The Apothecary's 2013 Year In Review: Americans Care Most About Obamacare's Steep Premium Hikes

Avik Roy

December 31, 2013

2012 was a Presidential election year, in which health care policy was front-and-center. We figured 2013 would revert back to normal, and we at *The Apothecary* wouldn't match our 2012 traffic. Boy, were we wrong. As Obamacare moved from theory to reality, Americans were looking for real-world information on how the law would affect them. And you ended up finding us, smashing all of our previous traffic records in the process. As *The Apothecary* moves to its new home, here's a look back at our top 20 articles of the year, and our thoughts for the future.

Surging traffic driven by Obamacare's chaotic rollout

In 2012, we had a record year for traffic at *The Apothecary*, with approximately 2 million unique visitors. (The most widely read article, clocking in at 98,339 views, was "How Obamacare Dramatically Increases The Cost Of Insurance For Young Workers," a piece which continues to have relevance today.)

In 2013, we exceeded ten million unique visitors, with approximately 11 million total visitors and 14 million page views. The largest driver of traffic to *The Apothecary* was Yahoo, followed by Google, Facebook, Drudge, and Twitter. Yahoo and Facebook, in particular, surged in importance compared to 2012, as more and more people shared articles they liked with their friends on social networks.

Our best month was October—the chaotic first month of Obamacare's rollout—in which *The Apothecary* reached 2.2 million unique visitors, 2.4 million total visitors, and 3.5 million page views. In 2012, not one *Apothecary* article exceeded 100,000 page views. In 2013, more than 30 did. Two broke a million.

So much of our success is due to the talented people at Forbes, led by Lewis D'Vorkin, who built this platform from the ground up. If you want to understand the future of digital journalism, read Lewis' blog. His team of techies work day in and day out to make sure that Forbes is taking advantage of every tool out there, so that writers like us can reach as many readers as possible.

The Apothecary's top 20: Thanks, Obamacare!

Here are our 20 most widely-read articles of 2013, with traffic stats as of this morning. 19 of the 20 had to do with the Affordable Care Act.

1. **Rate Shock: In California, Obamacare To Increase Individual Health Insurance Premiums By 64-146%** *(1,494,891 views)*. California was the first state to report what health insurance premiums would look like under Obamacare. The state spun the numbers to make them look like they were lower than expected—a spin that was uncritically repeated by the White House, Paul Krugman, and progressives on down the line. In this article, I took my own look at the new premiums, and came to the opposite conclusion: Healthy Californians who shop for coverage on their own will see drastic premium hikes.

2. **Obamacare's Website Is Crashing Because It Doesn't Want You To Know How Costly Its Plans Are** *(1,385,035 views)*. In early October, Healthcare.gov gained the title of Worst Website Rollout in World History. But what people hadn't yet appreciated was that a big part of the reason why the rollout got botched was political. The Obama administration was so worried that Americans would be upset about rate shock under Obamacare, that it initially required users to enter all sorts of personal information before browsing plans. This crashed the back-end servers.

3. **Obamacare Will Increase Health Spending By $7,450 For A Typical Family of Four** *(632,705 views)*. Back in 2008, Senator Obama and his team of Harvard health economists promised that his health plan would save "$2,500 per family per year." They arrived at this estimate by projecting how much money Obamacare would save, and dividing by the number of families in America. In September, when Chris Conover replicated Obama's analysis, and found that Obamacare would *increase* the average family's health spending by $7,450, heads exploded across the left.

4. **Obama To Labor Unions With Multi-Employer Health Plans: Drop Dead** *(602,918 views)*. One of the most fascinating stories of 2013—and one that Apothecary readers especially responded to—was the increasing discomfort of labor unions with Obamacare. At the AFL-CIO quadrennial convention in September, unions passed a resolution roundly criticizing the law (see **#9** below). Obama responded by explaining that a key change in the law that unions were seeking couldn't be altered by executive fiat.

5. **Yet Another White House Obamacare Delay: Out-Of-Pocket Caps Waived Until 2015** *(541,216 views)*. Of all the ways in which the White House unilaterally delayed the implementation of Obamacare, this August delay—of the law's caps on out-of-pocket health plan expenses—generated the most traffic.

6. **Double Down: Obamacare Will Increase Avg. Individual-Market Insurance Premiums By 99% For Men, 62% For Women** *(535,733 views)*. Days before the official October 1 launch of Obamacare's insurance exchanges, the Department of Health and Human Services released a memo claiming that premiums under Obamacare would be "lower than originally expected." I analyzed their data with my colleagues at the Manhattan Institute and came to a different conclusion.

