



Harken Health dropping out of Illinois health care exchange means trouble for residents and Obamacare

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Illinois residents may have one less health care insurance provider for 2017 as Harken Health, a subsidiary of UnitedHealth, plans to leave the Obamacare market exchange.

Harken joins Aetna, United Healthcare and Land of Lincoln as providers who will no longer provide plans on the exchange. Its departure leaves Illinois with only three choices of insurers.

Michael F. Cannon, the Cato Institute's Director of Health Policy Studies, said that insurance providers are leaving because Obamacare did not deliver on its promises.

“Insurance companies are all leaving the exchanges for basically the same reason: that is that Obamacare over promised how much health care it could provide to the sick given the amount of money it was taxing, mandating and subsidizing,” said Cannon. “Now we are learning that...the cost of this legislation — the cost of providing health care to all those sick people they want to cover through Obamacare — is much higher than we were led to believe.”

Insurance providers were not getting the money they were promised and discovered that it was unsustainable to cover Obamacare enrollees under the terms and conditions of the exchange.

“So this is really an indication that (Obamacare) promised more than the political system was willing to fund and now they are hoping that they can get that funding either through Congress or by some other means and keep this law afloat,” Cannon said. “It’s an open question as to whether they are able to do that.”

Illinois residents may see their premiums under Obamacare go up. Cannon said that the national average for premiums has been increasing by nearly 24 percent with some places rising by as much as 70 percent.

Those without insurance have few options available to them, Cannon said.

“If you are not eligible for subsidies through the Obamacare exchanges then you have to pay full price or almost full price for the Obamacare plans and they are prohibitively expensive for some

people,” he said. “If you are above 130 percent of the federal poverty line, you will not be eligible for the Medicaid expansion in Illinois. Those folks are really struggling.”

Cannon said that the current crisis is a sign that Obamacare is not a stable system for providing health care to the sick.

“If we want to provide secure, stable access to health care for the sick, we need a system that is more economically and politically sustainable,” Cannon said. “We need a system that both Republicans and Democrats, left and right, will be able to support. The smaller that program is, the more politically and economically sustainable it will be.”