Chairman Issa, Ranking Member Cummings, and Distinguished Members of the Committee, thank you for the opportunity to testify voluntarily today. I am pleased to be able to address some statements I have made regarding the Patient Protection and Affordable Care Act and the reactions to and interpretations of those statements.

I am a Professor of Economics at MIT. I am not a political advisor nor a politician. Over the past decade I have used a complex economic microsimulation model to help a number of states and the federal government assess the impact that various legislative options for health care reform might have on the state and federal health care systems, government budgets, and overall economies. I have had the privilege of working for both Democratic and Republican administrations on health care reform efforts. For example, I worked extensively with Governor Romney’s Administration and the Massachusetts legislature to model the impact of Governor Romney’s landmark health reform legislation. I later served as a technical consultant to the U.S. Department of Health and Human Services and provided similar support to both the Administration and Congress through economic microsimulation modeling of the Affordable Care Act.

I did not draft Governor Romney’s health care plan, and I was not the “architect” of President Obama’s health care plan. I ran microsimulation models to help those in the state and federal executive and legislative branches better assess the likely outcomes of various possible policy choices.

After the passage of the ACA, I made a series of speeches around the nation endeavoring to explain the law’s implications for the U.S. health care system from the perspective of a trained economist. Many of these speeches were to technical audiences at economic and academic conferences.

Over the past weeks a number of videos have emerged from these appearances. In excerpts of these videos I am shown making a series of glib, thoughtless, and sometimes downright insulting comments. I apologized for the first of these videos earlier. But the ongoing attention paid to these videos has made me realize that a fuller accounting is necessary.

I would like to begin by apologizing sincerely for the offending comments that I made. In some cases I made uninformed and glib comments about the political process behind health care reform. I am not an expert on politics and my tone implied that I was, which is wrong. In other cases I simply made insulting and mean comments that are totally uncalled for in any situation. I sincerely apologize both for conjecturing with a tone of expertise and for doing so in such a disparaging fashion. It is never appropriate to try to
make oneself seem more important or smarter by demeaning others. I know better. I knew better. I am embarrassed, and I am sorry.

In addition to apologizing for my unacceptable remarks, I would like to clarify some misconceptions about the content and context of my comments. Let me be very clear: I do not think that the Affordable Care Act was passed in a non-transparent fashion. The issues I raised in my comments, such as redistribution of risk through insurance market reform and the structure of the Cadillac tax, were roundly debated throughout 2009 and early 2010 before the law was passed. Reasonable people can disagree about the merits of these policies, but it is completely clear that these issues were debated thoroughly during the drafting and passage of the ACA.

I also would like to clarify some misperceptions about my January 2012 remarks concerning the availability of tax credits in states that did not set up their own health insurance exchanges. The portion of these remarks that has received so much attention lately omits a critical component of the context in which I was speaking. The point I believe I was making was about the possibility that the federal government, for whatever reason, might not create a federal exchange. If that were to occur, and only in that context, then the only way that states could guarantee that their citizens would receive tax credits would be to set up their own exchanges. I have a long-standing and well-documented belief that health care reform legislation in general, and the ACA in particular, must include mechanisms for residents in all states to obtain tax credits. Indeed, my microsimulation model for the ACA expressly modeled for the citizens of all states to be eligible for tax credits, whether served directly by a state exchange or by a federal exchange.

I am not an elected official, nor am I a political advisor. I am an economist who ran a complex microsimulation model to help Democratic and Republican politicians and their advisors understand the impact that their policies would have on the health care system. The recent response to my comments at academic and other conferences exceeds both their relevance and my role in federal health care reform.

I behaved badly, and I will have to live with that, but my own inexcusable arrogance is not a flaw in the Affordable Care Act. The ACA is a milestone accomplishment for our nation that already has provided millions of Americans with health insurance. Our country is embarking on an exciting second open enrollment period that will provide new opportunities for these individuals, and millions more, to choose the insurance plan that works best for them. While I will continue to reflect on the causes of my own insensitivity, I hope that our country can move past the distraction of my misguided comments and focus on the enormous opportunities this law provides.

Please find attached, pursuant to Rule XI(2)(g)(5) of the Rules of the House of Representatives and Rule 9(f) of the Rules of the Committee on Oversight and Government Reform, U.S. House of Representatives – 113th Congress, Exhibit A, a copy of my curriculum vitae, and Exhibit B, a disclosure listing the amount and source (by agency and program) of each federal grant (or subgrant thereof) or contract (or subcontract thereof) received by me during the current fiscal year or either of the two previous fiscal years.

