

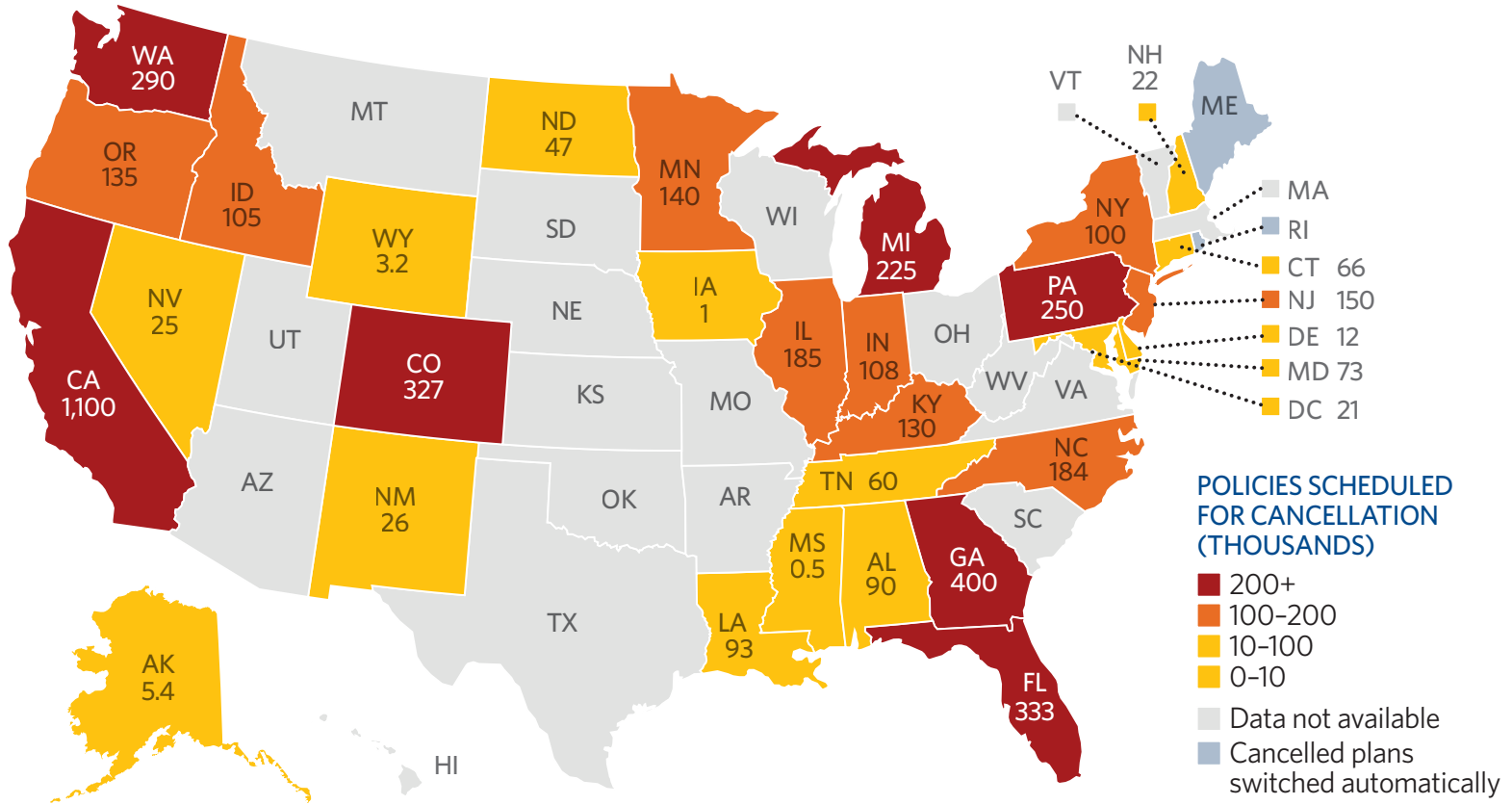
# Obamacare in Pictures

VISUALIZING THE EFFECTS OF THE PATIENT PROTECTION  
AND AFFORDABLE CARE ACT

Spring 2014

# If you like your health care plan, can you really keep it?

At least 4.7 million health care plans in the individual market have been discontinued due to new Obamacare rules.



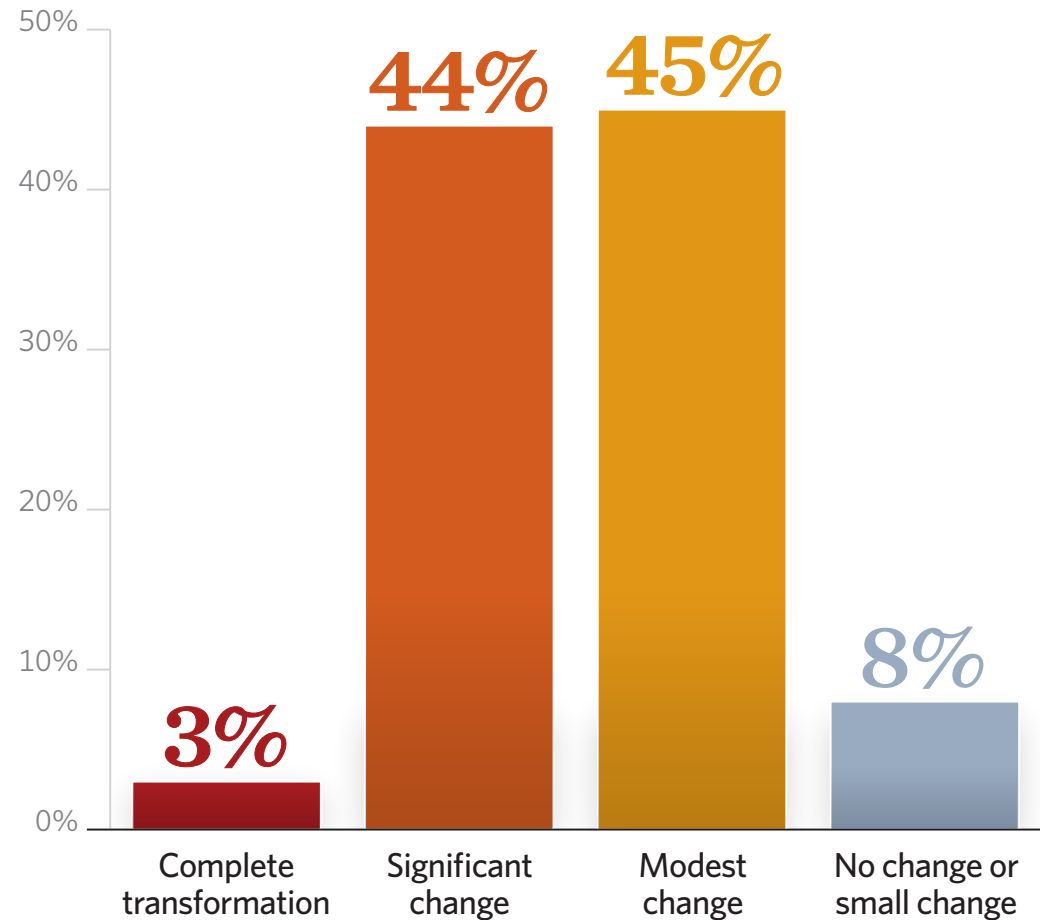
Source: Associated Press, December 26, 2013.

