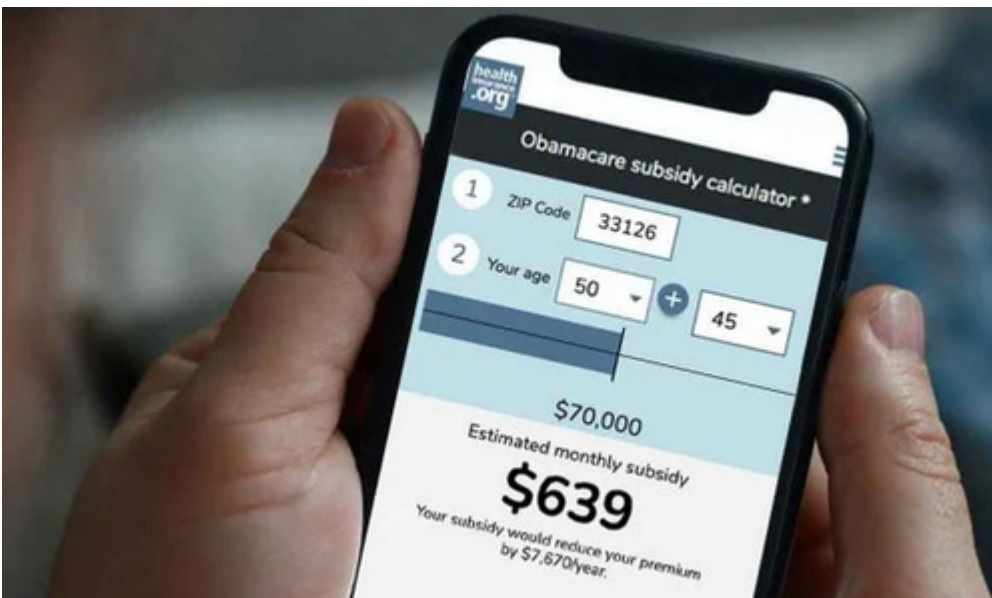


Obamacare 'Time Bomb' To Hit Right Before Midterms

Description

USA: Congressional Democrats have yet another thing to worry about going into this year's midterm elections.

A temporary pandemic relief program aimed at lowering healthcare premiums under the Affordable Care Act (ACA), also known as Obamacare, **is set to expire** unless Democrats can revive a reconciliation bill that extends the financial assistance past the end of the year. And that means **striking a deal with Sen. Joe Manchin (D-WV).**



If they can't, **roughly 13 million Americans will be hit with steep price hikes** amid crippling inflation, in what *Insider* describes as a "time-bomb."

“There’s no denying that if they are not extended, then there could definitely be a political impact,” said healthcare policy analyst Charles Gaba.

Voters are set to receive notices about premium increases in late October, as they head to the ballot box for the November midterms. Others would find out during the ACA open enrollment period, which begins on November 1 according to [Insider](#).

“If Congress lets the ACA premium help in the American Rescue Plan expire at the end of this year, middle-class people buying their own insurance would be hit hardest,” tweeted Larry Levitt, vice president for health policy at the Kaiser Family Foundation.

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They could face a double whammy of inflation and the loss of premium assistance, costing thousands of dollars.

— Larry Levitt (@larry_levitt) [May 20, 2022](#)

Levitt noted that “a middle-class couple of 50 year-olds making \$75,000 would see their premium go up by \$8,304 on average,” adding “And, if the insurer hikes the unsubsidized premium by 10% for inflation, that’s another \$1,468.”

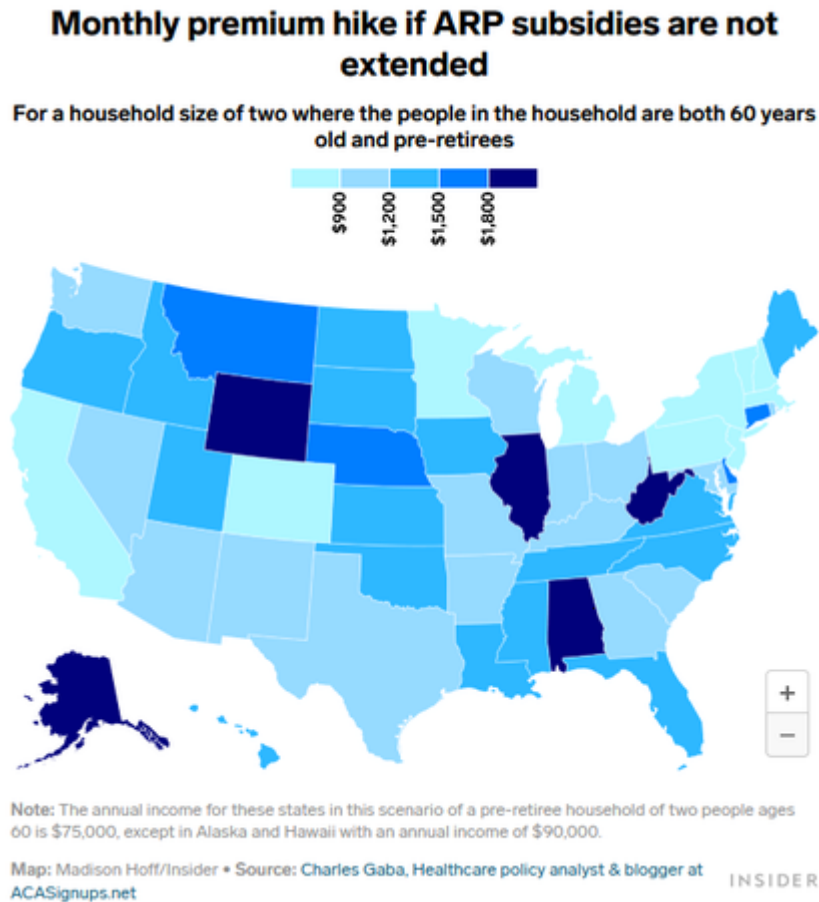
Extending the extra ACA premium help in the American Rescue plan beyond this year would increase federal spending, which could come from tax increases or lowering drug prices.

