



# ObamaCare Year 2

## *After A Disastrous First Year Of ObamaCare, Year Two Could Be Even Worse*

**Insurance Stakeholders Predict That ObamaCare's Second Year Will Be Worst Than The First Year.** "But insurance executives and managers of the online marketplaces are already girding for the coming open enrollment period, saying they fear it could be even more difficult than the last." (Reed Abelson, "Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law," [The New York Times](#), 9/2/14)

- **Kevin Counihan, The Incoming Head Of The Federal Insurance Marketplace: "In Some Respects, It's Going To Be More Complicated, ... Part Of Me Thinks That This Year Is Going To Make Last Year Look Like The Good Old Days."** "'In some respects, it's going to be more complicated,' said Kevin Counihan, the former chief executive of Access Health CT, Connecticut's online marketplace, who was just named as the head of the insurance marketplaces for the federal government. ... 'Part of me thinks that this year is going to make last year look like the good old days.'" (Reed Abelson, "Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law," [The New York Times](#), 9/2/14)

### **ObamaCare's First Year Was Hampered By A Learning Curve, A Faulty Website And Confusion.**

"The first year of enrollment under the federal health care law was marred by the troubled start of HealthCare.gov, rampant confusion among consumers and a steep learning curve for insurers and government officials alike." (Reed Abelson, "Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law," [The New York Times](#), 9/2/14)

## *As Health Officials Worry About The Upcoming Enrollment Cycle, Consumers Will Struggle Against A Smaller Enrollment Window*

**"Adding To The Complexity Is The Shorter Time Frame For Choosing A New Policy: Three Months Instead Of Six."** (Reed Abelson, "Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law," [The New York Times](#), 9/2/14)

- **Consumers Will Have "Fewer Resources Available" To Help Them Enroll In A New Plan.** The 2015 enrollment period is just three months, half the duration of the 2014 sign-up window, and there will be fewer resources available to help people with the application process. Federal and state authorities also will have to devote efforts to retaining current customers." (Jeffrey Young, "Here's Where ObamaCare Has Made The Most Progress," [The Huffington Post](#), 9/2/14)

### **OBAMACARE PRICE INCREASES WILL BURDEN CONSUMERS IN YEAR TWO**

**This Year's Health Plan Prices Are Set To Change "Significantly."** "But the upheaval in insurance markets, with new carriers entering and the price of plans changing significantly, may make the coming

year no easier than the last.” (Reed Abelson, “Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law,” [The New York Times](#), 9/2/14)

- **Consumers That Enrolled In A Health Plan Last Year May Have To “Pay Much More For The Same Plan” This Year.** “Just as there was an uproar when some people found out last year that their policies had been canceled, individuals this year may be surprised to find that they could be asked to pay much more for the same plan because their carrier is raising its prices or the amount of the federal tax credit they will receive is changing.” (Reed Abelson, “Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law,” [The New York Times](#), 9/2/14)
- **A McKinsey & Company Survey Of 19 States Found That Some Consumers Could See Their Plans Rise “About 30 Percent.”** “Compared with this year, from the 19 states for which information is available, 30 carriers have requested entrance into the marketplaces for 2015 and 1.6 times more plans are being offered, with prices for 2015 likely to remain varied, as they were the previous year, according to McKinsey & Company’s Center for US Health System Reform, which is analyzing the insurance filings as they become available. Prices are rising about 30 percent for some plans, while decreasing by the same amount for others, depending on the market and policy.” (Reed Abelson, “Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law,” [The New York Times](#), 9/2/14)

**To Prevent Sticker Shock, Many Consumers Will Need To Switch To A New Health Plan Or Pay Higher Out-Of-Pocket Costs.** “Many consumers will need to switch plans in order to keep their costs steady, but health care experts question how many people will do that. Switching plans can entail changing your doctor and adjusting to new out-of-pocket costs, never mind the fresh trek through [HealthCare.gov](#). The White House has already set up an auto-renewal process, making it easier to stick with the status quo.” (Sam Baker, “If You Like Your ObamaCare Plan, It’ll Cost You,” [National Journal](#), 8/5/14)