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## Obamacare will require employers to make changes to their health care plans

*Those with employer coverage might not be able to keep their existing plans either. The vast majority of businesses expect to make changes to their health care plans to comply with Obamacare's regulations, and more than half of those anticipate the changes to be significant or drastic.*

### BUSINESSES ANTICIPATING CHANGES TO THEIR EMPLOYER-SPONSORED HEALTH CARE BY 2018

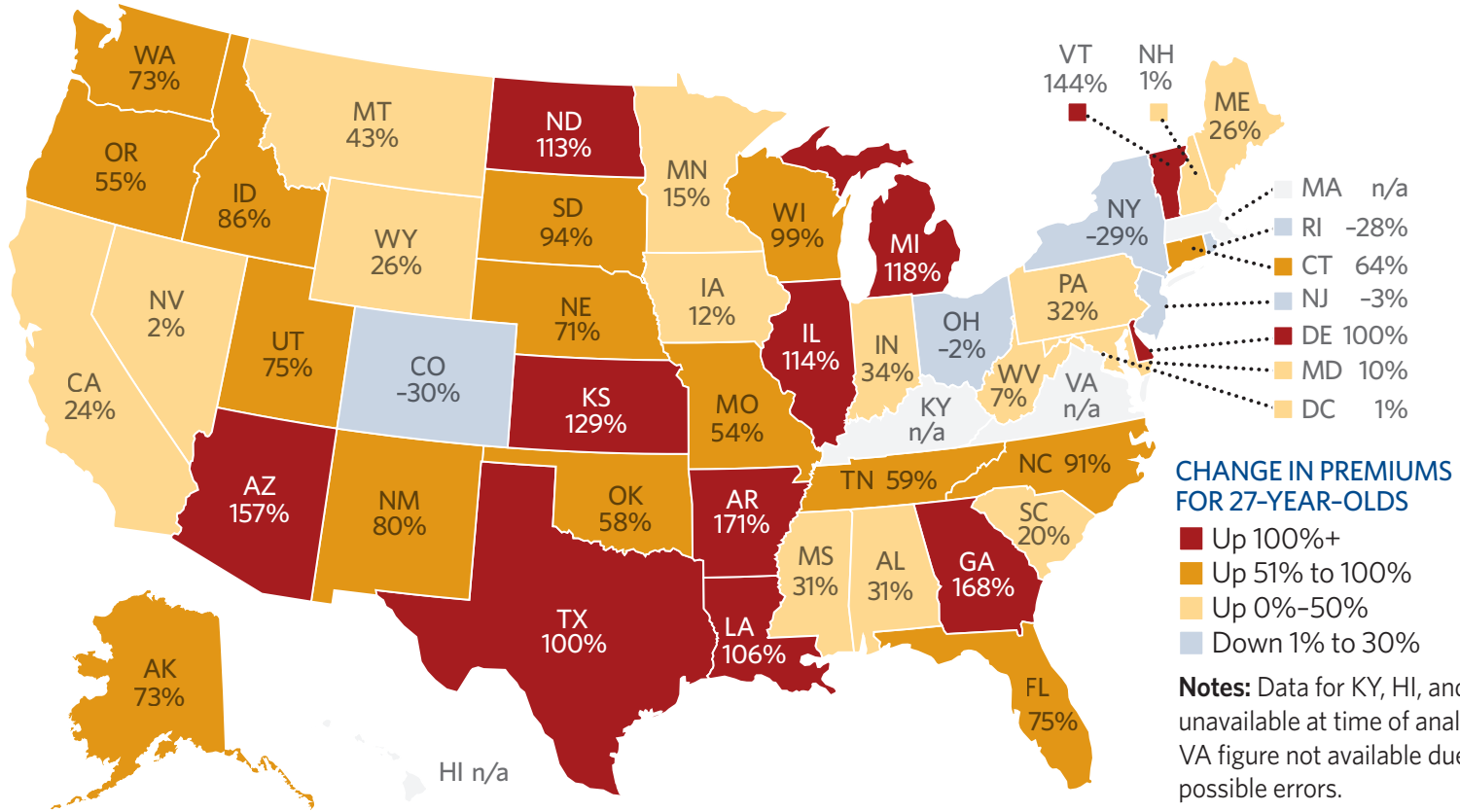


**Source:** Towers Watson/NBGH Employer Survey on Purchasing Value in Health Care, 2013.

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# Premiums are higher in Obamacare exchanges: Age 27

Buying individual health insurance in the exchanges is generally more expensive than it was before Obamacare, especially for young adults. In 11 states, 27-year-olds will see premiums double or more.

