

Obamacare Not Cheaper Than Cell Phone Bill

By Nik Rajkovic March 18, 2014

President Barack Obama continues to pitch his government-run health care plan to young people as cheaper than a cell phone bill.

"The truth is they can get coverage all for what it costs you to pay your cell phone bill," he said last week during his Funny Or Die video with comedian Zach Galifianakis.

But is it really?

The leading cell phone plans cost between \$60-90 a month, while the cheapest Obamacare plan costs between \$130-280 dollars a month, depending where you live.

"That plan has a lot of out-of-pocket expenses, about \$5,500 on average," says <u>Michael Tanner</u> at the Cato Institute. "So, even if young people pay that cell phone bill sized premium, they're still going to be paying a lot out-of-pocket on top of that."

So to say Obamacare is cheaper than a cell phone or cable bill is simply untrue for a majority of Americans, according to Tanner.

"Some low-income people may be offset by the subsidy they receive," he tells KTRH News. "So, for those people its possible the cost they pay is going to be lower than a cell phone bill, but the rest of that cost is going to be picked up by the taxpayers."

Tanner says even if you stayed on your parents plan until age 26, someone is still going to pay, that being parents who pay a higher premium.

"There's no such thing as a free lunch," he says. "And Obamacare doesn't do anything to reduce the cost of health care or health care premiums, all it does is shift costs from some people to other people."