to bankrupt Medicare and Medicaid; and give every American access to more options for quality insurance.

Respectfully,

[Affiliations shown for purposes of identification and do not constitute institutional endorsement.]

Douglas Holtz-Eakin
President, American Action Forum
Former Director, Congressional Budget Office (CBO)

June O'Neill
Professor of Economics, Baruch College
Former Director, Congressional Budget Office (CBO)
First Chair, Board of Scientific Counselors, National Center for Health Statistics

Joseph Antos
Wilson H. Taylor Scholar in Health Care and Retirement Policy American Enterprise Institute
Former Assistant Director, Congressional Budget Office (CBO)

Arlene Holen
Senior Fellow, Technology Policy Institute
Former Associate Director Congressional Budget Office (CBO)
Former Associate Director White House Office of Management and Budget (OMB)

Brian S. Wesbury
Chief Economist, First Trust Portfolios LP
Former Chief Economist, Joint Economic Committee of the US Congress

Arthur B. Laffer
Chairman, Laffer Associates
First Chief Economist, Office of Management and Budget (OMB)
Former Member, Economic Policy Advisory Board

Jim Capretta
Fellow, Ethics and Public Policy Center
Former Associate Director, White House Office of Management and Budget (OMB)

James D. Mietus, Ph.D.
Independent Economist and Policy Adviser
Former Economist, Office of Management and Budget (OMB)

Michael Boskin
Professor of Economics, Stanford University
Former Chairman, White House Council of Economic Advisers (CEA)

William Niskanen
Former Action Chairman and Member, White House Council of Economic Advisers (CEA)
Chairman Emeritus, Cato Institute

Earl L. Grinols
Distinguished Professor of Economics, Baylor University
Former Senior Economist, White House Council of Economic Advisers (CEA)

Mark H. Showalter
Professor of Economics, Brigham Young University
Former Senior Economist, White House Council of Economic Advisers (CEA)

Scott Baier
Associate Professor of Economics, Clemson University
Former Senior Economist, White House Council of Economic Advisers (CEA)

Larry Lindsey
President, The Lindsey Group
Former Director, National Economic Council (NEC)

Todd G. Buchholz
Managing Director, Two Oceans Management
Former Senior Economic Adviser, The White House
Fellow, Cambridge University

Robert E. Lucas, Jr.
John Dewey Distinguished Service Professor of Economics, Department of Economics
University of Chicago
Nobel Laureate in Economics

Edward C. Prescott
W.P. Carey Chaired Professor of Economics, Arizona State University
Economist, Federal Reserve Bank of Minneapolis
Nobel Laureate in Economics

William Poole
Distinguished Scholar in Residence, University of Delaware
Senior Fellow, Cato Institute
Former President, Federal Reserve Bank of St. Louis

Kevin Hassett
Director, Economic Policy Studies, American Enterprise Institute (AEI)
Former Economist, Federal Reserve Board of Governors

Mario J. Crucini, Ph.D.
Research Associate, National Bureau of Economic Research (NBER)
Senior Fellow, Globalization and Monetary Policy Institute, Federal Reserve Bank of Dallas

Stephen J. Entin
President and Executive Director, Institute for Research on the Economics of Taxation
Former Deputy Assistant Secretary for Economic Policy, Department of the Treasury

Kathleen B. Cooper, Ph.D.
Senior Fellow at the Tower Center for Political Studies, Southern Methodist University
Former Undersecretary for Economic Affairs, Commerce Department

Diana Furchtgott-Roth
Director, Center for Employment Policy
Senior Fellow, Hudson Institute
Former Chief Economist, U.S. Department of Labor

Carl J. Dahlman
Senior Economist, RAND Corporation
Former Deputy Assistant Secretary, Department of Defense
Former Deputy Assistant Secretary, Department of Health and Human Services

David Malpass
President, Encima Global
Former Deputy Assistant Secretary, Treasury Department
Former Deputy Assistant Secretary, State Department

