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**Hate** **Obama**, Love Obamacare

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How a skeptical Ohio family found plenty to like in health care reform

I don't think Obamacare will help us. I don't want anything to do with it," Stephanie Recchi told me a week after the launch of HealthCare.gov on Oct. 1. "I hear a lot of bad things about it--that it doesn't cover pre-existing conditions and it's too expensive," she added, referring to what she said were "television ads and some politicians talking on the news. Just a lot of talk that this is a bad law."

Recchi's interest in health insurance is anything but casual. Those who read TIME's special report in March on health care costs ("Bitter Pill: Why Medical Bills Are Killing Us") may recall that when Stephanie's husband Sean, then 42, was diagnosed with cancer a year earlier, the couple--who together were drawing about $3,500 a month from the small business they had just started in Lancaster, Ohio--had to borrow from her mother and max out their credit cards to try to save him.

MD Anderson Cancer Center in Houston had told Stephanie that their insurance (for which they paid $469 a month) was virtually worthless. So the hospital demanded $83,900, in advance, just to develop a treatment plan for Sean and cover his first $13,702 transfusion, along with simple items like gauze pads at $77 per box and routine lab tests for which he was billed tens of thousands of dollars.

As I reported, Stephanie recalled that her husband was "sweating and shaking with chills and pains. He had a large mass in his chest that was ... growing. He was panicked." Nonetheless, Sean was held in a reception area and kept from seeing a doctor for about 90 minutes until the hospital confirmed that the Recchis' check had cleared.

All of which explains why despite the negative--and in this case, completely inaccurate--scuttlebutt she says she had heard about Obamacare, Stephanie Recchi visited HealthCare.gov repeatedly after it launched. But, she said, "I just never got anywhere ... It kept freezing or crashing."

That Obamacare crashed on Stephanie and Sean Recchi, of all people, amid a torrent of misinformation about what the law could or could not do for them, epitomizes the calamity of the failed launch. But what has happened to the Recchis and their health care options more recently might be emblematic of the law's potential.

The key provisions of Obamacare seem as if they were drafted by someone sitting next to Sean Recchi in that MD Anderson holding room. Under the law, insurance companies can no longer turn away people with pre-existing conditions or even take those conditions into account when determining what people like the Recchis pay for their coverage. When Stephanie logged on in October, she was shopping for a family facing the ultimate pre-existing condition--cancer. Although Sean is now in remission, he is regularly seeing doctors in Ohio and taking drugs costing hundreds of dollars a month.

Stephanie, Sean and their two children are also a perfect match for the demographic that Obamacare was designed to serve: a family of four earning less than $40,000 a year, unable to get insurance from an employer because the Recchis had just started their own business.

Another feature of Obamacare is those much heralded online insurance exchanges, meant to enable those without job-related coverage to log on and find an array of competing products, none of which would be allowed to have the bait-and-switch limits that had left Sean unprotected when he needed lifesaving care. (When he was diagnosed with cancer, Sean's policy limited his coverage to $2,000 a day in the hospital, which at MD Anderson barely covers an opening round of blood tests.) And all policies would be presented on the exchanges in plain English for easy comparison. Or, as President**Obama** often put it, buying health insurance would now be like going online to buy an airplane ticket.

Finally, people with incomes below 400% of the poverty line (up to about $94,000 for a family of four like the Recchis) would get subsidies from the government, so that it all would be more affordable. If they were at or below the poverty level, they would be enrolled in Medicaid for free.

The Recchis now know all that, and they're fully insured for 2014. But it took a while. When we spoke in October and Stephanie told me she didn't "think Obamacare will help us," I suggested that she might be mistaken and that if she was unable to get information from the then sputtering website she should consult an insurance broker. (Insurers pay the brokers' fees, not consumers.)

"When they came to my office, Stephanie told me right up front, 'I don't want any part of Obamacare,' " recalls health-insurance agent Barry Cohen. "These were clearly people who don't like the President. So I kind of let that slide and just asked them for basic information and told them we would go on the Ohio exchange"--which is actually the Ohio section of the federal Obamacare exchange--"and show them what's available."

What Stephanie soon discovered, she told me in mid-November, "was a godsend." The business that she and her husband had launched--which sells a product that enables consumers to store their DNA or that of family members for future genetic testing--had recently received investor interest after being featured on an episode of the television series CSI. So she estimated to Cohen that their income would be about $90,000 in 2014. But even at that level, her family of four would qualify for a subsidy under Obamacare.

The Recchis and their agent soon zeroed in on a plan with a $793 monthly premium that provided full coverage, though with a deductible of $12,000 for the entire family, meaning the Recchis would pay the first $12,000 in expenses. After the deductible was reached, there would be no co-payments for anything, including all drugs. However, the Obamacare subsidy, assuming a $90,000 income, brought their cost down to $566 a month. If their income was the same $40,000 Stephanie had estimated for 2013, the subsidy would increase and their premium would be just $17 a month.

"They had budgeted insurance at $1,200 for each of them for their new business," says Cohen. "That's $2,400 for the two of them, compared to $566, so they were thrilled ... They had seen all those stories on television, and because of their views about **Obama**, they believed what they wanted to believe--until they saw these policies and these numbers."