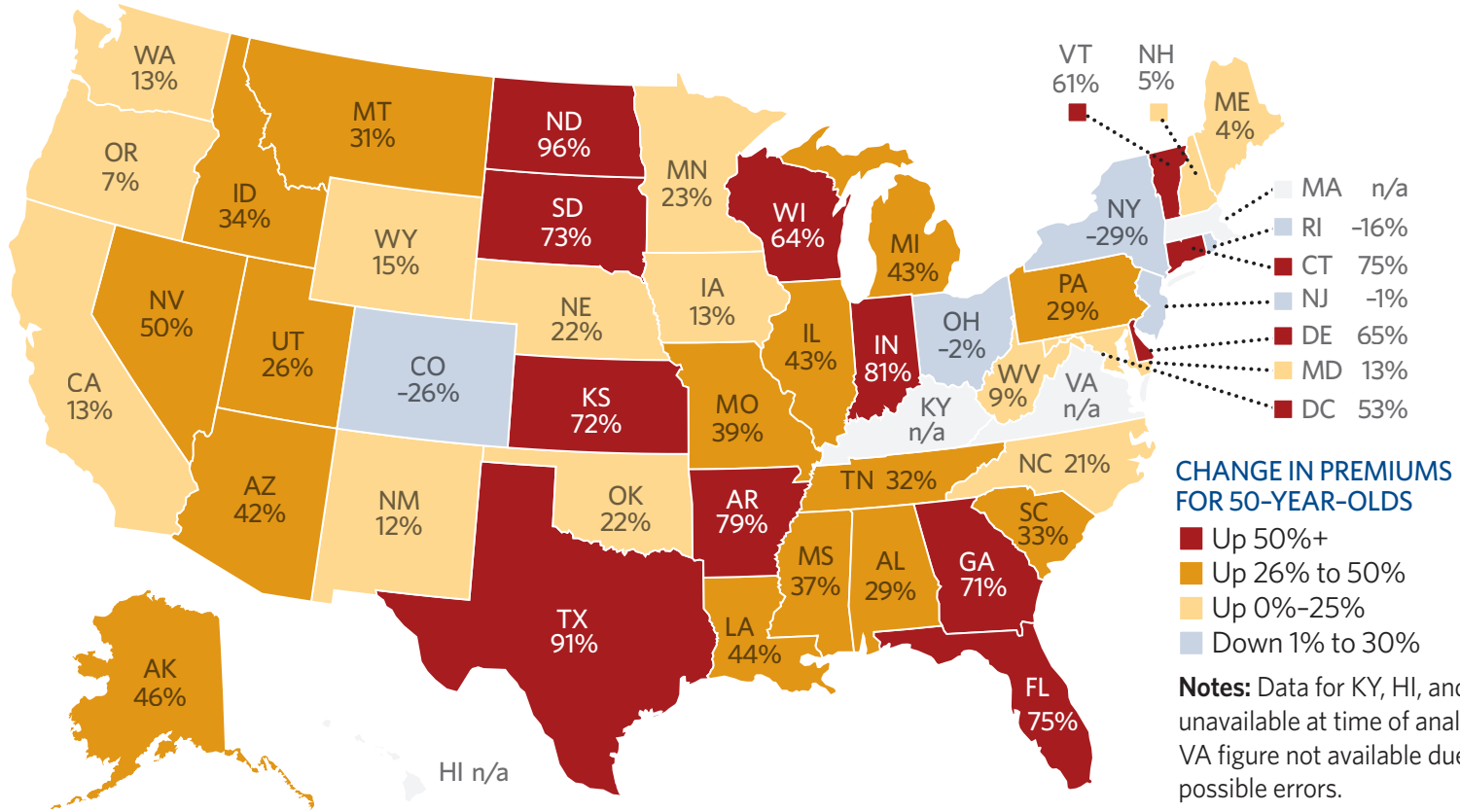


**Source:** Heritage Foundation calculations using data from healthcare.gov and state-run exchanges, October 2013.

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# Premiums are higher in Obamacare exchanges: Age 50

Buying individual health insurance in the exchanges is generally more expensive than it was before Obamacare. In 13 states, 50-year-olds will see premiums rise by 50 percent or more.

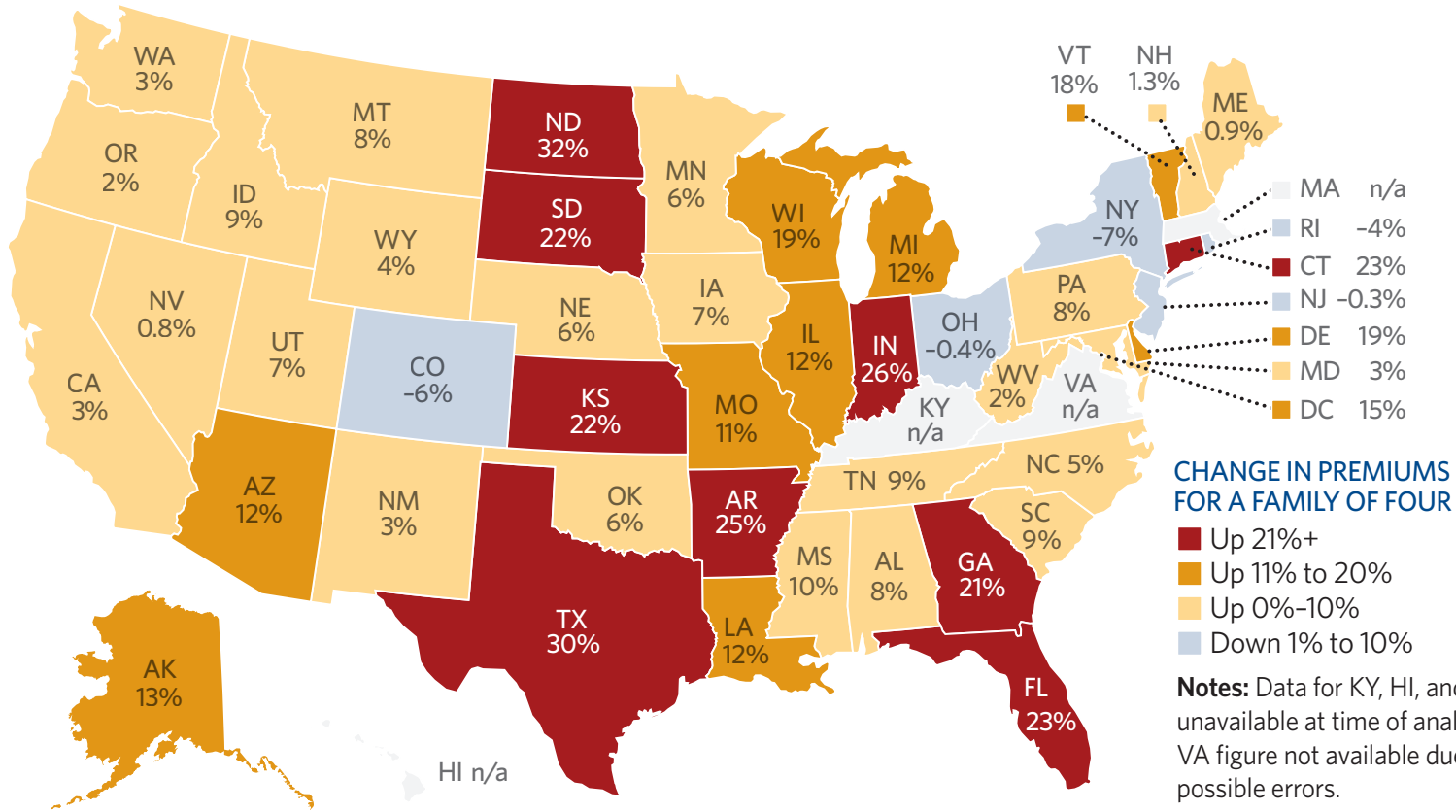


**Source:** Heritage Foundation calculations using data from healthcare.gov and state-run exchanges, October 2013.

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# Premiums are higher in Obamacare exchanges: Family of four

Buying individual health insurance in the exchanges is generally more expensive than it was before Obamacare. In 19 states, premiums for a family of four will increase by more than 10 percent.



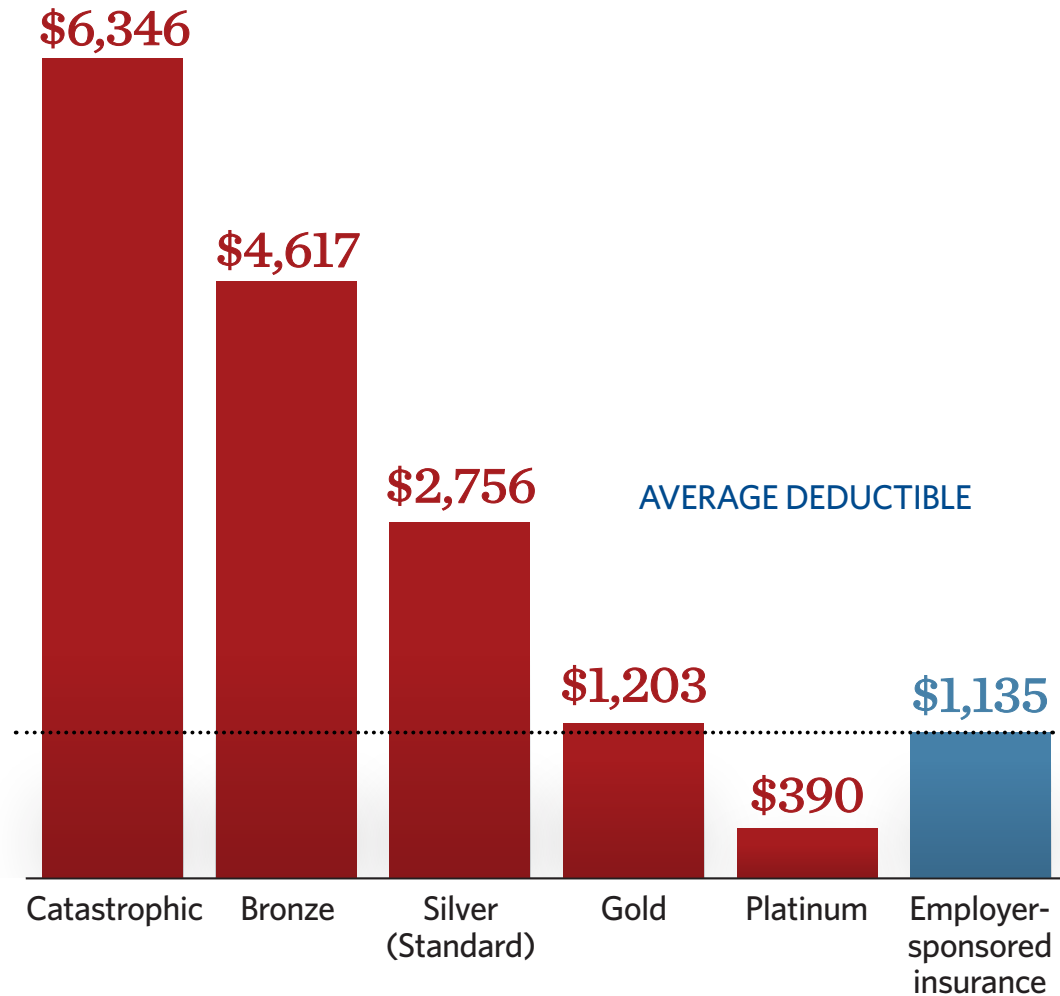
**Source:** Heritage Foundation calculations using data from healthcare.gov and state-run exchanges, October 2013.

