

Obamacare to leave 31 million uninsured

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The insurance exchanges set up under the Affordable Care Act (ACA) opened for business this week. Many people attempting to log in were unable to do so or faced long waits. This was especially true for the exchange operated by the federal government at HealthCare.gov, the web site providing service for people living in states that have not established their own exchanges.

Technical glitches aside, a glaring reality about Obamacare is coming more clearly into focus with the opening of the exchanges. The health care “reform” that was touted five years ago by presidential candidate Barack Obama as one that would extend quality, affordable health coverage to nearly all of the uninsured will leave a staggering 31 million people without coverage by 2023.

According to the Congressional Budget Office (CBO), the 31 million uninsured people will include those left out because their resident states are not expanding Medicaid, those excluded because they are undocumented immigrants, those who cannot receive ACA subsidies due to a “family glitch” related to employer coverage, and those who choose not to purchase coverage because they cannot afford it.

A large proportion of those projected to remain insured are very poor people living in states that are not expanding Medicaid to cover them. The US Supreme Court ruled the ACA constitutional in June 2012, but also ruled that states could not be mandated to comply with a provision of the law that would extend Medicaid to those currently not covered in many states.

The ACA provides subsidies to purchase insurance for individuals and families whose incomes are between 100 percent and 400 percent of the federal poverty level on a sliding scale. It was assumed that those below this level would be covered by Medicaid. But without the Medicaid expansion in many states, some of the poorest people will be left out in the cold.

In Virginia, a state that has chosen not to expand its Medicaid program, a single, childless man making below the official poverty level—an abysmal \$11,490 for an

individual in 2013—will not qualify for Medicaid because Virginia offers the program only to single, childless men if they are disabled.

A recent *New York Times* analysis of US Census data found that two-thirds of single mothers and poor African Americans and half of the low-wage workers who are currently uninsured will be left without coverage due to the effect of this Medicaid no-man’s land. About two-thirds of the nation’s poor uninsured African Americans and single mothers, and about 60 percent of the uninsured working poor, live in the 26 states that are not planning to expand Medicaid.

The 26 states not expanding Medicaid—mainly located in the Deep South and Mountain West, and predominantly Republican ruled—are citing the funding mechanism under the ACA to justify their decision not to expand the program for the poor. The ACA stipulates that the federal government will cover 100 percent of the costs for the first three years, drop to 95 percent in 2017, and remain at 90 percent after 2020. The state governments argue that they cannot afford any percentage of the expansion costs.

Obamacare supporters and opponents are trading barbs over who is responsible for leaving this very poor section of the population uninsured. The reality is that the health care overhaul as a whole is skewed toward creating an even more heavily class-based health care system than that which presently exists—one in which working families and the poor will receive inadequate care or none at all, while private insurance companies reap bigger profits than ever before.

After five years of political wrangling and lobbying by the health care industry, any nominally progressive features of the legislation have long since been stripped away, leaving behind a contorted patchwork of regulations. Individuals and families will be forced to obtain insurance or pay a penalty, while employers will face only nominal penalties for not providing coverage or be let off the hook entirely.

The people who will remain uninsured due to the Medicaid loophole are the victims of legislation that from

its inception was geared toward slashing costs for the government and boosting corporate profits. Congressional Republicans now cynically posturing in the government shutdown as champions of the rights of ordinary Americans have no disagreement with the health care law's overall big-business bent.

Another segment of the population left out by Obamacare consists of the nation's 11 million undocumented residents, who are explicitly ineligible. Lawfully permitted residents who have lived in the country for less than five years are also excluded. So-called DREAMers—young undocumented people who, beginning in 2012, were allowed to remain in the US for a minimum of two years while working toward citizenship—are also ineligible, with certain exceptions for victims of abuse or human trafficking.

The undocumented parents of children who are US citizens face another dilemma. If they enroll their children for coverage through the Obama exchanges, they risk revealing their undocumented status and possible deportation. Conversely, since all members of a family purchasing insurance on the exchanges must have a Social Security number, a legally documented parent cannot purchase insurance for his or her undocumented child.

Still another major category of people falling through the Obamacare cracks are the victims of the “family glitch.” Under the law, companies with 50 or more workers must provide adequate plans (covering at least 60 percent of health care costs) that are affordable (costing no more than 9.5 percent of an employee's taxable income). But in a sop to big business, companies are judged only on the basis of the coverage they offer to their individual employee, not his or her family. Thus, family members are ineligible for subsidies to purchase coverage on the exchanges if the company provides “adequate” and “affordable” coverage to the individual employee.



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