

# My Turn: Karen Malcolm: ACA has been boon for R.I.

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In his Jan. 8 Commentary piece (“Choice works better than dictates”), Mike Stenhouse makes several erroneous and misleading statements about the impact of the Affordable Care Act on people’s lives and the economy.

He contended: “Taxpayers, insurance markets, and the economy have suffered negative consequences from these (ACA) costly government mandates.”

Let’s set the record straight:

Following enactment of the Affordable Care Act, between 2013 and 2016, the number of uninsured individuals in Rhode Island declined from 120,000 to 45,000, a 62.5 percent decrease. As a percentage of the population, the number of uninsured Rhode Islanders fell from 11.6 percent to 4.3 percent with well documented improvements in the health of those covered. The number of uninsured increased slightly in 2018, to 4.6 percent — still the fourth lowest rate of uninsured in the country.

As the uninsured rate has declined, so has the cost to taxpayers of uncompensated care paid by the state to hospitals. Following enactment of the ACA, Rhode Island’s costs fell by a whopping 60 percent (\$104 million).

Expanding coverage also has increased financial security for individuals by lowering medical debt and reducing the risk of medical bankruptcy. In particular, as noted in research reviews by the Center on Budget and Policy Priorities, “Expanding Medicaid coverage results in fewer and smaller unpaid medical bills as well as having fewer debts sent to third-party collection agencies.”

The ACA has provided an estimated \$1 billion annually in federal premium tax credits to Rhode Islanders (2017) and more than \$424 million annually in new federal Medicaid funds for the Medicaid Expansion population (2017). These dollars serve as an important economic driver, supporting healthcare related jobs with the induced effect of increased consumer spending and increases in state revenue from personal income taxes. Medicaid is also an important revenue source for cities and towns, providing \$18.2 million (2017) in federal funds to support school-based health services for Medicaid-covered children.

Finally, as regards the cost of health insurance premiums overall, the cost of a Rhode Island benchmark plan actually went down, on average, between 2016 and 2017 by 1 percent. It is creeping up again, in large part due to the well-documented “Trump Effect.”

Stenhouse claims a government system of health care is, and would be, a “boondoggle.” The fact is, our current fragmented health insurance system, with run-away pharmaceutical costs and focus on sickness, not health, is the real boondoggle. It is what prevents both our public system (including Medicare) and private systems of coverage from achieving the goal of quality, affordable health care for all.

The partial reforms under the ACA have had a significant and profound impact on our nation’s health and economy and it is right that Rhode Island strive to protect these gains from erosion. But, just as important, it’s up to us to take the next steps nationally, to build on the ACA’s real gains in order to achieve a new system of coverage and access to care for the 21st century.

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