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## Many Obamacare exchange plans come with higher deductibles

*In addition to premium costs, individuals must meet an annual deductible before coverage kicks in. Average individual deductibles in the 36 states with a federally run exchange are much higher than the average individual deductible for employer-sponsored plans in 2013.*

**Note:** Those with incomes between 100% and 250% of FPL who purchase silver plans qualify for a separate cost-sharing reduction subsidy that reduces their deductible and other out-of-pocket expenses.

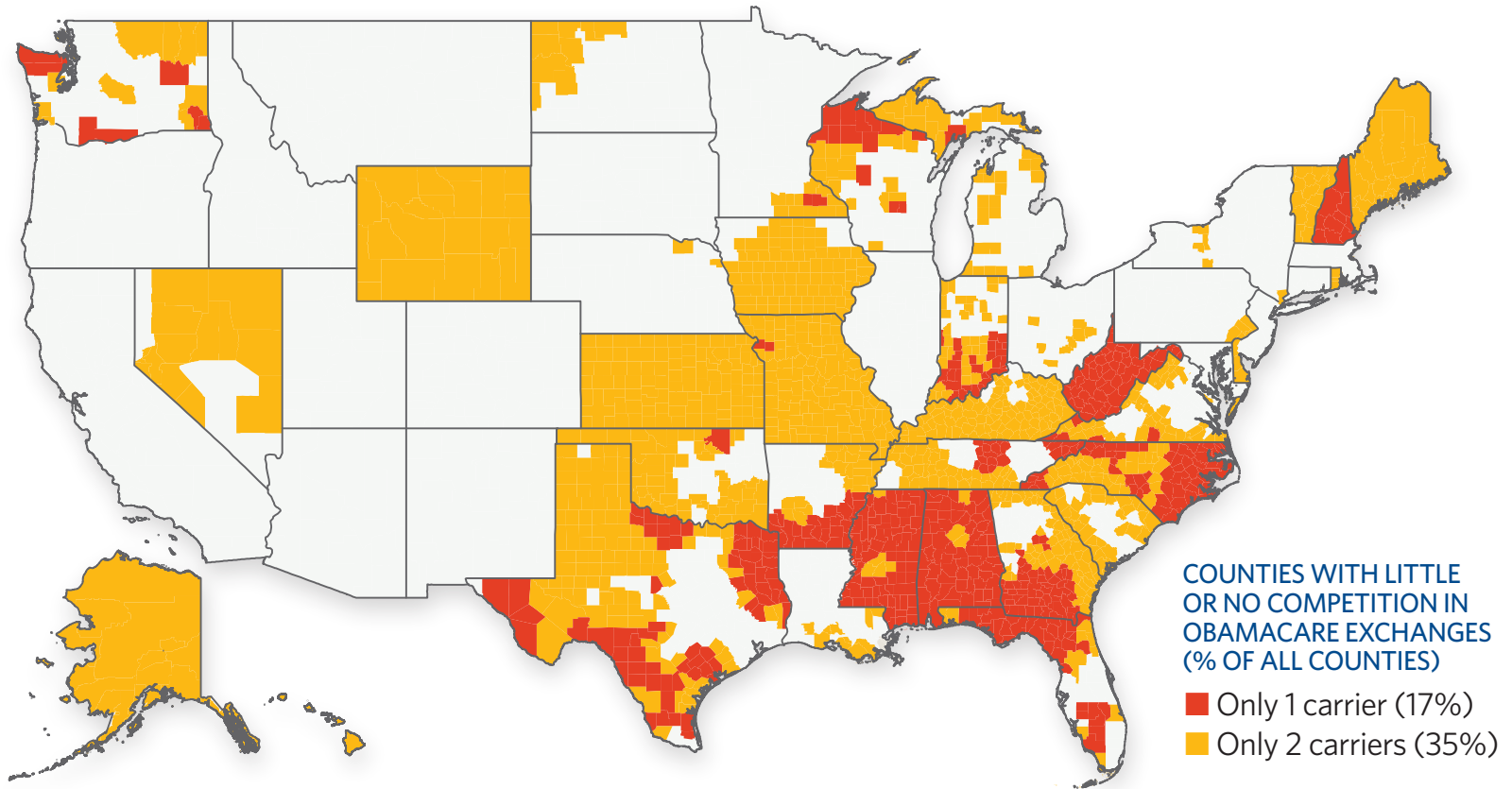


**Sources:** Heritage Foundation calculations based on data from HHS and Kaiser Family Foundation Employer Health Benefits 2013 Annual Survey.

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# Lack of competition in Obamacare exchanges

More than half of U.S. counties have only one or two insurance carriers selling coverage in the Obamacare exchanges. This lack of competition means less choice for consumers and less market pressure to keep prices down.



