

## Can We Stop Calling Them 'Consumer Protections' Now?



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Supporters of the health law are lamenting how the [nickname](#) "ObamaCare" has achieved wider purchase than the law's official title. More egregious, though, is how supporters have successfully misbranded ObamaCare's health insurance regulations as "consumer protections."

In anticipation of the (now-postponed) House vote to repeal ObamaCare, for example, three Obama cabinet officials last week [warned](#) House Speaker John Boehner, R-Ohio, about the consequences of eliminating the law's "consumer protections."

Major media outlets routinely play along. The New York Times [reports](#), "Many of the law's consumer protections take effect [January 1]. Health plans generally must allow adult children up to age 26 to stay on their parents' policies and cannot charge co-payments for preventive services or impose a lifetime limit on benefits."

Other "consumer protections" already in place limit the percentage of revenues insurers can spend on administrative expenses and prohibit them from turning away children with pre-existing conditions.

Who could object to such rules? As it happens, an awful lot of people.

These supposed consumer protections are hurting millions of Americans by increasing the cost of insurance, increasing the cost of hiring and driving insurers out of business.

At the same time Secretary of Health and Human Services Kathleen Sebelius was threatening to bankrupt insurers who claim ObamaCare is increasing premiums by more than 1 percent, her own employees [estimated](#) that one of the law's regulations – the requirement to purchase unlimited annual coverage – will increase some people's premiums by 7 percent or more when fully implemented. A Connecticut insurer estimated that just the provisions taking effect last year would increase some premiums by 20-30 percent.

Such mandates force consumers to divert income from food, housing, and education to pay for the additional coverage. That can leave consumers worse off, even threaten their health. They can also force employers to reduce hiring, leaving some Americans with neither a job nor health insurance. This reality led McDonald's to seek a waiver from the unlimited annual coverage mandate, among other rules.

The ban on discriminating against children with pre-existing conditions has caused insurers to stop

selling child-only policies in dozens of states. The dependent-coverage mandate was [cited](#) as one of the reasons spurring a Service Employees International Union local in New York City to eliminate coverage for 6,000 dependent children.

In 2008, Congress passed a similar mandate that supporters said would expand coverage for mental-health and substance-abuse services. Instead, that mandate spurred the Screen Actors Guild to [eliminate](#) mental-health coverage for 12,000 of its lower-paid members. It had the same effect on 3,500 members of the Chicago's Plumbers Welfare Fund, and 2,200 employees of Woodman's Food Market in Wisconsin. Other employers are curtailing access to mental-health services thanks to this mandate, and some insurers have stopped selling such coverage altogether.

The list goes on. ObamaCare now forces insurers to spend no more than 20 percent of revenues – 15 percent for large employers – on administrative expenses. Similar state laws have done nothing to slow the growth of premiums.

ObamaCare's rule spurred Principal Financial Group to stop selling health insurance before it even took effect, leaving nearly 1 million consumers to find new coverage and threatening their continuity of care. Experts expect more consumers to suffer the same fate. This supposed consumer protection also punishes efforts to reduce fraud and improve quality by reviewing claims. Thus, in addition to increasing premiums, it may expose patients to unnecessary and even harmful services.

Consumers, insurers, employers, unions and state officials are begging for protection from these so-called protections. Sebelius has so far issued 222 waivers, which raises the question: if these were really consumer protections, why waive them?

These rules may end up helping somebody, and that should count in the law's favor.

Yet rules that were supposed to *protect* children have stripped sick kids of their health insurance and made it harder for parents to find coverage for kids who may soon fall ill. Other rules have reduced wages and discouraged hiring amid high unemployment. Just as the mental-health mandate is ousting vulnerable patients from their rehab or therapy and cutting off their meds, ObamaCare's voluminous mandates are threatening even more Americans' access to care.

Calling these rules "consumer protections" implies that the people harmed don't matter, or one has clairvoyance to know that the benefits outweigh the costs.

ObamaCare supporters should call these supposed consumer protections what they are: regulations that can hurt even more than they help.

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