



December 5, 2017

How the Tax Bill Could Affect Your Health

The Tax Cuts and Jobs Act has passed both the Senate and the House in Washington, and as of this writing is headed to a conference committee to resolve discrepancies. Much has been made of how it greatly cuts corporate taxes and some personal income taxes (which actually fade over time), but less has been made of how this bill can affect your health.

The Senate plan repeals the health insurance individual mandate under the Affordable Care Act, or Obamacare, while the House bill does not. Now, the tax bill doesn't automatically cut people off of their insurance. President Trump and the Republican Congress has tried for months to repeal Obamacare and they failed. They also failed to fix and make Obamacare stronger. The President's and Congress's tax bill is just the Republicans' next move to destabilize and destroy health care in America. This tax bill removes the mandate to purchase health insurance, which could reduce the number of people buying health insurance. The elimination of the tax penalty will reduce the number of people buying health insurance, making the costs for all of us skyrocket.

Obamacare was designed to make sure every American had health insurance, and by doing so the cost should be cheaper - because when more people buy healthcare insurance, rates are lower for individuals. It is my hope that the recent higher enrollment rates for Obamacare demonstrate the importance of having health care coverage, and that people really want to have health care insurance. If the individual mandate is repealed as proposed in the Senate plan, it would mean millions more people would be uninsured by 2027, according to the Congressional Budget Office (CBO). Individual and small-group marketplaces will be destabilized.

Not only will the tax bill and changes in how health care is financed make it more likely that rich people will have health insurance and poorer people will not have health insurance, it also would guarantee a growth in income inequality in America. The collapse of the health-insurance market, while important, is far from the only way in which this tax bill relates to health, according to James Hamblin, MD, writing in [The Atlantic](#) magazine. Hamblin writes: "Most of what makes people healthy or unhealthy is the result of our day-to-day activities in our day-to-day environments, and what sort of stress we incur. By focusing on health insurance, these groups overlook the more insidious threat to health in this bill: the health effects of income inequality."

Barbara Wolfe, a professor of population-health sciences at the University of Wisconsin, explains that this is what economists call an income-inequality hypothesis: Your health is influenced not only by your

own level of income, but by the level of inequality where you live. Sociologists have described a similar socioeconomic-inequality hypothesis: As socioeconomic disparities grow, overall health metrics decline, according to Hamblin.

According to a CBO report released Sunday, the current Senate bill only stands to exacerbate this inequality. Over the coming decade, Americans making between \$40,000 and \$50,000 will pay \$5.3 billion MORE in taxes than they currently would. Meanwhile, those who make \$1 million or more would pay \$5.8 billion LESS.

This is not fair and does not follow the goal of using social justice as a guiding principle for legislation and governing.

According to one definition, social justice assigns rights and duties in the institutions of society, which enables people to receive the basic benefits and burdens of cooperation. The relevant institutions often include taxation, social insurance, public health, public school, public services, labor law and regulation of markets, to ensure fair distribution of wealth and equal opportunity.

It is clear that the current so-called tax reform proposal now winding its way through Congress on its way to the president's desk does not follow the principle of social justice, but instead greatly benefits the rich and leaves behind those who are less well-off. We need to rise up and oppose this plan.

Sincerely,

A handwritten signature in black ink, appearing to read 'LSK', with a stylized flourish at the end.

La Shawn K. Ford
State Representative-Eighth District