



Written by [Michael Tennant](#) on October 17, 2024

ObamaCare at 14: Failure at Improving Healthcare, Success at Breaking Promises

ObamaCare was a disaster from Day 1, with “at least a dozen significant promises ... broken,” and has not improved since, according to a new report examining the program’s dismal 14-year history.

[“The Falsehoods of Obamacare,”](#) by the Paragon Health Institute and the Committee to Unleash Prosperity, is a devastating look back at the Affordable Care Act’s (ACA) failures.

Attention: Deficit Disorder

Rammed through Congress on a party-line vote and signed by President Barack Obama in 2010, the ACA was, Obama claimed, “deficit-reducing health care reform” that would save “over \$200 billion over 10 years and more than \$1 trillion in the second decade.”

Anyone who’s given the deficit even a passing glance knows how well that promise held up. Thanks to poor assumptions, failed gimmicks, and politics, the savings ObamaCare was supposed to generate never materialized. “Most of the significant tax increases have been repealed,” and “the employer mandate tax penalty is collecting only about 5 percent of what was expected,” reads the report. The Community Living Assistance and Support Services (CLASS) program, which was scored as savings because it would collect premiums for years before disbursing benefits, was scrapped first by the [Obama administration](#) and then by [Congress](#). The federal takeover of student loans, projected to save \$58 billion through 2019, instead [lost \\$32 billion](#) and is now poised for even more red ink under the Biden administration’s forgiveness programs.

ObamaCare was also supposed to save families money on health insurance, but it drove individual-market premiums and deductibles through the roof — so much so that, according to the report, “only about 40 percent of expected enrollees signed up for the exchanges,” though this percentage increased in recent years after subsidies were hiked. “The individual market,” observed the authors, “was turned from an unsubsidized, lightly regulated market to one characterized by benefit mandates, pricing restrictions, and massive subsidies.”

Unfair Exchange

Some of the lack of enrollment, at least initially, could also be blamed on the federal ObamaCare website’s disastrous launch. Healthcare.gov crashed on its first day of operation and would not become fully functional for [two more months](#) — and then only for enrollment, not accounting, payment, and verification. It was also a [security nightmare](#). Moreover, reads the report, “In 2024, as a result of expanded subsidies and Biden administration mismanagement, hundreds of thousands, if not millions,



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of people have been enrolled in exchange plans without their consent or switched from plans they selected to other plans without their consent.”

Since there is little verification of enrollees’ incomes, which determine the size of their subsidies, Paragon estimated that millions of people “were fraudulently enrolled in the exchanges” this year, costing taxpayers as much as \$26 billion. “Enrollment fraud,” the authors wrote, “is so rampant that in some states the number of people receiving extremely large subsidies in low-income categories exceeds the number of eligible people in that category.”

Easy fraud, combined with the Biden administration’s decision to count as “lawfully present” people who illegally immigrated to the United States as children, shows the emptiness of Obama’s pledge that the ACA would not insure illegals — the claim that famously caused Representative Joe Wilson’s (R-S.C.) “You lie!” outburst.

Assurance Fraud

The [vast majority](#) of ObamaCare’s “success” in enrolling people in health insurance came via its Medicaid expansion, which proponents believed would be cheaper than subsidized private insurance. However, the report points out, “The per enrollee cost of Medicaid expansion is nearly 60 percent greater than what experts projected, and on average the federal government is spending more on the per enrollee cost of Medicaid expansion than on exchange subsidies for the lowest-income consumers.” In addition, Medicaid expansion has caused a [rise in emergency-room use](#), especially for non-emergency situations.

The most famous promise uttered about ObamaCare was that Americans could keep their health plans and their doctors if they were happy with them. In fact, the ACA’s mandates forced the [cancellation](#) of millions of plans and the creation of plans with [narrow networks](#) that excluded many doctors and hospitals. In 2017, the Obama administration “severely restricted short-term limited duration plans,” causing more plans to be canceled, penned the authors. The Trump administration undid much of this, but the Biden administration imposed its own restrictions that are likely to cause more cancellations next year.

The ACA was also supposed to spur economic growth, but it actually created incentives for businesses to reduce their full-time employee rolls.

And it was going to, in Obama’s words, “end insurance company abuses.” “In reality,” wrote the authors,

the ACA has been extremely profitable for insurers even after the individual mandate — which penalized Americans for failing to purchase their product — was repealed. The growth in insurer stock prices has multiplied between two to three times as much as the average increase in the S&P 500 over the past decade. In essence, the government now guarantees a profit margin for insurers and every year directs increasing amounts of taxpayer dollars into their coffers. Meanwhile, the cost-containing provisions in the ACA that insurers most disliked ... have been repealed.

Politician, Heal Thyself

All of this was perfectly predictable even before ObamaCare became law; indeed, much of it was foreseen by [The New American](#). Unfortunately, in a rush to “do something” about the genuine problem



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of spiraling healthcare costs, politicians did what they usually do: Instead of repealing the laws that had created the problem, they piled on more mandates, exacerbating rather than solving the matter.



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