



Not Buying ObamaCare Spin

As ObamaCare Contractors Prepare To Testify, Obama Officials Keep Claiming They Had No Prior Knowledge Of The System's Glitches

Today, ObamaCare Exchange Contractors Will Attempt To Shed Light On What Went Wrong And Who Knew About The Glitches. "Officials from the contractors hired to create the website, including CGI, Serco, and Equifax, will appear on Thursday before the House Energy and Commerce Committee, with Sebelius scheduled to testify at another panel hearing next week." (Tom Cohen, "Sebelius On The Spot In ObamaCare Website Fiasco," [CNN](#), 10/23/13)

OBAMA'S HEALTH SECRETARY SAID THAT OBAMA DIDN'T KNOW ANYTHING ABOUT "GLITCHES AND SHORTCOMINGS" PRIOR TO OCTOBER 1

Secretary Of Health And Human Services Kathleen Sebelius Said That Obama Did Not Know About The ObamaCare Website's Glitches And Shortcomings Prior To October 1. CNN's SANJAY GUPTA: "The president did say that he was angry about this. I mean do you know when he first knew that there was a problem?" SEBELIUS: "Well, I think it became clear fairly early on. The first couple of days, that..." GUPTA: "So not before that, though? Not before October 1st?" SEBELIUS: "No, sir." GUPTA: "There was no concern at that point here in the White House or at HHS?" SEBELIUS: "I think that we talked about having -- testing, going forward. And if we had an ideal situation and could have built the product in, you know, a five-year period of time, we probably would have taken five years. But we didn't have five years. And certainly Americans who rely on health coverage didn't have five years for us to wait." (CNN's "Anderson Cooper 360," 10/22/13)

But Through It All, The Obama Administration Kept A Close Eye On The Progress Of The Exchange Website

"The White House Kept Close Tabs On The Creation Of The Online Exchange ..." "The White House kept close tabs on the creation of the online exchange, with particular attention to the Web site's design, but managing the details of the software development was left to the Centers for Medicare & Medicaid Services, which Ms. Sebelius oversees." (Sheryl Gay Stolberg, "Sebelius Thrust Into Firestorm On Exchanges," [The New York Times](#), 10/22/13)

- **On April 30, 2013, Obama Began Saying That ObamaCare Would Have "Glitches And Bumps" No Matter How Perfectly The Law Was Implemented.** OBAMA: "It's still a big undertaking and what we're doing is making sure that every single day, we are constantly trying to hit our marks so that it will be in place. The last point I'll make, even if we do everything perfectly, there will still be glitches and bumps, and there will be stories that can be written that says, 'oh, look, this thing's

not working the way it's supposed to and this happened and that happened,' and that's pretty much true of every government program that's ever been set up." (Barack Obama, [Press Briefing](#), Washington, D.C., 4/30/13)

For Months, Obama Officials Knew That The Rollout Would Be "Messy"

CBS News' Bill Plante: "One Senior Official Said, 'We Know Our Friends Say We Have Problems, So We Use The President To Talk Up The Positive.'" PLANTE: "But his appearance today comes at a difficult political time for the overall health of the healthcare law, the president is going to be talking about the benefits of the new law every few weeks, but privately, White House officials admit that the next six months leading up to the full implementation of the president's law are going to be 'really bumpy.' And they're hearing it even from their political allies. One senior official said, 'we know our friends say we have problems, so we use the president to talk up the positive.'" ([CBS News](#), 7/18/13)

National Journal Headline: "White House Has Known For Months ObamaCare Implementation Wouldn't Work." (Margot Sanger-Katz, "White House Has Known For Months ObamaCare Implementation Wouldn't Work," [National Journal](#), 7/9/13)

- **For Months, The White House Has Been Discussing What "Non-Essential Tasks" Must Be Delayed Even As They Violate "The Letter Of The Health Reform Law."** "The struggles with technology and administrative complexity have not come as a recent surprise to administration officials; they've been negotiating them for months already. By eliminating non-essential tasks, they may be violating the letter of the health reform law, with its rigorous timetables and multiple requirements, but they may be more likely to get the core functions right." (Margot Sanger-Katz, "White House Has Known For Months ObamaCare Implementation Wouldn't Work," [National Journal](#), 7/9/13)

One Of The Top Officials Working On The ObamaCare Exchange, Gary Cohen, Deputy Administrator And Director Of The CCIIO, Warned That The ObamaCare Exchange Rollouts "Will Be Messy." "Gary Cohen, deputy administrator and director of the Center for Consumer Information and Insurance Oversight at the Centers for Medicare and Medicaid Services, told a friendly audience at the Brookings Institution that the early kinks in ObamaCare should eventually even out, but that the beginning will be messy." (Paul Bedard, "Top ObamaCare Official Sees Problems, Would Be 'Surprised' If It Starts Well," [Washington Examiner](#), 6/25/13)

