Obamacare: What Went Right And What Went Wrong?
The Affordable Care Act has faced several challenges. Here's how it's doing.
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President Barack Obama’s signature health care bill, the Affordable Care Act, has faced several political and legal battles since it became law about six years ago. Much of this is because Obamacare was passed without a single Republican vote, and proponents of the law didn’t expect states, unions, medical industries and businesses to retaliate as much as they did. This has caused the law to struggle to meet certain goals, though the White House maintains it is working.

Despite challenges, Obamacare is still the law of the land: Americans are obligated to to have health insurance, and large employers are required to provide it. Other provisions, including prohibiting insurance companies from discriminating against people with pre-existing conditions, and allowing adults to remain on their parents’ plans until age 26, remain popular, even among Republicans. And even more provisions in the law – which spans roughly 1,000 pages – have been tweaked or pushed back.

With the third open enrollment having come to a close Jan. 31, 2016, here’s a look at some of the successes, as well as some of the difficulties the law faced in meeting its goals:

What Went Right: Enrolling Americans in Private Insurance
The Affordable Care Act provides for open enrollment each year, a time during which Americans can sign up for private, tax-subsidized health insurance through online “exchanges” run by states or the federal government.

The country finished its third open enrollment season Jan. 31, and most recent figures from the federal government show that at least 12.7 million people enrolled through federal and state marketplaces.

By the end of last year’s open enrollment, 11.7 million had signed up for health insurance. But even in this case the final numbers haven’t been released yet. They show not only how many people signed up for insurance by the end of open enrollment, but how many continued to pay their premiums through the end of 2015. The most recent data show that 9.3 million were still enrolled by September, meaning millions dropped out because they didn’t pay their premiums or chose to go uninsured, or because they found employment that offered coverage.
What Went Right: Reducing the Number of Uninsured

Before the major coverage provisions of Obamacare were implemented, roughly 47 million Americans did not have health insurance coverage. Still, the law doesn’t cover everyone, as it does not offer public or private insurance to people without U.S. citizenship, and because some people are choosing to pay a penalty rather than buy insurance.
The federal government is struggling to encourage states to implement Medicaid expansion, which would cover all individuals making less than $16,243. The Supreme Court ruled in 2012 that states could decide on their own whether they wanted to expand Medicaid – a provision that Obamacare initially intended for all states. The result of the decision has left 19 states without expansion at this time, meaning that millions remain uninsured.

30 states and the District of Columbia have decided to expand Medicaid under Obamacare. Courtesy Avalere Health

**What Went Wrong: Satisfaction with Voters**

The Affordable Care Act has been largely unpopular among Americans since 2012. Gallup polls show that 44 percent of Americans approve of the law and 50 percent disapprove of it. Despite the fact that major provisions of the law have rolled out, public approval hasn't changed.
Some people are dissatisfied with their health insurance. Exchange plans with the lowest premiums – some as low as $75 a month – also come with deductibles that are thousands of dollars, and employers are shifting more costs to workers because health insurance is becoming more expensive and because they are anticipating federal taxes down the line.

What Went Wrong: Ease of Rollout

When HHS launched the act's new website, there were widespread reports of glitches. The website needed a complete overhaul, which resulted in delays in signups. To meet enrollment goals, the federal government moved the deadline for signups several times.

The administration also has not met all deadlines set by the act. It moved back the employer mandate and is 2.5 years overdue on a deadline to set standards for selling insurance across state lines.

As the law continues to be implemented, the administration has had to clarify its stance on coverage for contraception and items that address the amount patients' pay to be covered for covering preventive services. Consumers have also complained about being cared for by providers in hospitals who are not in their network, subjecting them to higher costs, or have faced cases where insurance companies place certain medications in higher-cost categories.

What Went Wrong: Backlash in Congress

Republicans have voted more than 50 times to repeal all or portions of Obamacare. The closest they got was on Jan. 8, when Congress managed to send a bill to Obama's desk through a budget mechanism called reconciliation that allows a 51-vote majority in the Senate to avoid a filibuster.

Obama promptly vetoed the bill, but Republicans were sending the message to voters that if they put a GOP president in the White House then Obamacare would be undone.

Figure A-1.

