



Nationally, about 19 million people worked in establishments with 20 to 49 employees. If we conservatively assume that half work year round and the other half work only six months, ACA regulations cost these workers \$11.8 billion annually. Consequently, ACA regulations are costing workers in businesses with 20 to 99 workers at least \$22.6 billion annually.

In addition, we found that in firms with 20 to 49 workers, a one percent increase in premiums after the ACA became law has been associated with a 0.093 percent decrease in employment. Table 4 demonstrates the implications for each state.

Table 4: Premium Increases and Resulting Job Losses in Businesses with 20-49 Workers since ACA became Law		
State	Premium Increase	Loss in Jobs
Total	n/a	350,544
Alabama	12.0%	3,136
Alaska	21.9%	855
Arizona	22.6%	6,650
Arkansas	22.0%	3,578
California	20.5%	42,788
Colorado	24.0%	8,296
Connecticut	22.3%	5,033
Delaware	19.8%	1,062
Florida	19.9%	20,786
Georgia	14.5%	7,613
Hawaii	24.0%	2,013
Idaho	18.1%	1,646
Illinois	23.3%	16,167
Indiana	25.8%	9,835
Iowa	16.9%	3,428
Kansas	28.2%	5,061
Kentucky	21.2%	5,057
Louisiana	9.0%	2,558



Maine	14.6%	1,206
Maryland	17.7%	6,305
Massachusetts	19.4%	8,302
Michigan	8.2%	3,852
Minnesota	14.7%	4,979
Mississippi	11.0%	1,595
Missouri	23.9%	8,507
Montana	24.4%	1,655
Nebraska	22.1%	2,924
Nevada	11.7%	1,733
New Hampshire	19.6%	1,773
New Jersey	26.5%	13,158
New Mexico	15.8%	1,809
New York	20.2%	21,072
North Carolina	11.6%	6,562
North Dakota	29.1%	1,942
Ohio	33.3%	23,379
Oklahoma	20.9%	4,708
Oregon	16.4%	4,123
Pennsylvania	17.5%	13,903
Rhode Island	18.0%	1,241
South Carolina	20.5%	5,145
South Dakota	37.9%	2,274
Tennessee	13.1%	4,485
Texas	19.7%	29,885
Utah	24.7%	4,355
Vermont	15.3%	664
Virginia	17.8%	9,127
Washington	15.6%	5,964
West Virginia	26.4%	2,575
Wisconsin	11.7%	4,329



Wyoming	34.0%	1,453
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Our results suggest that on average, a state lost 7,011 jobs in businesses with 20 to 49 workers due to increases in premiums, costing 350,544 jobs nationwide.¹² California has lost 42,788 jobs due to ACA regulations. In addition, the ACA has cost Florida, New York, Ohio, and Texas more than 20,000 jobs each.

We find evidence that the labor force is absorbing these detrimental costs even before the government has started enforcing the most stringent ACA regulations. These costs are likely a result of businesses preparing for the employer mandate, providing health insurance to workers, and losing access to low-cost coverage.

Conclusion

As the [Federal Reserve](#) found more than a decade ago, there is “strong evidence that workers pay for their health care costs in the form of reduced compensation, and that they do so contemporaneously with those costs.” Today, AAF finds that the ACA has fundamentally changed the health care landscape, affecting premiums, small business wages, and employment. \$22.6 billion in foregone income and 350,000 lost small business jobs might sound like stark numbers, but they are just the initial data from

¹² In calculating the impact of the ACA for jobs among businesses with 20 to 49 workers, we assume that the pre-ACA relationship is 0, as our results were weakly positive and statistically insignificant. This assumption leads to conservative estimates of the impact.