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Obamacare Moving Forward: What is the Prognosis?

Jan Ambrose PhD

La Salle University, ambrose@lasalle.edu

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Obamacare Moving Forward: What's the Prognosis?



EXPLORER CAFÉ
APRIL 10, 2013

JAN AMBROSE, PHD

Obamacare Moving Forward: What's the Prognosis?



I HAVE NO IDEA.

Patient Protection and Affordable Care Act: A short summary



**[HTTP://WWW.YOUTUBE.COM/WATCH?V=3-
ILC5XK2_E](http://www.youtube.com/watch?v=3-ILC5XK2_E)**

The Problems



**WHY DOES HEALTH CARE COST
SO MUCH?**

**WHY ARE SO MANY PEOPLE
UNINSURED?**

The Solutions



Phase 1

- Medical loss ratio rebates
- Preventive services without cost sharing
- Better Medicare Rx coverage
- Children up to age 26 insured on parents' policies
- Small business tax credit up to 35%
- No lifetime limits
- No pre-existing condition exclusion for children
- High-risk pools

Phase 2 – begins January 1

- No pre-existing condition exclusion for anyone
- Individual mandate
- Employers with 50+ employees must offer coverage or pay tax
- Expansion of Medicaid
- Creation of Health Insurance Exchanges

Coverage Mandate



Individuals:

- Tax is greater of \$695 per adult and \$347.50 per child (up to a family max of \$2085) or 2.5% of family income
- Exempt if have insurance coverage or it costs $> 8\%$ of family income
- Premium credits available to those with incomes between 100-400% of federal poverty level

Coverage Mandate



Employers:

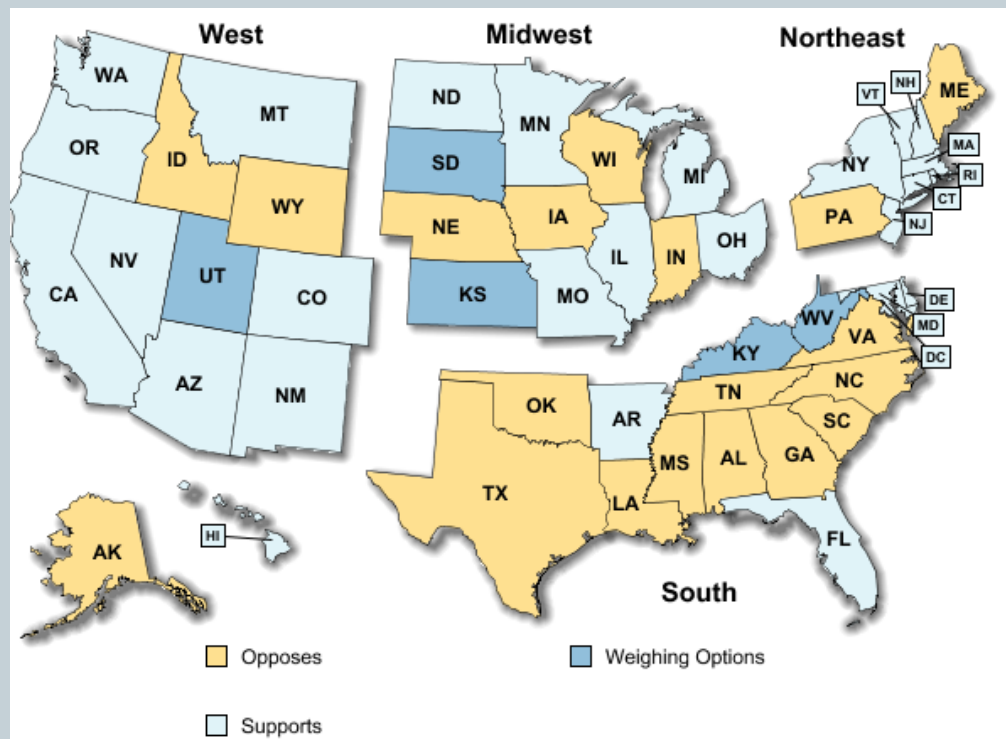
- Exempt if have < 50 employees
- Tax = \$2000-\$3000 per employee (after the 30th employee) if any employee receives the individual premium credit
- Automatic enrollment in health insurance plan for employers with > 200 employees

Medicaid Expansion



- **Expand to cover all non-Medicare eligible individuals < age 65 with incomes up to 138% of federal poverty level**
- **Federal funding to cover newly eligible = 100% in 2014 tapering down to 90% by 2020**

Medicaid Expansion



State Decisions For Expanding Medicaid, as of February 15, 2013 (CR): Executive Activity



statehealthfacts.org

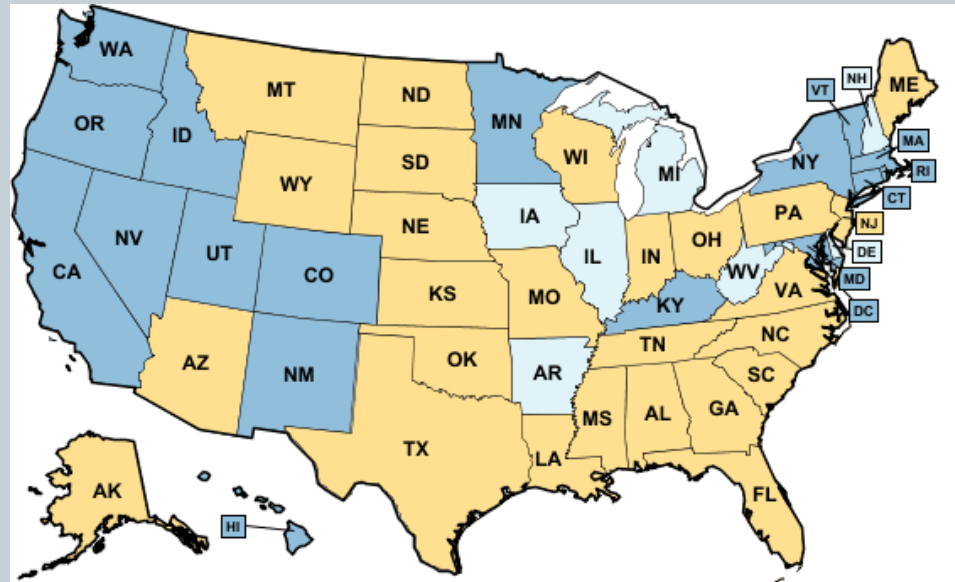
Your source for state health data

Health Insurance Exchanges




- **Required in each state: state-based, state-federal partnership, or federal exchange**
- **Individual and small business marketplace**
- **Uniform enrollment form and standardized information**
- **Website and telephone assistance**
- **Uniform benefit packages at four levels**

Health Insurance Exchanges



 Default to Federal Exchange

 Declared State-based Exchange

 Planning for Partnership Exchange

State Decisions For Creating Health Insurance Exchanges, as of April 1, 2013: Exchange Decision



statehealthfacts.org

Your source for state health data

Funding



- Tax on individuals without coverage
- Limitations on flexible spending accounts
- Medicare Part A tax rate increase on high income workers
- Excise tax on insurers of high coverage health plans
- Annual fees on pharmaceutical and health insurance sectors
- Tax on medical device sales and indoor tanning salons
- Medicare reimbursement restructuring
- Encourage simplification, innovation, preventive care, home health care