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Debating *the* Issues

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CORE MESSAGE

The Affordable Care Act (ACA) continues to deliver on its promises of affordable health insurance for millions of Americans and slowing health care cost growth. Meanwhile, Republicans have sought to sabotage the law at every turn, even to the detriment of their own constituents, while offering no real alternatives of their own. Republicans want to go back to the days when insurance companies were in charge and could deny people coverage because of pre-existing conditions, charge women more for being women, and run up premiums with no oversight.

- The law is providing stable and secure coverage for middle-class families and slowing the growth of health care costs to provide Americans with better value, better options, and better health care.
- While delivering on providing affordable health care to millions of Americans, the ACA is also improving our nation's fiscal outlook. Since the law was signed, health care spending growth is at the slowest rate on record and the Medicare Trust Fund has been extended by 13 years. [Council of Economic Advisers, [11/20/13](#); Medicare Trustees Report, [7/28/14](#)]
- More than 10 million Americans now have the security of health insurance thanks to the ACA, and the uninsured rate has dropped to historically low levels. [New England Journal of Medicine, [7/23/14](#); Gallup, [7/10/14](#); Gallup, [8/5/14](#)]
- More than 8 million Americans purchased affordable health coverage through the new health insurance marketplaces, with 6.7 million receiving financial help to limit their total monthly premiums. 69% of marketplace enrollees paid \$100 a month or less in premiums, and 46% paid \$50 a month or less. [HHS, [6/18/14](#); New York Times, [6/19/14](#); Center for American Progress, [7/25/14](#)]
- Americans are happy with their new coverage: nearly three out of four people who bought health plans on the marketplaces are satisfied with their coverage, including 74% of Republicans and 77% of Americans who had coverage already. [New York Times, [7/10/14](#); Commonwealth Fund, [7/10/14](#)]
- The law continues to help consumers in many other ways. However, if Republicans were to get their way and pass a new law to repeal the ACA, they would take away these benefits and protections:
 - **Americans would again face pre-existing condition rules and lifetime limits on coverage.** The ACA bars insurers from using pre-existing conditions to charge people

more for coverage or deny it to them entirely. The law also bans lifetime limits on coverage, so people who need care the most never have to worry about their insurance coverage ending. [White House, [12/19/13](#); HHS, [3/12](#)]

- **Insurers could go back to discriminating against women.** Now, women can't be charged more for simply being women. [HHS, [5/10/13](#)]
- **Seniors would pay more for prescription drugs.** Because of health care reform, more than 8.2 million seniors and individuals with disabilities have saved more than \$11.5 billion on prescription drugs. Republican plans to repeal the ACA would re-open the donut hole and cost seniors billions of dollars. [CMS, [7/28/14](#)]
- **Millions of young adults could lose coverage.** More than three million young adults received health insurance coverage due to the law's provision allowing them to stay on their parents' plans until age 26. [HHS, [6/19/12](#)]
- **Americans would pay more for preventive care.** More than 71 million Americans and 37 million seniors have received preventive services, such as cancer screenings and flu shots, without cost-sharing as a result of the law. Republicans would allow insurers to charge patients for these services. [HHS, [3/13](#); CMS, [7/22/14](#)]
- **Women would pay more for birth control.** Between 2012 and 2013, in large part due to the ACA, the number of women who filled prescriptions for oral contraceptives with no co-pay more than quadrupled from 1.2 million in 2012 to 5.1 million in 2013. The increase of prescriptions dispensed with no co-pay reduced women's out-of-pocket costs by an estimated \$483.3 million. [ASPE, [7/27/14](#)]
- **Consumers would lose rebates on premiums.** Over the last three years, consumers have saved \$9 billion on their premiums because the ACA is giving consumers a better value for their health insurance. This year, 6.8 million consumers received rebates averaging \$80 per family. [HHS, [7/24/14](#); CMS, [7/24/14](#)]
- **Health care would be unaffordable for millions.** If Republicans had their way, those benefitting from the federal subsidies to reduce their premium costs would face premiums that are 322% higher, on average. [Center for American Progress, [7/25/14](#)]

- Rather than working with Democrats to make the health care law better, Republicans have been engaged in a campaign of sabotage that has been called “unprecedented” and “contemptible” even by conservative observers. [National Journal, [7/24/13](#)]
- Republicans are so focused on fighting political battles over health reform that they shut down the government and have hurt their own constituents. Republican-led states that have refused to assist with enrollment in their own health insurance exchanges and have refused to expand Medicaid, have seen their uninsured rates decrease by half as much as states that have embraced the law. [Gallup, [8/5/14](#)]
- We are happy to work with Republicans on improving the law, but we can’t let them take these benefits away from middle-class families and go back to when insurance companies had free reign to do whatever they wanted.

ATTACKS AND RESPONSES

MARKETPLACE PLANS

MYTH: Republicans falsely claim that the ACA has increased premiums and that the President lied when he said that the law would reduce premiums.

FACT: Millions of Americans have saved thousands of dollars a year in premiums through the ACA. In 2014, consumers buying plans through the marketplaces paid, on average, \$69 a month for the most popular type of plan.

- Consumer health care costs have been going up for years, but the ACA is doing something about it. Because of health reform, state-based regulation and increased competition have kept rate increases lower than in previous years. Millions of Americans are paying less in premiums due to affordability tax credits and millions more are getting rebates from insurers who overcharged them.
- In the three years before the ACA became law, insurers raised rates by an average of 10% or more in the individual market. Another study showed that insurers imposed average premium increases of 20% in the individual market. These increases took effect even as insurers still had the ability to deny people coverage entirely because of pre-existing conditions. [Commonwealth Fund, [6/5/14](#); Kaiser Family Foundation, [6/21/10](#)]

- Because of health reform, 45 states now hold insurers accountable to the public, requiring them to explain rate increases above 10% (the federal government will do so in the remaining five states). In 2012, this resulted in \$1.2 billion in reduced premiums to consumers and the number of insurers requesting to increase premiums by 10% or more dropped from 75% to 14%. [Kaiser Family Foundation, [2012 data](#); HHS, [9/12/13](#)]
- The ACA's health insurance exchanges created a new competitive landscape for the individual market, where consumers can make informed choices, and can't be denied coverage or charged more because of their health status or gender. In 2014, premiums on the new health insurance exchanges came in 15% lower than CBO's projections. [CBO, [4/7/14](#)]
- In 2014, 6.7 million Americans received financial help through the exchanges – 85% of enrollees – so their premiums were lowered even further. In the end, 69% of enrollees buying marketplace plans paid \$100 a month or less in premiums, and 46% paid \$50 a month or less. [HHS, [6/18/14](#); New York Times, [6/19/14](#)]
- For those who qualified for tax credits, the cost of coverage was lowered, on average, by 76%, from \$346 a month to \$82 a month, across all plan types. People who received tax credits and selected silver plans, the most popular plan type, paid an average premium of \$69 a month. [HHS, [6/18/14](#)]
- Premium savings to consumers continue retrospectively as well. Because of the ACA, insurers are required to spend at least 80% of premiums on the payment of health care services, rather than on administrative costs and profits. If insurers fail to do so, they must pay consumers rebates.
- This year, 6.8 million consumers throughout the country will receive more than \$330 million in refunds, with an average refund of \$80 per family. The program has dispensed more than \$1.9 billion refunds since it began. Additionally, to avoid paying rebates, insurers have reduced non-health care service costs, which has resulted in an estimated \$9 billion in savings for consumers since 2011. [HHS, [7/24/14](#); CMS, [7/24/14](#)]
- Republicans want to increase premiums by taking away the financial help that 6.7 million Americans used to purchase affordable coverage. If Republicans got their way, premiums for individuals receiving subsidies on the new exchanges would increase by an average of 322%. [Center for American Progress, [7/25/14](#)]

MYTH: Republicans claimed that premiums would skyrocket after the first year of health care reform.

FACT: State-based rate review and competition in the insurance marketplaces have lowered premium increases.

- In the three years before the ACA became law, insurers raised rates by an average of 10% or more in the individual market. Another study showed that insurers imposed average premium increases of 20% in the individual market. These increases took effect even as insurers still had the ability to deny people coverage entirely because of pre-existing conditions. [Commonwealth Fund, [6/5/14](#); Kaiser Family Foundation, [6/21/10](#)]
- Because of health reform, 45 states now force insurers to publicly explain rate increases above 10% (the federal government will do so in the remaining five states). In 2012, this resulted in \$1.2 billion in reduced premiums to consumers and the number of insurers requesting to increase premiums by 10% or more dropped from 75% to 14%. [Kaiser Family Foundation, [2012 data](#); HHS, [9/12/13](#)]
- Research shows that the competitive market forces led to premiums coming in 15% below projections in 2014 and will remain in 2015 because insurers will keep prices down to attract new consumers. As a result, fears of skyrocketing premiums are “unfounded.” [CBO, [4/7/14](#); Forbes, [5/25/14](#)]
- Out of the 2015 proposed rate filings released thus far, the average rate increase across states reporting data is 7.5% lower than in years prior to the ACA. Those rates will come down further as state insurance commissioners negotiate rates with issuers. For example, the proposed Blue Cross Blue Shield rate increase of 8.9% was nearly cut in half, to a 4.5% increase in Rhode Island. [PwC Health Research Institute, [8/11/14](#); State of Rhode Island, [7/17/14](#); Providence Journal, [7/17/14](#)]
- The vast majority of exchange enrollees will get protection from premium increases because of the law’s advance premium tax credits. Individuals below 400% of the federal poverty level – 85% of enrollees in 2014 – will have their share of premium payments capped as a share of their income. For example, in 2014, a single adult making \$23,000 had their monthly premium for the second-lowest cost silver plan capped at \$121 a month (see below), and could have paid much less if they used their subsidy to buy a cheaper plan. [HHS, [6/18/14](#)]

TABLE 1			
Examples of Maximum Monthly Health Insurance Premiums for the Second-Lowest Cost Silver Plan for a Single Adult, by Income⁹			
Single Adult Income¹⁰	Percent of the Federal Poverty Level	Maximum Percent of Income Paid toward Second-Lowest Cost Silver Plan	Maximum Monthly Premium Payment for Second-Lowest Cost Silver Plan
\$11,490 ¹¹	100%	2.0%	\$19
\$17,235	150%	4.0%	\$57
\$22,980	200%	6.3%	\$121
\$28,725	250%	8.05%	\$193
\$34,470	300%	9.5%	\$273
\$40,215	350%	9.5%	\$318
\$46,075	401%	None	No Limit

MYTH: Republicans falsely claimed that insurers would leave the marketplace after the first year of open enrollment.

