

Duke University: 44% of U.S. firms consider cutting health care to current workers

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Adding to a devastating CBO report of how Obamacare could damage the economy, a Duke University survey of top companies found that 44 percent are considering reducing health benefits to current employees due to Obamacare, confirming the fears of millions of American workers.

In its December survey of chief financial officers around the country, Duke also found that nearly half are “reluctant to hire full-time employers because of the Affordable Care Act.”

And 40 percent are considering shifting to part-time workers and others will hire fewer workers or fire some to avoid the costs of the program.

What’s more, they said in the study, “One in five firms indicates they are likely to hire fewer employees, and another one in 10 may lay off current employees in response to the law.”

Without the law, the CFOs told Duke that they would hire more full-time workers.

The survey adds to the Congressional Budget Office’s study in raising new questions about the economic impact of Obamacare. Both give Republicans ammunition to continue their efforts to repeal the program that has upset how millions of Americans get health insurance. The survey was initially released in December and re-released Wednesday to provide context to the CBO report.

Duke University’s Fuqua School of Business Professor Campbell R. Harvey said that the school’s survey shows that the economic hit the CBO warned of will be worse.

“Our survey shows that the situation is much more serious because employers tell us that they will choose not to hire and may lay people off,” he said. “I doubt the advocates of this legislation anticipated the negative impact on employment. The impact on the real economy is astonishing. Nearly one-third of firms may either terminate employees or hire fewer people in the future as a direct result of ACA.”

His colleague John Graham said in a statement promoting the survey, “An unintended consequence of the Affordable Care Act will be a reduction in full-time employment growth in the United States. Companies plan to increase full-time employment by 1.4 percent in 2014, a rate of growth which is

down from last quarter and unlikely to put a dent in the unemployment rate, assuming that the labor force participation rate remains constant. CFOs indicate that full-time employment growth would be stronger in the absence of the ACA.”

See the full survey here.

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