



# #OBAMACOSTS

EVERY AMERICAN IS FEELING  
**THE COST OF**  
 **BAMACARE**

REPUBLICAN NATIONAL COMMITTEE  
RESEARCH BRIEFING BOOK  
SEPTEMBER 4, 2013

# OBAMACARE HAS FAILED TO DELIVER LOWER HEALTH CARE PREMIUMS AS PROMISED

**As A Candidate, Obama Promised That His Health Care Reform Would Save American Families \$2,500 By The End Of His First Term.** OBAMA: “If you are ready for change, then we can stop talking about the outrage of 47 million people without health insurance and start doing something about it. I’ve put forward a plan that says everybody will have the same health care if they want it that I have as a member of Congress, that you can’t be excluded for pre-existing conditions, we’ll negotiate with the drug companies for the cheapest available prices. If you’re 25 or younger you can stay on your parents’ health insurance. If you’ve got health insurance, we’re going to work with you to lower your premiums by \$2500 per family per year. And we will not wait 20 years from now to do it or 10 years from now to do it. We will do it by the end of my first term as president of the United States of America.” (Senator Barack Obama, [Remarks At Campaign Event](#), Columbus, OH, 2/27/08)

## *Premiums Continue To Rise, Breaking Obama’s Premiums Promise*

**Obama’s Promise To Americans That ObamaCare Will Bring Down Health Premiums “Seems A Stretch Now.”** “Obama has promised that the new law will bring costs down. That seems a stretch now. While the nation has been enjoying a lull in health care inflation the past few years, even some former administration advisers say a new round of cost-curbing legislation will be needed.” (Ricardo Alonso-Zaldivar, “Study: Health Overhaul To Raise Claims Cost 32 Percent,” [The Associated Press](#), 3/26/13)

- **Family Health Insurance Premiums Are Nearly \$3,000 Higher Than What Obama Originally Promised.** “Although President Obama repeatedly claimed that health-insurance premiums for a family would be \$2,500 lower by the end of his first term, they are actually about \$3,000 higher—a spread of about \$5,500 per family.” (Merrill Matthews and Mark E. Litow, “ObamaCare’s Health Insurance Sticker Shock,” [The Wall Street Journal](#), 1/13/13)

**According To Milliman’s Medical Index For 2013, The “Cost To Cover A Family Of Four Now Exceeds \$22,000.”** “The typical cost to cover a family of four now exceeds \$22,000, including the amount paid in insurance premiums and out-of-pocket costs, according to the latest Milliman Medical Index for 2013.” (Reed Abelson, “Family Medical Costs Still Rising,” [The New York Times’ Your Money](#), 5/22/13)

- **This Is “Slightly Less Than The Amount A Family Might Pay To Send A Child To An In-State Public College For A Year.”** “Milliman, an actuarial and benefits consultant, puts the cost at slightly less than the amount a family might pay to send a child to an in-state public college for a year.” (Reed Abelson, “Family Medical Costs Still Rising,” [The New York Times’ Your Money](#), 5/22/13)

**Milliman Found That Health Care Costs Increased 6.3 Percent Over Last Year.** “This year’s increase over last was only 6.3 percent, according to the analysis from Milliman, having dropped steadily from the 7.8 increase it calculated for the year-over-year increase in 2010.” (Reed Abelson, “Family Medical Costs Still Rising,” [The New York Times’ Your Money](#), 5/22/13)

- **Since 2009, Families Are Paying \$5,000 More In Health Care Costs.** “But the total dollar increase is about \$1,300, and families are paying several thousand dollars more than they were just a few years ago, increasing more than \$5,000 since 2009.” (Reed Abelson, “Family Medical Costs Still Rising,” [The New York Times’ Your Money](#), 5/22/13)

**A Milliman Study For Forward Center Found That Under ObamaCare, Premiums “Could Rise By As Much As 40 Percent” And The Increases Will “Increase The Most Significantly For Young, Healthy Men.”** “Health insurance premiums could rise by as much as 40 percent as a result of President Obama’s health care law, according to a new study. The survey of premiums in six states found that premiums could increase most significantly for young, healthy men.” (Sam Baker, “Study: Premiums Could Rise Average Of 40 Percent Under ObamaCare,” [The Hill’s Health Watch](#), 5/30/13)

