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## **ObamaCare's massive rate hikes**

By Michael F. Cannon

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The news that health insurance premiums are again rising rapidly is the latest reminder that President Barack Obama's health care law, called the Affordable Care Act but known universally as ObamaCare, is producing the opposite of what it promised.

During the 2008 presidential campaign, then-Senator Obama promised health-care reform that would lower premiums for the typical family by \$2,500.

That year, the average premium for an employer-based family plan rose 5 percent to \$12,680. Premiums rose another 5 percent in 2009 and just 3 percent in 2010.

But the first batch of ObamaCare mandates didn't take effect until late 2010, so their impact wasn't felt until this year. What happened? Premiums surged by 9 percent to more than \$15,000 per family.

Those figures come from the Kaiser Family Foundation, which supports ObamaCare and estimates the law is contributing at most 2 percentage points to that increase.

Though it is welcome news that supporters now agree with opponents who predicted ObamaCare would increase costs, this estimate conceals the law's crushing impact on many households.

Just before the first batch of mandates took effect, insurers reported ObamaCare would increase premiums for some consumers by up to 30 percent in 2011. But that was before the Obama administration accused carriers of "misinformation" and effectively threatened them with bankruptcy unless they stopped speaking ill of the law. Yet the truth has a way of stepping into the light.

Multiple reports show the news gets worse in 2014, when the waivers expire and the law takes full effect.

MIT health economist Jonathan Gruber projects that six out of 10 consumers in Wisconsin's individual market will see their premiums go up by an average of 31 percent. Many will see much larger increases. Gruber is one of ObamaCare's biggest supporters, and was even a paid consultant to the Obama administration. Will the administration now accuse him of spreading misinformation?

In Ohio, some consumers in the individual market will see their premiums rise by 55 to 85 percent. Young, healthy males could see their premiums rise by 90 to 130 percent. And some small businesses will see their premiums rise by 150 percent, according to the actuarial consulting firm Milliman Inc.

These massive rate hikes will be inflicted by the same president who once described a 39-percent increase by Anthem Blue Cross of California as “jaw-dropping,” and a secretary of Health and Human Services who wrote that Anthem’s “extraordinary” increases could “make health care unaffordable for hundreds of thousands of Californians, many of whom are already struggling to make ends meet in a difficult economy.” If that’s true, then won’t ObamaCare’s much larger premium hikes do the same?

Recent events have also belied Obama’s reassurance that “no matter how we . If you like your health . reform health care, we will keep this promise. . care plan, you will be able to keep your health care plan. Period. No one will take it away. No matter what.”

Principal Financial Group responded to the law by dropping out of the market, leaving nearly a million Americans to find new coverage.

In a study funded by the Robert Wood Johnson Foundation, University of Minnesota economists Jean M. Abraham and Pinar Karaca-Mandic estimated that ObamaCare’s “medical loss ratio” rule could throw more than 155,000 Americans with costly medical conditions out of their individual-market coverage.

Milliman projects the law will cause many who currently have employer-sponsored coverage to go uninsured when their employer drops coverage.

The Kaiser Family Foundation reports that many “children” have enrolled in their parent’s coverage under ObamaCare’s mandate that plans with dependent coverage be open to children up to age 26. But Kaiser didn’t even bother to ask whether any employers responded by dropping dependent coverage entirely, despite reports suggesting the law caused thousands of children to lose their dependent coverage this way.

There’s no hiding it. ObamaCare is delivering the opposite of what its supporters promised.

When Anthem re-examined its books, it admitted that the 39 percent rate hike was an error and rescinded it. Here’s hoping the Obama administration has at least as much integrity as an insurance company.