

Deseret News

Unhappy anniversary

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Just over a year ago, then-Speaker of the House of Representatives Nancy Pelosi said of the Patient Protection and Affordable Care Act (PPACA): "We have to pass the bill so that you can find out what is in it, away from the fog of controversy."

It has now been one year since we watched the Democratic majority in Congress maneuver to pass the most sweeping overhaul ever of our health care system.

In that year we have had a chance to discover some of what is in it — although its 2,400 plus pages continue to confound lawyers and consultants.

And what we have discovered is that although the law ham-fistedly addresses some of the issues regarding access, it does nothing to control spiraling health care costs, and likely adds to them.

Popular provisions of the law mandating expanded coverage by insurers have been rolled out first. So, for example, restrictions on coverage because of pre-existing conditions for children and caps on lifetime coverage have been eliminated, while coverage for young adults (up to age 26) under parental insurance has been expanded.

The more onerous and controversial requirements, such as the individual mandate to purchase insurance, the employer mandate to provide government-approved insurance and taxation of high-end health policies, kick in later.

In the meantime, the direct costs of insurance and health care continue unabated while the indirect costs of compliance with the new law skyrocket.

There continue to be debates about exact figures, but the federal government's own health care actuary, Richard Foster, estimates that the PPACA would increase health care spending by over \$300 billion in its first 10 years.

And when you eliminate some of the gimmicks that the PPACA employed to pretend it was reducing costs — such as mandated caps on physician reimbursements that no one believes will actually kick in — the Cato Institute estimates that PPACA will add \$823 billion to the national debt in the law's first decade.

In the meantime, employers wrestle with compliance costs. The Wall Street Journal reported in December that many firms were dramatically increasing legal and consulting budgets simply to comply with the law.

Other employers that had provided modest health care benefits to their part-time employees through so-called "mini-med" programs are discovering that their innovation runs afoul of the law. Such employers are now facing the choice of whether to dump their modest coverage and instead pay a fine that would put their employees onto subsidized insurance exchanges.

As corporations and states struggle with how to comply with the PPACA, they are now discovering that "waivers" might be available from the Department of Health and Human Services — although it is unclear on what basis the department will exercise discretion to grant such waivers.

Polling from earlier this year shows that the majority of voters favor repeal of PPACA, even before its most controversial mandates take effect. The lynchpin of the act — the so-called individual mandate — remains mired in constitutional litigation that will have to be decided by the

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Supreme Court. One can only imagine, as we collectively pay the increased costs imposed by the law, how popular it will be on its second anniversary.

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