

Obamacare coverage surges in NY despite uncertain future

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A surge in signups on the New York State of Health marketplace has bolstered backers of Obamacare, even as talk in Washington has turned to repealing the Affordable Care Act.

More than 3.6 million people signed up for health insurance during the open enrollment period that ended on Jan. 31, the state Department of Health reported. That's an increase of 751,000 people, 26 percent, from a year ago.

In Westchester County, nearly 152,000 people enrolled in plans, for a 38 percent increase.

"It's been a tremendous success," said Mark Scherzer, legislative counsel for New Yorkers for Accessible Health Coverage.

"New York is one place where premiums came down. Everyone else is complaining that they went up."

Before the state exchange opened in 2014, private insurance was covering a dwindling number of individuals, according to a report written by Peter Newell and Nikhita Thaper for the United Hospital Fund.

Monthly premiums for the least expensive health insurance policy had typically exceeded \$1,000. In the first year of the state-run marketplace, the average monthly premium dropped to \$431.

Premiums have risen since then, including an average bump of 16.6 percent for individual plans this year, the state Department of Financial Services announced in August. But those plans still cost 55 percent less than before Obamacare, adjusted for inflation and not counting federal tax credits.

"Overall, the individual market is in markedly better shape now than it was in 2013," the United Hospital Fund report concluded.

New York was the poster child for a dysfunctional health insurance market, Newell said in a telephone interview. The Affordable Care Act turned that around.

The individual mandate requires nearly everyone to get health insurance, creating a more balanced risk pool of young healthy people and older sick people. Federal subsidies made insurance more affordable. Insurers designed more flexible policies.

"That unleashed pent-up demand," Newell said.

The number of uninsured New Yorkers as of late 2015 had declined to 5 percent, or 850,000 people, from 10 percent, the health department reported in August.

Westchester, where more than 15 percent of the population is covered by the state marketplace, illustrates the trend.

About 101,000 residents are covered by Medicaid – almost five times more than in 2014. Enrollees in the state's Essential Plan, introduced last year for households earning 200 percent or less of federal poverty level and costing \$20 or less a month, doubled to more than 23,000 in Westchester.

Enrollments in qualified health plans – insurance that is certified as providing essential health benefits and cost-sharing limits – declined by 10 percent, to less than 15,000, as people shifted to Medicaid and the Essential Plan.

Statewide numbers are similar. Medicaid covers 2.4 million people, followed by the Essential Plan with more than

665,000 and Child Health Plus with nearly 300,000. Qualified health plans cover almost 243,000 people, down 11 percent or 29,000 fewer than last year.

The national picture is less rosy. Enrollments in the federal health insurance marketplace, covering all but 11 states, declined by more than 4 percent to 9.2 million.

Higher premiums, fewer insurers and pledges by Republicans to repeal the law may have taken a toll. President Trump has described the ACA as “a complete and total disaster,” and he issued an executive order directing federal officials to waive or delay any provisions of the law that would impose costs or penalties or a regulatory burden on individuals.

ACA advocates say repeal of the law would hurt economic growth. New York would lose \$4.9 billion in federal health care spending and more than 52,000 jobs, and more than 1.1 million people would lose health insurance, according to estimates by the Economic Policy Institute, a research group that focuses on economic conditions of low- and middle-income Americans.

Gov. Andrew Cuomo announced different estimates: 2.7 million New Yorkers would lose coverage, and loss of federal funding would cost the state \$3.7 billion, local governments \$595 million and residents \$250 million in tax credits.

About 92,000 Westchester residents would be at risk of losing health insurance, according to Cuomo, and the county would lose \$15.2 million in annual funding.

“If federal funding goes away,” said James Schutzer, a benefits consultant with J.D. Moschitto & Associates, White Plains, funding for the Essential Plan and expansion of Medicaid goes away. “Where is that funding going to come from?”

Most people in New York get health insurance through employer-based plans. Repeal of the ACA would not cause them much disruption, Schutzer said, because many of the ACA regulations were embedded in state law before Obamacare.

But employers are concerned about escalating premiums, he said, and repealing the ACA would not address the underlying costs of health care.

“I’m asked the question every day,” Schutzer said. “What does it all mean?”

“Look, employers want answers. When will health insurance rates stop going up? If that takes repeal, they’re all for it. If not and rates continue to skyrocket, they’re going to be against that.”

It’s the underlying cost of delivering health care that pumps up insurance premiums. The problem, he said, is that no one is offering good solutions to controlling those costs.