

Report projects health care costs to dip slightly

14 April 2014, by Andrew Taylor

A new government report says the Affordable Care Act's health insurance subsidies will cost a little less than previously thought.

The Congressional Budget Office predicts that health insurance subsidies under so-called "Obamacare" will total a little more than \$1 trillion over the next 10 years, instead of almost \$1.2 trillion.

CBO said the 8 percent cut results largely from tighter cost controls by insurance companies offering plans on health care exchanges. Generally speaking, the plans offered on the exchanges pay [health care providers](#) less and have tighter management of patients' treatment options, and that means lower premiums and taxpayer subsidies.

Medicaid adds almost \$800 billion in costs over the decade.

CBO is a nonpartisan congressional agency that does research and cost estimates for lawmakers.

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