OAHU/NAHU quoted in Politico article
regarding current ACA Open Enrollment

Last week OAHU President-Elect John Dodd and Marcy Buckner, NAHU's Vice-President of Government Affairs, where quoted in the Politico article below.

Politico

Defying gloomy predictions, Obamacare enrollment surges

A barrage of Obamacare media coverage may have provided a marketing boost for a health law the president has pronounced 'dead.'

By [PAUL DEMKO]
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Doomsday headlines about Obamacare enrollment may be having an unforeseen consequence: booming sign-ups in the troubled insurance marketplaces.

Obamacare's fifth open enrollment season, the first under President Donald Trump, is off to a surprisingly robust start despite the brutal developments of the past year — skyrocketing premiums, dwindling competition, unremitting Republican efforts to eradicate it.

Sign-ups surged as soon as enrollment opened Nov. 1, easily surpassing the number of Americans getting coverage during the opening days of the final two sign-up periods under the Obama administration. The Centers for Medicare & Medicaid Services reported Wednesday that nearly 1.5 million people had selected plans through last Saturday.

In other words, there might be no such thing as bad news for Obamacare.

"As P.T. Barnum would say, as long as my name is in the papers and it's spelled correctly, it's all good," said Michael Marchand, chief marketing officer for Washington state's Obamacare marketplace, which saw its website traffic increase by 24 percent during the first week of enrollment. "I think there's some truth to that."

The conventional wisdom was that enrollment would dip significantly as a hostile administration gutted outreach and marketing. Analysts at Standard & Poor's projected that anywhere from 800,000 to 1.6 million fewer Americans would sign up for 2018 coverage.

Instead, 876,788 individuals enrolled through HealthCare.gov during the second week of sign-ups alone — and that doesn't count the states running their own markets and doing more ambitious outreach.

It's early days; the initial burst of enthusiasm could sputter out. But at the moment, the fears appear overblown. The barrage of Obamacare news coverage, coupled with little-noticed steps taken by the Trump administration to ramp up participation by insurance brokers, may have provided an unexpected marketing boost for a health law the president has pronounced "dead."

"All that negative publicity has been helpful," said Kathy Hempstead, who oversees coverage programs at the Robert Wood Johnson Foundation. "Not that I'd necessarily recommend that going forward."

Democrats are hailing the initial surge as vindication for the beleaguered health care law, which has survived two major Supreme Court battles and repeated ill-fated repeal efforts by Republicans. The latest threat is the move to repeal the individual mandate as part of the Republican tax bill, which would damage but not necessarily kill the fragile markets.

"Those who pushed the repeal and replace agenda for so long have been exposed as offering ideas that take the country backward," said Sen. Ron Wyden (D-Ore.), the ranking member on the Senate Finance Committee. "That has helped us in terms of our agenda for building on it."

But Republicans say the alarmist rhetoric about sabotage by the president is overblown, and that premiums were skyrocketing long before the Trump administration took office.

"The American people were promised that if Congress passed the Affordable Care Act, health insurance would be cheaper and more available, and it's been neither," said Sen. John Kennedy (R-La.). "What people are having to pay who aren't getting a subsidy is unconscionable."

Of course, there are plenty of reasons to be wary about whether the initial enrollment boom will result in more Americans actually getting covered. The sign-up season lasts just six weeks — half as long as past open-enrollment periods. At the initial pace, that would mean fewer than 6 million sign-ups by Dec. 15, or about half as many as last year.

And the early surge is likely spiked by the Obamacare customers whose current health insurer is leaving the market in 2018. Notified prior to the start of open enrollment that their coverage was disappearing, they likely flocked to the marketplaces in the opening days to find a new health plan.

In addition, nobody knows exactly who is signing up for coverage. All of the noise around repealing the law could be spurring those with expensive medical conditions to flood the marketplace.

Another reason to be cautious about drawing early conclusions: This is going to be a very strange sign-up season.

