HealthLeaders Media FACTFILE

Healthcare Reform as Spectator Sport

Jeff Elliott **February 2, 2011**

For sports fans around the country, Super Bowl Sunday is often best day of the year. And the worst … The end of the football season leaves a pretty big void in many of our lives.

This year, however, I've latched on to a new activity: Watching the healthcare reform debate rage on. And not the one we see taking place on the House and Senate floors in regard to repeal. I'm talking about the battle in the trenches that's being waged by the public relations' machines of supporters and detractors alike.

Conservative think tank, the National Center for Policy Analysis, issued a report to that effect, detailing how many businesses and individuals will see their coverage costs rise as low-cost, limited benefit "mini-med" plans face extinction under healthcare reform.

Richard Foster, Medicare's chief actuary, also chimed in before the House Budget Committee stating that in spite of the law's best intentions, healthcare costs are not likely to decline as the Obama Administration promised, but would rather rise as the number newly insured individuals flood doctors' offices.

So, on the heels of its claim last month that up to 130 million Americans with pre-existing conditions could have lost healthcare coverage without passage of the Affordable Care Act, the Department of Health and Human Services **took its healthcare reform critics head-on** again. The agency issued a report last week stating that in spite of what some may say about healthcare becoming less affordable for many, the law could help some families with their healthcare tab by creating nearly $15,000 in tax credits and cost-sharing assistance.

With figures calculated by the Congressional Budget Office (CBO), HHS also said that in comparison to how things would be without the law:

- Middle-class families purchasing private insurance in the new State-based Health Insurance Exchanges could save as much as $2,300 per year;
- Small businesses could save up to $350 per family policy and many may be eligible for tax credits of up to 50 percent of their premiums;
- All business will likely see lower premiums of $2,000 per family by 2019, which could generate millions of dollars in savings

With another report, HHS has loaded its critic's cannons for more pot shots.

"The new law will expand coverage to millions of Americans, but fails to address the healthcare cost crisis," said America's Health Insurance Plans (AHIP) President and CEO Karen Ignagni. "Focusing solely on premiums while failing to rein in underlying medical costs will not make coverage more affordable for individuals, families and employers."

AHIP says the report "overstates the cost savings associated with certain provisions of the new law and ignores major provisions that will raise premiums." In its reasoning, AHIP brings up the fact that HHS conveniently ignored the new premium tax that will increase premiums, which according to some economists, could mean that families are paying $135 billion more in insurance premiums over the next 10 years.

Furthermore, the AHIP points out CBO's figures that indicate essential benefits buy ups would increase premiums between 27 to 30 percent. Quoting economist and administration consultant Jonathan Gruber, AHIP noted that "a 10 percent rise in the cost of the essential benefits package would increase the cost of government subsidies by 14.5 percent, or $67 billion."

Why all the chest thumping on both sides? As a law, don't we know who will win in the end? No matter, I'll grab my popcorn and keep watching …