

Good News on Obamacare

Michael Sean Winters | May. 30, 2013 | Distinctly Catholic

An important news story got lost this week because all the coverage of the "scandals" afflicting the Obama administration.

The State of California, which is leading the country in setting up a competitive health insurance exchange under the terms of the Affordable Care Act, announced the new plans and premiums that will be available to customers. Despite dire warnings that Obamacare would drive premiums through the roof, lo and behold, the new premiums seem pretty reasonable.

"Based on the premiums that insurers have submitted for final regulatory approval, the majority of Californians buying coverage on the state's new insurance exchange will be paying less—in many cases, far less—than they would pay for equivalent coverage today," writes the *New Republic's* Jonathan Cohn who knows more about health care policy than almost anyone I know. He notes that some 5 million people in California are expected to sign up for the new plans. There is a range of plans to choose from, including a "catastrophic plan" for young, healthy people that will only cost about \$150 per month. The typical "silver plan" which covers about 70 percent of costs, was expected to cost about \$450 a month, but in fact will only cost about \$300 a month.

Now, \$2600 per annum seems like a lot of money. But it is less than most employer-financed coverage which averages about \$5,500 per year. As Cohn points out, many people do not realize how expensive their health insurance is because they only pay the employee share. But, health insurance is not cheap.

A few months ago, I heard George Will on a television talk show suggest that young people will be very likely to simply pay the penalty for not getting insurance, rather than shell out the money for an insurance plan. The gist of his argument was that the penalty cost less than the insurance. Yes, that is true—but you don't have the insurance! If a catastrophic plan only costs \$150 per month, my guess is most young people will get it.

There is now a new scare tactic on the right which is to take the "scandal" at the IRS and try to suggest that because the IRS plays a role in enforcing compliance with the ACA, the IRS will somehow be involved in regulating your access to health care. A couple of Fox News talking heads were raising this specter in the last few days. This is Michele-Bachmann-level insanity. (Lord, won't we miss her!) And, permit me this one diversion. The IRS "scandal" is that the agency requested information from groups with the word "party" in their name, to see if they comply with the part of the tax code that requires tax exempt organizations to be non-partisan. I understand the sensitivity here, but it is also time we grow up and admit that most of these tea party groups were engaged in politics. But, I digress.

Another line of attack against Obamacare is to point out that a majority of Americans tell pollsters they oppose the law. A recent USA Today poll showed that 54 percent of Americans oppose the ACA. Set aside the fact that Republicans just thumbed their noses at background checks which had the support of 90 percent of the American people. This 54% number would be troublesome to Obama and to Democrats standing for re-election

in 2014 ? if you only read the headline. Because, among that 54% who do not like the ACA, 16% do not like it because it is too conservative. They want the health care delivery system to be more liberal. And, my guess is that such voters are not going to be voting for the Tea Party candidates for Congress next year.

The Affordable Care Act is likely to be the thing first mentioned in President Obama's biographies. Very few of the President's appointments have wowed me with their competence, least of all Secretary Sebelius. And, because of the White House's mishandling of the conscience issue, they will get a fresh round of controversy soon, I suspect, that will divert from their sole mission these days: Helping people understand how the ACA works, and how they can access its benefits. The lower-than-expected premiums are one very good sign. There have to be others as the roll out the law. The prospect of insuring 45 million Americans beckons.

Source URL (retrieved on 07/21/2017 - 02:06): <https://www.ncronline.org/blogs/distinctly-catholic/good-news-obamacare>