ObamaCare: Pros and Cons of ObamaCare

Discussing the Pros and Cons of ObamaCare

What are the pros and cons of ObamaCare? The ObamaCare pros and cons mirror the complex nature of the new health care law. ObamaCare contains many benefits, especially for low and middle income families and businesses. ObamaCare also contains some obstacles for high earners, larger firms that don’t insure their employees and certain sectors of the healthcare industry.

The Pros and Cons of ObamaCare boil down to this: the average American has a lot to gain and little to lose, while those making more, including larger firms and consequently their employees, may notice negative financial effects. While some groups benefit more than others, all Americans will benefit from the additional protections and rights in regards to their healthcare. While some groups benefit more than others, all Americans will benefit from the additional protections and rights in regards to their healthcare.

Why Create This List of ObamaCare Pros and Cons?

This ObamaCare [1] pros and cons list is meant to give you an idea of the most praised and most controversial aspects of the 2000 plus page bill. Too many online sources only want to give you one side of the story, we aim to bring you an unbiased look at both the negative and positive aspects of the bill. Let’s start off by discussing the ObamaCare pros and ObamaCare cons for majority groups of Americans, then we will go through some specific points of the bill that are commonly thought of as ObamaCare pros and cons.
The Pros and Cons of ObamaCare for the Average American

The Average American (those making under 400% FLP) will most likely see a reduction in their insurance premiums and 30 of the 44 million without insurance will gain access coverage via the "ObamaCare" exchanges, Medicare \[^2\] or Medicaid.

ObamaCare offers a number of protections and benefits to all Americans.
Beyond the 10 essential health benefits mandated by ObamaCare, additional benefits range from chipping away at pre-existing conditions to expanding health services. Overall, the quality of health care is increased, while the cost, in theory, will be reduced. Middle income Americans (those making between 133% - 400% of the federal poverty level), and employees will be able to use tax credits and subsidies on the exchanges [3] to save up to 60% of the current cost of premiums making insurance affordable for up to 23 million Americans.

Affordable insurance [4] is defined as costing less than 8% of your annual income.

One of the cons of ObamaCare is that since many Americans work for larger employers, some employees may have the new costs involved with insuring their workforce passed onto them. Other workers will see a decrease in quality of plans offered by employers, to avoid the employer paying a excise tax on high-end health insurance plans. These cons will affect less than 1% of businesses, and only a small fraction will deal with the new challenges by cutting worker hours and benefits or not hiring new workers.

The Pros and Cons of ObamaCare for Women

When it comes to women, ObamaCare offers many pros and few cons. 47 million women will gain access to women's health services, including preventive and wellness services. Many of ObamaCare's new benefits for women are required by law to have no out of pocket payments. There aren't many cons for women beyond those of the Average American, however there is the issue of contraception and it's availability. ObamaCare expands contraception coverage but this "mandate" is one of the most contested aspects of the new health care bill and can easily be seen as a con depending on one's viewpoint.

ObamaCare Pros and Cons for Low-Income Americans

Low-income Americans will enjoy more ObamaCare [5] pros than cons. Since ObamaCare works on a sliding scale most low income Americans, especially those without insurance, will see nothing but benefits. Medicaid expansion will cover over 15 million previously uninsured low-income individuals and families
below the 133% FLP mark.

The cons of ObamaCare for low-income Americans are that some states will have the option of opting out of coverage for their poorest, despite 100% federal funding for the first year and 90% there after. In some cases rejecting Medicaid Expansion isn’t just about saving money, (it’s arguable whether it saves or makes money for a State as studies have shown both projected outcomes) it’s actually a politically driven move to “break” ObamaCare. The opt-out is projected to leave 2 to 3 million low-income Americans without coverage.

NOTE: The accusations of Some State reps trying to “break” ObamaCare isn’t something we are speculating or have made up. It’s readily available information on conservative blogs. It’s no secret a portion of the GOP wants to repeal ObamaCare, they just so happen to have a strategic plan that includes “breaking” the Exchanges and Medicaid Expansion. ObamaCare isn’t just going to go away, but while the battle goes on Americans continue to be caught in the crossfire. It’s also worth noting that the amount of uninsured Medicaid eligible Americans differs from State to State. Some of the States opting out of expansion have more uninsured and would there fore both pay more and cover more of their constituents.

ObamaCare Pros and Cons for Seniors

ObamaCare’s pros and cons for seniors include unprecedented reforms to Medicare, including closing the “donut hole” and expanding benefits and coverage options. Millions of Seniors have already saved money or taken advantage of the no out of pocket costs for wellness and preventive visits.

Some of the reforms to Medicare include reductions to Medicare Advantage, home health care payments and Medicare hospital payments. Some of these have had or may have negative impacts on seniors and doctors who work with patients on Medicare. An oversight committee is in charge of making sure that Medicare reform doesn’t hurt seniors.