- **In Florida And Ohio, Premiums “Could Cost Upwards Of 50 Percent More.”** “But in states that don't already restrict meager insurance policies, the healthcare law could have a bigger impact. In Florida and Ohio, premiums for one of the cheapest individual policies allowed under ObamaCare could cost upwards of 50 percent more than the more bare-bones plans available now.” (Sam Baker, “Study: Premiums Could Rise Average Of 40 Percent Under ObamaCare,” [The Hill's Health Watch](#), 5/30/13)

## **AS OBAMACARE’S EXCHANGES LAUNCH ON OCTOBER 1, AMERICANS WILL PAY MORE UNDER OBAMACARE**

**“For A Vast Majority Of Americans, Premiums Prices Will Be Higher In The Individual Exchange Than What They’re Currently Paying For Employer-Sponsored Benefits.”** “For the vast majority of Americans, premium prices will be higher in the individual exchange than what they're currently paying for employer-sponsored benefits, according to a *National Journal* analysis of new coverage and cost data.” (Clara Ritger, “Obama’s Affordable Care Act Looking A Bit Unaffordable,” [National Journal](#), 8/29/13)

- **The ObamaCare Exchanges Present “A Rate Hike” For Some Americans.** “The trap is that the exchanges also present a savings for some employers but a rate hike for their employees.” (Clara Ritger, “Obama’s Affordable Care Act Looking A Bit Unaffordable,” [National Journal](#), 8/29/13)
- **ObamaCare Will Add More Expenses To Monthly Insurance Bills.** “Adding even more out-of-pocket expenses to consumers' monthly insurance bills is a swell in deductibles under the Affordable Care Act.” (Clara Ritger, “Obama’s Affordable Care Act Looking A Bit Unaffordable,” [National Journal](#), 8/29/13)

**“The Cost Of Care In The New Market Doesn’t Stack Up.”** (Clara Ritger, “Obama’s Affordable Care Act Looking A Bit Unaffordable,” [National Journal](#), 8/29/13)

- **A Single-Wage Earner That Earns Over \$20,000 Will See Higher Health Care Premiums.** “A single wage earner must make less than \$20,000 to see his or her current premiums drop or stay the same under ObamaCare, an independent review by *National Journal* found.” (Clara Ritger, “Obama’s Affordable Care Act Looking A Bit Unaffordable,” [National Journal](#), 8/29/13)

## ***In States Across The Country, Americans Are Being Warned That They Will Pay More For Coverage***

**ObamaCare “Will Increase Individual-Market Premiums In California By As Much As 146 Percent.”** “But the data that Lee released tells a different story: ObamaCare, in fact, will increase individual-market premiums in California by as much as 146 percent.” (Avik Roy, Op-Ed, “Rate Shock: In California, ObamaCare To Increase Individual Premiums By 64-146%,” [Forbes](#), 5/30/13)

- ***The Wall Street Journal*: “The Cheapest ObamaCare Plan For A Typical 25-Year-Old-Man Is Roughly 64% To 117% More Expensive Than The Five Cheapest Policies Old Today.”** “The conservative analyst Avik Roy consulted current rates on the eHealthInsurance website and discovered that the cheapest ObamaCare plan for a typical 25-year-old man is roughly 64% to 117% more expensive than the five cheapest policies sold today. For a 40 year old, it's 73% to 146%.” (Editorial, “ObamaCare Bait And Switch,” [The Wall Street Journal](#), 6/3/13)

**“Young People In Colorado Will Pay More ... Under ObamaCare.”** “Young people in Colorado will pay more to buy a bare-bones insurance plan under ObamaCare, according to the state's rate information.” (Sam Baker, “Premiums To Rise For Cheapest Health Plans In Colo.,” [The Hill's Health Watch](#), 8/19/13)

- **“Premiums For The Cheapest Policies Appear Likely To Rise.”** “The average premium for a middle-of-the-road policy will roughly hold steady across the state, but premiums for the cheapest policies appear likely to rise.” (Sam Baker, “Premiums To Rise For Cheapest Health Plans In Colo.,” [The Hill's Health Watch](#), 8/19/13)