- **3.4 Million Americans That Enrolled In The Benchmark Plan Will Face Higher Premiums.** “This year, about 3.4 million people picked the benchmark plan or went one option cheaper. But as those plans raise their rates and new options come to the market, they’ll often lose their benchmark status to cheaper competitors—and their customers will find themselves on the hook for a bigger share of their premiums.” (Sam Baker, “If You Like Your ObamaCare Plan, It’ll Cost You,” [National Journal](#), 8/5/14)

### ***Across The Country, Consumers Face Double-Digit Price Increases On Their Health Plans***

**In California, Anthem Blue Cross Customers Will See Their Premium Rates Increase “More Than 10% In Some Markets.”** “But some insurers, such as Anthem Blue Cross, are raising premiums more than 10% in some markets, while HMO giant Kaiser Permanente cut its rates in several areas to be more competitive. There can also be changes in a health plan’s network of doctors and hospitals.” (Chad Terhune, “California Officials Gearing Up For ObamaCare Open Enrollment,” [Los Angeles Times](#), 9/2/14)

- **Anthem Consumers In Sacramento Face A 17 Percent Increase.** “In the Sacramento area, for example, someone who selected an H.M.O. plan from Anthem for 2014 faces a possible increase of nearly 17 percent, compared with a 2 percent increase for an H.M.O. plan from Kaiser Permanente in the same area.” (Reed Abelson, “Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law,” [The New York Times](#), 9/2/14)

**Floridians Face “Steep Increases” On Their Health Plans, With Some Plans Increasing “By An Average Of 17.6 Percent.”** “Some of the large insurers, like some of the Blue Cross plans, have requested steep increases. Florida Blue, for example, expects to raise its rates by an average of 17.6 percent for 2015. Others, like some of the co-op plans, have been keeping prices low or even reducing rates.” (Reed Abelson, “Experts Bracing For New Set Of Challenges In Year 2 Of Health Care Law,” [The New York Times](#), 9/2/14)

**In Tennessee, The State Approved A 19 Percent Premium Rate Increase That Could Affect 90 Percent Of Last Year's ObamaCare Enrollees.**

"The largest of these proposed increases comes from BlueCross BlueShield of Tennessee, which was also the most dominant carrier on Tennessee's exchange, enrolling about 90 percent of the approximately 150,000 Tennesseans who selected a plan in the marketplace. The Chattanooga-based insurer has gained approval for a 19 percent rate increase, which the company has said is necessary to reach a "break-even" point in 2015 after a loss of "tens of millions of dollars" during the first year of the public exchange." (Eleanor Kennedy, "Insurers Land Tennessee Approval For 2014 Rate Hikes," [Nashville Business Journal](#), 9/3/14)

- **A 14.4 Percent Premium Rate Increase Was Approved For Humana.** "The state has also approved a 7.5 percent rate increase for Cigna and a 14.4 percent increase for Humana, according to the filings." (Eleanor Kennedy, "Insurers Land Tennessee Approval For 2014 Rate Hikes," [Nashville Business Journal](#), 9/3/14)

**Vermonters That Enrolled In MVP Health Will See Their Rates Increase 10.9 Percent Next Year.**

"Blue Cross Blue Shield requested a 9.8 percent average annual rate increase beginning January 1, 2015. The board reduced that rate to 7.7 percent. MVP Health requested a 15.3 percent annual increase, the board reduced that to 10.9 percent." (Joe Gullo, "Green Mountain Care Board Cuts Rate Increase For VT Health Connect Plans," [MyChamplainValley](#), 9/2/14)