FACT: More insurers are joining the marketplaces created by the ACA, giving consumers greater choices and more competition.

- After more than 8 million Americans found affordable coverage through the newly created health insurance marketplaces, more insurers are planning to join and sell policies in the next enrollment period.
- So far, in the 17 states that have reported insurer rate filings for 2015, there are 26 new entrants participating, while plan offerings for consumers to choose from have increased 60%. [McKinsey, [7/25/14](#)]
- In Michigan, the number of participating insurers is jumping from 13 last year to 18 this year; and in New Hampshire, the number of insurers will jump from one to five. [The Advisory Board Company, [6/12/14](#)]
- UnitedHealth Group, one of the largest insurers in the nation, said that it will increase its presence on health insurance exchanges from offerings in just four states in 2014 to “as many as two dozen” in 2015 because they see the marketplaces as a sustainable customer base moving forward. [Kaiser Health News, [7/17/14](#)]

MYTH: Republicans falsely claim that consumers who enrolled through the website failed to pay their premiums and aren't actually enrolled in coverage.

FACT: Insurance company CEOs testified to House Republicans in early May that already more than 80% of their enrollees had paid their first month's premium, with weeks still left to pay.

- Private insurers have testified to Congress that their customers were paying their premiums and that their businesses were thriving. [New York Times, [5/7/14](#)]
- Wellpoint, one of the largest insurers in the country, said that “up to 90% ” of its enrollees had paid their first month's premiums. [Los Angeles Times, [5/7/14](#)]
- Similarly, the company operating Blue Cross-Blue Shield plans in four states said 85 to 88% of its enrollees had paid their premiums. [Los Angeles Times, [5/7/14](#)]

MYTH: Republicans wrongly claim that President Obama lied when he said, “if you like your plan, you can keep it.”

FACT: Insurance companies chose to cancel or change existing insurance policies, not the ACA. The Administration took steps to help those who received cancellation notices remain in their current plans. And many of these same people, and millions more Americans, have since purchased better coverage at a lower cost.

- The ACA allowed insurance companies to continue operating plans that were already in effect when the ACA became law – called “grandfathered plans” – as long as those insurers didn't make them worse or cancel them. [Think Progress, [10/28/13](#)]
- For plans that began after March 2010, insurers could guarantee no cancellations or changes simply by complying with 2014 consumer protections – like coverage of essential health benefits. Unfortunately, some insurers didn't do that – even worse, they didn't make clear to consumers that these new plans would have to be changed before 2014.
- Before the ACA, insurers in the individual market often failed to renew a particular policy, offering individuals a new product after they “cancelled” the existing one. This practice contributed to high turnover in this market: before health care reform, 35-to-67% of enrollees left their plan after a year. Studies found that the number of individuals who received cancellation notices was comparable to what occurred in the normal churn of the individual market. [Georgetown Center on Health

Insurance Reforms, [10/28/13](#); Kaiser Family Foundation, [8/24/04](#); Health Affairs, [11/2004](#); Health Affairs, [6/17/14](#)]

- The Administration took action to help consumers whose insurers cancelled their plans by giving state insurance commissioners the option to allow renewals for non-ACA compliant policies. Consumers can, per state insurance commissioner decisions, continue to renew non-ACA compliant plans beginning on or before October 1, 2016, if their insurers continue to offer them. Thirty-eight state insurance commissioners have decided to allow consumers to continue to renew these plans. [HHS, [3/5/14](#); The Commonwealth Fund, [6/10/14](#)]
- Additionally, individuals who had their policies cancelled are eligible for a “hardship exemption” that allows them to either avoid the individual responsibility penalty or enroll in low-cost catastrophic health care plans. [CMS, [12/19/13](#)]
- All Americans – including those whose plans were discontinued – can choose affordable coverage through the marketplace. During the 2014 open enrollment period, 8 million Americans purchased affordable coverage, with 85% of those consumers receiving subsidies to help make their private health insurance coverage more affordable. [HHS, [5/1/14](#); Kaiser Family Foundation, [8/14/13](#)]
- In 2014, 6.7 million Americans received tax credits through the exchanges – 85% of enrollees – so their premiums were lowered even further. In the end, 69% of enrollees buying marketplace plans paid \$100 a month or less in premiums, and 46% paid \$50 a month or less. [HHS, [6/18/14](#); New York Times, [6/19/14](#)]
- For those qualifying for tax credits, the cost of coverage was lowered, on average, by 76%, from \$346 a month to \$82 a month, after tax credits across all plan types. People receiving tax credits who selected silver plans, the most popular plan type, paid an average premium of \$69 a month. [HHS, [6/18/14](#)]
- The Congressional Budget Office (CBO) estimates that this year, about 2 million individuals will renew coverage in non-compliant plans, but that number will drop to negligible numbers by 2016. It’s even less likely that anyone who had their plan cancelled would end up being uninsured – fewer than 10,000 individuals throughout the country, or 0.2% of Republicans’ estimates, are likely to be unable to either continue pre-ACA coverage, enroll in a subsidized plan through the marketplace, or access a catastrophic plan. [CBO, [4/14/14](#); House Energy and Commerce Committee, [12/31/13](#)]
- The fact is, the ACA has led to 10 million individuals becoming newly insured. Nearly three out of four people who bought health plans on

the new health insurance exchanges are somewhat or very satisfied with their coverage, including 74% of Republicans and 77% of Americans who had coverage already. [Politico, [7/23/14](#); New England Journal of Medicine, [7/23/14](#); New York Times, [7/10/14](#); Commonwealth Fund, [7/10/14](#)]

MYTH: Republicans wrongly argue that features of the ACA designed to promote private market competition amount to an insurance company bailout.

FACT: Provisions in the law that will help keep premiums stable were designed under the same principle as those used in President Bush's Medicare Part D program.

- The ACA takes us away from the days when insurance companies could deny coverage to those with pre-existing conditions, charge women more than men just for being women, and drop individuals when they got sick. As a result, today, millions of Americans have access to health care coverage they were previously denied or unable to afford.
- Health reform includes provisions to keep premiums stable during the transition away from insurance company abuses. These mechanisms are called risk adjustment, reinsurance, and risk corridors, also known collectively as the “three Rs.” Reinsurance and risk corridors are temporary programs, ending in 2016; the risk adjustment program is permanent. [American Academy of Actuaries, [12/4/13](#)]
- Professional actuaries agree that the three Rs will keep premiums lower than what they would otherwise be without them in existence. Repealing any of the three Rs will lead to higher premiums for consumers. [Society of Actuaries, [6/7/12](#); Talking Points Memo, [1/22/14](#)]
- These same mechanisms have been used to help stabilize Medicare Part D and Medicare Advantage. The Medicare actuaries project that private Part D plans will receive about \$1 billion in risk corridor payments from Medicare for plan year 2013; in other years, the risk corridor program resulted in drug plans making payments to Medicare. [American Academy of Actuaries, [12/4/13](#); The Piper Report, [4/5/06](#); The New Republic, [1/15/14](#); Medicare Trustees Report, page 156, [5/31/13](#)]
- In its cost projections for the ACA, CBO estimated that outlays and receipts for risk adjustment, reinsurance, and risk corridor programs will be equal within the 10-year window and thus budget neutral. [CBO, [4/14/14](#)]
- HHS stated that the risk corridor program will be budget neutral over the life of the program (three years) and, while HHS believes it has sufficient collections to fully fund payments, any unlikely shortfall in

payments would be funded from other sources, “subject to the availability of appropriations.” [CMS, page 81, [5/16/14](#)]

- Thus, as the language states, any additional funding would be subject to the congressional appropriations process. It’s hard to see how there could be an “end-run around Congress” since the Administration clearly states that any additional funding for the program must be done through congressional approval.
- Insurers agree with HHS’s assessment that there will be enough funds to make any needed payments under the risk corridors program. As they have explained to shareholders on public quarterly earnings calls, insurers expect HHS to be able to make any payments necessary from the risk corridors program, even considering that it will be operated in a budget neutral manner, and that they do not anticipate large payments either to or from the risk corridor program. [Health Net earnings call, [5/7/14](#); Humana earnings call, [5/7/14](#)]
- Even conservative health care economists agree that risk mitigation provisions are essential to any plan for universal coverage achieved through reform of the private insurance marketplace. [Forbes, [1/22/14](#)]

MYTH: Republicans wrongly claim that because of the ACA individuals won’t be able to keep their doctors.

FACT: Insurers and doctors negotiate whether physicians will participate in an insurance plan. The ACA does not interfere with those negotiations.

- The new marketplaces offer health insurance plans sold by private insurers. What physicians are covered by these insurance plans has always been a result of negotiations between insurers and physicians.
- The ACA doesn’t change that. It enables consumers to make better choices with more information and, in many cases, more competition. [National Journal, [11/21/13](#); Politico, [12/3/13](#); National Journal, [12/12/13](#)]
- Every plan offered on the marketplaces must publish provider directories so consumers can see their choices of doctors when they purchase a plan. Consumers can view the directories on healthcare.gov or get hard copies. [healthcare.gov, [1/2/14](#)]
- Consumers want various options for provider networks available to them. Polls have shown that the previously uninsured, and consumers experienced in buying coverage in the individual market, prefer lower cost plans rather than broader networks of doctors and hospitals. Other consumers buying coverage in the marketplaces who want access

to broader networks of hospitals and physicians can buy those plans if they choose to do so. [The New Republic, [11/26/13](#); The Morning Consult, question #13, [9/28/13](#); Kaiser Family Foundation, [2/26/14](#); Harvard Business Review, [10/10/13](#)]

- Under the ACA, consumers have the right to appeal to an independent third party if their insurer does not include their physician in their provider network. [CMS, [12/26/13](#)]
- Also, after the first year of the ACA's coverage expansion, the Administration announced that it would require insurers to offer broader networks of coverage if they want to compete for business on the health insurance marketplaces. [The Washington Post, [3/14/14](#)]
- The ACA invests in America's primary care infrastructure by increasing Medicare and Medicaid payments to primary care providers and increasing care coordination and reducing inefficiencies in care delivery. [Commonwealth Fund, [1/11](#)]
- Meanwhile, Republicans claim to be committed to the sanctity of the doctor-patient relationship, but then consistently promote policies that would place businesses between women and their doctors on a variety of women's health matters. For example, Republicans voted for the "Blunt Amendment" to allow employers to take away preventive health coverage from millions of women, putting women's bosses between them and their doctors. [Vote #24, [3/1/12](#); HHS, [2/12](#); TPM, [3/1/12](#); New York Times, [3/1/12](#)]

MYTH: Republicans wrongfully claim that the ACA is going to create a doctor shortage because of all the newly insured Americans seeking care.