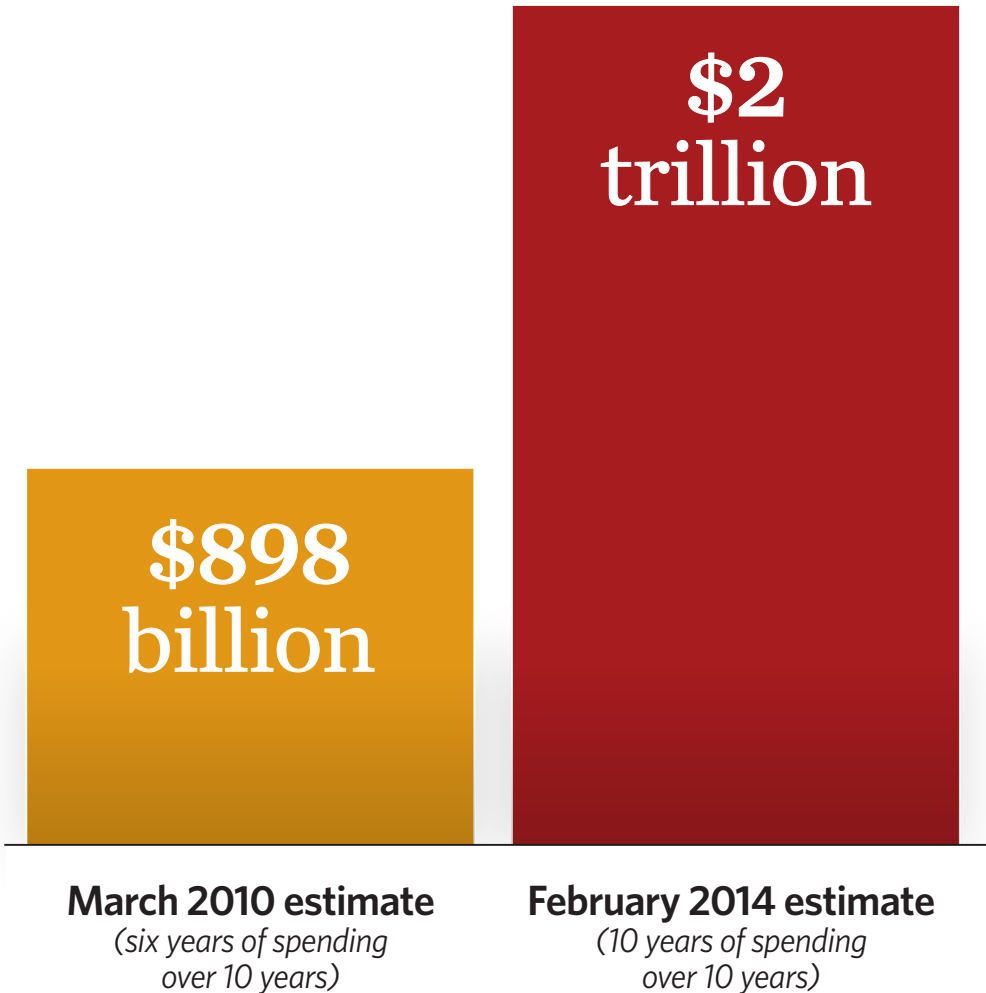
**Sources:** Heritage Foundation calculations using data from healthcare.gov and state-run exchanges, November 2013.

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## Obamacare's new spending continues to grow

*Initial estimates for Obamacare's spending on the Medicaid expansion and exchange subsidies counted only six years of spending. A full 10-year cost reveals nearly \$2 trillion in new spending by 2024.*

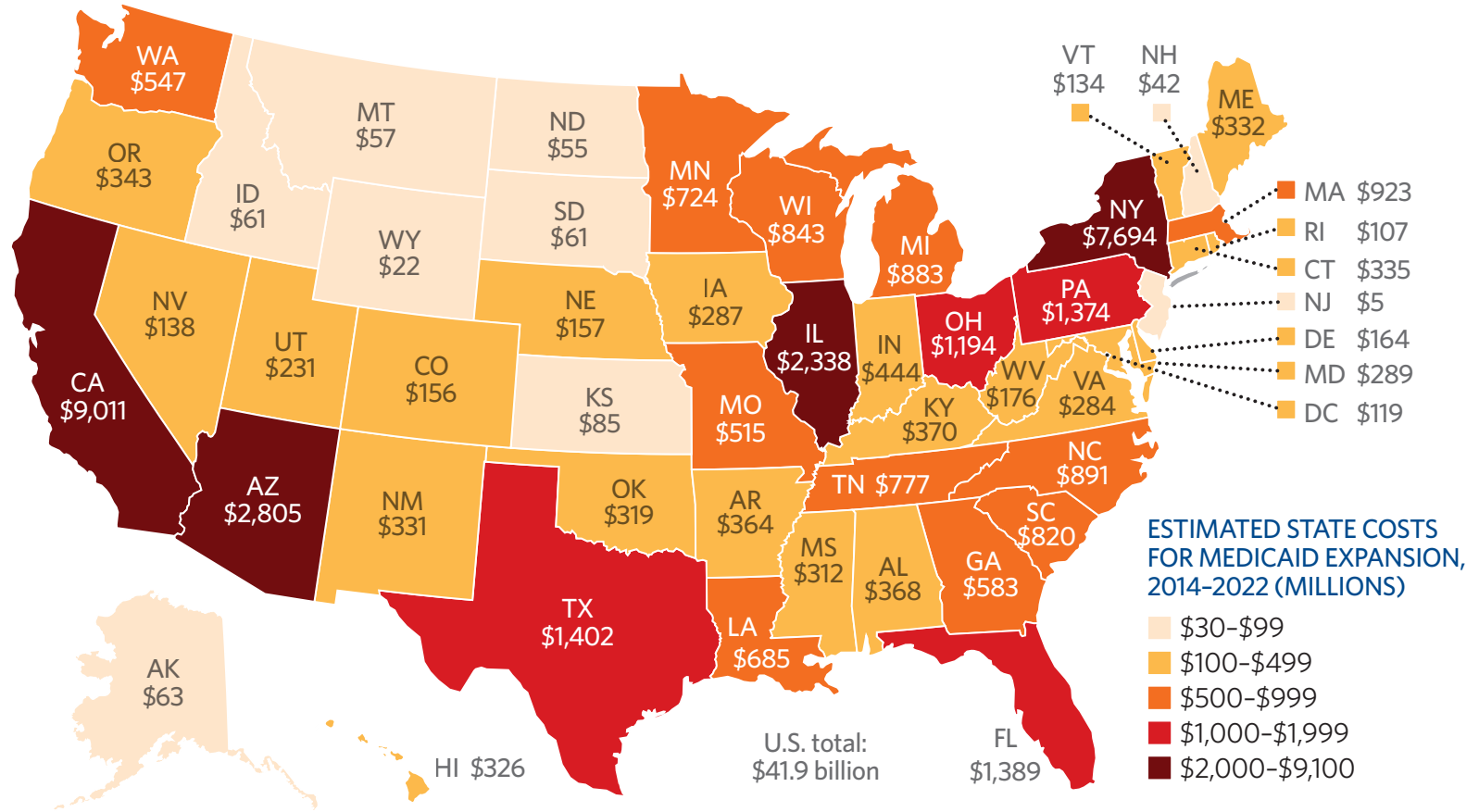


**Source:** Congressional Budget Office, March 2010 and February 2014.

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# Obamacare's Medicaid expansion burdens state budgets

*In the vast majority of states, adopting the Medicaid expansion would require additional state spending.*



