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# An Analysis of U.S. Congressional Support for the Affordable Care Act

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### Abstract

Studies of health policy often assume that politicians will enact laws based on the preferences of their constituents in order to maximize their reelection prospects. This paper analyzes the determinants of voting in the 111th Congress on the Affordable Health Care for America Act. We find that the percentage of uninsured constituents in a Congressional district has no impact on voting. This result is robust to including a host of demographic control variables. We find that President Obama's popularity in the district is significantly correlated with support for the bill and explains approximately 50% of the variation in voting. Finally, we find little evidence that campaign contributions are correlated with voting when controlling for the other variables in the model. These findings call into question much of the conventional wisdom about how legislators vote on health policy.

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### 1. Introduction

How do politicians choose which health policies to support? One classic argument in political economy is that, in general, politicians choose policies that respond to the preferences of constituents and special interests.<sup>1</sup> In the case of health policy, there is a

<sup>&</sup>lt;sup>1</sup> For studies on politicians' responses to voter and special interest preferences, see Romer and Rosenthal (1976) and Grossman and Helpman (1996).

variety of voter and special interests at play; these include concerns by and for individuals who lack insurance, preferences about the structure of the health care insurance market, and opinions about how health care spending impacts the federal budget.

Others have suggested that political concerns are the dominant determinant of public policy.<sup>2</sup> The Affordable Health Care for America Act of 2009<sup>3</sup> (hereafter, "the bill") provides a novel laboratory for distinguishing the importance of these competing views because, within the Democratic caucus, there was considerable variation in support for the bill. Specifically, we test if the prevalence of uninsured constituents increases the likelihood of a representative's support for health care reform. The "constituent interest view" described above would imply that as the population of constituents without insurance rises, voter support for the Affordable Care Act may rise as well and the representative would be more likely to vote for the bill.<sup>4</sup>

Our paper shows that (1) the percentage of constituents with health coverage in a Congressional district is not correlated with member support for the bill and (2) President Obama's margin of victory in the 2008 presidential election is positively correlated with member support for the bill and explains almost 50% of the variation in Congressional voting patterns on the bill. These results hold while controlling for a host of political and demographic control variables, suggesting that the results are not being driven by omitted-variables bias.<sup>5</sup> Our results strongly suggest that the strength of partisan affiliation is the single most important determinant of health care policy voting.

Our results contradict the idea that the direct interests of constituents determine policy. While previous work on issues ranging from economic to environmental policy has found significant legislative sensitivity to constituent interests (Joskow and Schmalensee, 1998; Mian, Sufi, and Trebi, 2010), our work demonstrates that this relationship is not universal.

Our work has implications not only for studying previous examples of successful and failed health care reform policies, but also for forecasting the likelihood of future health care policy, including changes to Medicaid currently being debated in several states. Much of the opposition to the expansion of Medicaid is concentrated in states with large populations of potential beneficiaries (Levey, 2013). A classic political

 $<sup>^{2}</sup>$  A formulation of this argument can be found in Bartels (2000). See also studies on the political economy of health care, such as Makinson (1992) and Bodenheimer (2005).

<sup>&</sup>lt;sup>3</sup> This version of health care reform was the primary health care reform legislative proposal originating in the House of Representatives, and was passed over in favor of the Senate's version. In order to maintain the greatest sensitivity to the 2008 electoral results and take advantage of Democratic vote variation, we limit our discussion here to support for the House. But many of the factors we examine are relevant to other parts of health care reform.

<sup>&</sup>lt;sup>4</sup> Of course, the percentage of uninsured constituents is only one proxy for voter interests. The level of altruism among individuals in the district, for example, could also be correlated with voter interests and could influence the representative's vote. We do not consider this measure in the present study.

<sup>&</sup>lt;sup>5</sup> One potential concern is the inclusion in the bill of the Stupak-Pitts Amendment, which restricted access to abortion. In unreported analysis, we confirm that views on abortion did not drive votes on the bill, once other explanatory variables are accounted for.

economy framework might predict the expansion of Medicaid in states with the highest number of potential beneficiaries, but in fact, states such as Texas and Florida have resisted the expansion, a pattern consistent with our results. Below, we present our data, methodology, and findings, followed by a discussion of the implications of our analysis.

## 2. Study Data and Methods

Our data for the 111th Congress are compiled at the Congressional district level. The dataset is drawn from a number of sources and the analysis relies on Congressional district-level data for votes, electoral outcomes, campaign contributions, and demographics. Sources include the Library of Congress THOMAS database for the roll call vote on the bill; elections data from the Federal Elections Commission; federal campaign contributions data from the Center for Responsive Politics; Gallup data on uninsured populations; data on political ideology from Progressive Punch, a website that tracks Congressional voting; and U.S. Census data on district demographics. We restrict our analysis to Democratic Congressmen, as there is little variation in voting among Republican representatives (176 out of 177 Republicans voted "no" on the health care reform bill).

