

 **TODAY'S "SHORT TOPIC"**
OBAMACARE,
UNITEDHEALTH GROUP
..... WE TOLD YOU SO!



By Stephen L. Bakke  December 2, 2015

Here's what provoked me:

Several writers scolded those of us who are critical of ObamaCare and are claiming it's been a failure because original goals have no hope of being achieved. Now, health insurers are announcing huge unexpected losses and some are pulling out of the insurance exchanges. And yes, many of us can claim: "We told you so!"

Here's my response:

ObamaCare, UnitedHealth Group We Told You So!

Pauline Cahalan on 11/23, and Barry Cohen and Jon Miners on 11/28 seem to have a common theme about health insurance in reaction to the huge ObamaCare losses disclosed by UnitedHealth recently: "Well, Da! What did the insurance industry expect? So what if they lost money during implementation. There was pent-up demand for 'pre-existing conditions' and they need to be patient while things 'settle out' - and anyway, insurance companies can afford these losses - make it up later." UnitedHealth has announced intentions to pull out of the insurance exchange.

Those "scoldings" might be appropriate if facts were different. Here's some reality:

- Insurers knew it would take a while to settle into a routine, but wanted to get in on the "ground floor" since they had been assured more than 40 million new customers could be entering the insurance market.
- The unexpected losses were not likely the result of unanticipated levels of "pre-existing conditions." That had been provided for.
- The reason for the losses is that less than 20 million new policies will ultimately be written, rather than "up to" 46 million which was the anticipated level.
- The CBO has estimated that ultimately the number of uninsured will not be significantly reduced.

Bottom line, ObamaCare has not accomplished its main goal of insuring virtually the entire population. It has failed. Be prepared to have the administration announce plans to "bail out" the insurance companies because the legislation must have their cooperation to continue.

What an unfortunate, yet predictable, mess!