FACT: The predicted crush of pent-up medical demand hasn't materialized and the ACA's investments in primary care providers will help ensure that our nation meets future needs.

- As a result of investments made by the American Recovery and Reinvestment Act and the ACA, the number of clinicians serving through the National Health Service Corps (NHSC) nearly tripled from 2008 to 2012. The NHSC invested nearly \$900 million in providing scholarship and loan repayment incentives for primary care providers and students in return for service to areas in need of health care providers. [HHS, [6/21/12](#)]
- The law also provided nearly \$230 million to increase the number of medical residency training slots, as well as funding to increase the number of nurse practitioners and physician assistants trained in

primary care. With these investments, by 2015, more than 1,700 new primary care providers will have been trained and enter primary care practice. [HHS, [6/21/12](#)]

- The law also promotes alternative ways to deliver health care so that patients can receive the right care, in the right setting, and at the right time. [Commonwealth Fund, [1/4/11](#); New York Times, [12/4/11](#)]
- Hospitals throughout the country have expressed their ability to handle any influx of patients from the ranks of the newly insured.
 - “Hospitals feel like they’re pretty well prepared because they’ve had systems in place and tools in place to work through these sorts of issues,” said Jeff Goldman, vice president of coverage policy for the American Hospital Association. “We expect an uptick in volume, but we don’t think it’s anything beyond what most hospitals are prepared to handle.” [Reuters, [1/1/14](#)]
 - In Florida, a hospital representative said it would be ready for any number of new patients that show up in January. “Our provider levels continue to be appropriate to serve the health needs of the community,” Natalie Sellers, VP of communications, community and corporate services, said in an email. [Florida Today, [12/30/13](#)]
 - In Kentucky, Healthpoint, which runs nonprofit health centers across Northern Kentucky, recently hired new physicians and is “well positioned to handle the influx,” said CEO Chris Goddard. [Cincinnati Enquirer, [12/31/13](#)]

MYTH: Republicans wrongfully claim that the ACA prevents patients from keeping their drugs.

FACT: The ACA requires access to prescription drugs in all plans, caps the out-of-pocket cost of expensive medications, and decreases costs for millions of Medicare beneficiaries. The decision about which drugs are covered continues to be made by insurers and drug companies.

- Thanks to the ACA, for the first time prescription drugs must be covered. Under the law, plans sold in the marketplaces must include prescription drug coverage.
- Insurance and drug companies have been making decisions about which prescription drugs private health insurance plans cover, and at which tiers, for years. The ACA does not change that. [Think Progress, [12/10/13](#)]

- What drugs are included in those plans vary, so consumers should shop around and find a plan that fits their needs. The law also requires that plans have an “exceptions process” in case a particular drug that a patient needs isn’t covered, the patient can appeal to get access to the drug. And if their insurer denies their request for an exception, then the consumer can appeal to an independent third party to have their drug covered. [Washington Post, [12/9/13](#); CMS, [12/26/13](#)]
- The ACA limits out of pocket spending to help people with high prescription drug costs by capping spending at \$6,350 for an individual and \$12,700 for a family in 2014. That means families won't have to pay more than that amount for all of their out-of-pocket costs in a year, including expensive prescriptions. [Kaiser Family Foundation, [4/23/12](#); Families USA, [2/8/11](#)]
- Since the ACA became law, 8.2 million seniors and individuals with disabilities have saved more than \$11.5 billion on prescription drugs, thanks to closing the Medicare Part D donut hole. [CMS, [7/28/14](#); CMS [7/22/14](#)]

MYTH: Republicans wrongfully claim that deductibles on the new health insurance marketplaces are higher because of the ACA.

FACT: The ACA caps overall out-of-pocket costs for all plans and bans all cost-sharing for many preventive services. High deductibles have always been part of the individual health insurance market.

- Individuals buying coverage on the individual market have always had to live with higher deductibles and cost-sharing. According to a 2010 report, more than one out of four Americans in the individual market had deductibles of higher than \$5,000, and the number of workers covered by high-deductible plans quadrupled in the last six years. [Kaiser Family Foundation, [6/17/10](#); Dallas Morning News, [10/18/13](#)]
- The ACA helps with high deductibles by placing a cap on overall out-of-pocket costs for individuals (\$6,350) and families (\$12,700). Also, Americans who earn up to 250% of the federal poverty level are eligible for cost-sharing subsidies on silver-level plans purchased through the new marketplaces. [Kaiser Family Foundation, [4/23/12](#); Families USA, [2/8/11](#)]
- State-based marketplaces also have the power to regulate cost-sharing. California, for example, standardized deductibles for all silver-level plans on its marketplace at \$2,000. Five other states made use of this authority to standardize deductibles – Connecticut, Massachusetts, New York, Oregon, and Vermont. [The Commonwealth Fund, [12/17/13](#)]

- In addition to helping limit out-of-pocket costs, the ACA allows patients to get critical preventive services like mammograms and vision screening without co-pays. Already, more than 105 million Americans have utilized these preventive care services. [HHS, [1/2/14](#); HHS, [3/18/13](#)]
- Republicans have long advocated for increased use of high deductible health care plans in the insurance marketplace. Their attacks on such plans available through the ACA are hypocritical. [The Washington Post, [12/12/13](#)]

MYTH: Republicans wrongfully claim that Members of Congress are exempt from the ACA.

FACT: Members of Congress and their staff are now covered by the same plans that will extend health coverage to millions of Americans.

- Members of Congress and most staff choose from the same types of insurance plans in the marketplaces as the 8 million Americans who got coverage in 2014. Marketplaces throughout the country are expected to help 24 million uninsured Americans obtain coverage by 2016. [CBO, [5/14/13](#)]
- Also, just like the vast majority of private-sector employees, Members of Congress and staff will receive an employer contribution as part of their compensation to help pay for purchasing coverage on the new small business marketplaces. [OPM, [12/31/13](#); Factcheck.org, [8/7/13](#)]
- According to the Bureau of Labor Statistics, 88% of private industry firms with more than 500 employees provide health insurance coverage, and the average private firm with more than 500 employees covers 79% of the premium for individual coverage and 68% of the premium for family coverage. [Bureau of Labor Statistics, [7/7/13](#)]
- According to Politifact and a CNN fact check, the claim that Members of Congress and their staffs are exempt is “false.” Even the National Review Editorial Board agrees: Members of Congress and their staff “haven’t been ‘exempted’ from the amendment that forces them onto the exchanges.” [CNN, [9/25/13](#); NRO, [9/27/13](#); Politifact, [8/10/13](#); Washington Post, [10/16/13](#)]
- Even the author of one of the amendments requiring Members of Congress and staff to purchase coverage through the marketplace says that the employer contribution for Congressional staffers should continue. Republican Senator Chuck Grassley said, “the law that was enacted makes no changes to the employer contribution to federal

employee health care coverage.” [PolitiFact, [8/10/13](#); Office of Senator Grassley, [10/19/12](#)]

- Republicans agree that trying to take away the employer contribution for health insurance for congressional staff is an ill-advised political stunt. According to Representative Jim Sensenbrenner (R-WI): “[It] is an unfortunate political stunt. ... [T]he employer contribution ... is nothing more than a standard benefit that most private and all federal employees receive – including the President. Success [repealing the employer contribution] will mean that Congress will lose some of its best staff and will be staffed primarily by recent college graduates who are still on their parents’ insurance.” [Office of Representative Jim Sensenbrenner (R-WI), [1/5/13](#)]

MYTH: Republicans wrongly claim that younger Americans won’t enroll in plans available through the new health insurance marketplaces, resulting in escalating premiums in the markets.

FACT: Younger Americans want affordable health insurance coverage and the ACA provides them the chance to get it.

- More than 8 million Americans signed up for affordable health insurance coverage during the 2014 open enrollment period, including more than 2.2 million between the ages of 18 and 34. [HHS, [5/1/14](#)]
- Toward the end of the enrollment period more and more young adults signed up for coverage. Insurance executives said they “hit the sweet spot” with respect to the average age of their consumers. [USA Today, [4/30/14](#)]
- Because of the ACA, more than 10 million people have insurance now who were previously uninsured. Among 18-to-34 year olds, the uninsured rate has declined by 6.5%, from 26% to 19.5%, since the ACA’s coverage provisions took effect. [New England Journal of Medicine, [7/24/14](#)]
- 74% of adults aged 26-to-30 believe that “insurance is something I need” and 68% of that same group are “worried about paying medical bills for a serious illness or accident.” [Kaiser Family Foundation, [6/19/13](#)]
- The ACA will also provide young adults with a good deal on health coverage. Nearly 5 in 10 uninsured single young adults eligible for coverage through health insurance marketplaces could pay \$50 a month or less for coverage in 2014, and 96% of those who purchase individual coverage through the Health Insurance Marketplaces will get premium subsidies that will allow them to obtain more robust coverage at comparable costs. [ASPE, [10/28/13](#); Urban Institute, [3/5/13](#)]

MYTH: Republicans falsely claim that a Government Accountability Office (GAO) report shows that the health insurance marketplaces won't check income information and will be vulnerable to fraud and abuse.

FACT: The GAO interim report showed that none of their secret shoppers were able to defraud the government through the online marketplaces. HHS continues to work to ensure the security of the health insurance marketplaces.