I certify that the above information is true and correct.

[Signature]

Jonathan Gruber

12/18/14

Date
Exhibit A
JONATHAN GRUBER
MIT Department of Economics
50 Memorial Drive, E52-355
Cambridge, MA 02142-1347

Education:

Ph.D. in Economics, Harvard University, 1992
B.S. in Economics, Massachusetts Institute of Technology, 1987

Positions:

Ford Professor of Economics, MIT, 2014-present
Professor of Economics, MIT, 1997-2014
Margaret MacVicar Faculty Fellow, MIT, 2007-present
Associate Head, MIT Department of Economics, 2006-2008
Deputy Assistant Secretary for Economic Policy, U.S. Treasury Department, 1997-1998
Castle Krob Associate Professor of Economics, MIT, 1995-1997
Assistant Professor of Economics, MIT, 1992-1995

Director, National Bureau of Economic Research's Program on Health Care, 2009-present
Director, National Bureau of Economic Research's Program on Children, 1996-2009
Research Associate, National Bureau of Economic Research, 1998-present
Faculty Research Fellow, National Bureau of Economic Research, 1992-1998

President-elect, American Society of Health Economists, 2014-present
Board of Directors of the Health Care Cost Institute, 2011-present
Board of the Commonwealth Health Insurance Connector Authority, 2006-present
Associate Editor, American Economic Journal: Economic Policy, 2009-present
Associate Editor, Journal of Health Economics, 2001-present
Executive Committee, American Economics Association, 2010-2012
CBO Long Term Modeling Advisory Group, 2000-2010
Member, NIH Center for Scientific Review Study Section on Social Sciences, 1998-2002

Fellowships and Honors:

2013 American Public Health Association Kenneth Arrow Award for the Outstanding Health Economics Paper of 2012
Named to 100 Most Powerful People in Health Care in the United States, Modern Healthcare Magazine, 2006 and 2012
Partners Health Care Connected Health Leadership Award, 2011
Winner of 2009 Purvis Prize from Canadian Economic Association for Best Public Policy
Publication of the year
Elected to the American Academy of Arts and Sciences, 2008
MIT Undergraduate Economics Association Teaching Award, 2007
Inaugural Medal for Best Health Economist Age Forty and Under, American Society of
Health Economists, 2006
Elected to the Institute of Medicine, 2004
Member of the National Academy of Social Insurance, 1996
1995 American Public Health Association Kenneth Arrow Award for the Outstanding Health
Economics Paper of 1994
National Science Foundation Presidential Faculty Fellowship, 1995
Sloan Foundation Research Fellowship, 1995
MIT Undergraduate Economics Association Teaching Award, 1994
FIRST Award, National Institute of Aging, 1994
Harvard Chiles Fellowship, 1991
Sloan Foundation Dissertation Fellowship, 1990
National Science Foundation Scholarship, 1987
Phi Beta Kappa, 1987

Publications in Journals:

“More Insurers lower Premiums: Evidence from Initial Pricing in the Health Insurance
Marketplace,” American Journal of Health Economics, forthcoming (also available as

“Does Church Attendance Cause People to Vote? Using Blue Laws’ Repeal to Estimate the
Effect of Religiosity on Voter Turnout,” British Journal of Political Science,
forthcoming (also available as NBER Working Paper #14303, September 2008) (with
Alan Gerber and Dan Hungeman).

“Measuring Returns to Hospital Care: Evidence from Ambulance Referral Patterns,”
forthcoming, Journal of Political Economy (with Joseph Doyle, John Graves and

“Moral Hazard and Claims Deterrence in Private Disability Insurance,” American Economic
Journal: Applied Economics, 6(4), October 2014, p. 110-141 (with David Autor and
Mark Duggan)

“The Impact of Patient Cost-Sharing on the Poor: Evidence from Massachusetts,”
Journal of Health Economics, forthcoming (also available as NBER Working Paper
#18023, April 2012) (with Amitabh Chandra and Robin McKnight).

Hendren and Robert Townsend).

“A Tax-Based Estimate of the Elasticity of Intertemporal Substitution,” Quarterly Journal of
Finance, 3(1), June 28, 2013.

of Medicine, 368: 1713-1722, May 2, 2013 (with Kate Baicker, Sarah Taubman, Heidi Allen, Mira Bernstein, Joseph Newhouse, Eric Schneider, Bill Write, Alan Zaslavski, Amy Finkelstein, and the Oregon Study Group).