**A 27-Year-Old Non Smoker Could Pay 140 Percent More Under ObamaCare Than Plans Currently Offered In The State.** “A 27-year-old non-smoker would pay \$135 per month next year for the state's cheapest catastrophic plan — the skimpiest level of coverage available through the healthcare law's new insurance exchanges. That's about 140 percent more than the cheapest policy on the market today.” (Sam Baker, “Premiums To Rise For Cheapest Health Plans In Colo.,” [The Hill's Health Watch](#), 8/19/13)

- **“The Lowest Price For A 30-Year-Old Non-Smoker In Colorado Is Currently About \$56 Per Month, According To Data Compiled By The Government Accountability Office.”** (Sam Baker, “Premiums To Rise For Cheapest Health Plans In Colo.,” [The Hill's Health Watch](#), 8/19/13)

**The Cost Of Individual Health Care Coverage For Georgia Residents May Rise 45 Percent For A Middle-Aged Family Of Five.** “If the example one Georgia insurance company offered is true of the others, coverage under the individual plans to be offered in October under federal health reform will be about 45 percent higher than what a middle-aged family of five could get today.” (Walter C. Jones, “Insurance Commissioner Is Reviewing Health Care Reform Rates,” [Rome News-Tribune](#), 6/11/13)

- **Another Insurer's Proposed Rate For A Family Of Five With A Smoker Would Be 31.5 Percent Higher Or \$505 More Costly Than A Plan Currently Offered.** “One company, Blue Cross Blue Shield Healthcare Plan of Georgia, included an example of the cheapest option under the federally prescribed plans. For the middle-aged couple living in Albany and their three children – including one who smokes – the monthly premium is \$1,605, which is higher than what the company offers now for the same family, at \$1,100, according to Georgia Health Coverage Inc., an independent insurance agency in Newnan.” (Walter C. Jones, “Insurance Commissioner Is Reviewing Health Care Reform Rates,” [Rome News-Tribune](#), 6/11/13)

**In Florida, Individual Health Insurance Rates Are Expected To Rise To 40 Percent, While The Small-Group Market Faces A 20 Percent Increase.** “Health insurance rates in Florida will rise by 5 to 20 percent in the small-group market, and 30 to 40 percent in the individual market, as the Affordable Care Act's guaranteed coverage rule takes effect next year, Florida's insurance commissioner said Monday.” (Stacey Singer, “Rates To Rise As Health Rules Kick In,” [Palm Beach Post](#), 7/30/13)

- **Floridians Will Face A Lack Of Competition In The ObamaCare Exchanges As Some Residents Will Only Have Two Plans To Choose From.** “The insurance plans to be sold in Florida will be offered on a county-by-county basis, at the state's request. Some Florida counties will have as few as two plans for consumers to choose from; and in some cases, they will originate with a single insurance company, Florida Blue and its subsidiaries.” (Stacey Singer, “Rates To Rise As Health Rules Kick In,” [Palm Beach Post](#), 7/30/13)

**“Insurance Rates In Indiana Will Increase 72 Percent For Those With Individual Plans And 8 Percent For Small Group Plans.”** “Insurance rates in Indiana will increase 72 percent for those with individual plans and 8 percent for small group plans under President Barack Obama's health care overhaul, according to the state's insurance department.” (Tony Cook, “State Says ObamaCare Will Force 72 Percent Increase In Individual Insurance Plan Rates,” [Indianapolis Star](#), 7/19/13)

- **“Costs For Individual Plans Is Expected To Increase From An Average Of \$255 Per Member Per Month In 2012 To \$570 In 2014, When The Most Aspects Of The Law Go Into Effect.”** (Tony Cook, “State Says ObamaCare Will Force 72 Percent Increase In Individual Insurance Plan Rates,” [Indianapolis Star](#), 7/19/13)
- **The Higher Health Care Costs Are Expected To Impact Nearly 200,000 Indianans.** “The increased costs of individual plans will only impact the people buy insurance on their own, about 200,000 people right now, Harrison said.” (Tony Cook, “State Says ObamaCare Will Force 72 Percent Increase In Individual Insurance Plan Rates,” [Indianapolis Star](#), 7/19/13)

**Ohio Residents That Purchase Individual Insurance Can Expect To Pay An Average Of 41 Percent More.** “The Ohio Insurance Department says individuals buying health insurance can expect an average

41 percent increase next year because of the president's health care law. (Jason Millman, "Ohio: Premiums Going Up 41 Percent," [Politico](#), 8/1/13)