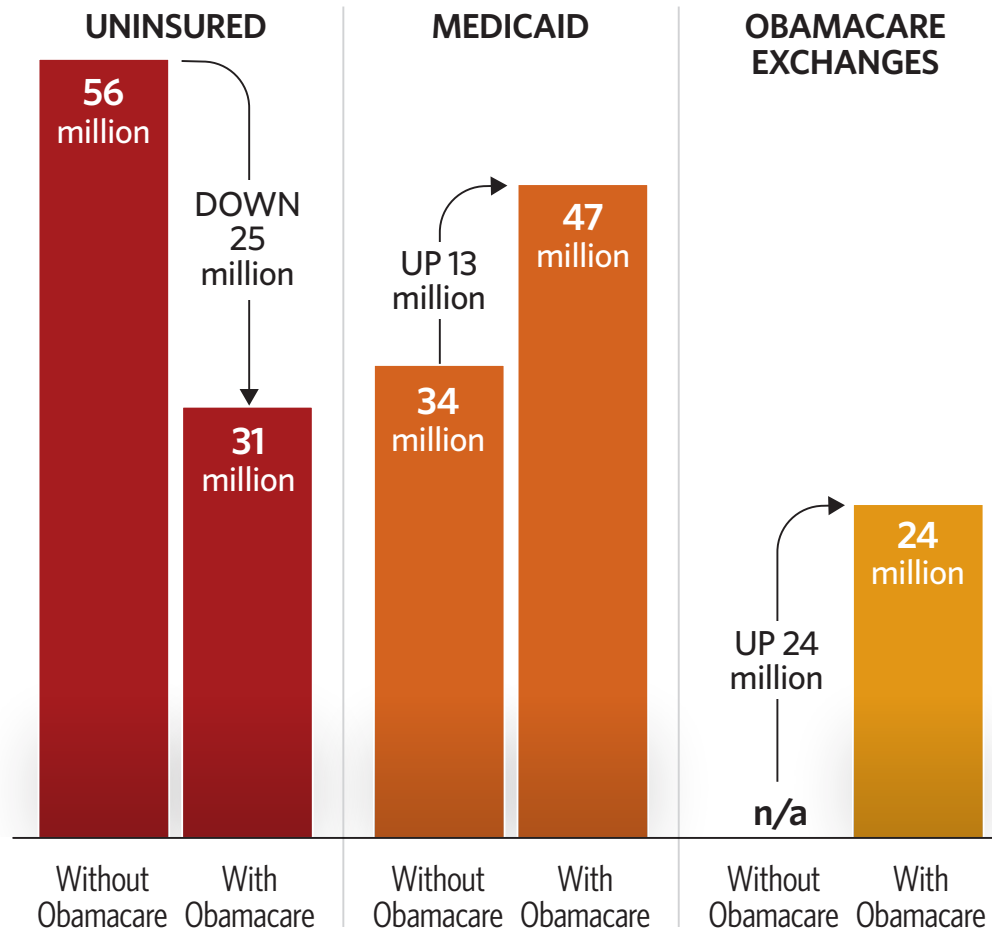
**Sources:** Heritage Foundation calculations based on data from the Congressional Budget Office, March 2012, and Medicaid and CHIP Payment Access Commission.

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# Millions will remain uninsured under Obamacare

*In 2024, after 10 years of full implementation and nearly \$2 trillion in new spending, 31 million people will likely remain uninsured. Those who do gain coverage will do so primarily through Obamacare exchanges or Medicaid.*

HEALTH COVERAGE IN 2024, WITH AND WITHOUT OBAMACARE



**Note:** Figures have been rounded.

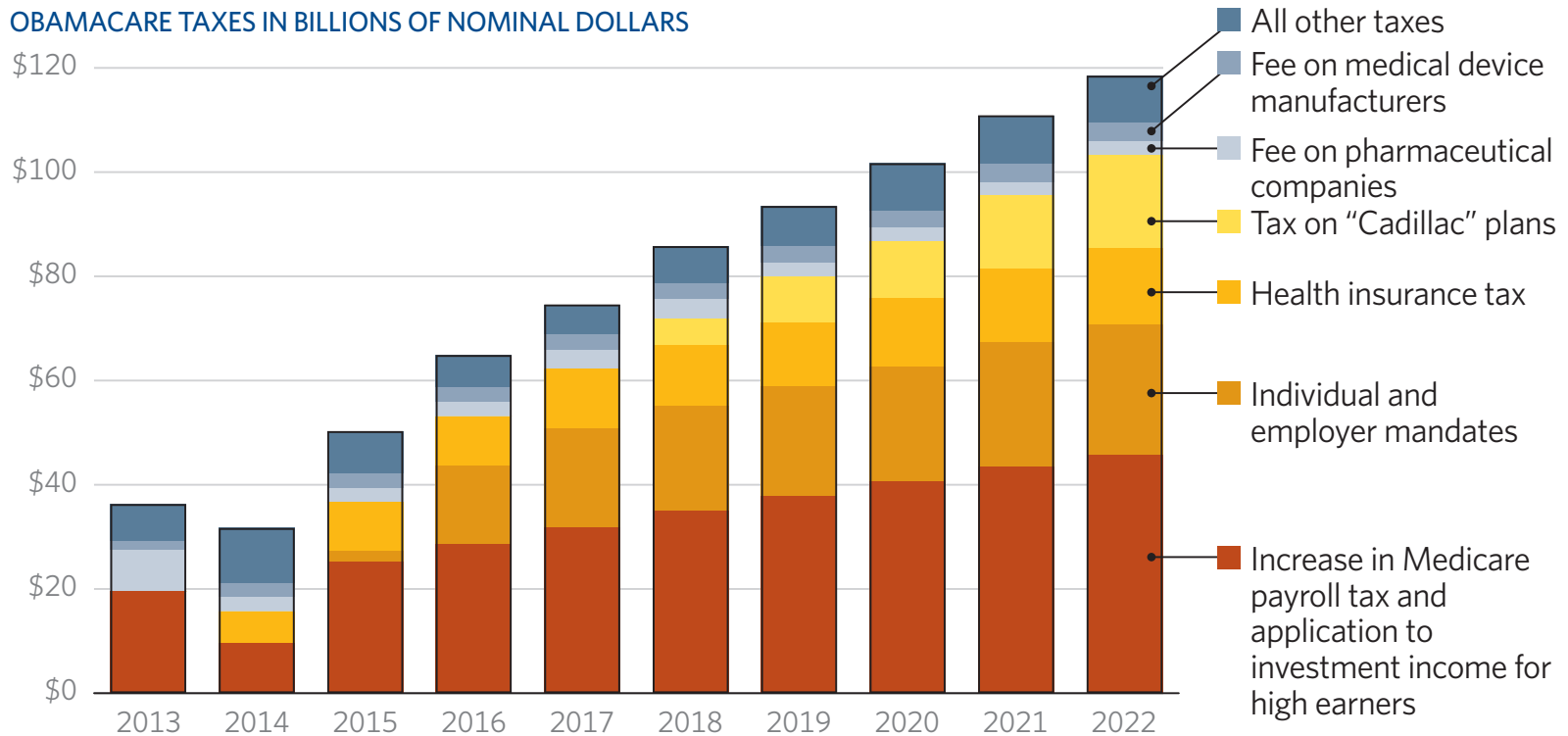
**Source:** Congressional Budget Office, February 2014.

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# Obamacare's 18 new taxes and penalties

Obamacare includes 18 new taxes, fees, and penalties, costing taxpayers an estimated \$771 billion by 2022.