Thomas R. Saving
Jeff Montgomery Professor of Economics, Texas A&M University
Senior Fellow, National Center for Policy Analysis
Former Public Trustee, Social Security and Medicare Trust Funds

Timothy Perri
Professor of Economics
Appalachian State University

Allan DeSerpa
Professor of Economics
Arizona State University

Nancy Roberts
Professor of Economics
Arizona State University

Clarence R. Deitsch
Professor of Economics and Labor Relations
Ball State University

Courtenay C. Stone
Professor of Economics
Ball State University

John Bethune, Ph. D.
Kennedy Chair of Business
Barton College

E. S. Savas, Ph.D.
Presidential Professor
School of Public Affairs
Baruch College/CUNY

David VanHoose
Professor of Economics
Baylor University

Kenneth V. Greene
Distinguished Professor of Economics
Binghamton University

E. F. Stephenson
Professor of Economics
Chair, Department of Economics
Berry College

David E. Spencer
Professor of Economics
Brigham Young University

Michael L. Marlow
Professor of Economics
Cal Poly

Donald J. Oswald
Professor of Economics (Retired)
California State University, Bakersfield

Cathleen J Coolidge
Associate Professor of Economics
California State University, Chico

Charles W. Baird Ph.D.
Professor of Economics, Emeritus
California State University, East Bay

Alan Rufus Waters, Ph.D
Professor Emeritus of International Business
California State University, Fresno

G. Michael Phillips, Ph.D.
Professor of Finance, Real Estate, and Insurance
California State University, Northridge

Allan Meltzer
Professor of Political Economy
Carnegie Mellon University

Yuri N. Maltsev, PhD
Professor of Economics
Carthage College

Jason E. Taylor
Professor of Economics
Central Michigan University

Dr. Lawrence Brunner
Associate Professor, Economics
Central Michigan University

Arthur T. Denzau
Professor of Economics
Claremont Graduate University

Marc D. Weidenmier
William F. Podlich Associate Professor of Economics
Research Associate, National Bureau of Economic Research (NBER)
Claremont McKenna College

Robert Tamura
Professor of Economics
Clemson University

Phoebus J. Dhrymes
Edwin W. Rickert Professor of Economics
Columbia University

Charles W. Calomiris
Henry Kaufman Professor of Financial Institutions, Columbia Business School
Columbia University

Richard V. Burkhauser
Sarah Gibson Blanding Professor of Policy Analysis
Cornell University

Antony Davies
Associate Professor of Economics
Duquesne University

Richard E. Ericson
Professor and Chair of Economics
East Carolina University

Minh Q. Dao
Professor of Economics
Eastern Illinois University

Paul H. Rubin
Samuel Candler Dobbs Professor of Economics
Emory University

Richard F. Muth
Fuller E. Callaway Professor of Economics, Emeritus
Emory University

Ronnie Davis
Graduate Faculty--Economics
Florida Institute of Technology and Averett University

Henry G. Manne
Dean Emeritus
George Mason University School of Law

Dr. Anthony B. Sanders
Distinguished Professor of Finance
George Mason University

James Burnham
Distinguished Service Professor
Duquesne University
Former Staff Director, President's Council of Economic Advisers

Douglas, C. Frechtling
Professor of Tourism Studies
George Washington University

Richard J. Sweeney
Professor of International Finance
McDonough School of Business
Georgetown University

W. Ken Farr
Chair & Professor of Economics, Department of Economics & Finance
Georgia College & State University

Christine Ries
Professor of Economics
Georgia Institute of Technology

Gerald Gay
Professor of Finance
Georgia State University
Former Chief Economist, Commodity Futures Trading Commission

Christopher R. Inama
Senior Adjunct Professor
Golden Gate University

Charles N. Steele, Ph.D.
Associate Professor
Hillsdale College

Gary Wolfram
Professor of Economics
Hillsdale College

Ivan Pongracic, Jr.
Associate Professor
Hillsdale College

Nikolai G. Wenzel, Ph.D.
Assistant Professor of Economics
Hillsdale College

John Lunn
Robert W. Haack Professor of Economics
Hope College

John A. Tatom
Director of Research, Networks Financial Institute
Scott College of Business, Indiana State University