- **"The Agency's Analysis Found That The Current Average Monthly Cost For Individuals Was \$236.29, Compared With An Expected Average Rate Of \$332.58 Next Year."** (Ann Sanner, "Ohio Rates, Services To Increase Under Health Law," [The Associated Press](#), 8/1/13)
- **"It Projects Small-Business Premiums Will Increase 18 Percent For Those In The SHOP Exchange."** (Jason Millman, "Ohio: Premiums Going Up 41 Percent," [Politico](#), 8/1/13)
- **"The Current Average Monthly Rate For Small Businesses Was \$341.03, Which The State Expects To Go Up To \$401.99 Next Year."** (Ann Sanner, "Ohio Rates, Services To Increase Under Health Law," [The Associated Press](#), 8/1/13)
- **"Overall Costs To Insurers Are Expected To Rise 83 Percent, The Department Said."** (Jason Millman, "Ohio: Premiums Going Up 41 Percent," [Politico](#), 8/1/13)

**In Richmond, Virginia, A 29 Year Old "Could Feel Sharp Pain In His Wallet" As ObamaCare Is Implemented.** "The average 29-year-old man in Richmond may feel invincible, but he could feel sharp pain in his wallet as federal health care reform begins to level the playing field Jan. 1 for people seeking insurance. Virginia regulators are poised to act on nine individual health plans and six small-group plans that propose to participate in a new insurance exchange in a market that has been transformed by the Affordable Care Act." (Michael Martz, "Young Men Have To Pay More For Health Insurance," [Richmond Times Dispatch](#), 7/17/13)

- **A Wall Street Journal Study Found That The Price Of The Cheapest Health Care Plan Available To A 40-Year-Old Man In Virginia Is Set To Triple From \$63 Per Month To \$193 Per Month.** "In Richmond, a 40-year-old male nonsmoker logging on to the eHealthInsurance comparison-shopping website today would see a plan that costs \$63 a month from Anthem, a unit of WellPoint Inc. That plan has a \$5,000 deductible and covers half of medical costs. By comparison, the least-expensive plan on the exchange for a 40-year-old nonsmoker in Richmond, also from Anthem, will likely cost \$193 a month, according to filings submitted by carriers." (Louise Radnofsky, "Health-Insurance Costs Set For A Jolt," [The Wall Street Journal](#), 7/1/13)

### ***Young Adults Will Bear The Burden Of ObamaCare***

**Despite Obama Promising To Lower Health Care Premiums For Everyone, "Healthy Young People – The Vast Majority Of Whom Voted For Obama In 2012 – Are Seeing Their Costs Go Up."** "When he was selling his health care overhaul as a presidential candidate and then as commander-in-chief, Barack Obama repeatedly argued that the plan would lower insurance premiums for everyone. But in California, at least, healthy young people — the vast majority of whom voted for Obama in 2012 — are seeing their costs go up." (Andrew Kaczynski, "Flashback: Obama Promised Lower Health Care Insurance Premiums For Everyone," [Buzzfeed](#), 6/3/13)

**A Millman Study For Forward Center Found That Under ObamaCare, Premiums "Could Rise By As Much As 40 Percent" And Will "Increase The Most Significantly For Young, Healthy Men."** "Health insurance premiums could rise by as much as 40 percent as a result of President Obama's health care law, according to a new study. The survey of premiums in six states found that premiums could increase most significantly for young, healthy men." (Sam Baker, "Study: Premiums Could Rise Average Of 40 Percent Under ObamaCare," [The Hill's Health Watch](#), 5/30/13)

- **In Florida And Ohio, Premiums "Could Coast Upwards Of 50 Percent More."** "But in states that don't already restrict meager insurance policies, the healthcare law could have a bigger impact. In Florida and Ohio, premiums for one of the cheapest individual policies allowed under ObamaCare could cost upwards of 50 percent more than the more bare-bones plans available now." (Sam Baker, "Study: Premiums Could Rise Average Of 40 Percent Under ObamaCare," [The Hill's Health Watch](#), 5/30/13)

**CNNMoney Headline: “Young Men Will Pay More Under ObamaCare.”** (Tami Luhby, “Young Men Will Pay More Under ObamaCare,” [CNN Money](#), 5/14/13)