7. **Enrollment In Obamacare's Federal Exchange, So Far, May Only Be In 'Single Digits'** *(507,927 views)*. Given all of the hype, and all of the preparation, and all of the millions of people who visited Healthcare.gov on its first day of operation, it turned out that less than ten people—ten—actually signed up for health insurance.

8. **Government Takeover: White House Forces Obamacare Insurers To Cover Unpaid Patients At A Loss** *(468,731 views)*. The first article from December on this list details one of the most egregious examples of unilateral, extralegal activity by the White House: using Mafia-style pressure tactics to force insurers like Aetna, Humana, and Molina to eat the losses caused by Obamacare's bungled insurance exchanges.

9. Labor Unions: Obamacare Will 'Shatter' Our Health Benefits, Cause 'Nightmare Scenarios' *(415,797 views)*. In July, three of the nation's most prominent labor leaders—Jimmy Hoffa, Joe Hanen, and D. Taylor, fired off a letter to Harry Reid, complaining that Obamacare would "shatter not only our hard-earned health benefits, but destroy the foundation of the 40 hour work week that is the backbone of the American middle class."

10. On Labor Day 2013, Welfare Pays More Than Minimum-Wage Work In 35 States *(371,234 views)*. The only non-Obamacare article on the list. In August, Cato Institute scholars Michael Tanner and Charles Hughes published a study estimating that federal welfare programs—in particular, cash welfare, food stamps, Medicaid, and housing assistance—paid out so much that many welfare recipients have no incentive to seek work. I proposed a solution employed in Sweden: taxing welfare benefits so they are taken into account for income eligibility purposes.

11. Not Qualified For Obamacare's Subsidies? Just Lie — Govt. To Use 'Honor System' Without Verifying Your Eligibility *(347,814 views)*. One of the biggest concerns about Obamacare—one that will become an even larger story in 2014 and 2015—is how easy it will be to game the system and gain taxpayer-funded subsidies that you're not actually eligible for. A related story will be how the IRS claws back subsidies from well-intentioned people who made mistakes on their application, or whose life circumstances have changed.

12. Democrats' New Argument: It's A Good Thing That Obamacare Doubles Individual Health Insurance Premiums *(286,162 views)*. In response to my piece on rate shock in California, some progressive columnists argued that rate shock was a good thing, because it offered important "consumer protections" and ensured that sick people would be charged no more than healthy people for the same insurance plan. I replied that this was a more intellectually honest argument than pretending that rate shock doesn't exist.

After the *Washington Post*'s Ezra Klein and I went back and forth a few times on this topic, we sat down in his offices for a 45-minute wonk fest on the ins and outs of Obamacare's new insurance regime. We joked at the time that our discussion would be so boring that no one would watch it. But a week doesn't go by when someone doesn't come up to me thanking us for our wide-ranging, substantive discussion.

13. 49-State Analysis: Obamacare To Increase Individual-Market Premiums By Average Of 41% *(281,754 views)*. Our definitive analysis of health insurance premiums under Obamacare, relative to what they were in pre-Obamacare 2013. The accompanying interactive map, where you can learn about premiums and subsidies for men and women in your age range, itself generated over 300,000 page views.

14. Obama Officials In 2010: 93 Million Americans Will Be Unable To Keep Their Health Plans Under Obamacare *(232,974 views)*. As President Obama's "if you like your plan, you can keep your plan" promise was exposed as untruthful, the White House tried to rebound by claiming that "only 5 percent" of Americans were affected by insurance plan cancellations. But it turned out that back in 2010, the Obama administration published in the Federal Register an estimate that the majority of people with employer-sponsored coverage—tens of millions—would also have their old plans rendered illegal.

15. Ohio Dept. Of Insurance: Obamacare To Increase Individual-Market Health Premiums By 88 Percent *(232,656 views)*. In June, Ohio Lt. Gov. Mary Taylor published an analysis estimating that premiums under Obamacare in Ohio would be 88 percent higher than those in 2013. Our own analysis (see **#13** above) found that rates would decrease for most Ohioans under the law, a fact that frustrated conservatives in the Buckeye State. (Sorry, guys.) As the *Washington Post*'s Glenn Kessler explained, Some of the difference can be explained by the fact that our analysis accounts for people in the old market who paid higher rates due to pre-existing conditions. In addition, some differences in our methodology rewarded Ohio for boasting a broad diversity of health plans under the Obamacare exchange.

16. The Obamacare Exchange Scorecard: Around 100,000 Enrollees And Five Million Cancellations *(183,224 views)*. One of the most remarkable statistics about Obamacare, as we enter the new year, is that there will actually be *fewer* people with health insurance on January 1, 2014 than there were the year before.