Tom Lehman
Professor of Economics
Indiana Wesleyan University

Richard J. Cebula
Davis College of Business
Walker/Wells Fargo Endowed Chair in Finance
Jacksonville University

Timothy Mathews
Assistant Professor of Economics
Kennesaw State University

W. Mark Crain
William E. Simon Professor of Political Economy
Lafayette College

Nicole V. Crain
Professor of Economics
Lafayette College

James L. Huffman
Erskine Wood Sr. Professor of Law
Lewis & Clark Law School

Richard J Grant, Ph.D.
Professor of Finance & Economics, College of Business,
Lipscomb University

Don M. Chance
James C. Flores Endowed Chair of MBA Studies and Professor of Finance
Louisiana State University

W. Douglas McMillin
Mack Hornbeak Endowed Professor in Economics
Louisiana State University

Otis W. Gilley
Distinguished Professor of Economics
Louisiana Tech University

Frank Spreng, Ph.D.
Professor of Economics and Director of the MBA Program
McKendree University

John P. Cochran
Dean, School of Business
Professor of Economics
Metropolitan State College of Denver

William R. Hart
Professor of Economics
Miami University (Oxford, OH)

F. Owen Irvine
Professor of Economics
Michigan State University

Michael C. Davis
Associate Professor of Economics
Missouri University of Science and Technology

Richard E. La Near, Ph.D.
Professor of Economics and Finance
Emeritus J.R. Kuhn Professor of Finance
Missouri Southern State University

Stephen A. Tolbert, Jr.
Lecturer, Economics
Montgomery County Community College

Micha Gisser
Professor Emeritus of Economics
University of New Mexico

James B. Ramsey
Professor, Department of Economics
New York University

R. Morris Coats
Professor of Economics
Nicholls State University

Barry K. Goodwin
William Neal Reynolds Distinguished Professor Economics
North Carolina State University

John Seater
Professor of Economics
North Carolina State University

Michael Wohlgenant
William Neal Reynolds Distinguished Professor
North Carolina State University

Gerald R. Jensen, PhD, CFA
Professor of Finance
Northern Illinois University

Joseph M. Jadow, Ph.D.
Professor of Economics
Oklahoma State University

Douglas K. Adie
Professor of Economics
Ohio University

Richard Vedder
Distinguished Professor of Economics, Ohio University
Adjunct Scholar, American Enterprise Institute

Paul Evans
Professor of Economics
Ohio State University

Frank Wykoff
Eldon Smith Professor of Economics, Emeritus
Pomona College

David A. Brat
Professor and Chair, Department of Economics and Business
Randolph-Macon College

Fred E. Foldvary
Director, Civil Society Institute
Santa Clara University

David R. Henderson
Research Fellow, Hoover Institution
Stanford University

Dino Falaschetti
Gleed Endowed Chair, Seattle University
Associate Professor of Law and Economics, Florida State University

Norman Lefton, PhD
Adjunct Associate Professor at the School of Business
Southern Illinois University, Edwardsville

Lawrence J. Belcher, Ph.D.
Professor of Finance
Stetson University

David G. Tuerck
Professor of Economics
Suffolk University

Edgar K. Browning
Professor of Economics
Texas A&M University

Frank Egan
Associate Professor of Economics
Trinity College

Dorla A. Evans, Ph.D.
Professor of Finance, Department of Accounting and Finance
University of Alabama in Huntsville
Larry L. Ross

Professor of Economics
University of Alaska Anchorage

Lawrence Southwick
University Research Scholar, Finance and Managerial Economics Department
University at Buffalo

Leon Wegge
Professor of Economics Emeritus
University of California, Davis

Avanidhar Subrahmanyam
Goldyne and Irwin Hearsh Chair in Finance, Anderson School of Management
University of California, Los Angeles (UCLA)

Lee E. Ohanian
Professor of Economics
University of California, Los Angeles (UCLA)