- **Despite White House Claims That ObamaCare Will Lower Premiums, Young Men Who Gain Coverage Through The Exchanges Could See “Their Premiums Go Up.”** “The Obama administration says the Affordable Care Act will provide cheaper health insurance for millions of Americans. But some people, particularly young men who aren't insured through their employers, could see their premiums go up once coverage in the state-based insurance exchanges begins in January.” (Tami Luhby, “Who Will Pay More Under ObamaCare? Young Men,” [CNN Money](#), 5/14/13)
- **“Taken Together, Men Ages 25 To 36 Could See Rate Increases Greater Than 50%, According To Milliman's O'Connor, But Women Of The Same Age Will Only See Their Premiums Creep Up 4%.”** (Tami Luhby, “Who Will Pay More Under ObamaCare? Young Men,” [CNN Money](#), 5/14/13)

**As ObamaCare Is Implemented, Insurance Premiums In The Individual Market For A Healthy 27 Year Old Will Be “Nearly 90 Percent Higher.”** “The survey, fielded by the conservative American Action Forum and made available to POLITICO, found that if the law's insurance rules were in force, the premium for a relatively bare-bones policy for a 27-year-old male nonsmoker on the individual market would be nearly 190 percent higher.” (Brett Norman, “ACA Premium Sticker Shock Could Fuel Foes,” [Politico](#), 2/4/13)

- **Insurers Estimated That A Healthy 27 Year Old Man From Texas Will Pay \$99 More In Health Insurance Premiums Due To ObamaCare.** “The insurers estimated that a healthy 27-year-old man in Austin, Texas, who pays \$54 a month for insurance this year would have a \$153 premium if ObamaCare's market regulations were in effect.” (Brett Norman, “ACA Premium Sticker Shock Could Fuel Foes,” [Politico](#), 2/4/13)
- **The Ohio Department Of Insurance Found That “A Healthy Young Male In Ohio's Individual Health Insurance Market ... Could See His Health Insurance Costs Increase From 90-130 Percent.”** “A report prepared for the Ohio Department of Insurance by Seattle-based Milliman Inc. found that a healthy young male in Ohio's individual health insurance market paying about \$200 a month in premiums in 2010 could see his health insurance costs increase from 90-130 percent when the health exchanges begin signing up new enrollees in October.” (Randy Tucker, “Premiums To Rise Under Health Care Law,” [Dayton Daily News](#), 1/26/13)

**The Washington Post's The Fact Checker: Young Adults Will “Have Sticker Shock When They See What Happens To Their Premiums Starting In 2014.”** “The law's provisions, especially the requirement for essential benefits, will almost certainly increase premiums, though tax subsidies will help mitigate the impact for a little over half of the people in the exchanges. But a lot of other people — such as a young male who currently has a plan that does not include all of the required benefits — are likely going to have sticker shock when they see what happens to their premiums starting in 2014.” (Glenn Kessler, “President Obama's Claim That Insurance Premiums ‘Will Go Down,’” *The Washington Post's The Fact Checker*, 8/10/12)

### ***Democrats Concede That Health Care Premiums Will Continue To Rise***

**Health And Human Services (HHS) Secretary Kathleen Sebelius Told Reporters That Health Care Premiums Will Rise.** “Some people purchasing new insurance policies for themselves this fall could see premiums rise because of requirements in the health-care law, Health and Human Services Secretary Kathleen Sebelius told reporters Tuesday.” (Louise Radnofsky, “Sebelius: Some Could See Insurance Premiums,” [The Wall Street Journal](#), 3/26/13)

- **Secretary Kathleen Sebelius: “These Folks Will Be Moving Into A Really Fully Insured Product For The First Time, And So There May Be A Higher Cost Associated With Getting Into That Market.”** ““These folks will be moving into a really fully insured product for the first

time, and so there may be a higher cost associated with getting into that market,' she said." (Louise Radnofsky, "Sebelius: Some Could See Insurance Premiums," [The Wall Street Journal](#), 3/26/13)

- **"Men And Younger Customers Could See Their Rates Increase" According To HHS Secretary Kathleen Sebelius.** "She also said that some men and younger customers could see their rates increase while women and older customers could see their rates drop because the law restricts insurers' ability to set rates based on age and gender." (Louise Radnofsky, "Sebelius: Some Could See Insurance Premiums," [The Wall Street Journal](#), 3/26/13)

