

Federal health market surpasses one million signups (Update)

December 29 2013, by Josh Lederman



In this Dec. 23, 2013 file photo, Lisa Donlea, left, and Susan Roberts, a certified enrollment officer, celebrate after working on Donlea's federal health insurance exchange enrollment online for one hour and 47 minutes in Laguna Beach, Calif. The Obama administration says following a December surge, more than 1.1 million people have now enrolled for health insurance through the federal government's improved website. (AP Photo/The Orange County Register, Cindy Yamanaka, File)

A December surge propelled health care sign-ups through the U.S. government's rehabilitated website past the 1 million mark, the Obama administration said Sunday, reflecting new vigor for the problem-plagued federal insurance exchange.

Combined with numbers for state-run markets due in January, that should put total enrollment in the new private insurance plans under President Barack Obama's health law at about 2 million people through the end of the year, independent experts said.

That would be about two-thirds of the administration's original goal of signing up 3.3 million by Dec. 31, a significant improvement given the technical problems that crippled the federal market during October and much of November. The overall goal remains to enroll 7 million people by March 31 when open enrollment for 2014 ends. Obama needs millions of mostly younger, healthy Americans to sign up to keep costs low for everyone.

"It looks like current enrollment is around 2 million despite all the issues," said Dan Mendelson, CEO of Avalere Health, a market analysis firm. "It was a very impressive showing for December."

The administration said that of the more than 1.1 million people now enrolled in the federal insurance exchange, nearly 1 million signed up in December. The majority came days before a pre-Christmas deadline for coverage to start in January. Compare that with a paltry 27,000 in October, the federal website's first, error-prone month.

"We experienced a welcome surge in enrollment as millions of Americans seek access to affordable health care coverage," Marilyn Tavenner, the head of the Centers for Medicare and Medicaid Services, said in a blog post announcing the figures.

The numbers don't represent a full accounting for the country.

The federal website serves 36 states. Yet to be reported are December results from the 14 states running their own sites. Overall, states have been signing up more people for most of the roll-out period than the federal government. But most of that has come from high performers such as California, New York, Washington, Kentucky and Connecticut. Some states continue to struggle with their exchanges.



In this Dec. 11, 2013, file photo, Rosemary Cabelo uses a computer at a public library to access the Affordable Health Care Act website in San Antonio. The Obama administration says following a December surge, more than 1.1 million people have now enrolled for health insurance through the federal government's improved website. (AP Photo/Eric Gay, File)

Still, the end-of-year surge suggests that the HealthCare.Gov website now functioning better, the federal market may be starting to pull its

weight. The windfall comes at a critical moment for Obama's sweeping health care law, which becomes "real" for many Americans on Jan. 1 when coverage through the exchanges and key patient protections kick in.

The administration's concern now shifts to keeping the momentum going for sign-ups, and heading off problems that could arise when people who've already enrolled try to use their new insurance.

"They've got the front end of the system working really well," said insurance industry consultant Robert Laszewski. "Now we can move on to the next question: Do people really want to buy this?" He also estimated 2 million will probably be enrolled this year.

The troubled roll-out of Obama's health care law has led to declining approval ratings for Obama and his fellow Democrats, giving new life to Republicans who appeared weakened and fractured after forcing October's partial federal government shutdown. Republican lawmakers seized on the glitches to show they were right in trying to repeal "Obamacare." Democrats hope that as enrollment figures increase more Americans will see the benefits of the program. Health care reform could turn into the pivotal issue in the November 2014 election when control of Congress will be at stake.

The new law is intended to expand coverage to millions of uninsured Americans and curb insurance industry abuses such as denying coverage to people with pre-existing medical conditions or setting lifetime caps on payments for medical expenses. The law set up new state and federal exchanges that serve as markets offering subsidized private insurance to middle-class Americans who don't have access to job-based coverage. The law also expands Medicaid—the government program that provides health care coverage to poor and low-income Americans—to cover more people in states that accept it.

Tavenner said fixes to the website, overhauled to address widespread outages and glitches, contributed to December's figures. But the problems haven't totally disappeared. Thousands of people wound up waiting on hold for telephone help on Christmas Eve for a multitude of reasons, including technical difficulties.

For consumers who successfully selected one of the new insurance plans by Dec. 24, coverage should start on New Year's Day. That's provided they pay their first month's premium by the due date, extended until Jan. 10 in most cases.



In this Dec. 11, 2013 file photo, Rosemary Cabelo uses a computer at a public library to access the Affordable Health Care Act website, in San Antonio. The Obama administration says following a December surge, more than 1.1 million people have now enrolled for health insurance through the federal government's improved website. (AP Photo/Eric Gay, File)

But insurers have complained that another set of technical problems, largely hidden from consumers, has resulted in the government passing along inaccurate data on enrollees. With a flood of signups that must be processed in just days, it remains unclear whether last-minute enrollees will encounter a seamless experience if they try to use their new benefits come Jan. 1.

The White House says the error rate has been significantly reduced, but the political fallout from website woes could pale in comparison with the heat that Obama might take if Americans who signed up and paid their premiums arrive at the pharmacy or the emergency room and find there's no record of their coverage.

Officials are also working to prevent gaps in coverage for at least 4.7 million Americans whose individual policies were canceled this fall because they fell short of the law's requirements. The administration has said that even if those individuals don't sign up for new plans, they won't face the law's tax penalty for remaining uninsured.

The new enrollment figures were released Sunday while Obama was vacationing in Hawaii. Although the president has spent most of his time relaxing with friends and family, he stepped into work mode late Friday for an update from aides on his signature domestic policy achievement. The White House said Obama told his team to focus on minimizing disruptions for those switching plans.

A few states offering their own updates have also posted encouraging totals, including New York, where more than 200,000 have enrolled either through the state exchange or through Medicaid. In California, a tally released Friday showed nearly 430,000 have enrolled through the exchange so far.

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