- **Cohen: "Will It Be As Wonderful On The First Day As It Is On The 30th Day, Or The 60th Day, Or The 90th Day, Or Year Five? Maybe Not."** "Citing critical press reports questioning whether the administration will be ready on January 1, the official kickoff of Obamacare, Cohen said, 'Will it be as wonderful on the first day as it is on the 30th day, or the 60th day, or the 90th day, or year five? Maybe not.'" (Paul Bedard, "Top ObamaCare Official Sees Problems, Would Be 'Surprised' If It Starts Well," [Washington Examiner](#), 6/25/13)

In June, The Government Accountability Office (GAO) Noted "Major Work To Complete" If The ObamaCare Exchanges Are To Go Live In October. "The Government Accountability Office said federal and state health officials still have major work to complete, offering its most cautious comments to date about the Obama administration's ability to bring the centerpiece of its signature law to fruition." (Louise Radnofsky and Sarah E. Needleman, "Health-Insurance Exchanges Are Falling Behind Schedule," [The Wall Street Journal](#), 6/19/13)

- **The Fundamental Parts Of The ObamaCare Exchanges "Had Not Been Completed."** "The report by the nonpartisan Government Accountability Office (GAO) said key parts of the framework of the exchanges, including those that addressed consumers' eligibility for federal subsidies, management and monitoring of insurance plans and consumer assistance, had not been

completed.” (David Morgan, “New ‘ObamaCare’ Exchanges Could Miss Enrollment Deadline: GAO,” [Reuters](#), 6/19/13)

- **States That Opted To Run Their Own ObamaCare Exchange Had Been “Late On An Average Of 44 Percent Of Key Activities That Were Originally Scheduled To Be Completed By The End Of March.”** “It said that the 17 states running their own exchanges were late on an average of 44% of key activities that were originally scheduled to be completed by the end of March. ‘While interim deadlines missed thus far may not impact the establishment of exchanges, any additional missed deadlines closer to the start of enrollment could do so,’ the report said.” (Louise Radnofsky and Sarah E. Needleman, “Health-Insurance Exchanges Are Falling Behind Schedule,” [The Wall Street Journal](#), 6/19/13)

As Worries Mounted, The Obama Administration Fed Contractors Millions In Taxpayer Dollars

The Obama Administration Poured “Tens Of Millions Of Dollars” Into ObamaCare After Being Warned That The Exchange “Might Not Be Ready To Launch On October 1.” “As U.S. officials warned that the technology behind ObamaCare might not be ready to launch on October 1, the administration was pouring tens of millions of dollars more than it had planned into the federal website meant to enroll Americans in the biggest new social program since the 1960s.” (Sharon Begley, “Insight: As ObamaCare Tech Woes Mounted, Contractor Payments Soared,” [Reuters](#), 10/17/13)

A Reuters Review Found That Despite Numerous Warnings, A Contract To Construct The ObamaCare Exchange “Tripled In Potential Total Value To Nearly \$292 Million.” “A Reuters review of government documents shows that the contract to build the federal Healthcare.gov online insurance website - key to President Barack Obama's signature health care reform - tripled in potential total value to nearly \$292 million as new money was assigned to the work beginning in April this year. The increase coincided with warnings from federal and state officials that the information technology underlying the online marketplaces, or exchanges, where people could buy ObamaCare health insurance was in trouble.” (Sharon Begley, “Insight: As ObamaCare Tech Woes Mounted, Contractor Payments Soared,” [Reuters](#), 10/17/13)

“A Last-Minute Surge In Spending Suggests The Needs Of The Project Were Growing Well Beyond The Initial Expectations.” “How and why the system failed, and how long it will take to fix, remains unclear. But evidence of a last-minute surge in spending suggests the needs of the project were growing well beyond the initial expectations of the contractor and the U.S. Department of Health and Human Services.” (Sharon Begley, “Insight: As ObamaCare Tech Woes Mounted, Contractor Payments Soared,” [Reuters](#), 10/17/13)

BY PUTTING HIS ELECTORAL HOPES BEFORE HIS DOMESTIC LEGACY, OBAMA IS FULLY RESPONSIBLE FOR THIS “TRAINWRECK”