For the initial analysis, we test the difference in means between Democratic "no" votes and Democratic "yes" votes. We use a probit model to estimate the relationship between our dependent variables and each member's vote on the bill. Variables of interest are listed below:

*Vote on HR 3962*: Our dependent variable is the vote on the House of Representatives Bill HR 3962, known as the "Affordable Health Care for America Act," which passed through the House of Representatives on November 7, 2009. We code the vote as a dummy variable, where support for the bill is set equal to 1.

*Percentage without Health Insurance*: Through the formation of health care exchanges and the expansion of Medicaid the bill was expected to lead to the expansion of health insurance access to the tens of millions of Americans who are currently uninsured. Data on the percentage of uninsured people by Congressional district were obtained from the U.S. House of Representatives Committee on Energy and Commerce website, downloaded on August 27, 2009. The committee sourced its data from the Gallup-Healthway Survey, and the information was used by Congressional offices leading up the vote. Data ranges from 3.6% to 46% uninsured in a district. When we compare the data to Census measures of the percentage of the population living in poverty, we find a correlation coefficient of .6, which suggests that this is a strong measure of the number of uninsured individuals in a district.

2008 Obama Margin of Victory. Data on the 2008 elections returns at the district level were downloaded from the Federal Elections Commission. For the districts represented by a Democratic Congressman, there is considerable variation in the margin of victory for President Obama, ranging from -54% to 90%.

*No Health Insurance Industry Contributions*: There is a long literature in political economy linking campaign contributions to policy outcomes in the American political system. A significant proportion of this work pertains directly to industry Political Action Committee (PAC) contributions, the control variable used in our study (see Milyo et al., 2000). A key debate in this literature is whether campaign contributions actually impact legislator voting or are simply an indicator of ideological alignment between the contributing industry group and the legislator. For a summary see Ansolabehere et al., 2003.

This literature has noted that, while industry PACs are given significant public attention, they account for a relatively modest share of overall campaign spending and are smaller in magnitude than comparable forms of corporate spending, such as philanthropic giving (Milyo et al., 2000; Ansolabehere et al., 2003). We include health insurance industry PAC contributions in our models to control for this variable, not only because it has been highlighted in prior research, but also to account for legislator ideology, given the potential for omitted-variable bias to influence our results.

We use data on federal campaign contributions from the Center for Responsive Politics, a nonpartisan organization that collects data directly from the Federal Election Commission. We include a dummy variable set equal to 1 for Congressmen receiving no money from health insurance political action committees and 0 otherwise.

*Political Control Variables*: There are a variety of confounding political variables that might contaminate the regression results. To control for this, we include a host of political control variables. To control for political ideology, we use scores computed by Progressive Punch, a nonpartisan database of Congressional voting patterns. Progressive Punch uses an algorithm to score a representative's ideology, where 0 is considered voting consistently with the "conservative position." We also include data on the margins of victory for Congressmen during the 2008 election, a dummy variable indicating whether a Congressman is new as of 2008, and the log of total PAC contributions in the 2008 election cycle from the Center for Responsive Politics data. As a final control, we include an indicator variable representing whether or not the politician voted for the Pence Amendment, which proposed limiting funding to Planned Parenthood to HR 3293 (an appropriations bill).

*Demographic Control Variables*: Demographic variables by Congressional district were obtained from the 2007 American Community Survey, run through the U.S. Census Bureau. Included as controls are per-capita income, percentage under the poverty level, percentage unemployed, percentage with a college degree, racial composition of the district, and percentage of citizens over the age of 65.

# 3. Results

Table 1 reports the summary statistics and by Congressmen who voted for and against HR3962.

	Voted for HR3962		Voted against HR3962	
	Mean	Standard deviation	Mean	Standard deviation
Variables of Interest				
Percentage without Health Insurance	15.83%	7.96%	16.08%	4.71%
2008 Obama Margin of Victory	30.09%	23.71%	-9.64%	16.13%
No Health Insurance Industry Contributions	18.89%	39.23%	10.26%	30.74%
Political Control Variables				
First Term in Office	11.42%	31.87%	38.46%	49.29%
2008 Congressional Margin of Victory	45.95%	26.43%	29.17%	28.51%
2009 Progressive Punch Score	.82	.13	.95	.06
Log (Total 2008 PAC Contributions)	13.40	.60	13.73	.45
Voted for Pence Amendment	3.29%	17.87%	30.77%	46.76%
Demographic Control Variables				
Per Capita Income	\$26,934	\$8,637	\$23,214	\$4,043
Percentage Living in Poverty	3.95%	1.49%	4.10%	1.22%
Unemployment Rate for People Over 25	6.07%	2.01%	5.33%	1.27%
Percentage with College Education	28.17%	10.85%	22.39%	5.82%
Percentage White	66.86%	20.94%	79.34%	13.45%
Percentage African American	15.63%	18.04%	13.55%	14.16%
Percentage Asian	5.84%	7.27%	1.68%	2.01%
Percentage Hispanic	18.83%	29.46%	6.20%	8.41%
Percentage Elderly	12.25%	2.71%	13.67%	1.97%
Observations	219		39	

Note: There were 258 total Democrats in the sample at the time of voting. Progressive Punch scores vary from zero (least progressive) to one (most progressive). We are missing insurance coverage data for the 7th district in Massachusetts and are missing campaign spending data for Congressman John McHugh and Congresswoman Ellen Tauscher. We are missing a Progressive Punch score in 2009 for Congresswoman Ellen Tauscher. There are also six missing votes for the Pence Amendment vote.

