

Health overhaul signup ends, survives for now

March 30 2014, by Steven R. Hurst



In this March 23, 2010, file photo President Barack Obama signs the health care bill in the East Room of the White House in Washington. As a hectic sign-up season winds down, President Barack Obama's health care law has managed to change the country. Americans are unlikely to go back to a time when people with medical problems could be denied coverage. But Obama's overhaul needs reworking of its own to go down in history as a legacy achievement like Medicare and Social Security.(AP Photo/J. Scott Applewhite, File)

Monday marks the end of the six-month sign-up period for insurance under President Barack Obama's health care overhaul, a highly controversial attempt to reduce the number of Americans without medical coverage, estimated at about 50 million.

So far the complicated new system has enticed more than 6 million people to buy insurance from private companies through federal- and state-run market places. The White House says the number is sufficient to keep the new law afloat financially, but may not be enough to avoid big increases in insurance premiums next year.

The problem: Fewer than hoped for young Americans—a healthy population—signed up, while older and less healthy people were dominant. Premiums collected from younger people, according to actuarial figures, would have gone to pay for the new law's growing costs to cover older people who joined the insurance pool. The Obama administration hopes that figures for the last weeks of the sign-up period show a surge in young enrollees.

Given the huge problems with the federal government's website at the start of the sign-up period in October, the numbers are expected to be much better in the coming years. Projections from the Congressional Budget Office show the overhaul is expected to provide coverage to an additional 25 million people by 2016. At that point, 91 percent of American citizens and legal residents would have coverage.

Uninsured people who were eligible under the Affordable Care Act, now widely known as Obamacare, who did not sign up by midnight EDT Monday will soon be subject to a fine that will be collected by the Internal Revenue Service, the government agency that collects Americans' income tax.

The law provides subsidies to help low- and middle-income Americans afford health insurance policies available through the exchanges. It also prevents insurance companies from denying coverage to people who have health problems that have been dubbed pre-existing conditions. It further prohibits insurers from dropping people from coverage when they develop health troubles that become expensive. The law also ends the practice of putting annual or lifetime caps on how much insurers will pay to cover medical bills.

The [health care](#) overhaul became law four years ago on a strict party-line vote when Democrats still controlled both the House and Senate. The U.S. had been the only major developed country without a national health care system, but many of the law's key provisions did not take effect until this year—including the start-up for policies offered by private companies through exchanges created by the federal and state governments.

The law also expanded Medicaid, the government's [health insurance program](#) for the poor, to cover more low-income people, but a 2012 Supreme Court decision that upheld the Affordable Care Act also allowed states to opt out of the Medicaid expansion. Nearly half the states, mostly led by Republicans, are still opposed or undecided about expanding Medicaid. As a result, millions of low-income people who otherwise would have been covered remain uninsured.

Still, about 5 to 6 million people have been added to Medicaid rolls in the states that went along with the expansion. And the law also allowed young Americans to remain on their parents' insurance policies up to age 26, providing coverage to an estimated 3 million people.

While Americans are unlikely to go back to a time when people with medical problems could be denied coverage by private [insurance companies](#), Obama's overhaul needs major fixes if it is to go down in

history as a legacy achievement like Social Security and Medicare, the long-entrenched and popular programs that provide retirement benefits and [health care coverage](#) to seniors.

Republicans have again made repeal of the law their official battle cry ahead of the November elections when control of Congress will be at stake. But even if the Republicans win control of the Senate and Congress were to repeal the law next year, the president would veto it. Opponents would then need a difficult two-thirds majority in both chambers to override Obama's veto. House Republicans have passed more than 50 bills aimed at revoking or deeply cutting back the sweep of the law. Those measures have never been brought to the floor of the Democratic-controlled Senate.

Going into this year's mid-term congressional election on Nov. 4, Republicans remain united by their desire to repeal the law, contending that the law's mix of taxes and mandates is killing jobs while making [health insurance](#) more expensive for many. However, Republicans remain divided over what to replace it with. Nevertheless, the law's unpopularity is being used as a tool by Republicans to hammer Democratic House and Senate candidates.

This year, the Obama administration has been able to pitch the health care reform by pointing to the "carrots" in the law: subsidies to purchase policies and guaranteed coverage despite pre-existing medical conditions. But the "sticks" are just over the horizon: collecting penalties from individuals who remain uninsured and enforcing requirements that medium- to large-sized employers provide affordable coverage.

Most Americans want lawmakers to fix the problems with the [health care law](#), rather than scrapping it. A new AP-Gfk poll finds that only 13 percent expect the [law](#) will be completely repealed. Seventy-two percent say it will be implemented with changes, whether major or minor.

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