

Wausau Daily Herald June 14, 2013

Health policy experts make sense of marketplace

Forum designed to offer facts, not opinions

By Carolyn Tiry

Gannett Wisconsin Media

WAUSAU Insurance rates will undoubtedly rise as the Affordable Care Act's health care exchanges are implemented, a national health policy expert said Thursday at a public forum on the topic.

The forum, held at the Center for Civic Engagement in Wausau, featured health policy expert Robert Laszewski, president of Health Policy and Strategy Associates; David Riemer, a senior fellow at Community Advocates; and Mary Ellen Schill, an employee benefits law specialist at Ruder Ware. Tim Bartholow, chief medical officer of the Wisconsin Medical Society, moderated the forum.

About 150 people attended the forum, titled "Ready or Not: What the Federal Health Insurance Marketplace Means for Wisconsin."

Organizer Corrie Norrbom, a family physician with Aspirus health system, said she wanted an event that avoided the politics of the subject and explained how the federally facilitated marketplaces, which will begin Oct. 1, might affect Wisconsin residents.

The basics of the exchange

Everyone who does not have insurance through their employer, is not eligible for Medicaid, is incarcerated, is a member of an American Indian tribe or opposed health care on religious grounds is required to buy health insurance and can do so through the federally facilitated marketplace, according to the Kaiser Family Foundation. People who do not buy health insurance face a penalty.

In the marketplace, the premium that an individual or family pays will be based on their level of income. For instance, an individual making less than \$15,000 a year pays 2 percent of his income toward insurance. An individual making between \$15,000 and \$17,000 a year pays 3 percent of his income toward insurance.

Families and individuals making more than 400 percent of the poverty level — \$11,490 a year for an individual or \$23,550 for a family of four — will pay 100 percent of their premium.

The marketplace will be in place Oct. 1.

What are the requirements for employers?

Businesses with more than 50 employees are required to offer coverage or pay a \$2,000 fine per employee per year. Small businesses — those with fewer than 50 full-time employees — are not required to offer private coverage but can offer their employees coverage through the federal marketplace, Schill said. Those small employers are not required to pay any part of the premium, but they can if they want.

The benefit of this system is that small businesses can say that they provide health insurance, even if it is through the exchanges, Schill said, which keeps them competitive with the big businesses that can afford to offer private health insurance.

How will the exchanges affect the cost of health care premiums?

Premiums will undoubtedly rise, Laszewski said. The Affordable Care Act has reforms that are going to drive the rates up, such as benefit mandates — the ACA requires insurance packages to meet a higher standard and have more coverage than most states currently require, Wisconsin included.

The American Academy of Actuaries projected that Wisconsin will be hit fairly hard by increased rates, Laszewski said, simply because the state currently doesn't have as many health care regulations as the ACA. The ACA requires packages with more benefits, which will inevitably cost more.

How likely are the federal exchanges to be ready by Oct. 1?

The three panelists agreed that there would be some system in place by Oct. 1, but Laszewski and Reimer said the mechanics of the system will have kinks, and possibly major ones.

— *Carolyn Tiry writes for the Wausau Daily Herald;*

on Twitter @carolyntiry.