The descriptive results preview the findings from the regression analysis. There is no significant difference in the percentage uninsured in districts represented by Democratic Congressmen who voted for the bill and in those represented by Democratic Congressmen who voted against it (15.83% vs. 16.08%). There is a 40-point difference in President Obama's 2008 margin of victory in districts whose representatives voted "yes" or "no" (30.09% vs. -9.64%). Finally, Table 1 shows that there is no relationship between Congressional votes for the health reform bill and campaign contributions from the health care industry (13.40 vs. 13.73).

Table 2 presents the marginal effects of a probit regression analysis. Columns 1 and 5 report results on the relationship between percentage uninsured and a "yes" vote, without and with controls, respectively. In both models, the percentage of district population without health insurance is not correlated with support for the bill. We include the 95% confidence intervals (in brackets), rather than the standard errors to illustrate the precision of our estimate. Note that in Column 5, with a full set of controls, a 1% increase in health insurance coverage in a district would be associated with a 0.01% increase in the likelihood of voting "yes." The upper bound on the 95% confidence interval is 0.29%. The standard deviation in percentage uninsured, as shown Table 1, is 7.96%. The implication is that the percentage of uninsured individuals in a district has essentially no impact on voting patterns.

	Dependent variable: Voted for HR3962						
	(1)	(2)	(3)	(4)	(5)		
Percentage without Health Insurance	001 [005 , .004]			000 [002 , .002]	.000 [003, .003]		
2008 Obama Margin of Victory		.003 [.000 , .007]		.004 [.000 , .007]	.002 [001, .004]		
No Health Insurance Industry Contributions			.077 [020 , .174]	.010 [028 , .047]	.003 [024 , .030]		
Voted for Pence Amendment					002 [037, .033]		
Political Control Variables	No	No	No	No	Yes		
Demographic Control Variables	No	No	No	No	Yes		
Observations	257	258	256	255	255		
Pseudo R <sup>2</sup>	.000	.469	.009	.470	.596		

#### Table 2: Factors That Predict Congressional Votes for HR3962

Note: Marginal effects of probit reported. 95% confidence intervals are included in parentheses.

Turning to electoral concerns, the raw differences in Table 1 suggest that electoral support for President Obama is positively related to support for the health reform bill. The probit analysis in Table 2 supports this relationship in all specifications. It is important to note that these results hold when the representative's ideology is included as a control. Furthermore, the pseudo R-squared in Column 1, where only percentage of uninsured individuals is included, is 0.0002. In Column 2, where 2008 Obama Margin of Victory is the key independent variable, the pseudo R-squared is 0.4686.

Next, we consider the potential impact of federal campaign contributions from the health care and insurance industry. These data have frequently been analyzed in the context of ascertaining influence over policy making (e.g., Makinson, 1992). There does not appear to be a relationship between campaign contributions from health insurance and

HMO PACs, and the House bill vote, regardless of the control variables included (Table 2, Columns 3-5).

These probit results indicate that going from no support for the President to full support increases the likelihood of a "yes" vote by about 20%. These results should be interpreted with the proper magnitudes of support for President Obama in mind. For example, at the extremes, some Congressional districts had a +50% margin for the President while others had -50%.

## 4. Discussion

Our analysis suggests that support among Democratic legislators for the Affordable Care Act was not determined by constituent needs and special interest pressure, but was more influenced by the strength of support for President Obama within a district, as measured by his margin of victory in the 2008 presidential election. This result supports the notion that the President had a finite amount of political capital on to "spend" on health care reform (Cooper and Castle, 2009).

Upon close inspection, our study produces several interesting findings. For example, our analysis of campaign contributions from health insurance PACs indicates that support for the health care reform does not directly follow from industry contributions. Rather, it is more likely that support for health care reform and receipt of insurance PAC contributions are both correlated to a representative's ideology. It is also striking that the potential benefit to constituents appears to have a similarly insignificant relationship with support for the bill: The percentage of uninsured people in a district does not impact the House vote. This is true even for representatives of districts with a very high level of uninsured citizens.

The results of this analysis may shed light on future legislation, including statelevel decisions on the pending expansion of Medicaid. Legislators' votes are frequently subject to media scrutiny, with respect to the degree of industry influence and political machination. Our results suggest that electoral politics and partisan identity are likely to be the most crucial determinants of health care policy (The Politics of Health Care Reform, 2008, Oberlander, 2008).

Finally, this analysis is useful in identifying the connections between key political, economic, and ideological factors and Congressional voting, if and when future reforms of U.S. health care are debated. Despite heated commentary on both sides, we have little systematic evidence of how receptive legislators are to industry influence and of the degree to which they are influenced by electoral competition or prodded by constituent preferences. This study concludes that – at least on the issue of health care – Congressional opinions are complex combinations of these factors, not reducible to simple explanations.

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