Not extending the help would result in a premium shock for ACA enrollees.

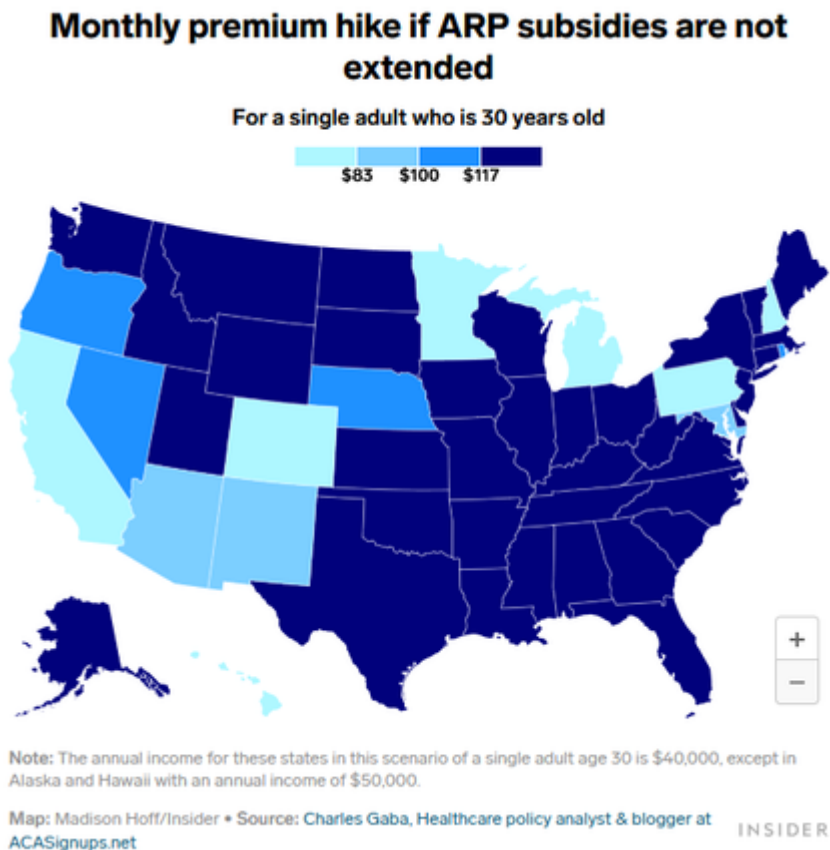
— Larry Levitt (@larry_levitt) [May 20, 2022](#)

Gaba, the healthcare analyst, calculated potential premium hikes using different scenarios based on age, income, marital status and family size, and created two maps to illustrate how letting the ACA assistance lap would affect Americans by state:

In this scenario, a couple nearing retirement age in West Virginia would see their monthly premium soar \$2,704 if enhanced Obamacare subsidies expire, the sharpest increase in the US. Sen. Joe Manchin of West Virginia has been open to reviving pieces of Biden’s agenda [without committing to any specific plans](#) and Democrats can’t revive a bill without his support. He has been publicly noncommittal on renewing the program in a smaller package. -Insider



Americans who make just enough to lose access to government help would feel the brunt of the increases. “If you’re in that situation, you’d see all financial aid removed and your net cost would increase pretty dramatically,” said Gaba.



Those who make under 150% of the federal poverty level – \$19,320 for singles and \$39,750 for a family of four – would also end up paying more if the ACA assistance lapses.

As *Insider* notes, 20 Senate Democrats urged President Biden to include an extension of Obamacare subsidies a priority in his Build Back Better plan.

In other words – extending the assistance is a no-brainer for Democrats. The only question is whether Manchin will be on board. According to *Politico*, “Staffers for Manchin and Senate Majority Leader Chuck Schumer have spent the last couple weeks exchanging preliminary ideas for what the framework of a bill might look like,” adding that “the discussions have boosted hopes that an agreement remains in reach, though there is little expectation of a breakthrough before Memorial Day.”

by Tyler Durden

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