In The Months Before The November 2012 Election, “The Once-Steady Stream Of Regulations And Rules From The Obama Administration” Had “Slowed To A Trickle In Recent Months In An Attempt To Avoid Controversies.” “The once-steady stream of regulations and rules from the Obama administration — instructions for insurance companies, hospitals and states on how to put the law in place — has slowed to a trickle in recent months in an attempt to avoid controversies before the election. Many states, too, have done little public work to avoid making the law an election issue for state officials on the ballot.” (Jennifer Haberkorn, “Post-Election Flood Of ‘ObamaCare’ Rules Expected,” [Politico](#), 11/5/12)

Contractors Were Scrambling To Get The ObamaCare Website Up And Running

“The Centers For Medicare And Medicaid Services Didn’t Give CGI Final Technical Requirements For Healthcare.gov Until May, According To One Person Familiar With The Project.” (Mike Dorning, Alex

Wayne, And Kathleen Miller, "ObamaCare Crashes Months In Coming Not Easily Repaired," [Bloomberg](#), 10/22/13)

- **"About A Third Of The Work The Contractor Had Previously Performed Had To Be Thrown Out And Started Over As A Result."** "About a third of the work the contractor had previously performed had to be thrown out and started over as a result, the person said." (Mike Dorning, Alex Wayne, And Kathleen Miller, "ObamaCare Crashes Months In Coming Not Easily Repaired," [Bloomberg](#), 10/22/13)

An Internal Test Of The ObamaCare Website "Crashed After A Simulation In Which Just A Few Hundred People Tried To Log On Simultaneously." "Days before the launch of President Obama's online health insurance marketplace, government officials and contractors tested a key part of the Web site to see whether it could handle tens of thousands of consumers at the same time. It crashed after a simulation in which just a few hundred people tried to log on simultaneously." (Lena H. Sun and Scott Wilson, "Health Insurance Exchange Launched Despite Signs Of Serious Problems," [The Washington Post](#), 10/22/13)

"Officials Failed To Complete Exhaustive Testing ..." "The frantic weeks before the start of ObamaCare were marked by a chaotic effort in which officials failed to complete exhaustive testing of the program's website in a push to begin signups by Oct. 1, according to people involved in the rollout." (Mike Dorning, Alex Wayne, And Kathleen Miller, "ObamaCare Crashes Months In Coming Not Easily Repaired," [Bloomberg](#), 10/22/13)

- **The ObamaCare Site "Went Live Without Attempts To Replicate A Customer's Complete Experience."** "The federal Healthcare.gov site -- which has been plagued by software bugs -- went live without attempts to replicate a customer's complete experience, said a person familiar with the project who asked not to be identified to discuss what happened." (Mike Dorning, Alex Wayne, And Kathleen Miller, "ObamaCare Crashes Months In Coming Not Easily Repaired," [Bloomberg](#), 10/22/13)

The ObamaCare Exchange Was Not Beta-Tested Before The October 1 Launch. "Congressional investigators have concluded that the government's Centers for Medicare and Medicaid Services, not private software developers, tested the exchange's computer systems during the final weeks. That task, known as integration testing, is usually handled by software companies because it ferrets out problems before the public sees the final product." (Jack Gillum and Julie Pace, "Builders Of Obama's Health Website Saw Red Flags," [The Associated Press](#), 10/22/13)

- **Account Creation, Subsidy Eligibility, And Health Plan Signups Were Not Tested Until Less Than A Week Before Launch.** "Some key testing of the system did not take place until the week before launch, according to this person. As late as Sept. 26, there had been no tests to determine whether a consumer could complete the process from beginning to end: create an account, determine eligibility for federal subsidies and sign up for a health insurance plan, according to two sources familiar with the project." (Lena H. Sun and Scott Wilson, "Health Insurance Exchange Launched Despite Signs Of Serious Problems," [The Washington Post](#), 10/22/13)

"HHS Was Making Changes To Exchanges Hours Before They Were Scheduled To Go Live," Resulting In No Time To Test The Site. "HHS was making changes to the exchanges hours before they were scheduled to go live, Sanjay Singh, chief executive officer at software contractor hCentive Inc., said in a Sept. 30 phone interview. Singh, whose company did exchange work for an insurer working with the federal site, said at the time that his employees were rushing to accommodate "a late-night patch" that the department had just added. "There was not enough time to do end-to-end testing," he said. "The system keeps changing, so how do you run the tests?" (Mike Dorning, Alex Wayne, And Kathleen Miller, "ObamaCare Crashes Months In Coming Not Easily Repaired," [Bloomberg](#), 10/22/13)

"There Were Ample Warning Signs That The System Was Not Working Properly, According To People Familiar With The Project." (Lena H. Sun and Scott Wilson, "Health Insurance Exchange Launched Despite Signs Of Serious Problems," [The Washington Post](#), 10/22/13)