Pros and Cons of ObamaCare for Businesses
Small Businesses will only see the pros of ObamaCare while firms who don’t already provide insurance and their employees will face readjustment. However only .2% of firms with over 50 employees don’t already provide insurance to their full-time employees. A big pro of ObamaCare is that it provides millions in tax credits to small businesses with under 25 employees to help offset the cost of buying health insurance for their employees. Small business has historically struggled to provide benefits to workers and half of Americans uninsured are small business owners, workers or dependents.

### Most Popular Provisions Among Least Widely Recognized (And Vice Versa)

Percent who say they feel favorable about each of the following and percent who say they are aware each is included in the health reform law:

- **Tax credits to small businesses to buy insurance**: 52% favorable, 81% aware
- **Close Medicare “doughnut hole”**: 46% favorable, 81% aware
- **Create health insurance exchanges**: 58% favorable, 80% aware
- **Extension of dependent coverage**: 69% favorable, 76% aware
- **Subsidy assistance to individuals**: 62% favorable, 76% aware
- **Medicaid expansion**: 59% favorable, 71% aware
- **Guaranteed issue**: 53% favorable, 66% aware
- **Medical loss ratio**: 40% favorable, 65% aware
- **Increase Medicare payroll tax**: 54% favorable, 60% aware
- **Employer mandate/penalty for large employers**: 57% favorable, 71% aware
- **Individual mandate/penalty**: 40% favorable, 74% aware

NOTE: Items asked of separate half samples. Question wording abbreviated. See topline [here](http://www.kff.org/kaiserpolls/4525.cfm) for complete wording.

SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted March 5–10, 2013)

### List of ObamaCare Pros and Cons

**List of Pros and Cons in ObamaCare**: Some people oppose ObamaCare as a whole, but considering the 2000 plus pages of complex legislation contained within the Affordable Care Act, it’s hard to justify a total repeal of the law. Here are some of the things ObamaCare does right, and a few that may have a negative impact on America.
Pros of ObamaCare

Most of ObamaCare’s 2000 plus pages are filled with really impressive and long-overdue reforms to the $2.6 trillion dollar health care system. ObamaCare gives 30 of 44 million uninsured Americans access to health insurance. Tens of millions of Americans have already benefited from ObamaCare’s improved health care services and the average family has already saved thousands on health care costs last year alone.

Here are some of the Benefits of the healthcare law:

ObamaCare Pros: New HealthCare Benefits

ObamaCare gives Americans access to hundreds of new health care benefits. There are too many to count, and would make for a pretty unbiased (looking) list. However these benefits, (aside form ones mentioned elsewhere on this page, include: No annual or lifetime limits, children can stay on their parents plans to 26, FDA can approve more generic drugs driving prices down and breaking monopolies and protections against discrimination for gender, disabilities and domestic abuse. Check out our ObamaCare Health Care Reform Timeline [6] for a comprehensive list.

ObamaCare Pros: preventive and Wellness Services

Millions of Americans now have access to preventive and wellness services with no out of pocket costs. The specific benefits can be found on our Benefits of ObamaCare [7] page.

ObamaCare Pros: Consumer Protections

ObamaCare regulates insurance, referred to as the "rate hike" review, enacts the "80/20" rule that makes health insurance providers spend at least 80% of their income on health and marketing expenses or must be returned as rebates and being dropped from coverage for being sick or denied from a preexisting condition are all out the window in the next few years. ObamaCare has a long list of protections that are protecting your new rights, including a mandate on
fast food restaurants to display calories to promote wellness.

ObamaCare Pros: Cost Assistance for the Middle Class and Small Business

Those under 400% of the federal poverty level (Roughly 88k for a family of 4) could save up to 60% on their premiums via tax credits and subsidies on the health insurance exchanges. Small businesses with less than 25 full time employees have this advantage as well.

ObamaCare Pros: Medicaid Expansion

Those under 133% of the poverty level will (in states that have not opted out of Medicaid Expansion) will be able to be covered now that ObamaCare is expanding Medicaid to low income Americans who were left without enough money to afford insurance and too much to qualify for Medicaid.

ObamaCare Pros: Improvements to Medicare

ObamaCare does a lot for Medicare. For the most part these things are great and have already benefited tens of millions of seniors. ObamaCare closes the Medicare drug 'donut hole', provides improved preventive and wellness services with no out of pocket cost and reforms aspects of Medicare to improve overall care for seniors.

ObamaCare Pros: Quality Over Quantity

Doctors and hospitals will be moved to a system where they are rewarded for providing quality care, instead of being reward for quantity. May of the provisions to enforce this punish high turnover rates, this however has some unintended consequences. Some doctors and health care institutions are getting hit hard from this, although the overall reform will create a better health care system for all Americans.
ObamaCare Pros: Oversight Committees

159 new boards, agencies and programs are created by ObamaCare to oversee spending and to ensure ObamaCare is working correctly. Though sometimes listed as a con, having oversight on a reform of this size is mandatory to ensure the program works. It’s important to note that ObamaCare doesn’t ration healthcare, rather it regulates the health insurance industry who have been rationing our health care for years. Your health care is still between you and your doctor and determined by your private insurance.