Obamacare has become a better bargain for many who qualify for generous subsidies. In fact, almost everywhere in the country, low-income customers can enroll free in at least one plan, according to an analysis by Avalere Health.

That's in part because of Trump's decision to cut off subsidy payments to insurers that they pass on to certain customers through lower out-of-pocket costs. Insurers have jacked up premiums by an average of more than 30 percent for the most popular Obamacare plans to compensate for the loss of federal funding, but people who qualify for financial assistance will be shielded from the rate hikes.

“The irony is it’s a really good year to get insurance because of what Trump did,” said Martin Hickey, CEO of New Mexico Health Connections, a nonprofit insurer established with an Obamacare loan. “The question is how well will the word get out because there’s no advertising?”

Tim Williams, who oversees outreach efforts for Planned Parenthood of the St. Louis Region and Southwest Missouri, said every person he helped sign up for coverage during the first open enrollment — about 15 individuals — saw their premiums decrease for next year.

“It’s mind-boggling,” Williams said. “Everyone is just thrilled.”

At the other end of the spectrum are those who make too much to qualify for subsidies — $48,000 for an individual, or $98,000 for a family of four. They have no protection from skyrocketing premiums.

“The people who are not getting subsidies are getting absolutely hammered,” said John Dodd Jr., an insurance broker in the Columbus, Ohio, market, and president-elect of the Ohio Association of Insurance Underwriters. “Unless they’re getting a subsidy, they’re finding [insurance] completely unaffordable.”

Kathy Melcher, 57, a real estate agent in Newark, Delaware, now pays more than $1,600 per month for coverage for her family of five. Next year, the cheapest plan will soar to more than $2,500 per month — with a $14,000 deductible. That means her family is looking at roughly $45,000 in out-of-pocket costs before any significant coverage would kick in.

“We rarely even go to the doctor,” Melcher said. “So I don’t understand what I’m paying for.”

Melcher’s husband is independently employed as an electrician but is considering applying for jobs in order to get access to affordable coverage. The family is also exploring whether they might qualify to get insurance through the small group market, which would lower their premiums by $300 per month. They’ve also looked at health care sharing ministries, which pool resources to cover members, but those faith-based plans don’t guarantee that medical bills will be covered.

“You can rack up $70,000 worth of medical bills overnight,” Melcher noted. “I’m torn. Do I want to take that risk?”

Despite the sticker shock experienced by some Obamacare customers, the initial enrollment surge suggests many Americans are finding affordable options.

Some of the void left by cutbacks to federal outreach and enrollment is likely being filled by brokers. The Trump administration has made it easier to connect with brokers by introducing a “get help now” button on Health.gov.

Beverly Gossage, an insurance broker in Eudora, Kansas, said that she received six referrals through HealthCare.gov during the first week of open enrollment. In 2016, she received just one referral from the federal marketplace during the entire sign-up season.

“That has been a huge change this year for us as far as getting brokers involved,” said Marcy Buckner, vice president of government affairs at the National Association of Health Underwriters.

The increased role envisioned for brokers could be undermined, however, by reduced commissions paid by insurers. Many carriers have reduced payments for enrolling customers that haven’t proved profitable. That’s already resulted in some agents no longer selling individual market plans.

Another possible wild card this year is the role played by online brokers like eHealth. The Trump administration has taken steps to make it easier for Obamacare customers who qualify for subsidies to enroll through such entities.

Although there is no initial data about how many individuals are signing up through online brokers, there is some evidence that they can play a bigger role in helping individuals. During the first two open-enrollment periods, eHealth enrolled more than 300,000 individuals in Obamacare plans each year. But after the Obama administration made it more cumbersome for the online broker's customers to access subsidies, enrollment plunged by more than 50 percent each of the next two years.

"It basically pushed the private sector out," said Nate Purpura, eHealth's vice president of marketing for individual and family products. "We're back in a bigger way this year because we can reach a larger number of customers."

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