**"Pelosi Also Acknowledged That Healthcare Premiums For Some People Will Increase Under ObamaCare."** ("Pelosi On ObamaCare: 'Be Optimistic About It,' It Is Going To Be 'A Liberation,'" [Real Clear Politics](#), 6/7/13)

**Democrat Leader Nancy Pelosi (D-CA): "Well, Some Of The People Don't Have Health Insurance, And They Certain Will Have Their Premiums Go Up."** (Nancy Pelosi, [House Minority Leader Weekly Briefing](#), Washington, D.C., 6/6/13)

- **Democrat Leader Nancy Pelosi (D-CA): "But The Fact Is The Value Of What You Get For The Cost That You Pay Is A Reduction In Cost To You."** PELOSI: "I don't remember saying that everybody in the country would have a lower premium, because everybody in the country doesn't have health insurance. So how could it be lower? But the fact is the value of what you get for the cost that you pay is a reduction in cost to you." (Nancy Pelosi, [House Minority Leader Weekly Briefing](#), Washington, D.C., 6/6/13)

## **BUSINESSES AND EMPLOYEES ARE SEEING THEIR HEALTH CARE COSTS RISE**

**Obama Promised Employers Would See Cost Savings Under ObamaCare.** OBAMA: "Americans who get their insurance through the workplace, cost savings could be as much as \$3,000 less per employer than if we do nothing." (President Barack Obama, [Remarks At George Mason University](#), Arlington, VA, 3/19/10)

### ***As Businesses Face Higher Costs, Employees Will Pay More***

**"Workers Are Seeing A Larger Portion Of Their Paycheck Sliced Off" Due To Higher Health Care Premiums.** "That means that in many cases workers are seeing a larger portion of their paycheck sliced off to cover health insurance." ("Health Insurance Costs Outpace Wage Gains, Survey Says," [The Associated Press](#), 8/20/13)

- **For 2013, Employer-Sponsored Health Care Costs "Outpaced Worker Wage Increases."** "An annual survey shows that the average cost for employer-sponsored health insurance rose modestly this year, but it still outpaced worker wage increases." ("Health Insurance Costs Outpace Wage Gains, Survey Says," [The Associated Press](#), 8/20/13)

**"Average Premiums Increased 5% For Single Coverage And 4% For Family Coverage In The Last Year."** ("Employer Health Benefits; 2013 Annual Survey," [The Kaiser Family Foundation](#), 8/20/13)

**"The Average Premium For Family Coverage Is \$1,363 Per Month Or \$16,351 Per Year."** ("Employer Health Benefits; 2013 Annual Survey," [The Kaiser Family Foundation](#), 8/20/13)

- **Under Obama, The Average Cost Of Family Health Care Premiums Has Increased By \$3,671 From \$12,680 To \$16,351, A 29 Percent Increase.** ("Employer Health Benefits; 2013 Annual Survey," [The Kaiser Family Foundation](#), 8/20/13)

**"The Average Premium For Single Coverage In 2013 Is \$490 Per Month Or \$5,884 Per Year."** ("Employer Health Benefits; 2013 Annual Survey," [The Kaiser Family Foundation](#), 8/20/13)

- **Under Obama, The Average Cost Of Single Coverage Premiums Has Increased By \$1,180, From \$4,704 To \$5,884, A 25 Percent Increase.** ("Employer Health Benefits; 2013 Annual Survey," [The Kaiser Family Foundation](#), 8/20/13)



**“One Casualty Of The New Health Care Law May Be Paid Coverage For Families Of People Who Work For Small Businesses.”** (Joyce M. Rosenberg, “Family Insurance In Jeopardy At Small Companies,” [The Associated Press](#), 8/7/13)

**Small Business Customers Have Been Warned That ObamaCare Could Raise Health Care Premiums By 20 Percent.** “Insurance companies have already warned small business customers that premiums could rise 20 percent or more in 2014 under the Affordable Care Act.” (Joyce M. Rosenberg, “Family Insurance In Jeopardy At Small Companies,” [The Associated Press](#), 8/7/13)

- **Small Business Owners May Stop Paying For Family Coverage “As The Cost Of Health Insurance Has Soared In Recent Years.”** “That’s making some owners consider not paying for coverage for workers’ families, even though insurance is a benefit that helps companies attract and retain top talent. If more small business owners decide to stop paying for family coverage, it will accelerate a trend that started as the cost of health insurance soared in recent years.” (Joyce M. Rosenberg, “Family Insurance In Jeopardy At Small Companies,” [The Associated Press](#), 8/7/13)