**AS THE SECOND OBAMACARE ENROLLMENT SEASON IS AROUND THE CORNER, STATES CONTINUE TO STRUGGLE*****Oregon Officials Are Set To Close Down The State's Failed ObamaCare Exchange For Good***

**After Continued "Technological Problems," The Cover Oregon Board Will Vote On "A New Course" Of Action And Decide Whether The Exchange "Should Even Exist."** "Buffeted by continuing technological problems, the Cover Oregon board will vote Thursday on a new course for the state's health insurance exchange – including whether it should even exist." (Nick Budnick, "Cover Oregon Board Will Vote Thursday On Whether Health Exchange Goes Away," [The Oregonian](#), 9/3/14)

**Several Board Members Have Argued "In Favor Of Dissolving The Exchange And Moving Its Responsibilities To The State."** "Several board members have forcefully argued in favor of dissolving the exchange and moving its responsibilities to the state, including Ken Allen, head of the American Federation of County, State and Municipal Employees, as well as OHA director Suzanne Hoffman and Laura Cali, who heads the insurance division." (Nick Budnick, "Cover Oregon Board Will Vote Thursday On Whether Health Exchange Goes Away," [The Oregonian](#), 9/3/14)

- **Dissolving The Exchange Would Result In More Responsibilities Going To The Oregon Health Authority, Which Was "Responsible For Much Of The Exchange's Problems."** "If the board does vote to dissolve the exchange and turn many of its responsibilities to the Oregon Health Authority, the decision ironically would mean some of the responsibilities of Cover Oregon would go to the agency, OHA, that a consultant determined was responsible for much of the exchange's problems. The OHA information-technology unit oversaw the exchange website development." (Nick Budnick, "Cover Oregon Board Will Vote Thursday On Whether Health Exchange Goes Away," [The Oregonian](#), 9/3/14)

**After Oregon Filed A Lawsuit Against Its Exchange Contractor, The State Still Needs The Contractor's Help**

**Oregon Filed A Lawsuit Against Oracle Corp. Over The Company's Involvement In The Troubled Health Exchange.** "The state of Oregon filed a lawsuit Friday against Oracle Corp. and several of its

executives over the technology company's role in creating the troubled website for the state's online health insurance exchange." (Jonathan Cooper, "Oregon Sues Oracle Over Failed Health Care Website," [The Associated Press](#), 8/22/14)

- **Despite The Lawsuit, Oregon "Still Need's Oracle's Help."** "The new obstacles involve Oracle, which highlights an uneasy reality. Despite having accused the California software giant of lies, poor work and fraud in court, the state still needs Oracle's help." (Nick Budnick, "Cover Oregon Needs Oracle's Help To Avoid Delays In Federal Health Exchange Transition," [The Oregonian](#), 8/28/14)

**The State Medicaid Software Was Built From A "Big Chunk Of The Oracle Technology."** "In July, the state hired Deloitte Consulting build the Medicaid portion of the project by recycling a big chunk of the Oracle technology to make it happen." (Nick Budnick, "Cover Oregon Needs Oracle's Help To Avoid Delays In Federal Health Exchange Transition," [The Oregonian](#), 8/28/14)

**The November Go-Live Deadline Could Be Impacted If This Isn't Done.** "If Oracle Managed Cloud Services doesn't get that working by Sept 5, it will 'impact ... testing and potentially the November go-live,' said the Deloitte report. The report called the problem a 'critical issue.'" (Nick Budnick, "Cover Oregon Needs Oracle's Help To Avoid Delays In Federal Health Exchange Transition," [The Oregonian](#), 8/28/14)

- **If The Medicaid Program Is Not Up And Running, The State Will Need To Manually Enroll Customers Costing The State "Tens Of Millions" Of Dollars.** "If the Medicaid enrollment portion of the system is not working, the state would likely continue its manual-assisted enrollment efforts adopted as a backup plan when the exchange did not work as planned last fall. That system has cost the state tens of millions of dollars, spent on temporary workers and other COSTS." (Nick Budnick, "Cover Oregon Needs Oracle's Help To Avoid Delays In Federal Health Exchange Transition," [The Oregonian](#), 8/28/14)