“The Affordable Care Act is Constitutional,” Annals of Internal Medicine, 156(9), May 2012, p. 660-661 (with David Cutler).


“Projecting the Impact of the Affordable Care Act on California,” Health Affairs, 30, January 2011, p. 63-70 (with Peter Long).


“Crowd-Out Ten Years Later: Have Recent Expansions of Public Insurance Crowded Out


“The Impact of the Tax System on Health Insurance Coverage,” *International Journal of*


“Abortion Legalization and Child Living Circumstances: Who is the “Marginal Child?,”


**Other Publications:**


“Health Care Reform Without the Individual Mandate: Replacing the Individual Mandate


“The Fiscal Implications of Social Security Reform in the U.S.”, in Jonathan Gruber and


**Books:**


**Edited Volumes:**


Opinion Pieces

“Obamacare Enrollment is Far From Over,” Talking Points Memo, April 1, 2014, at http://talkingpointsmemo.com/cafe/obamacare-enrollment-is-far-from-over


“Why the Individual Mandate is Effective and Efficient,” http://www.thedailybeast.com/articles/2012/03/26/why-the-individual-mandate-is-effective-
and-efficient.html

“Health Care Reform in Wisconsin: The Facts,” available at:
\http://wisopinion.com/index/ml?mdl=article.mdl&article=37203

“Howard Dean Wrong, Individual Mandate Right,” blogged at The New Republic at
http://www.tnr.com/blog/jonathan-cohn/78614/dean-vermont-health-insurance-mandate

“A Health Reform Critic Flunks Math,” blogged on The New Republic at

“‘Cadillac’ Tax isn’t a Tax – It’s a Plan to Finance Real Health Reform,” Washington Post,
December 28, 2009.

“Reform Requires Consumer Pressure,” Boston Globe, September 3rd, 2009


“The Role of Individual Mandates in Health Reform”. Paper for the National Institute for
Health Care Management, January 2009. Available at


Discussions and Reviews

Introduction to the Second Edition of Managing and Evaluating Healthcare Intervention
Programs, Ian Duncan, ed., 2014

Discussion of Ian Crawford, Michael Keen and Stephen Smith, “Value Added Tax and
Excises,” in Dimensions of Tax Design: The Mirlees Review, Institute for Fiscal

Discussion of William Jack, Arik Levinson and Jessica Vistnes, “Tax Subsidies for Out of
Pocket Health Care Costs,” in Using Taxes to Reform Health Insurance: Pitfalls and

Literature, 43(3), September 2005, p. 805-809.

Discussion of Michael Hurd, “Bequests By Accident or By Design”, in Death and Dollars:
The Role of Gifts and Bequests in America, Alicia Munnell and Annika Sunden, eds.

Discussion of Matthew J. Eichner, Mark B. McClellan, and David A. Wise, “Insurance or
Self-Insurance? Variation, Persistence, and Individual Health Accounts,” in Inquiries
in the Economics of Aging, David A. Wise, ed. Chicago: University of Chicago Press,
1998, 45-49.


**Unpublished Manuscripts:**


September, 2014.
Exhibit B
Federal Grant:

Dynamics of Plan Choice and Prescription Drug Utilization in Medicare Part D (National Institutes of Health, National Institute on Aging)

Amount from this grant received by me during the current fiscal year or either of the two previous fiscal years: $65,120

Federal Grant:

Estimating the Returns to Medical Care Spending (National Institutes of Health, National Institute on Aging)

Amount from this grant received by me during the current fiscal year or either of the two previous fiscal years: $36,120

Federal Grant:

The Impact of Short Term Disability Insurance Coverage on Employment and SSDI Enrollment (National Institutes of Health, National Institute on Aging)

Amount from this grant received by me during the current fiscal year or either of the two previous fiscal years: $32,958

Federal Grant:

The Impact of Workers Compensation Insurance on Disability Insurance Claims (National Institutes of Health, National Institute on Aging)

Amount from this grant received by me during the current fiscal year or either of the two previous fiscal years: $0

Federal Grant:

Analyzing the Impact of a Health Care Price Transparency Tool (National Institutes of Health, National Institute on Aging)

Amount from this grant received by me during the current fiscal year or either of the two previous fiscal years: $0
Federal Grant:

How Does Insurance Plan Switching Affect Patient Health Care Outcomes? (National Institutes of Health, National Institute on Aging)

Amount from this grant received by me during the current fiscal year or either of the two previous fiscal years: $0