

NATIONAL REVIEW

Obamacare's Slow, Painful Unravelling Continues

Costs are going up, coverage is decreasing, and it will only get worse from here.

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Yesterday marked the first day of the Affordable Care Act's latest open-enrollment period. Millions of Americans now once again have the opportunity to wade through the usual assortment of computer glitches and choose from an increasingly limited number of overpriced insurance plans. Unsurprisingly, it looks like a great many of them will simply choose not to do so.

Even the Department of Health and Human Services, which is trying to put the best spin on the situation, estimates that barely 11.4 million people will be enrolled in exchange-based plans in the average month next year — fewer than half of the 24 million people that the Congressional Budget Office projected as recently as March.

Worse, most of those signing up will be older and sicker than average, leading to the sort of “adverse selection” that has forced insurance companies to either hike their premiums or drop out of the market altogether. In those states for which HHS had data, premiums for the benchmark Silver plans are expected to rise an average of 22 percent. In Arizona, the premiums on the benchmark plan for a 27-year-old will increase as much as 116 percent. In Oklahoma, premiums for the equivalent plan will spike by 69 percent, and in Tennessee and Minnesota they'll spike by about 60 percent. Eleven other states could see premium increases of 40 percent or more.

And higher premiums are just part of it. Deductibles and copayments are increasing as well. The average deductible for a family with a Silver plan now exceeds \$7,400. Total annual out-of-pocket costs can approach \$13,000. If you try to reduce premiums by purchasing a cheaper Bronze plan, your family's deductible will rise correspondingly to an average of \$12,393.

Of course, Obamacare's defenders point out that most people on the exchanges receive subsidies to offset the rising premiums. They are fond of pointing out that 77 percent of people enrolled through the exchanges will actually pay \$100 or less per month after the advance premium tax credits. But that still leaves millions of other Americans too prosperous to qualify for the subsidies who must pay most or all of the higher premiums out of pocket, not to mention millions of taxpayers stuck footing the bill for others' lousy insurance plans.

At the same time, insurers are rapidly pulling out of many markets, to the point where roughly one-third of U.S. counties now have just a single insurer offering plans. Every time an insurer pulls out of the market, people lose their current coverage. And when people lose their coverage, they have to worry about whether their new plan will include their doctor, given that many plans

are shrinking their provider networks and many doctors are choosing not to participate in certain plans.

Of course, the worst aspects of Obamacare affect only a small portion of Americans. Most of us still get our insurance from our employers, so our premium increases and plan disruptions have been milder. But they won't stay mild forever: We can soon expect many of Obamacare's cost increases to slop over into the employer-market, and the 40 percent "Cadillac Tax" on top-flight employer plans is slated to kick in in 2020.

There's no hiding from this disaster. In fact, the ACA's collapse has become so obvious that even President Obama, Hillary Clinton, and Paul Krugman have admitted that the law's problems need fixing.

One might think that Obamacare would thus provide a perfect opportunity for a Republican presidential candidate to exploit. After all, Clinton has been forced to swing between defending the ACA and calling for still more subsidies, price controls, and government involvement. But unfortunately, Donald Trump's health-care positions have been largely incoherent. He has repeatedly called for repealing and replacing Obamacare, without offering an alternative plan. He has alternately praised and condemned Obamacare's individual mandate. He has said that it is the government's job to provide health care to everyone. Mostly, he has suggested that Republicans in Congress should come up with something, and he will sign it. That's more encouraging than Clinton's message, but it's not exactly a rallying cry.

So on we go, to next fall, when we will likely find ourselves right back here once again, staring at higher premiums and fewer choices while our leaders sit on their hands and Obamacare's slow death spiral continues.

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