### ***Minnesota's Health Exchange Continues To Struggle "With A Backlog Caused By The Online Marketplace"***

**Minnesota's Health Exchange "Is Struggling With A Backlog" Caused By The Online Marketplace.** "Minnesota's new health insurance exchange is struggling with a backlog caused by changes to coverage through the online marketplace." ("MNsure Trying To Fix 'Life Event' Changes Backlog," [The Associated Press](#), 9/2/14)

**According To State, Local And Health Exchange Officials, Updating "Life Events" Through Minnesota's Health Exchange Has Been A "Slow And Difficult Process."** "State, county and health exchange officials tell the St. Paul Pioneer Press the MNsure system has made recording of "life events," including births, marriages and address changes, a slow and difficult process. In Dakota County, it took months for nearly 80 new moms to get their infants added to their insurance." ("MNsure Trying To Fix 'Life Event' Changes Backlog," [The Associated Press](#), 9/2/14)

- **Struggles With Updating "Life Events" Come As Minnesota Tries To "Convert About 800,000 Current Medical Assistance And Minnesotacare Recipients To The New Mnsure System."** "The struggles with life events come as the state is trying to convert about 800,000 current Medical Assistance and MinnesotaCare recipients to the new MNsure system. The transition is key for MNsure to realize its goal of covering 1.3 million Minnesotans by 2016, but state officials in late August decided to delay the process once again due in part to the concerns from counties." (Christopher Snowbeck, "MNsure Struggles To Keep Up With 'Life Event' Changes," [Pioneer Press](#), 9/1/14)

### ***Under Federal Investigation For Fraud, Subpoenas Have Been Issued Into Questionable Activities Surrounding The Failure Of Maryland's ObamaCare Exchange***

**The Inspector General Of Health And Human Services Is Requesting Documents Related To The Construction Of Maryland's ObamaCare Exchange.** "The investigation continues into Maryland's troubled health exchange. A top contractor who built the website says a federal agency looking into the problems has now asked for internal documents. The contractor says he is fully complying with the request, which comes from the inspector general for the Department of Health and Human Services." (Mike Hellgren, "New Subpoenas Into Md. Health Care Exchange Issued," [CBS Baltimore](#), 8/27/14)

- **Subpoenas Are Now Being Issued.** "A Maryland Congressman says subpoenas are being issued in a federal investigation into Maryland's health exchange. He believes there was fraud in the system that cost taxpayers millions but didn't work right at the start." (Mike Hellgren, "Congressman: Md. Health Exchange Under Review For Possible Fraud," [CBS Baltimore](#), 8/26/14)

**Maryland's Health Exchange "Never Worked" As Promised And Was "Filled With Technical Problems."** "Maryland's health exchange—the connection to Obamacare here—never worked as easily as the ads promised at launch. It crashed and was filled with technical problems." (Mike Hellgren, "Congressman: Md. Health Exchange Under Review For Possible Fraud," [CBS Baltimore](#), 8/26/14)

- **"Maryland's Exchange Could Eventually Cost Taxpayers More Than \$260 Million."** (Mike Hellgren, "New Subpoenas Into Md. Health Care Exchange Issued," [CBS Baltimore](#), 8/27/14)

**As Maryland's ObamaCare Exchange Has Switched Software, Enrollees Will Need To Re-Enroll For Future Coverage**

**Residents In Maryland May Have To Re-Enroll In The State-Run Health Exchange.** "If you were stuck spending hours trying to enroll in the state-run health exchange you may have to do it again. The Maryland Health Exchange has received a new state system making it impossible to transfer the old insurance information." (Jobina Fortson, "Maryland Health Exchange Require Re-Registration," [WMDT](#), 8/21/14)