

As Obamacare winds down, so does enrollment for Arizona, nation

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Enrollment in what could be the last open season for Obamacare fell in both the state and nation this year, a victim of confusion and uncertainty over the future of the program, supporters said.

The number of Americans who signed up for coverage under the Affordable Care Act on the federal marketplace fell from 9.6 million last year to 9.2 million for the open season that ended Jan. 31 – 11 days after new President Donald Trump signed an order vowing to do away with President Barack Obama's signature health plan.

That 4.4 percent drop was slightly steeper than the 3.4 percent decline in Arizona, where enrollment fell from 203,066 last year to 196,291 this year, according to final numbers from the Centers for Medicare and Medicaid Services. The numbers included only those states on the federal plan, not those with their own plans.

Obamacare supporters blamed the drop on Trump, who not only said he would end Obamacare but who also pulled outreach funding while enrollment was still going on. But they also issued a warning to people who did not sign up, that they could still face the tax penalty this year for not being covered.

"The (Trump) executive order hasn't changed the law," said Allen Gjersvig, director of navigator and enrollment services at Arizona Alliance for Community Health Centers. "Consumers without health coverage must still pay the penalty."

But opponents said the reason consumers stayed away was because Obamacare has proven to be inadequate.

"Coverage is getting thinner for consumers, they spend too much money before getting the benefits," said Michael Cannon, director of health policy studies at the Cato Institute.

That's one of many problems Cannon sees with the program. He said it penalizes insurance companies that provide adequate coverage to consumers, but rewards companies offering less coverage, creating "a race to the bottom" for customers.

Doing away with the ACA was a primary campaign pledge for Trump last year, when premiums increased sharply in many states while the number of insurers fell. That was true in Arizona where premiums doubled on average and most counties were left with only one company offering coverage.

The drop in Arizona enrollment was sharpest in Yuma, where the number of people getting coverage through the marketplace fell 27.5 percent. Tucson saw just an 0.8 percent drop while Phoenix bucked the trend and saw an increase of 8.6 percent in the number of ACA marketplace enrollments.

Elizabeth Hagan, associate director of coverage initiatives at Families USA, said part of the reason was the Trump administration's decision to stop outreach programs and advertisements "that encouraged people to take the final steps to enroll."

She concedes that there have been problems, but said repeal without replacement is not the right way to go.

"The repeal and replace will be problematic," she said.

Hagan said the "foundation of ACA was layered on existing health care policies" that should not be tossed now. That foundation included a private market system combined with financial assistance from the government that made plans affordable for even the poorest consumers, Hagan said.

But Cannon is adamant that Obamacare "cannot be fixed because it isn't stable." He admitted that "Republicans haven't delivered a plan that is more affordable and secure," but hopes that one can be developed that won't force millions of Americans to "depend on an unpopular and unworkable program."

Cannon said any replacement should be broad-based, but it must be done in a way that does not disrupt competition in the marketplace. Still, he said, this is not the time for tentative measures.

"Republicans need to rip off the Band-Aid that is Obamacare," Cannon said. "They need to expand health savings accounts to make health care more affordable."

Despite the confusion over the future of the program, and the subsequent drop in enrollment, Gjersvig said, "We feel good about the overall numbers."

While no one is certain what a future health care plan will look like, Gjersvig hopes it will reach all those who are now covered.

"Whatever the plan is we want it to work for both low- and moderate-income people to have access to health care," Gjersvig said.