- The GAO could not successfully gain coverage via healthcare.gov with the false information they provided. That's where the vast majority of 5.4 million consumers completed their applications in the federal marketplace.
- In order to complete their applications for coverage, GAO's secret shoppers knowingly provided false information to federal contractors working at call centers, a violation of federal perjury law and subject to a \$25,000 fine.
- Having provided false information to federal call center workers, the GAO's secret shoppers were able to begin coverage. However, the GAO applications, as with all applications containing data inconsistencies, are subject to reconciliation against individual tax returns. Those data matching issues are now in the process of being resolved, as described in the ACA.
- Consumers with data matching issues, who do not provide valid supporting documentation, risk losing their coverage through the marketplace or having their premium tax credit revised to reflect their correct income information, as the GAO notes in its report.
- Finally, overpayments of tax credits will ultimately be repaid by consumers through enrollees' individual tax returns, a fact that applicants acknowledged when they applied for premium assistance. [CBPP, [7/11/13](#)]

MYTH: Republicans wrongly claim that "Obamacare" forces Americans to buy health insurance against their will.

FACT: Millions of Americans are receiving health insurance for the first time under the ACA, and no one is being forced to buy anything.

- Under the ACA, no one is being forced to buy anything. The ACA simply makes sure that people without health insurance can afford to get health insurance if they want it or they can opt out if they don't want to

purchase insurance—without passing the buck for their health care costs on to others. That's common sense.

- Having everyone pay for their own health care started off as a Republican idea, and was first enacted in Massachusetts by Governor Mitt Romney. [KFF, [5/21/12](#); USA Today, [7/20/09](#)]
- If consumers lack insurance coverage and can otherwise afford to purchase it, they may run afoul from the ACA's individual responsibility provision. CBO estimates that just over 1% of the total U.S. population will be subject to the penalty associated with the individual responsibility provision. [CBO, [6/5/14](#)]
- The penalty in 2014 is either \$95 or 1% of income, whichever is greater. However, the law prohibits the use of criminal penalties, such as jail time, and cannot seize property against anyone who fails to pay the penalty. The IRS may collect unpaid penalties by withholding tax refunds. [PolitiFact, [10/21/13](#); NPR, [10/11/13](#)]

MYTH: Republicans misleadingly claim that health insurance tax credits offered through the federal marketplace are in jeopardy because of the *Halbig v. Burwell* ruling.

FACT: Tax credits for consumers who purchased plans on the federal exchange will continue as various cases are considered. The ruling from a three-judge panel is expected to be overturned.

- A three-judge panel of the D.C. Circuit Court of Appeals, with the votes of two conservative judges appointed by Republican presidents, issued a deeply flawed ruling, saying that Congress did not intend for tax credits to be offered on the federal exchange. The other judge on the panel said that assigning those motives to Congress “seems preposterous.” The Administration has sought an *en banc* hearing before the full D.C. Circuit Court, which has been granted. [New York Times, [3/25/14](#)]
- On the same day as the D.C. Circuit Court ruling, a three-judge panel of the Fourth Circuit Court ruled unanimously against the argument that the subsidies were not intended to be offered on the federal exchange. [Kaiser Health News, [7/22/14](#)]
- Advanced premium tax credits and cost-sharing subsidies will continue as both these and other cases are considered. Consumers who purchased subsidized plans in 2014, and consumers who seek coverage for 2015, should know that they will continue to get financial help through the exchange.

- The ACA has helped millions of Americans obtain health insurance by defraying the cost of coverage through tax credits and subsidies. So far, more than 8 million Americans have enrolled in coverage through the newly created insurance marketplaces, with 85% of those enrollees receiving tax credits to help them pay for it. [HHS, [5/1/14](#)]
- The Congressional leaders who wrote the ACA attested to the availability of tax credits on the federal exchange in an amicus brief, stating: “Congress did not provide that the tax credits would only be available to citizens whose States set up their own Exchanges. The purpose of the tax credit provisions was to facilitate access to affordable insurance through the Exchanges – not, as Appellants would have it, to incentivize the establishment of state Exchanges above all else, and certainly not to thwart Congress’s fundamental purpose of making insurance affordable for all Americans.” [Amicus brief, signed by Sens. Baucus, Harkin and Reid; and Reps. Levin, Miller, Pelosi and Waxman; [2/15/14](#)]
- CBO also found no evidence that subsidies were not intended to be available on the federal exchange when it scored the ACA: “To the best of our recollection, the possibility that those subsidies would only be available in states that created their own exchanges did not arise during the discussions CBO staff had with a wide range of Congressional staff when the legislation was being considered. Nor was the issue raised during consideration of earlier versions of the legislation in 2009 and 2010, when CBO had anticipated, in its analyses, that the credits would be available in every state.” [CBO letter to Rep. Darrell Issa, [12/6/12](#)]
- Republicans are trying to sabotage the ACA through the judiciary since their attempts to do so legislatively have repeatedly failed. Republicans are using the court system to scare consumers away from purchasing affordable health insurance. [HHS, [5/1/14](#)]

EMPLOYERS AND JOB GROWTH

MYTH: Republicans falsely claim that President Obama’s decision to delay the employer responsibility requirement is an admission that “Obamacare” is unworkable.

FACT: The Administration listened to the concerns of businesses and is being flexible to help the small percentage of employers who would be affected by the requirement.

- As the Administration has worked to implement the ACA, it has shown openness and responsiveness to concerns from businesses and

consumers to make sure the law is implemented the right way. For example, the initial application for health insurance coverage was dramatically streamlined – from 21 pages to three pages – to make it easier for consumers to use and find accessible coverage. [White House, [7/2/13](#)]

- Based on conversations with the business community, the Administration announced that it would work with employers to re-vamp and simplify the reporting process they will use to provide information about a worker’s access to health care coverage. To build a smarter system and help employers work with the law, the Administration announced it would delay enforcement of reporting requirements and the employer responsibility requirement for one year to ensure it gets done right. [Treasury, [7/2/13](#)]
- This delay will help employers get comfortable with new reporting systems and make necessary changes to ensure that the law works for them while making health care coverage more stable and secure.
- Small businesses with less than 50 workers – about 96% of all firms – are not covered by the employer responsibility requirement and won’t face penalties if they don’t offer their employees coverage. Of businesses with more than 50 employees that are covered, about 95% of those already offer health insurance coverage to their employees. [The Washington Post, [5/24/13](#); KFF, [3/13](#)]
- The delay is an important change for the businesses that would be affected, but it will have no impact on the millions of Americans who already have health insurance and are benefiting from consumer protections that prevent insurance companies from denying coverage or running up premiums.
- And the change will do nothing to slow down the opening of health insurance marketplaces that will expand affordable coverage to millions of Americans.

MYTH: Republicans falsely claim that President Obama doesn't have the authority to delay the employer responsibility requirement.

FACT: The law already provides the Administration with the flexibility about how to move forward with implementation. This flexibility has been used by previous Administrations to implement a variety of programs.

- The Administration's decision to show flexibility in the implementation of the employer responsibility requirement is based on authority the Treasury Secretary already has to offer transition relief when implementing new legislation like the ACA. [IRC Section 7805(a); Treasury Letter to Chairman Upton, [7/9/13](#)]
- This authority has been used before, by multiple Administrations. [Testimony of Treasury Deputy Assistant Secretary J. Mark Iwry, [7/13/13](#)]
 - In 2011, the retroactive imposition of excise taxes under the Airport and Airway Extension Act was delayed.
 - In 2007, the IRS delayed the applications of new tax return rules that were included in the Small Business and Work Opportunity Act.
- House Republicans themselves voted to delay the employer responsibility requirement, apparently in support of the Administration's actions. Now, as part of yet another political game, House Republicans are suing the president for doing what they voted in support of. The Administration has the authority to show flexibility and help the law work for employers; the House's lawsuit is just another Republican political game. [CNN, [7/11/14](#)]

MYTH: Republicans falsely claim that President Obama is unfairly giving big business a break from ACA requirements without doing the same for individual Americans.

FACT: Delaying the individual responsibility requirement would threaten access to care for millions of Americans with pre-existing conditions and make health coverage more expensive.

- Doctors and experts like the American Medical Association have been clear – the individual responsibility requirement is a critical part of the ACA. The American Academy of Family Physicians has called it, “the foundation of improving access to care and vital to ensuring everyone has health coverage.” [Forbes, [7/17/13](#)]

- The individual responsibility requirement stops a small group of free riders from imposing a hidden \$1,000 tax on responsible Americans. Only the 2% of Americans who can afford to buy insurance and choose not to would be covered. [DPCC, [10/11/12](#)]
- Independent studies have shown that doing away with the employer responsibility requirement will have virtually no impact on the number of people receiving health coverage, but eliminating the individual requirement could leave almost 14 million more people uninsured. [Urban Institute, [7/15/13](#)]
- The requirement is also a fundamental part of the steps the new law takes to make sure that insurance companies can't deny coverage to those with pre-existing conditions or charging sick people higher premiums. Ending those practices will require us to stop people who have been freeloading off of the existing health care system and make sure that almost everyone is insured. [CBPP, [7/16/13](#)]
- The requirement means that we will have lower premiums and more stable insurance markets. Without it, the pool of people with coverage would get sicker and more expensive over time. The result could be premiums in the individual market that are 10%-20% higher than they would be with the requirement. [Urban Institute, [3/12](#)]
- The independent CBO determined that delaying the mandate would increase premiums in the individual market and leave more people uninsured. [CBO, [7/16/13](#)]
- We can't go back to when insurance companies could deny coverage or allow premiums to spiral out of control. That would be unfair for middle-class families.

MYTH: Republicans falsely claim that the ACA is creating a part-time economy by encouraging workers to reduce employee workweeks below 30 hours to avoid the employer responsibility requirement.

FACT: The data show that part-time work has decreased since the ACA passed, while full-time work has continued to increase. Only a small number of companies would be affected by the employer responsibility requirement.

- Since the ACA became law, almost 10 million private-sector jobs have been created. More than 90% of the gain in employment has been in full-time positions, and there is no systematic evidence that employers are shifting employees below 30 hours per week. Instead, the average

working week has increased by half-an-hour since the ACA was passed.

