



Written by [Michael Tennant](#) on November 7, 2017

Will Tax Reform Also Repeal the Individual Mandate?

ObamaCare's most hated provision, the individual mandate, may meet its end as part of the Republican tax-reform bill — if congressional conservatives get their way.

Although the [draft bill](#) released last Thursday does not include repeal of the individual mandate, a number of GOP lawmakers are pushing for the addition of such a provision, among them House Freedom Caucus Chairman Mark Meadows (R-N.C.) and Senators Tom Cotton (R-Ark.), Ron Johnson (R-Wis.), and Ted Cruz (R-Texas). Even President Donald Trump has gotten into the act, [tweeting](#), “Wouldn't it be great to Repeal the very unfair and unpopular Individual Mandate in ObamaCare and use those savings for further Tax Cuts[?]” and putting pressure on House Ways and Means Committee Chairman Kevin Brady (R-Texas) to work repeal into the bill.



“The president feels very strongly about including this at some step before the final process,” Brady told [Politico](#) Friday. “No decisions have been made.”

Appearing on [Fox News Sunday](#), House Speaker Paul Ryan (R-Wis.) confirmed that repeal is “one of the things that’s being discussed.” Asked if that meant repeal was a possibility, Ryan was noncommittal, but he did say it’s “among the ideas that a lot of members are suggesting that we could add to this bill to make it even better.”

Repeal could actually help the GOP in its quest to make the tax bill revenue-neutral. Last December, the Congressional Budget Office (CBO) estimated that scotching the individual mandate would save the government \$416 billion over the next decade because about 15 million people would drop their insurance coverage and thus would no longer need subsidies to pay the premiums.

Whether that estimate still holds remains to be seen. Two Republican officials told the [Washington Post](#) that “updates to the nonpartisan scorekeeper’s model have significantly reduced that figure.” At the same time, skyrocketing insurance premiums are generating skyrocketing subsidies. A recent Department of Health and Human Services report noted that while the average premium for the benchmark “silver” insurance plan for a 27-year-old has increased by a whopping 88 percent since 2014, the average premium subsidy has risen an even-more-whopping 114 percent, according to [Investor’s Business Daily](#). Fewer people getting subsidies would therefore save the government some significant coin — unless, as one might expect, the healthy are the ones dropping out, in which case premiums for the sick who retain coverage, and their concomitant subsidies, will rise even more quickly.



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In other words, nobody really knows just what effect repealing the individual mandate would have on the federal budget because it all depends on the actions of individual Americans, every one of whom has different medical needs, incomes, risk tolerances, and so on — the very reason that centrally planning the entire healthcare system is guaranteed to flop. Both sides in the debate, however, are likely to play up the forecasts that bolster their respective cases.

Brady, for his part, appears reluctant to add individual-mandate repeal to the tax bill. He told *Politico* he's asked for an updated CBO analysis of the impact of repeal, but he also "warned that mixing health care into an already-complicated tax bill could prompt new opposition and complicate its narrow path in the Senate."

"Importing health care into the tax reform debate has consequences, especially one where the Senate has yet to produce 50 votes on anything related to health care," he said.

Senate Finance Committee Chairman Orrin Hatch (R-Utah) is likewise skeptical of getting a tax bill with individual-mandate repeal through the upper chamber, reported *Politico*.

Repealing the mandate via tax reform would have a delicious irony to it. After all, it was only by recasting the mandate as a tax — after proceeding with the case on the grounds that it *wasn't* a tax — that Supreme Court Chief Justice John Roberts was able to convince himself that ObamaCare was constitutional and avoid striking it down.

Still, Supreme Court or no Supreme Court, more insured or fewer insured, higher deficits or lower deficits, the individual mandate and the rest of ObamaCare should be repealed because they violate the Constitution, the supreme law of the land.

Will Congress rise to its constitutional duty this time around?



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