"Here I get full protection for $566, compared to no protection for almost $500," Stephanie says, referring to her old plan that had cost $469 monthly and that MD Anderson had scoffed at. "This is wonderful."

It ended up even better than that. Because Cohen could enter only the Recchis' actual reported 2013 income onto the website, not their anticipated income when and if the investment deal is completed, and because that reportable income turned out to be significantly less than the $40,000 Stephanie had estimated, the website moved them automatically into Medicaid--meaning their coverage, for now, is free. That's because Ohio Governor John Kasich decided to buck a majority of his fellow Republican governors and accept Obamacare's subsidies so he could expand Medicaid coverage.

Kasich's decision, however, illustrates one of three aspects of the Recchis' story that throw cold water on this fairy-tale ending.

First, if Kasich had followed the lead of Obamacare resisters like Texas Governor Rick Perry, the Recchis would have been in the following through-the-looking-glass situation: If, as it turned out, their income was below the poverty level, they would have had to pay the full $793 for this insurance if they lived in Texas (but nothing in Ohio). But if their income was actually $90,000, they would pay only $566. That's because the law as written required all states to accept the government's subsidy for Medicaid to be extended to everyone with incomes below the poverty level. As a result, no premium subsidies in the exchange plans were provided for people below the poverty level, because they would presumably go into Medicaid. But in June 2012, the Supreme Court ruled that the states' expansion of Medicaid had to be voluntary. That left the poor in states such as Texas or Florida that did not expand Medicaid faced with having to pay more than those who are not poor. Unlike the middle class, they could buy only health insurance without subsidies, because they were supposed to have been sent into Medicaid.

Here's the second asterisk to the Recchis' happy ending: even once the website was fixed, Sean and Stephanie still needed help from Cohen, their insurance agent, to make sense of it all. Buying health insurance is exponentially more complicated than buying a plane ticket. The exchanges have "bronze," "silver," "gold" and "platinum" levels of coverage, each featuring multiple variations of premiums, co-pays, co-insurance and deductibles. There are also the hard-to-find and harder-to-understand lists of which hospitals and doctors are in the insurance company's networks. And those lists are models of clarity compared with the lists of drugs that are covered by each plan.

"There is no way the Recchis or anyone else can figure out what they're buying without someone who has been trained sitting with them," says Cohen. Sure, that's a self-serving assessment, but in interviews across the country with people who have signed up for Obamacare (and from my own experience), I found no one who fully understood the benefits, the costs or, most important, the limits of what they were buying unless they were helped by agents or by "navigators"--enrollment assistants trained and certified by officials operating the exchanges.

Understanding the limits of what consumers are buying puts another damper on the Recchis' story: their insurance--whether Medicaid for now or the plan they are likely to transition to later this year--is not going to cover them at MD Anderson in Houston. No Ohio plan will. In fact, only two of 79 plans offered in Texas on its federally run Obamacare exchange include coverage at MD Anderson.

MD Anderson is extravagantly expensive. With its well-deserved international brand name, it has more than enough business without letting insurance companies negotiate for discounts in exchange for being included in their networks.

More generally, one of the ways insurance companies have tried to limit their costs and the premiums they are charging on the **Obama** exchanges is to have relatively narrow networks that are limited to the hospitals, doctors and other providers who offer the companies relatively cost-effective prices. Because there is frequently little or no relationship between cost and quality in the dysfunctional world of health care economics, this does not necessarily mean patients will receive inferior care, though it might. But it does mean that, contrary to a promise **Obama** made in promoting Obamacare, patients will often not be able to be treated by the doctor they want or at the hospital they want.

As with his vow that Americans could keep their insurance if they liked it, this is a promise the President should not have made. He can't control insurance companies' decisions about their networks, nor should he want to. Costs might come down and quality might go up when insurance companies can make hospitals and doctors compete on quality and price to be in their networks.

In other words, expanding coverage to people like the Recchis while trying to control premium costs is going to mean that not everyone gets the platinum care they want and that others will. When it comes to health care, as opposed to buying a car, that's difficult for anyone to accept. "No, we don't get MD Anderson, but we do get the Cleveland Clinic and lots of other good care," Stephanie says. "We understand that." Amid the likely attacks from his opponents that he's taking away patients' favorite doctors and hospitals, **Obama** has to hope that others come to share her attitude.

ONE FAMILY'S MEDICAL COSTS

BEFORE OBAMACARE

The Recchis paid a $469 monthly premium that covered $2,000 per day in hospital costs--nearly worthless when facing $83,900 in initial charges at MD Anderson Cancer Center in Houston for six days of treatment

UNDER OBAMACARE

With $40,000 in income, the Recchis' premium would be $17 a month and cover all Sean Recchi's cancer-treatment costs (less any deductibles), at a variety of quality hospitals (but not MD Anderson)

GEOGRAPHY LESSON

If the Recchis' income is below the poverty level, in Ohio they would pay nothing, and be on Medicaid; in Texas, where the governor has not accepted Obamacare's Medicaid expansion subsidies, they could pay $793 per month