[Tables B-1, B-2 BLS.gov, [9/5/14](#); Tables B-1, B-2 BLS.gov, [4/2/10](#); Politifact, [8/2/13](#); Washington Post, [7/22/13](#)]

- The most recent Census Bureau report shows that the number of full-time workers increased in 2013, while the share of part-time workers decreased. “An estimated 72.7 percent of working men with earnings and 60.5 percent of working women with earnings worked full time, year round in 2013, both percentages higher than the 2012 estimates of 71.1 percent and 59.4 percent respectively,” according to the report. In addition, the share of involuntary part-time workers has continued to fall since the end of the recession. [Center on Budget and Policy Priorities; [9/17/14](#); Census Bureau, [9/16/14](#)]
- The vast majority of businesses – 96% of employers with more than 50 workers – won’t be affected by the employer responsibility requirement at all. Only a small number of companies that refuse to offer affordable coverage to their full-time workers would pay penalties. [KFF, [3/13](#)]
- Only a very small number, 0.6%, of workers are below the part-time cutoff of 30 hours, a number that decreased from 2012 to 2013. Additionally, only 0.2% of the labor force works that number of hours because of their employer’s choice. [CEPR, [7/23/13](#)]
- As implementation has moved forward, businesses have acknowledged that they are less concerned about the implications of the employer responsibility requirement and have reduced their cost estimates. Wendy’s reduced its initial cost estimates by 80%, and a growing number of businesses believe that their employees will ultimately find coverage through other parts of the health reform law. [Barclay’s, 5/13; Wall Street Journal, [5/14/13](#)]
- Businesses are also embracing ACA implementation as a way to be more competitive by recruiting and retaining the best workers. By providing stable and secure coverage, the ACA will benefit employers and employees. [Wall Street Journal, [6/10/13](#)]
- In the restaurant industry, there’s no hard data showing a move to more part-time employees. According to the National Restaurant Association, “There’s no big strategic part-time shift. In fact, data shows that in the past year average hours for employee is going up.” [NPR, [7/24/13](#)]

MYTH: Republicans wrongly claim that “Obamacare” will force employers to drop employee health coverage.

FACT: Under health reform, 25 million people will gain coverage. Health care will be more secure because people can no longer be denied coverage due to a pre-existing condition. [CBO, [5/13](#)]

- The law does exactly what experts say we need to do in order to expand coverage to millions of employees across the country. Over 100 million people now benefit from new consumer protections, and according to the nonpartisan scorekeepers at CBO, the ACA will increase the percentage of individuals insured in the U.S. from 82% to 92% over the next decade. [CBO, [2/5/13](#); White House, [3/5/12](#)]
- A national study indicates that businesses employing 81% of all American workers will find it financially advantageous to continue offering coverage once the law is fully implemented in 2014. And J.P. Morgan indicates that 99% of large employers won't drop coverage and that it's a “non-issue.” [Washington Post, [5/2/12](#); NIHCR, [12/12](#); Wall Street Journal, [3/15/13](#)]
- Massachusetts' health reform, the model for the ACA, increased access to employer coverage and improved the scope and quality of the coverage. [Health Affairs, [10/09](#); Commonwealth of Massachusetts, [1/13](#)]
 - In 2006, before enactment of health reform in Massachusetts, approximately 4.3 million people in the state obtained health insurance through their employer. In 2008, after enactment, that number grew to more than 4.5 million. Between 2007 and 2010, the percentage of employers offering coverage increased from 72% to 77%. All these gains were among firms with 50 or fewer employees. [EBRI, [9/10](#)]
- Evidence suggests that the experience at the national level will be no different. According to a recent survey, most employers who said they would drop coverage because of health reform have not done so. All the benefits of offering insurance to employees — the competitive, financial, and wellness aspects — will remain strong incentives for employer sponsored coverage beyond 2014. [Chicago Tribune, [3/26/12](#)]
- Republicans want to go back to the days when insurance companies could drop coverage for no reason at all and increase premiums with no justification or accountability. That would be the real threat to stable and secure health care.

MYTH: Republicans ignore the data when they claim that “Obamacare” is a job-killer.

FACT: The data shows that the economy has created almost 10 million private sector jobs since health care reform was signed into law, largely in the health care sector.

- The economy has almost 10 million private sector jobs since health reform was signed into law. [As of 9/5/14, BLS]
- In fact, the health care sector has been one of the largest contributors to employment growth. [As of 9/5/14, BLS]
- Repealing health care reform would be the real job killer – eliminating the provisions that slow the growth of health care costs for employers could kill as many as 400,000 new jobs this decade. [CAP, [1/11](#)]

HOBBY LOBBY AND WOMEN’S HEALTH

MYTH: Republicans falsely claim that the Hobby Lobby decision had no impact on women’s access to contraceptive coverage and the ACA did nothing to improve access to contraceptive coverage.

FACT: Thanks to the ACA’s birth control benefit, women in the U.S. saved \$483 million on birth control and 30 million women are now eligible for birth control without copay. The Hobby Lobby decision threatens to make contraceptive care harder to afford for women whose bosses choose not to offer coverage.

- Republicans are claiming that the Hobby Lobby decision had no impact on women’s access to birth control. This is clearly false.
- Affordability of care equals access to care. As we know, millions of Americans lacked health insurance prior to the ACA because they couldn’t afford it, not because they lacked the legal right to purchase it.
- Likewise, millions of women couldn’t afford to buy contraceptives until the ACA made certain preventive services, including birth control, a guaranteed benefit available at no out-of-pocket cost to the beneficiary. An additional 29.7 million women received expanded preventive health benefits, including birth control, as a result of the law. [ASPE, [7/27/14](#)]
- Between 2012 and 2013, in large part due to the ACA, the number of women who filled prescriptions for oral contraceptives with no co-pay more than quadrupled from 1.2 million in 2012 to 5.1 million in 2013.

The increase of prescriptions dispensed with no co-pay reduced women's out-of-pocket costs by an estimated \$483.3 million. [ASPE, [7/27/14](#)]

- The GOP wants to turn back the clock on women to before the ACA became law. Their alternative to the Not My Boss's Business Act is to fight a rhetorical straw man – proposing a bill to “reaffirm” that no employer may prevent an employee from buying FDA-approved drugs. No one disputes that women have the legal right to purchase health care; at issue is whether their employer can restrict their financial ability to do so by denying them access to coverage at no out-of-pocket cost through their employer-sponsored plans.
- 99% of sexually active American women use birth control at some point in their lives. This is true for single women and married women who use birth control to avoid unintended pregnancies and to treat hormone-related ailments. Women should not have to ask their bosses' permission or to pay out of pocket for medical services that they have already paid for with their labor. Health insurance is part of an employee's compensation package – there is nothing “free” about it.
- The Supreme Court's ruling in Hobby Lobby means working women will lose hundreds of dollars of health benefits – equal to a month's paycheck for a woman earning the minimum wage, as Justice Ginsburg noted in her dissent – for something that the ACA had provided to them at no out-of-pocket cost. The Republican legislation approves this pay-cut to women and then tells them they have to pay out-of-pocket to buy birth control. [Justice Ginsburg dissent, [6/30/14](#)]
- Republicans have pushed legislation that would codify the Supreme Court's decision in Hobby Lobby and allow businesses to refuse to provide access to birth control. They have also pushed legislation to allow any boss to deny any health care service to any woman for any reason, and have repeatedly voted to roll back coverage for mammograms and cancer screenings for women. [The Fischer Amendment, - Vote #55, [3/22/13](#); The Blunt Amendment - Vote #24, [3/1/12](#); HHS, [2/12](#); TPM, [3/1/12](#); New York Times, [3/1/12](#)]
- Under the health reform law, an estimated 47 million women across the country could save over \$1,200 in preventive health care – money that could go towards rent or groceries. Instead of turning back the clock on these women, Republicans should work with Democrats to make sure every American woman has access to affordable health care. [CAP, [2/15/12](#); HHS, [7/31/12](#)]

MYTH: Republicans falsely claim that the Hobby Lobby decision was narrowly tailored, only impacting a few businesses in the U.S.

FACT: The Supreme Court’s flawed decision opens up the door to nearly 90% of businesses to change employee health benefits based on their boss’s prerogative.

- The Court’s ruling is just for “closely held,” for-profit corporations, which includes large companies that have a handful of people who own half the stock. The ruling’s logic can extend to companies of any size, public or private, and invites many more companies to claim religious exemptions from the government’s health care regulations, nearly 90% of companies are closely-held. [Wall Street Journal, [6/30/14](#)]
- The decision is so startlingly broad that it can override the health care needs of employees and their dependents across the country. In her dissent, Justice Ruth Bader Ginsburg called out the precedent being set, saying that it can deny “legions of women who do not hold their employers’ beliefs access to contraceptive coverage that the ACA would otherwise secure.” [Justice Ginsburg dissent, [6/30/14](#)]
- The ruling creates a slippery slope where employers could end up denying health coverage for any medical service that they say conflicts with their own religious beliefs. And that could lead to employers discriminating against women, minorities, and any other groups that need particular types of medications or procedures. [CNN, [6/30/14](#); Justice Ginsburg dissent, [6/30/14](#)]

MYTH: The Not My Boss’s Business Act could open the door to Congress requiring kosher and halal delis to sell pork.

FACT: The Not My Boss’s Business Act repairs the damage caused by the Supreme Court’s flawed application of the Religious Freedom Restoration Act. The bill won’t stop businesses from bringing legitimate claims in the future.

- The Not My Boss’s Business Act ensures that no one’s health care is subject to the religious views of their corporate employer. The bill will ensure that bosses won’t be able to deny men or women essential health benefits – like contraception, vaccinations, blood transfusions, or HIV care – because of their religious beliefs.
- The Supreme Court’s conservative wing ruled that Hobby Lobby, an 18,000-person company that sells arts and crafts, had its religious beliefs “substantially burdened” by providing contraceptive coverage to its employees. This is a flawed interpretation of the Religious Freedom

Restoration Act (RFRA), which was created to prevent laws that “substantially burden” a person’s free exercise of religion, not a corporation’s.

- While it’s difficult to imagine why Congress would consider passing a law requiring a kosher or halal delis to sell pork, such a religious burden would be a completely different claim than the one made by Hobby Lobby.
- Requiring a kosher or halal deli to sell pork would run contrary to the very essence of why the business exists. As a result, such a deli would have a clear and compelling case that the government has placed a “substantial burden” on their religious practices. On the other hand, Hobby Lobby sells arts and crafts, ranging from construction paper and face paint to stickers and tuxedo shirts.
- The Supreme Court’s ruling misapplied the protections of RFRA to a corporation claiming a “substantial burden” that did not exist. The Not My Boss’s Business Act will correct this mistake but not undermine the legitimate cases that other businesses may have in the future.

