NEW YORK POST

Mad man

The simply isn't enough lipstick for this pig, but the Obama administration is bound and determined to try.

By: Michael D. Tanner, a senior fellow at the Cato Institute.

July 6, 2013

Even as the Obama administration was coming to the belated realization that ObamaCare's employer mandate was a job-killing blow to the economy — postponing its implementation until after the 2014 midterm elections — it was signing an $8 million contract with the New York firm of Weber Shandwick to promote the legislation.

The new advertizing effort, the latest installment of a campaign that so-far has cost $31 million, is designed to feature your favorite sports star or Hollywood celebrity touting the wonders of ObamaCare. Efforts by the administration to recruit the NBA and NFL as part of this effort have faltered, so we may yet be spared from watching Amar'e Studemire or Mark Sanchez explaining why we should pay no attention to the fact that ObamaCare is rapidly falling apart.

Still, one can imagine lots of opportunities for new ads. For example, we need an ad telling us why the employer mandate has been postponed, but the individual mandate is still in effect. Therefore, workers may now face a situation where workers will be legally required to purchase their own insurance or pay a penalty because their employers take advantage of the delay and don't provide coverage. Surely, someone like, say, Lady Gaga, could explain to us why that is fair?

And what about an ad mentioning that, as the Wall Street Journal reported this week, "consumers could see insurance rates double or even triple when they look for individual coverage under the federal health law later this year."

And it won't be just the young and healthy paying more. A study by the benefits consulting firm Millman, looking at six states, projects significant premium increases in the individual market, some as high as 50%. They also found that small group premiums in the states analyzed would increase 6% to 12%. Only New Jersey, which already has high premiums and an over regulated insurance market, avoided the premium spikes, which is good news of a sort for states that have already messed up their insurance markets.

Of course it may be hard to find someone willing to make an ad about how you may lose your current insurance plan. According to the Associated Press, individuals who purchase their own health insurance may find that their policies are canceled because they "aren't up to the basic standards of President Obama's health care law." That is, if your current plan doesn't include all the benefits the government thinks you should have, from drug and alcohol rehab to contraception, you can't keep it.

At the same time, the New York Times reports that companies are already "beginning to scale back the more generous health benefits they have traditionally offered" in order to avoid the 40% excise tax on so-called Cadillac plans that will be imposed in 2018. Moreover, several large companies and self-insured plans are reportedly considering shifting to bare-bones plans that offer very limited benefits. These large companies are exempt from the law's requirement that business provide the law's "essential benefits package." By offering a bare bones package they could avoid penalties under the law's employer mandate, without providing expensive insurance.

Meanwhile, according to Bloomberg, several cities, including Detroit and Chicago, are considering dropping health coverage for retired public employees, dumping those former workers into the exchanges, shifting costs from municipal budgets to the federal government. Can NYC be far behind?

Likewise, you probably should not hold your breath waiting for an ad that mentions the difficulty you might have seeing your current doctor. Many insurance plans are dramatically restricting their physician networks in order to hold down costs in the face of ObamaCare's expensive new regulations. As a result, for example, Blue Shield of California, will drop nearly two-thirds of the physicians in its current network. Cedars-Sinai Medical Center, one of Southern California's most prestigious and expensive hospitals, is not included in any plan offered on California's state exchange.

And, of course, you almost certainly won't see an ad talking about how Democratic lawmakers in Massachusetts have voted to seek a waiver from some of ObamaCare's requirements. It turns out that he legislators, in the state that pioneered ObamaCare, are worried about potential 60% spikes in premiums for small businesses and others.

From the beginning, the Obama administration has believed that the only problem with the health-care reform law has been communication. If only, they could explain it better, Americans would learn to love it. But the more we learn about what's in the law, the more it looks like the problem is really just plain old bad policy.

No advertizing magic is likely to fix that.

Michael D. Tanner is a senior fellow at the Cato Institute.