**As Premiums Continue To Soar, ObamaCare “Has Requirements That May Drive Premiums Higher, Including A Tax ... That Is Expected To Be Passed Along To Employers.”** “Premiums have been soaring for years because of the rising cost of medical care. But the ACA also has requirements that may drive premiums higher, including a tax on insurance companies that is expected to be passed along to employers.” (Joyce M. Rosenberg, “Family Insurance In Jeopardy At Small Companies,” [The Associated Press](#), 8/7/13)

- **“Family Coverage Is Particularly In Jeopardy At Small Companies”** “The ACA is accelerating a trend toward reducing family coverage that has been in place for a number of years at companies of all sizes as employers try to cut costs, according to health insurance brokers. But family coverage is particularly in jeopardy at small companies.” (Joyce M. Rosenberg, “Family Insurance In Jeopardy At Small Companies,” [The Associated Press](#), 8/7/13)

### ***ObamaCare Is Forcing Businesses To Cut Back On Hours And Lay Off Employees***

**To Be Successful, Employers Burdened By ObamaCare Are Laying Off Employees And Some Are Shifting Full-Time Workers To Part-Time.** “Across the country, employers in many other kinds of businesses are devising strategies to comply with or, in some cases, sidestep a new requirement to provide insurance for those who work 30 hours or more. Some are breaking their businesses into smaller companies, for instance, or even laying off workers. Some companies plan to shift workers to part-time status.” (Sarah Varney, “Tacking Health Care Costs Onto California Farm Produce,” [The New York Times](#), 8/21/13)

- **A Reuters Analysis Found That Businesses Are Cutting Back Worker Hours And Choosing Not To Expand Their Business Past 50 Employees.** “Some businesses are holding their headcount below 50 and others are cutting back the work week to under 30 hours to avoid providing health insurance for employees, according to the staffing and payroll executives.” (Lucia Mutikani, “Analysis: ObamaCare, Tepid U.S. Growth Fuel Part-Time Hiring,” [Reuters](#), 8/21/13)

**Under ObamaCare, “41 Percent Of Small-Business Owners Say They Have Held Off On Hiring New Employees And 38 Percent Have Pulled Back On Plans To Grow Their Business.”** “When asked if they had taken any of five specific actions in response to the ACA, 41% of small-business owners say they have held off on hiring new employees and 38% have pulled back on plans to grow their business.” (Dennis Jacobo, “Half of U.S. Small Businesses Think Health Law Bad for Them,” [Gallup](#), 5/10/13; Gallup, 603 SBO, MoE 4%, 4/1-5/13)

- **“One In Five (19%) Have Reduced Their Number Of Employees And Essentially The Same Number (18%) Have Cut Employee Hours In Response To The Health Care Law.”** (Dennis Jacobo, “Half of U.S. Small Businesses Think Health Law Bad for Them,” [Gallup](#), 5/10/13; Gallup, 603 SBO, MoE 4%, 4/1-5/13)
- **“One In Four Owners (24%) Have Thought About Eliminating Health Care Coverage For Their Employees.”** (Dennis Jacobo, “Half of U.S. Small Businesses Think Health Law Bad for Them,” [Gallup](#), 5/10/13; Gallup, 603 SBO, MoE 4%, 4/1-5/13)



**Nearly Four In 10 Small-Business Owners Plan To Hold Off On Hiring And Expanding, While “One In Five Say They Are Letting People Go Or Cutting Employees’ Hours.”** “About four in 10 say they are holding off on hiring and new growth plans. About one in five say they are letting people go or cutting employees’ hours.” (Dennis Jacobo, “Half of U.S. Small Businesses Think Health Law Bad for Them,” [Gallup](#), 5/10/13; Gallup, 603 SBO, MoE 4%, 4/1-5/13)

## **HEALTH INSURERS ARE TAKING A PASS ON THE OBAMACARE EXCHANGES**

**“Some Big U.S. Health Insurers ... Are Steering Clear Of” The ObamaCare Exchanges.** “Some big U.S. health insurers, including Cigna, Aetna and UnitedHealthcare, are steering clear of most of the new state health care exchanges amid uncertainty about the kinds of customers they might attract: namely sick ones.” (Stephanie Kirchgaessner, “Big US Health Insurers Wary Of ‘ObamaCare’ Exchanges,” [Financial Times](#), 9/3/13)