OBAMACARE TAXES IN BILLIONS OF NOMINAL DOLLARS



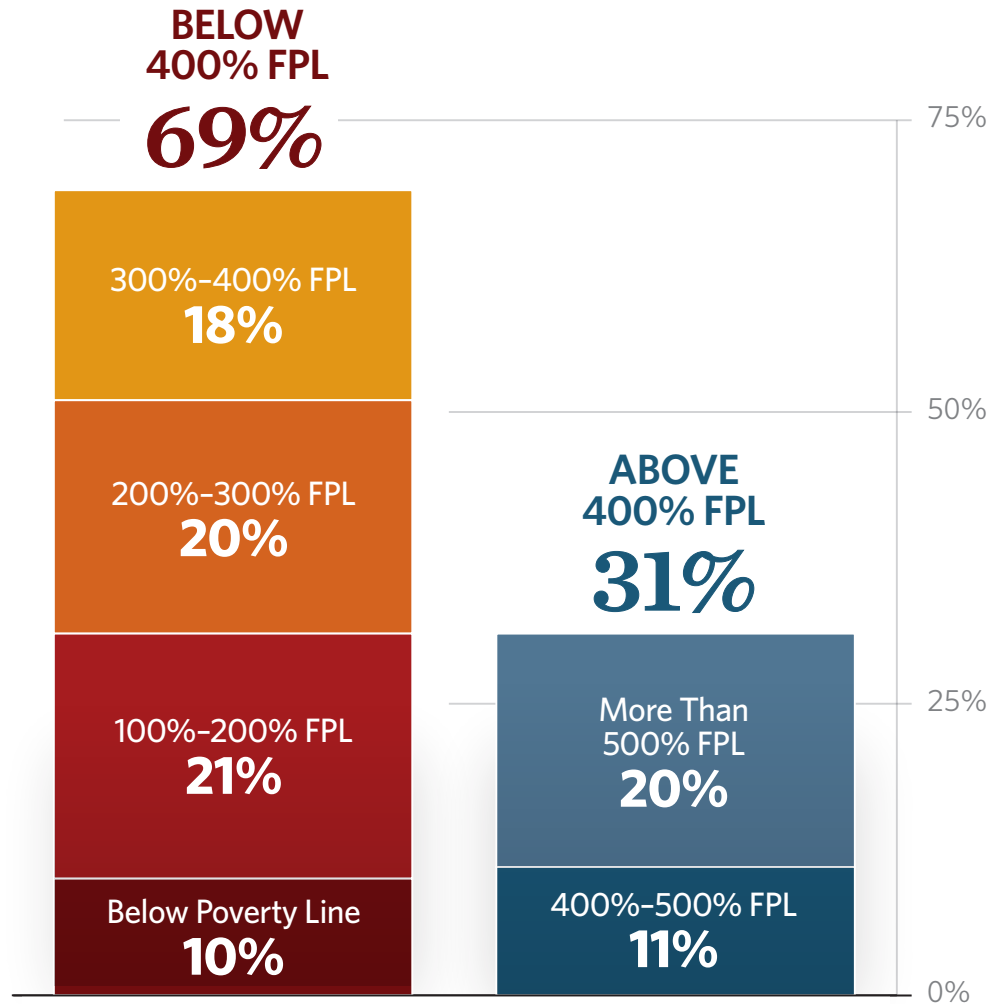
**Note:** The total amount of tax revenue collected from the individual mandate, employer mandate (excluding collections in 2015 because of the July 2013 delay), and 40 percent excise tax on high-cost health plans are from the CBO's May 2013 estimates. For the remaining taxes, the revenue projections are from the Joint Committee on Taxation's 2012 estimates.

**Sources:** Heritage Foundation calculations based on data from Congressional Budget Office, May 2013, and Joint Committee on Taxation, June 2012.

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## Who pays the Obamacare individual mandate tax?

Nearly 70 percent of those projected to pay the Obamacare individual mandate tax earn less than 400 percent of the federal poverty level (FPL) (\$45,960 for a single individual in 2013), and 10 percent live in poverty.



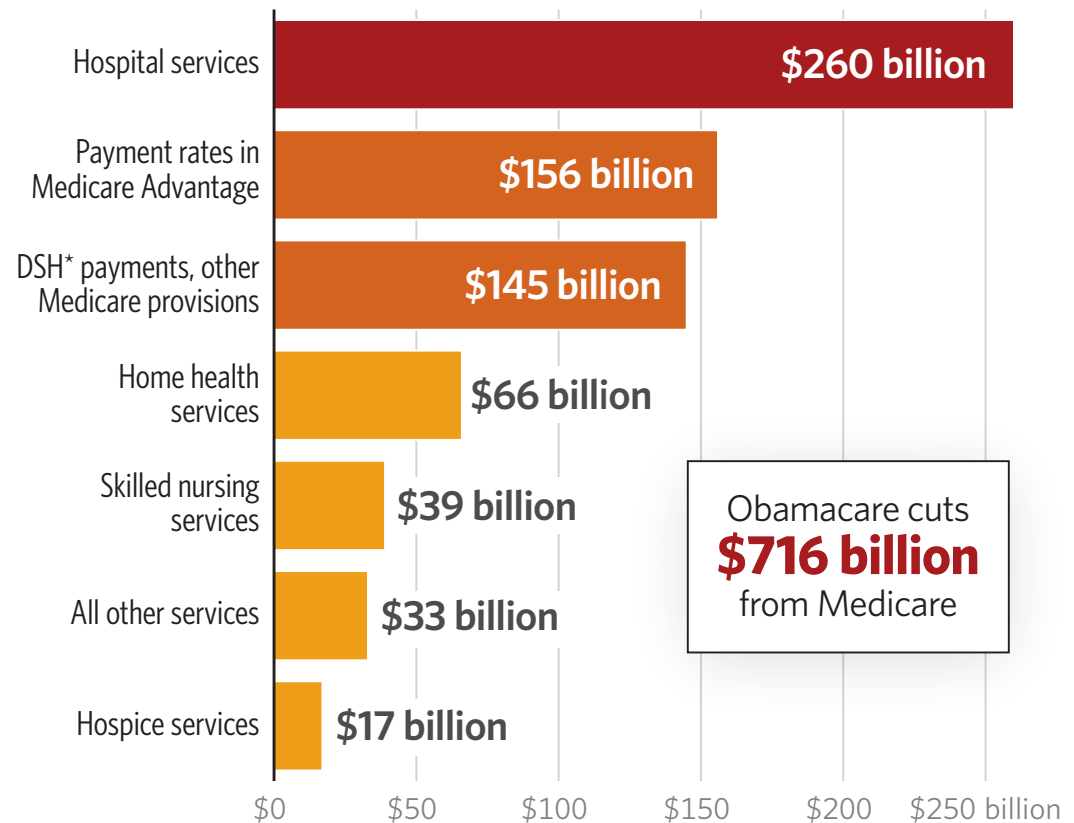
Source: Congressional Budget Office, June 2012.