CBO and JCT's Estimates of the Net Budgetary Effects of the Insurance Coverage Provisions of the Affordable Care Act

![Graph showing the net budgetary effects of the insurance coverage provisions of the Affordable Care Act.](image)

Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.
What We Don't Know Yet: Costs of Health Care

Health care costs in the U.S. have skyrocketed in past decades because of runaway medical costs that often don't lead to improved patient health. In 2013 alone, the U.S. spent $9 million on hospitals — doubling from 2000. In 2014, health care spending grew 5.3 percent, up from 2.9 percent growth in 2013, according to the Centers for Medicare and Medicaid Services. In total, the country spends $3 trillion on health care or 17.5 percent of the nation’s gross domestic product.

While Obamacare promised to keep costs down, the administration has concentrated on this benefit in the long term, with the idea that after an increase in preventative care, eventually, costs will decrease because of earlier detection. Actuaries for the Centers for Medicare and Medicaid Services have said that Obamacare contributed to the acceleration in health costs because the law covers more people through tax subsidies and through Medicaid. Another piece that contributed to the growth was prescription drug spending – something Obamacare did not address.

What We Don't Know Yet: Impact on Jobs

Politicians opposed to Obamacare frequently call it a "job killer;" but the Obama administration maintains that it will help the economy, instead of hurt. So far, evidence hasn't supported either of these conclusively. Gauging the true effect on jobs will have to wait until the employer mandate goes into effect. It's been pushed back by the administration, and will go into effect in part this year and then become fully integrated in subsequent years. Even then, disentangling the effect of Obamacare from the rapidly changing economy will be difficult.

Absence of conclusive evidence though, both critics and supporters of the law turn to the economy for support for their argument that either the Affordable Care Act is or isn’t working. The problem with these claims is that few can be tied exclusively to Obamacare.

On the side of the Obama administration, it touts -- most recently in Obama's State of the Union -- job growth in the private sector, which climbed every month since passage of the Affordable Care Act and a falling unemployment rate.

On the other hand, critics of the law point to the number of American workers who are still in part-time jobs, as well as the underemployed. A recent report from the CBO estimates Obamacare will shrink the labor market by 2 million jobs over the next decade.
What We Don’t Know Yet: Supreme Court Challenges

Obamacare was shaken by Supreme Court decisions that have obstructed its ability to work uniformly across states.

In National Federation of Independent Business v. Sebelius, the Supreme Court in 2012 upheld the "individual mandate," which requires all Americans to buy health insurance or pay a tax, it also made Medicaid expansion optional for states. The result of the decision has left 19 states without expansion at this time, meaning that millions of America's most vulnerable remain uninsured.

In Burwell v. Hobby Lobby Stores, Inc. the Supreme Court ruled against the administration, saying in 2014 that privately-held, for-profit businesses could opt out of Obamacare's mandate to provide insurance that covers all forms of contraception, whether birth control pills, the morning-after pill or an intrauterine device, known as an IUD. This was a major blow to the law, which aimed to extend these benefits to women.

In King v. Burwell, the court ruled in favor of the administration's position in 2015 concerning confusing language in the law. The case looked at whether people could receive tax subsidies to pay for health insurance if they bought it through Healthcare.gov rather than through state exchanges. If the justices had ruled against the administration, more than 6 million people would have lost health insurance because the vast majority of Americans live in states that use Healthcare.gov.

What We Don’t Know Yet: Who Will Win the White House

Health care is an important issue for both Republicans and Democrats in the 2016 presidential race, according to a recent CNN poll. Of registered voters, 35 percent say health care is extremely important in deciding their vote for president, with an additional 41 percent saying it is very important. More Democrats than Republicans say it is extremely important.
The Democratic candidates would like to expand the law, which could prove costly or hamper already unknown economic effects. While Republicans have long called for repealing and replacing the law, actual proposals for replacements that would keep costs low have been harder to come by. The law uses the most controversial section, the individual mandate, to help pay for its cost, and while Republicans would certainly like to strike out that section, some Americans don't want to lose the benefits they've gained from the law.

Perhaps the biggest unknown is the future makeup of the Supreme Court. Obamacare was upheld by a 5-4 majority, with a Republican-appointed justice deciding it. A new justice could easily tip that balance or reinforce it.

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