MYTH: Republicans wrongfully assert that maternity coverage shouldn’t be included as an essential health benefit.

FACT: Including maternity coverage as an essential health benefit will allow millions of women to afford healthy pregnancies.

- Pregnancy is one of the most common causes of hospitalization in the U.S. Childbirth and pregnancy-related conditions account for nearly 25% of all hospital stays in our country. Thanks to health care reform, 8.7 million women who currently buy coverage in the individual market will gain maternity coverage. [HHS, [12/16/11](#); Kaiser Family Foundation, [8/29/13](#)]
- Prior to health reform, plans in the individual health insurance market that included maternity coverage were very hard to find. A study by HHS showed that only 38% of plans in the individual market offered maternity coverage. [HHS, [12/16/11](#)]
- Prior to the ACA, women had to buy expensive riders with limited benefits. Policy riders in the individual market could cost upwards of \$400 a month and required long waiting periods, during which women would pay for coverage, but wouldn’t receive any maternal care benefits if they became pregnant. [Kaiser Health News, [11/16/10](#); New York Times, [6/30/13](#)]

- Getting pregnant during an insurer’s waiting period – that is, in essence, without insurance – left the woman responsible for between up to \$30,000 for natural child birth or up to \$50,000 for Caesarean-section delivery. [Kaiser Health News, [11/16/10](#); New York Times, [6/30/13](#)]
- According to a 2006 study, 49% of all pregnancies – nearly half – in the U.S. were unplanned. Requiring women to decide in advance whether to purchase a separate insurance policy in case they become pregnant is not a realistic option. [National Institutes of Health, [8/24/11](#)]
- In 2010, the U.S. had an infant mortality rate that was 45% higher than the United Kingdom’s, 65% higher than Israel’s, 79% higher than Germany’s and 165% higher than Japan’s. Experts believe that the ACA is a “sea change” for infant mortality rates due to its inclusion of maternity coverage and other benefits for women. [OECD, [8/12/12](#); New York Times, [10/22/13](#); Kaiser Family Foundation, [8/29/13](#)]

REPUBLICAN ALTERNATIVES TO THE ACA

MYTH: Republicans falsely claim that selling insurance across state lines will help the uninsured get coverage and reduce costs for individuals buying plans in the individual market.

FACT: Republican state governments have tried the concept of selling health insurance across state lines with no success.

- States have long had the authority to allow the sale of policies from other states, but only three currently do so – Georgia, Maine, and Wyoming. In all three of these states, no out-of-state insurers have entered these markets or indicated their intent to do so. [The Center on Health Insurance Reforms, [10/1/12](#); Managed Care Magazine, [11/12](#)]
- The critical obstruction to the success of selling insurance across state lines is the innate difficulty that insurers have in developing local provider networks in another state. This barrier “far surpasses concerns about a state’s regulatory environment or benefit mandates” in keeping out-of-state competitors from entering, as claimed by proponents of this proposal. [The Center on Health Insurance Reforms, [10/1/12](#)]
- States have always taken the lead in health insurance regulation – from ensuring solvency of plans to reviewing proposed rates – and health care reform continues that. But, across-state-lines proposals gut state-based standards for the sale of health insurance so insurers can sell the cheapest plans to the healthiest consumers. Even worse, proposals to eliminate state insurance company licenses to operate could lead to “fly-by-night” firms coming to pray on consumers and never honoring

the claims of policyholders. [The Center on Health Insurance Reforms, [10/1/12](#); Kaiser Health News, [1/25/11](#)]

- Coupled with repeal of the ACA's ban on pre-existing conditions, selling insurance across state lines would be the "death knell" of similar bans at the state level. If such a ban were in place in one state, the healthy individuals living there would simply purchase a plan offered in a state without such a ban on pre-existing conditions, leading to adverse selection in the home state's insurance market. [Tax Policy Center, [9/22/08](#)]

MYTH: Republicans falsely claim that re-creating state high-risk insurance pools will provide affordable health insurance to those with pre-existing conditions.

FACT: Advocating a return to state high-risk pools is simply cover for allowing insurers to discriminate once again. These high-risk pools are no substitute for strong private insurance market reforms. Taking private insurance coverage away would result in higher costs for consumers and state governments.

- The federal government and states led by Republicans and Democrats have chosen to close down their high-risk pools as beneficiaries sign-up for affordable coverage through the ACA's new health insurance marketplaces. Of the 35 states that were operating state-based high-risk pools at the end of last year, 18 have shut down their programs. Many of the remaining states have discontinued new enrollment and are planning to close out their high-risk pools in the near future. [National Association of State Comprehensive Health Insurance Plans, [4/23/14](#)]
- The coverage provided through state high-risk pools was priced much higher than standard market rates because of the pre-existing conditions of their beneficiaries, with some individuals paying more than \$1,000 a month for coverage. As a result, many individuals couldn't afford these policies. By the end of 2011, while there were nearly 50 million uninsured Americans, only 226,000 people were covered by state high-risk pools. [Community Catalyst, [11/08](#); NCSL, [1/14](#)]
- For the people who could afford to get coverage in state high-risk pools, they often had to suffer through long waiting periods – between six-to-12 months – before their coverage began. Therefore, coverage was denied for the very condition that caused the individual to be uninsured in the first place. [Commonwealth Fund, [9/12/12](#); Community Catalyst, [11/08](#)]
- Beneficiary premiums only offset 53% of claims, on average, so state governments had to put up substantial funding to maintain the

solvency of high-risk pools. Such funding, in the form of state taxes and fees, was difficult to maintain as the relatively few high-risk pool participants are too small to be a significant political force.

[Commonwealth Fund, [9/12/12](#); Community Catalyst, [11/08](#)]

- Not only did high-risk pool insurance cost beneficiaries more than the market average, they didn't cover as many benefits, either. Many state high risk pools had limits on mental health services and maternity coverage, and still more plans had lifetime limits on total benefits. [Commonwealth Fund, [8/01](#); Kaiser Health News, [1/31/12](#)]
- During the 2008 presidential election, Senator John McCain's health plan proposed to replace the existing income tax exclusion for employer-sponsored health insurance premiums with a refundable tax credit (discussed later in this brief), as well as create high-risk pools for individuals with pre-existing conditions. Because employers would likely stop providing health insurance coverage under Senator McCain's plan, employees with pre-existing conditions would flock to the high-risk pools. "Thus, a plan that used this method to prevent large losses in insurance coverage among the sick and needy could be extremely expensive – on the order of \$1 trillion over 10 years given projected health care costs." [Tax Policy Center, [9/12/08](#)]
- Rather than pool sick people with even more sick people as high-risk pools do, the ACA combines all risk of the individual market – good and bad – into a single pool. Upending the ACA to impose high-risk pools for those with pre-existing conditions would be "extremely expensive and likely unsustainable." [Commonwealth Fund, [9/12/12](#); Center on Budget and Policy Priorities, [7/31/07](#)]

MYTH: Republicans falsely claim that association-based health plans would allow small businesses to purchase cheaper coverage and reduce the number of uninsured.

FACT: Association health plans save money at the expense of their members – through less benefit coverage, less scrutiny of rate filings and fewer solvency requirements.

- When the Senate last considered legislation based on the idea of association health plans that would "supersede any and all State laws" related to benefits and rate filings, 39 state attorneys general wrote to Congress opposing the legislation. The attorneys general, including Senator Kelly Ayotte (R-NH), stated that, "Consumers rightfully expect their state government to require a minimum of health benefit protections and to protect them from abuse by health care insurers. Elimination of strong health protections in exchange for weak federal oversight fails consumers." [S. 1955, [11/2/05](#); State Attorneys General letter, [4/25/06](#)]

- A 2004 study of 43 states allowing the sale of national association health plans showed that 36 states did not require maternity coverage for these plans; 23 states did not require mental health coverage; and 16 states did not require coverage for diabetes treatments. Thus, association health plans achieved their savings by excluding coverage for the individuals most in need of health care. [Health Affairs, [11/06](#); CBO, [5/9/06](#)]
- In its analysis of an association health plan proposal, CBO said that, “some individuals might find it more difficult to purchase coverage for conditions or services that previously had been mandated under their state laws, and which were included in their health insurance plan only because of the state requirement.” [Health Affairs, [11/06](#); CBO, [5/9/06](#)]
- The same 2004 study showed that of the 47 states that required some sort of rate filing for the individual market, 26 had less stringent or no requirements for national association health plans. Indeed, the limitation on regulations is the driving force behind association health plans: the report concluded that, “states that apply the same or more stringent rules to association coverage, compared with small-group and individual health insurance, report seeing few associations in their markets offering health coverage.” [Health Affairs, [11/06](#); Center on Budget and Policy Priorities, [8/1/07](#)]
- In states where association health plans were exempt from rating rules and benefit standards, the small group plans left to comply with these rules attracted less healthy firms in need of these benefits and coverage stability, resulting in adverse selection and higher premiums for their members. [Health Affairs, [11/06](#); Center on Budget and Policy Priorities, [8/1/07](#)]
- Some association health plans are self-insured, meaning that they pay the medical claims of their members rather than an insurance company. In many states, these self-insured plans achieve lower rates because they are not required to have as much capital on hand as insurers are – at the risk of their members. “Between 2001 and 2003, four long-standing self-insured associations became insolvent, leaving \$48 million in medical claims unpaid, and 66,000 people and small businesses without insurance.” [Health Affairs, [11/06](#)]

MYTH: Republicans claim that changing the tax status of employer-sponsored health insurance will benefit people in the group and individual health insurance markets.

FACT: Changing the tax status of health insurance in the ways that Republicans propose would result in a middle-class tax hike, do little to help the uninsured, and weaken the market for employer-based coverage.