Cons of ObamaCare

Even though ObamaCare does a lot right, it does have some consequences for specific groups of Americans. ObamaCare does hurt a small percentage of small businesses, has had a negative effect on insurance premiums and has made some reforms that have hurt some medical industries and their workers.

Here are some of the cons of the healthcare bill:

ObamaCare Cons: Taxes on Small Business

.2% of firms in the US have over 50 full-time employees and will have to choose to insure full-time workers or pay a fine. To avoid this some businesses will cut employee hours or not hire. Some things worth noting are that the fine isn’t paid for your first 30 workers. Also, many businesses are coming up with solutions that don’t hurt the workforce such as passing the extra costs onto consumers. Please be aware that when politicians say, "small business" they are also referring to the top 3% of small businesses who include Hedge Funds which use loopholes to pass as small businesses.

ObamaCare Cons: Religious Beliefs

There is some argument over ObamaCare funding women’s health services like contraception. There are exceptions built into the law to refuse to provide these services to women based on religious grounds, but this has not the less been causing issues on the ground, in the political arena and in the courts.
ObamaCare Cons: Rising Premiums

ObamaCare doesn’t raise premiums itself. In fact, it reforms the insurance industry, finding ways to drive down costs, make the quality of insurance better and prevent insurance company abuses like . Unfortunately, many provisions of ObamaCare that offer protections to consumers do not go into law until 2014. In the meantime, premium rates have been rising at alarming rates. ObamaCare doesn’t offer a protection beyond allowing states to enact the provision against price gouging. Many States are enforcing this, while others aren’t. ObamaCare Insurance Premium Rate Hikes [8]

ObamaCare Cons: ObamaCare Insurance Exchanges

Another con of ObamaCare is that 21 states planning to or are opting out of the State Run Exchanges, letting the federal government run their exchanges for them. The claim is that this is a cost cutting measure for the State, however the truth is much more complicated. This provision was meant to be in the bill, but it is being abused as a way to avoid providing subsidies to low and middle income Americans and forcing the Federal taxpayers to take care of anti-ObamaCare state’s constituents. This has resulted in a 3.5% fee for insurance companies to sell insurance on the federal exchange. Learn more about the State Run Insurance Exchanges. [9]

ObamaCare Cons: Tax for Not Buying Insurance

Come 2014, you must purchase insurance or pay a "penalty income tax". The first year it is $95 or 1% of your income. In order for the program to work at its best ideally everyone would have insurance resulting in affordable quality insurance for all, the tax helps offset the estimated 6 million people will pay the fine in the first year instead of purchasing insurance.

ObamaCare Cons: Big Business Taxes

Medical device taxes and "drug innovator" taxes dig into the profits of some of the power houses in their respective industries. These taxes are a reaction to the large profit margins these companies have and the hold they have over the
competition. They drive up the cost of health care, thus they are taxed to help pay for health care reform. However, taxes on large businesses may have unintended consequences in the job market and in aspects of the health care industry. We don’t have proof of their effects yet.

ObamaCare Cons: Taxes on the 2%

The top 2% of businesses and individuals in the US will pay some extra taxes. You could argue that are closer to the 3% will get hit the hardest because the have the least extra cash to stay in the game with so it hurts them more. However, the most vocal opponents and the ones who fund the anti-ObamaCare campaigns are the big businesses who don’t like regulation, entitlement programs or any tax or program that affects their bottom line. Aside from the above mentioned consequences its important not to make their interests our own.

ObamaCare Cons: ObamaCare Hurts Medicare

ObamaCare cuts $716 billion from Medicare and reinvests the money back into the program. Since there is such a big overhaul ObamaCare set up a committee to oversee spending and effectiveness. Due to the sheer volume of reforms some of them, even though well intentioned, are sure to have unintended consequences and need adjusting. Although ObamaCare has already helped tens of millions of seniors save money on drugs and get access to better health care, there are some caveats.

ObamaCare Cons: ObamaCare Cost

ObamaCare is projected to cost $1.1 trillion over the next ten years, and in order for the program to work as intended this is going to include funding from the tax payers and from the States. However, the end result of ObamaCare’s spending is a $200 billion dollar reduction of the deficit over the next decade, states also receive between 90 - 100% of funding for most ObamaCare related programs they set up. A few states, including Nevada and Michigan, have done studies that show how the States can save billions with ObamaCare. Health Insurance companies stand to make billions, despite a loss on profit per plan,
since they will be insuring millions of new Americans.

How to Move Forward with The Pros and Cons of ObamaCare

Fixing the parts of ObamaCare that don’t work isn't as simple as just "repealing" ObamaCare (an action that would cost tax payers billions). Dealing with the pros and cons is something that is already built into the bill via oversight committees and other forward thinking provisions in the law. With so many aspects of the law yet to come into fruition, we won’t be able to do much beyond speculate until around 2014 when the exchanges open and many of ObamaCare’s most important provisions go into effect. As the pros and cons of ObamaCare become clear, the bill can be amended and updated in a continued effort to reform health care in the United States.

1. http://verticalize.net/h/healthcare?results=health&rf=ocf