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## Obamacare cuts Medicare payments to fund other new programs

*Projected Medicare savings from Obamacare do not improve the program's long-term solvency. Most of the savings are redirected to fund new Obamacare spending.*

CUTS IN MEDICARE DUE TO OBAMACARE, 2013-2022

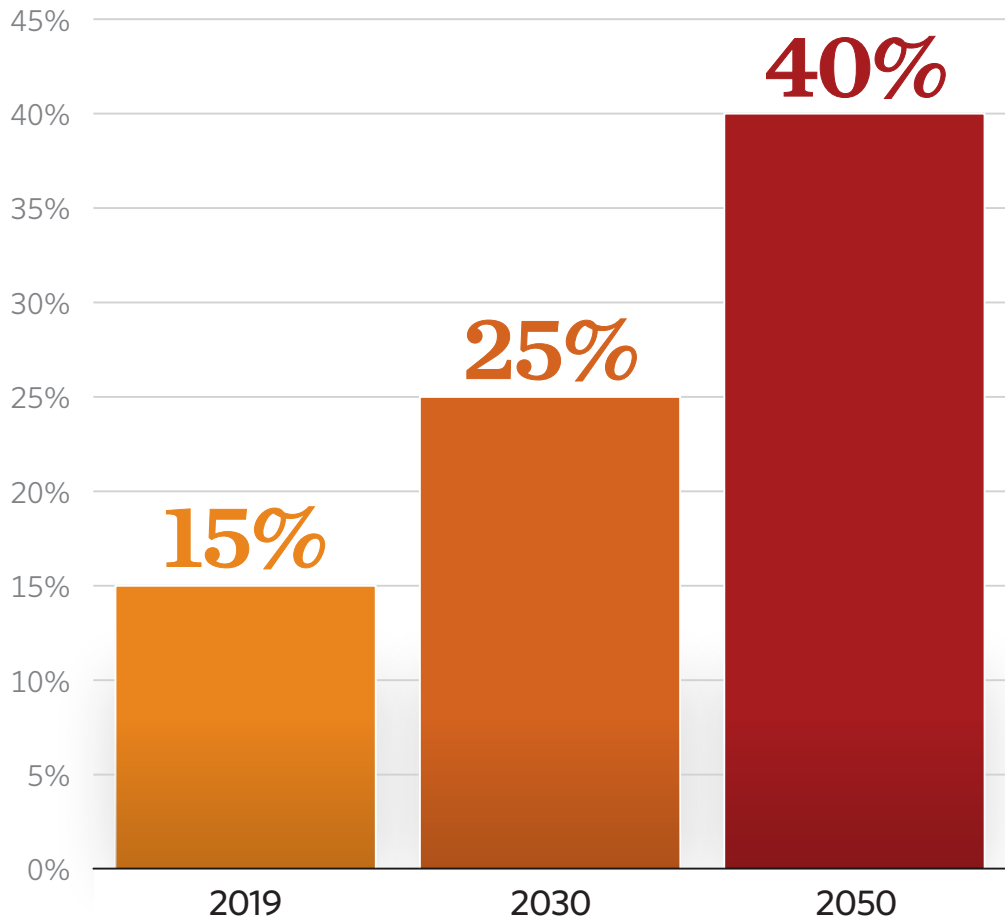


\* Disproportionate Share Hospital, meaning supplemental payments that go to hospitals that serve a large number of low-income patients.

## Obamacare's Medicare cuts will result in severe access problems for seniors

*By cutting Medicare payments instead of introducing real reform, the health care law jeopardizes seniors' access to providers. According to the Medicare trustees, Obamacare's scheduled reductions to provider payments will cause Medicare's payments for health services to fall further below providers' costs. This will cause providers to either withdraw from serving Medicare beneficiaries or shift more costs to their patients with private coverage.*

PERCENTAGE OF HOSPITALS, SKILLED NURSING FACILITIES, AND HOME HEALTH AGENCIES PROJECTED TO OPERATE AT A LOSS



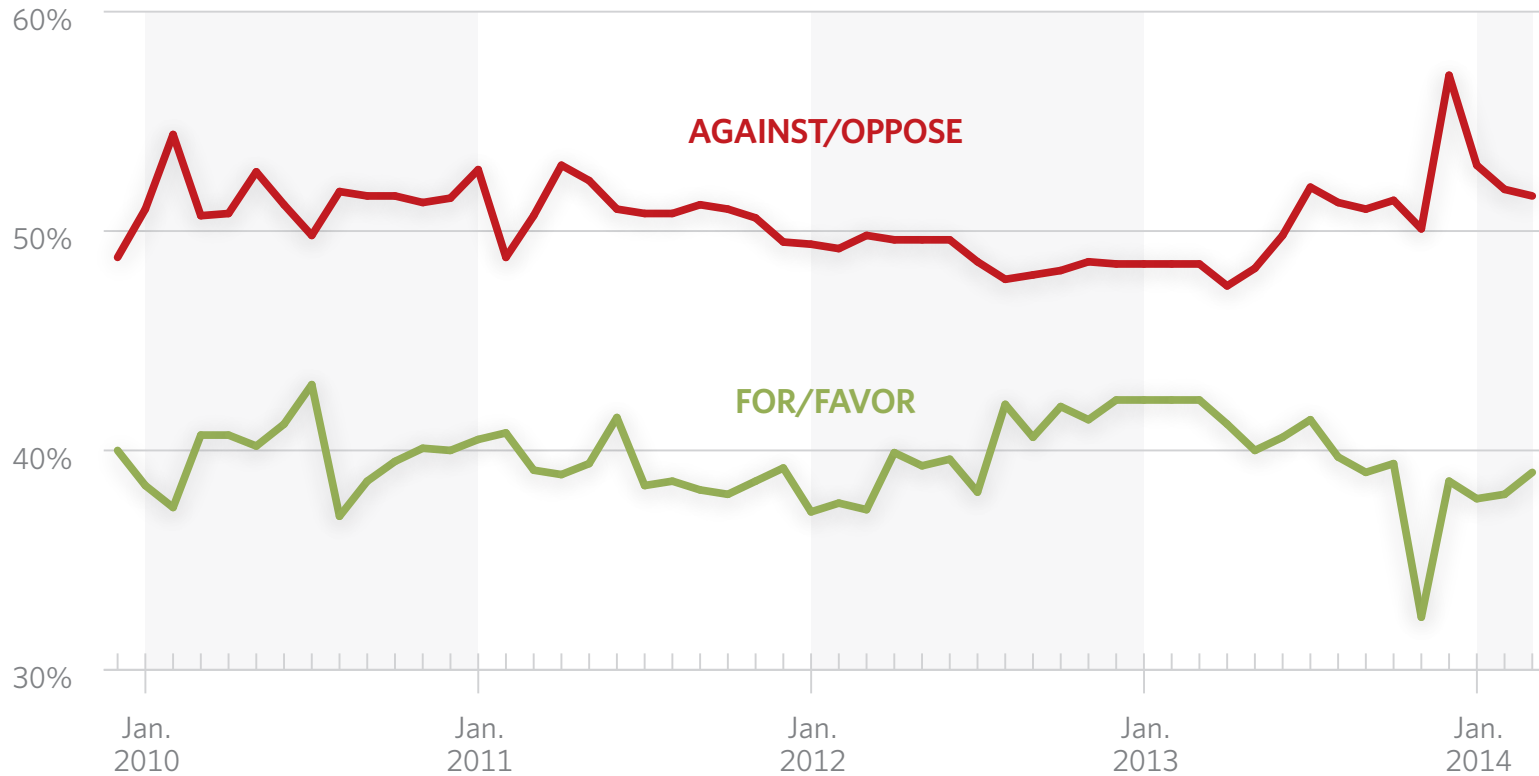
**Source:** Medicare trustees 2013 report.

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# Obamacare remains unpopular

Opposition to Obamacare has hovered around 50 percent since early 2010. Over the past year, the law has grown even more unpopular.

## POLL AVERAGE, BY MONTH



**Note:** Figures shown are the first poll average in each month.

**Source:** Real Clear Politics, "Public Approval of Health Care Law," March 2014.

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