17. The New York Times Tries—And Fails—To Protect Obamacare From Health Insurance 'Rate Shock' *(168,090 views)*. In New York, under Obamacare, rates will fall from previous levels. The White House, and its friends at the *New York Times*, trumpeted this news in order to claim that "Obamacare is working." But the *Times* piece had two fatal flaws: (1) it ignored the fact that New York's previous health insurance market was unaffordable due to Obamacare-like regulations, making New York's situation non-generalizable to the rest of the country; and (2) it ignored wide intrastate variation, resulting in New York City experiencing rate decreases, while upstate New York would face hikes.

18. Utter Chaos: White House Exempts Millions From Obamacare's Insurance Mandate, 'Unaffordable' Exchanges *(163,514 views)*. The most recent piece on the list—published on December 20—reflects on the most significant executive-branch alteration to Obamacare to date: its gutting of the law's individual mandate for anyone who faced cancellation of their old insurance plan in the non-group market. Will the controversial mandate survive another year? Time will tell.

19. After Insurance Industry Pow-Wow, White House Delays Obamacare's Individual Mandate By Six Weeks *(160,062 views)*. Back in October, the administration delayed the individual mandate *for everyone* by six weeks, because of all the problems with the Healthcare.gov website and the state-based exchanges.

20. Democratic Congressman: 'Not Fair' To Subject Congress To Obamacare Just Like Everyone Else *(153,184 views)*. *Apothecary* readers were absorbed by the so-called "Congressional exemption" in Obamacare. The law included a hastily-drafted provision that required members of Congress and their staffs to enroll in Obamacare's exchanges. The upshot of the way the provision was written was that these individuals faced meaningful hikes in their health-insurance expenses. In this particular article, Robert Book discusses comments from Connecticut Democrat John Larson, who complained that it "is simply not fair" that this provision was in the law.

Three lessons drawn by Chris Conover

Apothecary contributor Chris Conover, a professor at Duke and an adjunct fellow at the American Enterprise Institute, says that we saw in 2013 "a pyramiding cascade of delays, followed by a tsunami of very predictable policy cancellations, and ending with a disastrous rollout of the exchanges that exceeded the worst fears and predictions of most Obamacare critics." Other than that, Chris, how was the play?

"Three lessons," Chris says, "seem paramount." They are:

- *Haste makes waste*. While Congress debated health reform for over a year prior to passage, the Hail Mary pass process used to engineer final passage in the aftermath of Scott Brown's victory in Massachusetts produced a half-baked and too-often ncoherent muddle. This ultimately may culminate in a crippling court decision in early 2014 that will enforce the letter of the law (rather than mystically divine congressional intent) by prohibiting the payment of premium subsidies for covered obtained through federally-run exchanges. The resultant chaos will make the end of 2013 look like a picnic. This outcome was entirely avoidable had Congress adopted a more deliberative process in early 2010 instead of trying to cram through a massive bill on a party line vote.
- *Power corrupts*. The bill as passed handed extraordinary and far-reaching powers to Secretary Sebelius. While we had earlier seen abuses of her power in 2010 with the arm-twisting of health insurers to adopt policies regarding children with pre-existing conditions that went well beyond the letter of the law, such abuses reached full flower in 2013. The one-year delay of the employer mandate–however sensibly from a pure policy perspective–was just one stark illustration of the willingness of this president and his minions to circumvent whatever constitutional or statutory constraints may stand in the way of getting his signature domestic policy achievement in place in whatever fashion maximizes his party's political advantages. Indeed, Obamacare accounts for fully half of the top 10 violations of constitutional authority compiled by legal scholar Ilya Shapiro.
- *Don't expect private sector performance from public agencies*. Inside accounts of the disastrous rollout of the exchanges—with state exchanges generally performing only modestly better than the federally-run exchanges—were replete with instances in which political calculations trumped sensible policy and/or business choices. Prudence counseled delay whereas politics dictated the opposite. Efforts by Congress to perform its proper role in monitoring and oversight likewise were stymied by politically-motivated efforts to stonewall the ugly truth of what was likely to transpire on October 1. To this day, the administration continues to be less than forthcoming about the numbers and characteristics of who has enrolled on the exchanges and more importantly, how many are actually paying customers. A crew this inept in handling an exchange that next year was only expected to provide coverage to less than 3% of Americans surely cannot be credibly viewed as prepared to manage a single payer health care system for all Americans. Single payer health care never was a good idea to begin with: the egregiously inept rollout of the Obamacare exchanges has now handed proponents of such a system a nearly impossible rhetorical task. In the face of such abysmal real world performance by the federal government, what possible assurance can proponents possibly provide that it could manage an entire health care system any better?