Richard Roll
Professor of Finance, Anderson School of Management
University of California, Los Angeles (UCLA)

Professor Richard L. Smith
Philip L. Boyd Chair and Professor of Finance
University of California, Riverside

A. Edward Day, Ph.D.
Associate Professor of Economics (retired)
University of Central Florida

Steven N. Kaplan
Neubauer Family Professor of Entrepreneurship and Finance, Booth School of Business
University of Chicago

Eugen F. Fama
Robert R. McCormick Distinguished Service Professor of Finance, Booth School of Business
University of Chicago

Barry W. Poulson
Professor of Economics (retired)
University of Colorado at Boulder

Jane H. Lillydahl
Professor Emerita, Department of Economics
University of Colorado at Boulder

Sanjai Bhagat
Professor of Finance
University of Colorado at Boulder

Michael Cosgrove
Professor, University of Dallas
Principle, Econoclast

Eleanor D. Craig
Associate Chair & Professor of Economics
University of Delaware

Richard Agnello
Associate Professor of Economics
University of Delaware

Stacie E. Beck
Associate Professor of Economics
University of Delaware

James B. O'Neill
Professor of Economics
Director, Center for Economic Education and Entrepreneurship
University of Delaware

C. Thomas Howard, Ph.D.
Professor, Reiman School of Finance
University of Denver

Ronald W. Ward
Emeritus Professor
University of Florida

Jeffrey H. Dorfman
Professor, Department of Agricultural and Applied Economics
The University of Georgia

James Moncur
Professor Emeritus of Economics
University of Hawaii at Manoa

Paul R. Gregory
Cullen Professor of Economics
University of Houston

Roy J. Ruffin
M.D. Anderson Professor of Economics
University of Houston

R. Ashley Lyman
Professor Emeritus of Economics and Statistics
University of Idaho

Peter F. Colwell
Professor Emeritus, Department of Finance
University of Illinois at Urbana-Champaign

William P. Albrecht
Professor of Economics
University of Iowa

Michael R. Montgomery
Associate Professor of Economics
University of Maine

Jon Reisman
Associate Professor of Economics and Public Policy
University of Maine at Machias

Richard E. Just
Distinguished University Professor
University of Maryland – College Park

Ronald. L. Promboin, Ph.D.
Adjunct Professor
University of Maryland – University College

Coldwell Daniel, III
Professor Emeritus
University of Memphis

Michael Connolly
Professor of Economics, University of Miami
Professor of Finance, Hunan University

Christopher Douglas, Ph.D.
Assistant Professor of Economics
University of Michigan-Flint

Mark J. Perry, Ph.D.
Visiting Scholar at the American Enterprise Institute (AEI)
Professor of Finance and Business Economics
University of Michigan-Flint

Stephen Parente, Ph.D.
Minnesota Insurance Industry Professor of Healthcare Finance
Director, Medical Industry Leadership Institute (MILI)
University of Minnesota

William F. Shughart II
F.A.P. Barnard Distinguished Professor of Economics
The University of Mississippi

Joseph Haslag
Professor and Kenneth Lay Chair in Economics
University of Missouri-Columbia

Susan Feigenbaum
Professor of Economics
University of Missouri at St. Louis

Arthur M. Diamond, Jr.
Professor of Economics
University of Nebraska at Omaha

Robert E. Chatfield
Professor of Finance
University of Nevada – Las Vegas (UNLV)

Evangelos Otto Simos
Professor of Economics, University of New Hampshire
Editor, Journal of Business Forecasting
Chief Economist, e-forecasting.com

Jim F. Couch
Professor of Economics
University of North Alabama

Alan C. Shapiro
Ivadelle and Theodore Johnson Professor of Banking and Finance Emeritus
Marshall School of Business
University of Southern California

Joel W. Hay, PhD
Professor, Schaeffer Center for Health Policy and Economics
University of Southern California

John G. Matsusaka
Professor of Finance and Business Economics
Charles F. Sexton Chair in American Enterprise
University of Southern California