- Republican proposals to replace the employer-provided healthcare exclusion with either a standard tax deduction or a refundable tax credit would have the effect of hiking taxes on middle-class families. [Tax Policy Center, [2/14/07](#); Center on Budget and Policy Priorities, [7/31/07](#)]
- At \$2,500 for an individual and \$5,000 for a family, a proposal offered by presidential candidate Senator John McCain (R-AZ) in 2008 didn't come close to covering the cost of purchasing health insurance, regardless of income. [Urban Institute, [10/06/08](#)]
- Neither proposal would grow at the same rate as the cost of health care, thus delivering less and less value toward the purchase of health insurance over time. [Tax Policy Center, [2/14/07](#); Center on Budget and Policy Priorities, [7/31/07](#); [cnn.com](#), [1/23/07](#)]
- Ending the employer-provided health care exclusion or deduction could cause some small and medium-sized businesses to stop offering health insurance entirely. If Republicans get their way and pass a new law to repeal the ACA's consumer protections, workers would be forced to look for health insurance in a fragmented marketplace where older or less healthy individuals may be priced out, and premiums would rise for all. [Tax Policy Center, [2/14/07](#); Center on Budget and Policy Priorities, [7/31/07](#)]
- President George W. Bush's proposal for a standard health insurance deduction was estimated by his Administration to cover 3 to 5 million previously uninsured individuals, leaving up to 44 million (at that time) still uninsured. Senator McCain's proposal for a refundable tax credit would reduce the uninsured by only 4.6 million as estimated by the Tax Policy Center. Both these proposals pale in comparison to the ACA, which will insure 26 million Americans and 92% of all legal residents. [Tax Policy Center, [2/14/07](#); Tax Policy Center, [8/15/08](#); CBO, [4/14/14](#)]

MYTH: Republicans falsely claim that expanding the use of health savings accounts will reduce health care costs for consumers.

FACT: These tax-advantaged accounts are not a substitute for a health insurance plan for millions of Americans.

- Health savings accounts allow tax-deductible contributions, tax-free earnings on those contributions and tax-free withdrawals for out-of-pocket medical purposes. For individuals beneath the tax filing threshold – up to 55% of the uninsured fall into this category – health savings accounts provide no help in paying for health care. [Center on Budget and Policy Priorities, [8/1/07](#)]
- Even among the uninsured who could make some use of these accounts, their subsidy would only amount to 10 or 15% of their health care costs. In comparison, millions of previously uninsured Americans have received coverage through the new health insurance marketplaces, with approximately 85% of marketplace enrollees receiving a subsidy that reduced their premiums by 76% in 2014. [Center on Budget and Policy Priorities, [8/1/07](#); ASPE, [7/27/14](#)]

MYTH: Republicans falsely claim that taking away the rights of victims of medical malpractice will reduce health care costs.

FACT: States with medical malpractice laws in place have continued to see health care costs climb while malpractice insurers reap bigger and bigger profits.

- Medical malpractice litigation is infrequent. More than 98,000 patients die each year because of preventable medical errors. However, in 2012, only 3,000 payments of medical malpractice claims were made for deaths due to negligence. Thus, less than one in 33 deaths from medical negligence is compensated. [Institute of Medicine, [11/1/99](#); Public Citizen, [8/13](#); Journal of Patient Safety, [9/13](#)]
- Studies have shown that between 85 and 97 % of patient cases are settled without a jury trial. Winning plaintiffs often settle with the losing defendant for less than the jury verdict because the plaintiff can't afford a lengthy appeals process; in some cases these settlements are for a fraction of the jury's verdict. In 2005, only 1% of winning cases were awarded punitive damages. [New England Journal of Medicine, [5/11/06](#); Testimony of Neil Vidmar, [6/22/06](#); U.S. Department of Justice, [3/11](#)]
- Medical malpractice insurers have been making huge profits in recent years. In 2008, the loss ratio for insurers was about 61%, meaning that insurers only paid 61 cents on claims for every 1 dollar in premiums

they received. By comparison, the ACA limits the medical loss ratio for health insurers at 80%. [Americans for Insurance Reform, [7/22/09](#); PL 111-148]

- Meanwhile, in states that have adopted strong laws to limit medical malpractice lawsuits, such as Texas, no effect on reducing health care costs has been found. [Austin American-Statesman, [6/20/12](#)]

MYTH: Republicans wrongfully claim that block granting Medicaid will save money and improve care.

FACT: Block granting Medicaid would kick millions of Americans out of the program and dramatically increase costs to states.

- Republicans aim to cut more than \$2.5 trillion in benefits for seniors, working families, and those in nursing homes by repealing health reform and block granting Medicaid. [CBPP, [3/15/13](#); CBPP, [4/4/14](#); Path to Prosperity, [4/1/14](#)]
- This draconian proposal would cut more than \$475 billion in health care for seniors and people with disabilities, which could lead to seniors being denied access to life-saving care and shutting nursing homes down across the country. [DPCC]
- Almost 14 million seniors and people with disabilities currently rely on Medicaid for their health care needs. The Republican cuts to Medicaid could have a devastating impact on the more than 15,600 certified nursing homes that serve nearly 1.4 million seniors, with nearly two-thirds of certified nursing homes relying on Medicaid as their primary payer. [KFF, [6/12](#); KFF, accessed on [8/1/14](#); KFF, accessed on [8/1/14](#); KFF, accessed on [8/1/14](#)]
- According to nonpartisan experts, a block grant would undoubtedly shift costs to the states. States would be forced to cover *all* of the costs associated with increased Medicaid enrollment resulting from a recession, the onset of a new disease, or the development of new pharmaceutical or other treatments – creating billions in unfunded liability. [CBPP, [4/4/14](#); CBPP, [3/27/13](#)]

MEDICARE

MYTH: Republicans wrongfully claim that we need to end Medicare's guaranteed benefits or the program will go bankrupt.

FACT: The solvency of the Medicare Hospital Insurance Trust Fund was extended again this year.

- In their 2014 report, the Medicare Trustees said that the actuarial solvency of the Medicare Hospital Insurance Trust Fund had been extended by 4 years since last year's report, to 2030.
- The solvency of the Trust Fund is now 13 years longer than it was previous to the passage of the ACA, which the Trustees said in 2010 had "substantially improved" the financial status of the Trust Fund. [2010 Medicare Trustees Report, [8/5/10](#); Center on Budget and Policy Priorities, [6/3/13](#)]
- Not only did the ACA extend the life of the Trust Fund, but thanks to health reform, seniors' Medicare benefits have never been better: Since the ACA became law, 8.2 million seniors and individuals with disabilities have saved more than \$11.5 billion on prescription drugs, thanks to closing the Medicare Part D donut hole. And, last year alone, 37.2 million Medicare beneficiaries received a free preventive health service. [CMS, [7/28/14](#); CMS [7/22/14](#)]
- As the Trustees said in this year's report, "This legislation, referred to collectively as the Affordable Care Act or ACA, contains roughly 165 provisions affecting the Medicare program by reducing costs, increasing revenues, improving benefits, combating fraud and abuse, and initiating a major program of research and development to identify alternative provider payment mechanisms, health care delivery systems, and other changes intended to improve the quality of health care and reduce costs." [Medicare Trustees Report, [7/28/14](#)]
- The Trustees report follows good news on Medicare spending from the CBO. CBO again revised downward its 10-year estimate for spending on Medicare and our nation's major health programs. Since 2010, CBO has lowered its estimates for Medicare, Medicaid and other health programs by \$1.23 trillion. Medical prices are growing at their slowest pace in 50 years. [New York Times, [7/15/14](#); Wall Street Journal, [7/15/14](#); Wall Street Journal, [9/17/13](#)]
- The Trustees have been issuing projected dates of insolvency for the Trust Fund since 1970. That year, the Trustees projected the Trust Fund would go insolvent just two years later, in 1972. Since that first report, 26 other predicted years of insolvency have passed. [Vox.com, [7/28/14](#)]

- The Trust Fund has remained solvent because of Congress's ability to continually make changes and improvements to the program without turning it into a voucher program as Republicans have repeatedly proposed to do.

MYTH: Republicans wrongfully claim that the ACA damages Medicare Advantage.

FACT: Enrollment in Medicare Advantage programs continues to grow and premiums are decreasing.

- More Medicare beneficiaries are enrolled in Medicare Advantage than ever before. Enrollment increased by nearly 10% from 2012 to 2013, as the program added more than 1 million seniors. In 2014, the average beneficiary has 10 plans to choose from. [Kaiser Family Foundation, [6/6/13](#); HHS, [9/19/13](#); CBO, [5/4/13](#)]
- Since the ACA became law, enrollment in Medicare Advantage has increased more than 30% and premiums have decreased 9.8%. CBO projects that Medicare Advantage enrollment will continue to grow for the next decade. [Kaiser Family Foundation, [6/6/13](#); HHS, [9/19/13](#); CBO, [5/4/13](#)]
- Prior to health care reform, Medicare Advantage cost 14% more to operate than Medicare. Those overpayments cost Medicare \$12.7 billion in 2009. [MedPAC, [2/24/09](#); Commonwealth Fund, [10/11/12](#)]
- The burden of subsidizing Medicare Advantage fell to traditional Medicare beneficiaries, who saw their premiums increase by \$86 a year per couple. [Center on Budget and Policy Priorities, [9/14/09](#)]
- Health reform reduces overpayments to Medicare Advantage plans while rewarding high-quality plans. In 2013, more than half of MA enrollees were enrolled in plans with four or more stars, an increase from the 37% over the previous year. The average rating for a Medicare Advantage plan with drug coverage has increased the last three years, from 3.18 in 2011, to 3.44 in 2012, to 3.66 in 2013. [MedPAC, [3/14/13](#); HHS, [9/19/13](#); Bloomberg, [10/16/12](#)]

BUDGET, TAX, AND FISCAL CONCERNS

MYTH: Republicans claim that the CBO will no longer stand by its original estimate that health reform will reduce the deficit.

FACT: CBO and independent experts say the health reform law will reduce the deficit by about \$150 billion over the 10 years following its passage.

