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**Thomas Buchmueller**, Business Economics & Public Policy

**The Effect of an Employer Health Insurance Mandate on Health Insurance Coverage and the Demand for Labor: Evidence from Hawaii**

We examine the effects of the most durable employer health insurance mandate in the United States, Hawaii's Prepaid Health Care Act, using Current Population Survey data covering the years 1979 to 2005. Basing our statistical inference on permutation (placebo) tests across all states, we find that Hawaii's law substantially increased insurance coverage for worker groups with low rates of coverage in the voluntary market. We find little support for the hypothesis that the mandate reduced wages and employment probabilities; instead, its primary detectable effect was an increased reliance on part-time workers who are exempt from the law.