

MEMORANDUM

TO: Interested Parties

FROM: 2017 Project Executive Director Jeffrey Anderson

SUBJECT: Scoring of the 2017 Project’s “Winning Alternative to Obamacare”

The nonpartisan Center for Health and Economy (H&E) has released [scoring](#) this morning for the 2017 Project’s Alternative to Obamacare. H&E is a respected and politically neutral research organization whose [board](#) includes prominent health policy scholars from across the political spectrum.

The 2017 Project’s “[Winning Alternative to Obamacare](#)” would end the longstanding unfairness in the tax code by offering a tax credit to anyone who buys health insurance in the individual market; resolve the issue of preexisting conditions through commonsense regulations and the use of state-run high-risk pools; and reduce costs by revitalizing the individual market, limiting the role of the government and insurers, and providing opportunities and incentives to shop for value. It would repeal Obamacare in full.

Key findings from H&E’s scoring:

- **The 2017 Project’s Alternative would save \$1.13 trillion in federal spending versus Obamacare** from 2014 through 2023.
- **Six million more Americans would have private health insurance** under the Alternative than under Obamacare.
- Under the Alternative, **premiums would decrease** in the individual market “in all plan categories for both single and family coverage,” with reductions ranging from 4 to 25 percent.
- **Provider access—“access to desired physicians and facilities”—in the individual market would increase** by 19 percent in the first year of the Alternative and by 57 percent as of 2023.
- **Provider access in the employer-based market would increase** by 4 percent.
- Medical productivity—the “efficient use of resources”—would increase by 10 percent in 2016 and would remain at about that level.
- Twelve million fewer people would be on Medicaid, and 6 million people who would have been put on Medicaid under Obamacare would buy private insurance under the Alternative.
- Obamacare would cover 249 million people, while the Alternative—without imposing an individual or employer mandate—would cover 243 million, thereby leaving 38 million uninsured under Obamacare (13 percent of the population) versus 44 million under the

Alternative (15 percent of the population)—with all of Obamacare’s additional coverage coming from increasing the Medicaid rolls.

- Obamacare would cover 6 million more people (all on Medicaid) than the Alternative but would cost \$1.13 trillion more than the Alternative, which works out to \$188,000 per additional covered person.
- The Alternative wouldn’t needlessly disrupt the employer-based market—149 million people would have employer-based insurance in 2015 (the year before the Alternative would take effect), and the same number would have it in 2023 (the last year of the scoring).
- The Alternative would promote the purchase of genuine insurance while increasing the use of health savings accounts, thereby encouraging people to shop for value: “The structure of the Alternative’s premium credits encourage catastrophic coverage enrollment, as many households can purchase catastrophic [plans] for less than the value of the [tax credits],” with their savings going into HSAs.
- In sum, the Alternative would cut federal spending by over a trillion dollars, increase the number of Americans with private insurance, reduce premiums, improve medical productivity, and enhance access to doctors and hospitals in both the individual and employer markets.

The American people have strongly opposed Obamacare for more than four years, and they [support its repeal](#). But they don’t merely want to settle for a return to the pre-Obamacare status quo. Instead, they want conservatives to show how Obamacare can be repealed and replaced with real reform.

[The 2017 Project’s Alternative](#) would not only repeal Obamacare; it would also fix what the federal government had already broken in our health-care system before Obamacare was passed. In doing so, it would lower costs, secure liberty, and make sure that any American who wants to buy health insurance would be able to do so. It would beat Obamacare in nearly every particular—on fiscal prudence, affordability of premiums, choice of policies, access to doctors, and freedom from government control and coercion. And by offering genuine reform, it would pave the way to full repeal.

See H&E’s full scoring [here](#).