

Big impact on income gap is health law's new angle

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This handout photo provided by the Brookings Institution, taken Jan. 13, 2012, shows Gary Burtless of the Brookings Institution speaking in Washington. If the gap between haves and have-nots is the defining issue of President Barack Obama's second term, his health care overhaul was its first-term counterpart. Now it turns out the two are linked: new research shows that Obama's health care law will significantly boost the economic fortunes of people in the bottom fifth of the income ladder. Obama may be hard pressed to top his first-term accomplishment. (AP Photo/Ralph Alswang, Brookings Institution)

Maybe the health care law was about wealth transfer, after all.

A study by the nonpartisan Brookings Institution finds that the Affordable Care Act will boost the incomes of Americans in the bottom one-fifth of the income ladder by about 6 percent, while slightly reducing average incomes on the rungs above.

The gap between haves and have-nots is being called the defining issue of President Barack Obama's second term.

His health overhaul dominated the first term. Now it turns out the two are linked.

Obama lacks the votes in Congress for sweeping policy changes such as a higher minimum wage. So prospects for his second-term agenda on [income inequality](#) appear slim.

The health law may one day be seen as his biggest legacy to the poor, not just the uninsured.

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