- **Insurers “Are Taking A Cautious Approach” As ObamaCare Creates An Uncertain Health Care Market.** “The three companies have said they are taking a cautious approach because they need to evaluate how the markets – set up under the ‘ObamaCare’ reforms – will work. They add that they are specialised in providing insurance to big employers, not the individuals and small businesses that will be served by the exchanges.” (Stephanie Kirchgaessner, “Big US Health Insurers Wary Of ‘ObamaCare’ Exchanges,” [Financial Times](#), 9/3/13)

### ***ObamaCare Will Force Insurers To Operate At A Loss, Subsequently Affecting Individuals Who Purchase Insurance Outside The Exchanges***

**“New York Is The Fifth State Where Aetna Has Pulled Its Application To Sell The Plans That Go On Sale On Oct. 1 And Into Effect On Jan. 1, 2014. It Has Also Reversed Course In Maryland, Ohio, Georgia, And Connecticut, Where It Is Based.”** ( “Aetna Pulls Out Of New York Health Insurance Exchange,” [Reuters](#), 8/29/13)

**The Health Insurer “Would Operate At A Loss” If It Offered Plans In The Exchanges.** “In an August 1 letter sent to the Maryland Department of Insurance, Aetna said the state’s requirement for rate reductions off its proposed prices would lead it to operate at a loss. The rate reductions include products from Aetna and Coventry Health Care, which it bought this spring.” (Caroline Humer, “Aetna Exits ObamaCare Exchange In Maryland Over Price,” [Reuters](#), 8/2/13)

- **Aetna: Complying With ObamaCare “Would Not Allow Us To Collect Enough Premiums To Cover The Cost Of The Plans.”** ““Unfortunately, we believe the modifications to the rates filed by Aetna and Coventry would not allow us to collect enough premiums to cover the cost of the plans, including the medical network and service expectations of our customers,’ Aetna said in the letter to insurance commissioner Therese Goldsmith.” (Caroline Humer, “Aetna Exits ObamaCare Exchange In Maryland Over Price,” [Reuters](#), 8/2/13)

**ObamaCare Has Also Forced Aetna To Rescind New Health Insurance Products For The Individual Market.** “On Friday, Aetna spokeswoman Cynthia Michener said the decision to withdraw from the individual market in Maryland included both new plans proposed for the exchange and new products for the individual market. Aetna and Coventry combined insure 13,000 individual members in Maryland and 620,000 individuals nationwide.” (Caroline Humer, “Aetna Exits ObamaCare Exchange In Maryland Over Price,” [Reuters](#), 8/2/13)

**In California, Aetna Will Discontinue Individual Consumer Plans In California As ObamaCare Continues To Be Enacted.** “Aetna Inc. will stop selling health insurance to individual consumers in California at the end of the year, withdrawing as the federal health law is expected to reshape the market in 2014.” (Anna Wilde Matthews, “Aetna To Leave California Individual Insurance Market,” [The Wall Street Journal](#), 6/14/13)

- **49,000 Will Lose Their Health Care Plan.** “Aetna said it currently has about 49,000 individual policyholders in California. In 2011, when it had substantially bigger membership, it was the fourth-biggest player in the state’s consumer market, with about 5.2% of the plans sold that year,

according to a report from Citigroup Inc.” (Anna Wilde Matthews, “Aetna To Leave California Individual Insurance Market,” [The Wall Street Journal](#), 6/14/13)

**Health Insurer UnitedHealth Is Exiting The California’s Individual Health Insurance Market As ObamaCare Continues To Be Implemented.** “The nation’s largest health insurer, UnitedHealth Group Inc., is leaving California’s individual health insurance market, the second major company to exit in advance of major changes under the Affordable Care Act.” (“UnitedHealth To Exit Individual Insurance Market In California,” [Los Angeles Times](#), 7/2/13)

- **8,000 Californians Will Be Forced “To Find New Coverage.”** “UnitedHealth said it had notified state regulators that it would leave the state’s individual market at year-end and force about 8,000 customers to find new coverage.” (“UnitedHealth To Exit Individual Insurance Market In California,” [Los Angeles Times](#), 7/2/13)