Joseph Zoric
Associate Professor of Economics and MBA Director
Franciscan University of Steubenville

Roger Meiners
Professor of Economics
University of Texas at Arlington

Barry J. Seldon, Ph.D.
Professor of Economics and Political Economy
University of Texas at Dallas

Nathan J. Ashby
Assistant Professor of Economics
University of Texas at El Paso

Timothy P. Roth, PhD
A.B. Templeton Professor and Chairman, Department of Economics and Finance
University of Texas at El Paso

Robert Collinge
Professor of Economics
University of Texas at San Antonio

John E. Murray
Professor, Department of Economics
University of Toledo
Author, *Origins of American Health Insurance*

Richard T. Selden
Carter Glass Professor of Economics Emeritus
The University of Virginia

David L. Kendall, Ph.D.
Professor of Economics and Finance
Chair, Department of Business and Economics
University of Virginia's College at Wise

Bruce Bender
Professor, Lubar School of Business
University of Wisconsin-Milwaukee

Luke M. Froeb
Associate Professor of Entrepreneurship and Free Enterprise
Vanderbilt University

Larry Van Horn
Associate Professor of Healthcare Management
Executive Director of Health Affairs, Owen Graduate School of Management
Vanderbilt University

Floyd H. Duncan, Ph.D.
Roberts Professor of Free Enterprise Economics
Chairman, Department of Economics and Business
Virginia Military Institute

Robert J. Rossana
Professor of Economics
Wayne State University

Glenn MacDonald
Distinguished Professor of Economics and Strategy
Senior Associate Dean, Olin School of Business
Washington University in St. Louis

William N. Trumbull, Ph.D.
Professor of Economics
West Virginia University

Robert D. Seeley
Associate Professor of Economics
Wilkes University

Dr. Jim Clark
Associate Dean
Associate Professor of Economics
Wichita State University

John McArthur
Professor and Chair of Economics
Wofford College

Lawrence W. Lovik, Ph.D.
Senior Fellow
Alabama Policy Institute

Michael Ramlet
Coordinator – Operation Healthcare Choice
American Action Forum

Aparna Mathur
Resident Scholar
American Enterprise Institute

Philip I. Levy
Resident Scholar
American Enterprise Institute

Judy Shelton
Senior Fellow and Co-Director of the Sound Money Project
Atlas Economic Research Foundation

Warren Coats
Monetary Policy Advisory, Central Banks of Afghanistan, Iraq, Kazakhstan, Kenya, and Zimbabwe
Currency Director, Cayman Island Monetary Authority

Grace-Marie Turner
President
Galen Institute

Richard W. Rahn,
Chairman
Institute for Global Economic Growth

Merrill Matthews
Resident Scholar
Institute for Policy Innovation

John W. Diamond
Edward A. and Hermena Hancock Kelly Fellow in Public Finance
James A. Baker III Institute for Public Policy
Chief Executive Officer, Tax Policy Advisors, LLC

Mike Schuyler
Senior Economist
Institute for Research on the Economics of Taxation (IRET)

Paul Howard, Ph.D
Senior Scholar
Manhattan Institute

Daniel R. Feenberg
Research Associate
National Bureau of Economic Research (NBER)

John C. Goodman
President, CEO and Kellye Wright Fellow
National Center for Policy Analysis

Benjamin Zycher
Senior Fellow
Pacific Research Institute

John R. Graham,
Director, Health Care Studies
Pacific Research Institute

Carlos Bonilla
Partner, Airline Forecasts
Former Special Assistant for Economic Policy, President George W. Bush

Robert Genetski
President
classicalprinciples.com

James F. Smith
Chief Economist
EconForecaster.com

Dorsey D. Farr, Ph.D., CFA
Co-Founder
French Wolf & Farr

R. David Ranson
President and Director of Research
H. C. Wainwright & Co. Economics Inc.

Donald L. Luskin
Chief Investment Officer
TrendMacro

Robert D. Niehaus
President and Principal Economist
Robert D. Niehaus, Inc.