- The CBO continues to stand by its original estimate that the ACA would reduce the federal deficit both in the 10-year budget window and in future years. [CBO, [6/17/14](#)]
- In fact, CBO now projects that the ACA will reduce deficits even further for the same time period it studied in its original estimate. CBO says the projected reduction in deficits will be more than \$150 billion over the 2010-2019 period, rather than the originally estimated \$124 billion in savings during that same budget window. [CBO, [6/17/14](#)]
- CBO said that the ACA will save more than originally projected because the cost of its coverage provisions are \$100 billion less than originally projected. This is because premiums for health insurance plans offered on the newly created marketplaces came in 15% lower than expected. [CBO, [6/17/14](#); CBO [4/14/14](#)]

MYTH: Republicans wrongfully claim that CBO double-counts savings to Medicare by both extending the solvency of the Medicare trust fund and reducing the impact of new programs on the deficit.

FACT: By strengthening Medicare and making it run more efficiently, health reform both improves the status of the federal budget *and* extends the life of the Medicare trust fund. [CBPP, [4/10/12](#)]

- Health reform achieves savings by reducing excessive payments to private plans, encouraging care coordination, and providing new tools to fight health care fraud. In fact, the Medicare Trustees report shows that the solvency of the Medicare Trust Fund is now 13 years longer than it was before the ACA passed. [CMS, [5/31/13](#); Medicare Trustees Report, [7/28/14](#)]
- Because Medicare is part of the overall federal budget, the Medicare savings in health reform *both* extends the life of the Hospital Insurance trust fund *AND* reduces the federal budget deficit.

- That's no different from when a baseball player hits a home run: it adds to his team's score and also improves the batting average. Neither situation involves double counting. [CBPP, [4/10/12](#)]
- Republicans are now playing a political game. The Republican controlled Congresses didn't object when CBO projected Medicare savings to *both* extend the solvency of Medicare *and* reduce the deficit under the Balanced Budget Act of 1997 and the Deficit Reduction Act of 2005. [CBPP, [3/25/10](#)]
- Fortunately for seniors, health reform will lower costs through lower premiums and out of pocket costs by \$208 billion through 2021. [CMS, [4/23/12](#)]
- Republicans would reverse these savings and instead implement a radical plan to turn Medicare into a voucher system. According to the CBO, seniors in traditional Medicare would see their premiums increase by 50% and pay \$800 more for their care than under current law. Seniors who want to keep traditional Medicare, with its guaranteed benefits and extensive physician networks, would also pay \$1,200 more than healthier seniors recruited for private insurance companies' plans. [CBO, [9/13/14](#); CBPP, [4/8/14](#)]

MYTH: Republicans falsely claim that the Independent Payment Advisory Board (IPAB) will ration care to Medicare beneficiaries.

FACT: Health reform explicitly forbids IPAB from rationing care, increasing taxes, or making changes to Medicare benefits. [Politifact, [10/12/11](#); FactCheck.org, [5/6/11](#)]

- The IPAB was created as a non-partisan and non-elected resource for recommendations to Congress that strengthen our health care system and lower costs by clearing out waste, fraud, and abuse. According to the Institute of Medicine, \$765 billion in waste can be reduced with these kinds of changes without compromising health outcomes. [Institute of Medicine, [2/24/11](#)]
- The ACA explicitly forbids IPAB from rationing care, increasing taxes, or making changes to Medicare benefits. [Politifact, [10/12/11](#); FactCheck.org, [5/6/11](#)]
- Independent fact-checkers have repeatedly debunked Republican claims about "rationing" care. And, contrary to Republican claims, Congress has the power to accept or reject IPAB recommendations. Congress can also take action on its own without IPAB, or replace IPAB's ideas with its own. [Politifact, [10/12/11](#); FactCheck.org, [5/6/11](#), CBPP, [3/15/12](#)]

- Republicans in both the House and Senate have previously introduced bills that included independent payment advisory boards with “more teeth” than IPAB. [Think Progress, [5/13/11](#); Incidental Economist, [5/13/11](#); S.1099, 111th Congress]
- IPAB is only empowered to make recommendations for changes to Medicare if projected per-beneficiary spending growth exceeds a commonly used measure of consumer price inflation. Since the ACA passed, Medicare spending growth has been well below that threshold; in its most recent report, CMS determined that the 5-year average growth per capita rate in Medicare was just 1.15%, while the 5-year growth target was a much higher 3.03%. [CMS, [4/30/13](#); ASPE, [1/7/13](#)]
- CBO, in its 2014 long-term budget outlook, projects that the IPAB will remain inactive for the next decade due to the historically slow growth in Medicare spending. [CBO, [7/15/14](#)]
- Since there is no immediate need for recommendations from IPAB, Congress cut funding for the board in the last appropriations cycle. Additionally, more than four years after the ACA passed, no one has been nominated to serve on the board. [Modern Healthcare, [1/24/14](#); New England Journal of Medicine, [7/11/13](#)]

MYTH: Republicans wrongfully claim that the Medicaid expansion under health reform will become an unfunded liability for states.

FACT: States have the option to expand Medicaid with almost full federal funding support.

- Under the Supreme Court’s ruling that health reform is constitutional, states have the option to accept additional federal funds in order to help expand Medicaid. This decision is solely at each state’s discretion, and states cannot lose their existing funding for failing to expand. The law, however, does not provide for phased-in or partial expansion. [KFF, [8/12](#); HHS, [12/10/12](#)]
- But the fact is that many states will take advantage of this opportunity, because the Medicaid expansion is a good deal. The federal government will pick up nearly 93% of the costs, and states will only have to pay 2.8% more than they otherwise would while expanding coverage. Overall, states currently refusing to expand their Medicaid programs are slated to lose out on more than \$423 billion in federal funding over the next 10 years. [KFF, [11/26/12](#); CBPP, [7/25/12](#)]
- Eight Republican governors have agreed to the Medicaid expansion, including Governors Jan Brewer (AZ), Rick Scott (FL), and Chris Christy (NJ), recognizing that the opportunity will save state tax

dollars, reduces the burden on small business, and dramatically improves access to care. [CNN; [4/7/13](#); Politico, [2/26/13](#)]

- In the 27 states that have expanded Medicaid, more than 6.2 million more individuals have enrolled since the expansion has taken effect, meaning that millions of Americans now have the health insurance security they lacked before. In states that chose not to expand, just 970,000 more individuals are now enrolled than were previous to October of last year. [CMS, [8/8/14](#)]
- If other Republican governors choose not to extend coverage to children and families, taxpayers, employers, and hospitals will be forced to pick up the additional cost. Saying “no” to the Medicaid expansion means denying 11 million Americans affordable health coverage, including more than 250,000 veterans, and increasing state and local government costs for uncompensated care. [CBO, [7/24/12](#); VOX.com, [5/21/14](#)]
- Because Medicaid helps ease the burden on low-income families, it puts more money into the economy. For example, an additional \$75 billion in state Medicaid funding under the Recovery Act generated \$132 billion in business activity, 1.2 million new jobs, and nearly \$54 billion in wages and salaries. A failure to expand eligibility would result in fewer jobs and economic activity. [CAP, [8/2/10](#)]
- Additionally, states that opt-out of the Medicaid expansion could increase premiums for families seeking coverage by forcing less healthy residents into exchanges. Nationwide, premiums could increase in the individual market by 2%. [Washington Post, [9/20/12](#); American Academy of Actuaries, [9/12](#)]

MYTH: Republicans wrongly claim “Obamacare” is the largest tax on the middle class in history.

FACT: Health reform is the largest health care tax cut in American history, with families and small businesses benefiting the most.

- Over the next 10 years, health reform will provide more than \$1 trillion in tax cuts for the working poor, middle class, and small businesses. [CBO, [4/14/14](#)]
- In fact, in 2014, more than 6.7 million individuals and families received financial help to purchase affordable health coverage through the newly created health insurance exchanges. CBO estimates that throughout this year, Americans will receive \$15 billion in tax credits to help them get covered, averaging \$4,410 per person. [CBO, [4/14/14](#); CBO, [7/15/14](#)]

- And revenue provisions included in the law will have a minimal impact on middle class families. According to previous estimates, approximately 60% of revenue generated through ACA comes exclusively from individuals earning more than \$200,000 a year, with the majority of the remaining revenue coming from individuals electing excessively high-cost health insurance plans. According to the Washington Post Fact Checker, “it’s a stretch to say that any of these taxes will affect the middle class.” [Senate Finance Committee, [6/29/12](#); Washington Post, [7/6/12](#)]
- Republican laws have raised significantly more revenue than the ACA. President Ronald Reagan signed legislation into law raising 60% more revenue than the ACA. Since 1950, nine other laws were passed raising more revenue than the health reform law, including three which raised twice as much. [Treasury, [6/6/11](#); Washington Post, [7/2/12](#)]

MYTH: Republicans use selective polling to say that voters don’t like “Obamacare.”

FACT: Polls show that the vast majority of Americans, even a majority of Republicans, support the benefits that the health care law provides. Americans clearly don’t want the law repealed.

- The more than 8 million people who got coverage through the new exchanges or Medicaid are enamored with the law. More than three out of four newly enrolled – including 74% of Republicans – expressed satisfaction with their coverage. [The Commonwealth Fund, [7/10/14](#)]
- Americans overall, by a 53-to-44% margin, believe that either their family or other families were made better off because of the ACA. [CNN, [7/23/14](#)]
- Extreme Republicans have spent hundreds of millions of dollars misrepresenting and smearing the health care law since the beginning. Rather than working with Democrats to make the health care law better, Republicans have been engaged in a campaign of sabotage that has been called “unprecedented” and “contemptible” by even conservative observers. [National Journal, [7/24/13](#)]
- Yet the vast majority of Americans, even a majority of Republicans, support the benefits that the health care law provides.
 - 66% of Americans and 56% of Republicans favor banning insurance companies from denying coverage to people with pre-existing conditions. [KFF, [3/20/13](#)]

- o 76% of Americans and 68% of Republicans favor allowing children to stay on their parents insurance until age 26. [KFF, [3/20/13](#)]
- o 61% of Republicans favor providing subsidies on a sliding scale to aid individuals and families who cannot afford health insurance. [KFF, [3/20/13](#)]
- o 81% of Americans and 74% of Republicans favor closing the Medicare “doughnut hole” that forces some seniors to pay more for the prescription drugs they need. [KFF, [3/20/13](#)]
- o 80% of Americans and 72% of Republicans favor creating health insurance exchanges. [KFF, [3/20/13](#)]
- What Americans don't like is the health care system we had before, when health insurance companies could deny coverage to people with pre-existing conditions or drop people when they got sick.