

# Health insurance markets open; success to be seen

October 1 2013, by Carla K. Johnson

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In this Sept. 26, 2013 file photo, Laura Leon, project director for the navigator program at Sinai Community Institute of Chicago, speaks at a gathering of individuals seeking information on the new national health overhaul law that takes effect Oct. 1, 2013. Millions of Americans will be able to shop for the first time Tuesday on the insurance marketplaces. Whether consumers will be pleased with the experience, the premiums they will pay and the out-of-pocket costs of the plans offered to them will finally start to become clear. Tuesday's rollout comes after months of buildup in which the marketplaces, also known as exchanges, have been both praised and vilified. (AP Photo/M. Spencer Green, File)

Millions of Americans will be able to shop for the first time Tuesday on the insurance marketplaces that are at the heart of President Barack Obama's health care reforms, entering a world that is supposed to simplify the mysteries of health coverage but could end up making it even more confusing, at least initially.

Whether consumers will be pleased with the experience, the premiums and the out-of-pocket costs of the plans offered to them will finally start to become clear. Tuesday's rollout comes after months of buildup in which the marketplaces, also known as exchanges, have been both praised and vilified.

Illustrating the heated political disagreements over the [law](#), the opening of the exchanges comes the same day as the shutdown of the federal government, led by congressional Republicans who want to block the [health insurance](#) reforms from taking effect.

The shutdown will have no immediate effect on the insurance marketplaces that are the backbone of the law, because they operate with money that isn't subject to the annual budget wrangling in Washington.

The marketplaces opening in all 50 [states](#) represent a turning point in the U.S. approach to health care, the biggest expansion in coverage in nearly 50 years.

The Obama administration hopes to sign up 7 million people during the first year and has a goal of eventually signing up at least half of the nearly 50 million uninsured Americans through an expansion of Medicaid, the government-funded program that provides [health care](#) coverage for poorer Americans, or government-subsidized plans provided by private insurers.

But if people become frustrated with predicted glitches in the computer-

based enrollment process and turn away from the program, the prospects for Obama's signature domestic policy achievement could dim.

"The promise of the law is that no one will go bankrupt because of medical bills," said Neera Tanden, president of the Center for American Progress, which helped work for passage of the law. "It won't happen in the first day or the first year. But when the law is fully operational, it will provide an economic benefit to roughly 30 million Americans."

Tanden cautioned against rushing to judge the marketplace's success on its first-day performance. Numerous observers have predicted bugs and setbacks. Trained outreach workers in many states are having trouble getting the certification they need to start helping people enroll.

Many states are predicting that people will initially test the online application system but actually sign up closer to Dec. 15, which is the deadline for coverage to start Jan. 1. Customers have until the end of March to sign up in order to avoid tax penalties.

Looming as one of the biggest challenges to the law's success is the ability of insurers to persuade relatively young and healthy people to buy insurance, as a way to balance the costs for the sicker people who are likely to get coverage as quickly as possible.

"You've got to launch this thing right the first time," said Robert Laszewski, a consultant who worked 20 years in the insurance industry. "If you don't, financially you will never recover."

Under the law, [health insurance companies](#) can no longer deny coverage to someone with a pre-existing medical condition and cannot impose lifetime caps on coverage. They also must cover a list of essential services, ranging from [mental health treatment](#) to maternity services.

Another obstacle: Nearly three-fourths of people under 65 who lack insurance are unaware the marketplaces open Tuesday, according to a Kaiser Family Foundation survey released over the weekend.

Spending money to raise that awareness with ad campaigns has varied vastly, with some Republican-led states doing little or nothing to promote the insurance exchanges. Missouri Lt. Gov. Peter Kinder, a Republican, even recently urged residents not to sign up for coverage.

In Florida, Republican Gov. Rick Scott and key lawmakers have pushed back against implementing parts of the law. The Florida Department of Health recently ordered county health departments to prohibit so-called navigators from signing people up for [health insurance](#) at those facilities.

But other states are doing more, such as Kentucky, the only Southern state running its own marketplace. Kentucky Gov. Steve Beshear, a Democrat, was an early supporter of the health law even though Obama lost the state by a huge margin in last November's election.

The state kicked off an \$11 million advertising campaign in June, with ads on TV, radio, Internet and newspapers. It'll expand Tuesday and continue through the first three months of next year.

"Frankly, we can't implement the Affordable Care Act fast enough," Beshear said.

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Citation: Health insurance markets open; success to be seen (2013, October 1) retrieved 1 May 2024 from <https://medicalxpress.com/news/2013-10-health-success.html>

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