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# ObamaCare: The Unaffordable Care Act

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*Emac's Bottom Line*

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President Barack Obama has said this:

“This is the most transparent Administration in history.”

The health-care law “does not grow the deficit by a single dime.”

“But we don’ t want to put adults in a situation in which, on the front end, we are mandating them, we are forcing them to purchase insurance, and if the subsidies are inadequate, the burden is on them, and they will be penalized. And that is what Sen. Clinton’ s plan does.”

The health reform mandate tax “is absolutely not a tax increase.”

"If you’ re saying to people you gotta get health insurance, but they can't actually afford it, and they have to pay a penalty if they don’ t get it, then that's a pretty big burden on middle class families."

“I will sign a universal health care bill into law by the end of my first term as president that will cover every American and cut the cost of a typical family's premium by up to \$2,500 a year.”

“Over the last two years, health-care premiums have gone up — it’ s true — but they’ ve gone up slower than any time in the last 50 years.”

“If you like your doctor, you will be able to keep your doctor, period. If you like your health-care plan, you’ ll be able to keep your health-care plan, period. No one will take it away, no matter what.”

“If you like your insurance plan, you will keep it. No one will be able to take that away from you. It hasn’ t happened yet. It won’ t happen in the future.”

“What we said was you can keep it (your health insurance) if it hasn’ t changed since the law passed.”

“For the fewer than 5% of Americans who buy insurance on your own, you will be getting a better deal.” (Note: 5% is about 15 million people.)

“Even if it's a small percentage of people. I mean, we're talkin' about 5% of the population.”

“So if you're getting one of these [cancellation] letters, just shop around in the new marketplace.”

"Keep in mind that the open enrollment period, the period during which you can buy health insurance is available all the way until March 31. And we're only five weeks into it."

“We will continue to make the case -- even the folks who choose to keep their own plans -- that they should shop around in the new marketplace, because there's a good chance that they'll be able to buy better insurance at lower cost.”

"I am sorry that they are finding themselves in this situation (policy cancellations) based on assurances they got from me ...There is no doubt that the way I put that forward unequivocally ended up not being accurate.”

“Obviously, we didn't do a good enough job in terms of how we crafted the law.”

Former President Bill Clinton: “Even if it takes a change to the law, the president should honor the commitment the federal government made to those people and let them keep what they got.”

Rep. Nancy Pelosi, (D-Calif.): "There's a lot of whoop-de-do and ado about what's happening."

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The Obama administration and Democrats in Congress touted low-cost insurance to sell the state exchange idea. But state exchanges are now seeing dramatic price spikes due to government mandates in health insurance, slow enrollment, lack of younger applicants, and an influx of older and sicker consumers.

A check of exchanges in big states like California, Texas, Colorado, and Illinois shows premium spikes anywhere from 30-50%, even double pre-reform prices. The new law's coverage mandates -- for things like mandatory newborn care even for elderly policyholders -- could cause average premiums for individuals to rise 27%, says the consultancy Milliman. Kentucky and Ohio are seeing increases, too. Fifteen states are seeing price spikes double what they were pre-reform.

This sticker shock comes as millions of Americans are seeing policies canceled, the government web site is still not working, and data breach fears are scaring people away from state exchanges.

Millions of Americans across the country are experiencing enormous stress and chaos this holiday season, as middle class families are seeing coverage they freely chose, bought and paid for summarily canceled due to new government mandates, and are now paying more for health coverage.

Plus millions of Americans are finding out that they will not be able to keep their doctors or same level of hospital care, as medical professionals by the score are already ditching government-issue insurance.

The White House and Democrat backers in Congress continue to treat 15 million individuals now on track to lose coverage as rounding errors, or as an

inconvenient truth. Because the president's vow, that you can keep your health plan, which he won re-election on, shows it always depended on what the meaning of the word "if" is. There were no caveats or footnotes in this promise during the president's run for his second term (New York magazine compiled a clip of the 23 times the president made this promise.)

Insurance cancellations continue to rise, more than five million to date. Health & Human Services, the IRS, Treasury and Labor Departments had research in 2010 showing that as many as 69% of certain employer-based insurance plans could see their plans canceled. That's potentially 41 million people who were projected to lose the plans they wanted to keep and forced into other plans.

As for the individual insurance market, the Administration projected anywhere from 11 million to 15 million people who purchased their own insurance could lose their health coverage. All told, an estimated 56 million people could lose the plans they had, and could be pushed into costlier plans. Kaiser Family Foundation has already reported that 95% of Americans were already satisfied with their healthcare coverage before reform.

Deductibles and out-of-pocket costs are rising in the state exchanges, too. A survey of seven states by HealthPocket in June warned this was coming. New entry level bronze plans in exchanges for California, Connecticut, Ohio, Oregon, Rhode Island, Vermont, and Washington showed costs for deductibles, doctor visits and co-insurance costs were rising across the board.

Policy deductibles for single people were hitting \$6,350 and \$12,700 per family, 26% higher than the average for many new policies, notes Kev Coleman, head of data and research at HealthPocket. A check of state exchange policies today shows still stubbornly high deductibles. Bronze plan premiums on California's state exchange carry a \$5,000 deductible for individuals, a 30% co-insurance fee for hospital care and a \$60 co-pay.

"Somebody's who's above 250% of the federal poverty level" and who doesn't qualify for tax subsidies, and "who uses medical services frequently, just do the math, they are going to pay more," says Coleman.

Common sense dictates that if consumers must pay, say, the first \$5,000 to \$6,000 out of their own pocket for insurance premiums that are doubling, will they bother to sign up on the state exchanges at all, or just pay the mandate tax?

A Quinnipiac poll last week reported 52% of Americans surveyed responded “no” to whether Mr. Obama was honest and trustworthy. Last week, 39 Democrats in the House voted for a GOP bill to reinstate sales of insurance policies canceled under the Affordable Care Act. The bill would let consumers keep their old plans for only one year. Last summer, 35 Democrats voted to delay the employer mandate. In 2012, the Congressional Budget Office increased its budget costs for health reform to \$1.76 trillion by 2022, up from \$940 billion.

For now, the president has told insurance companies that the regulations prohibiting them from offering old plans will not be enforced in 2014. But that is only a delay in the eventual cancellation of those policies.