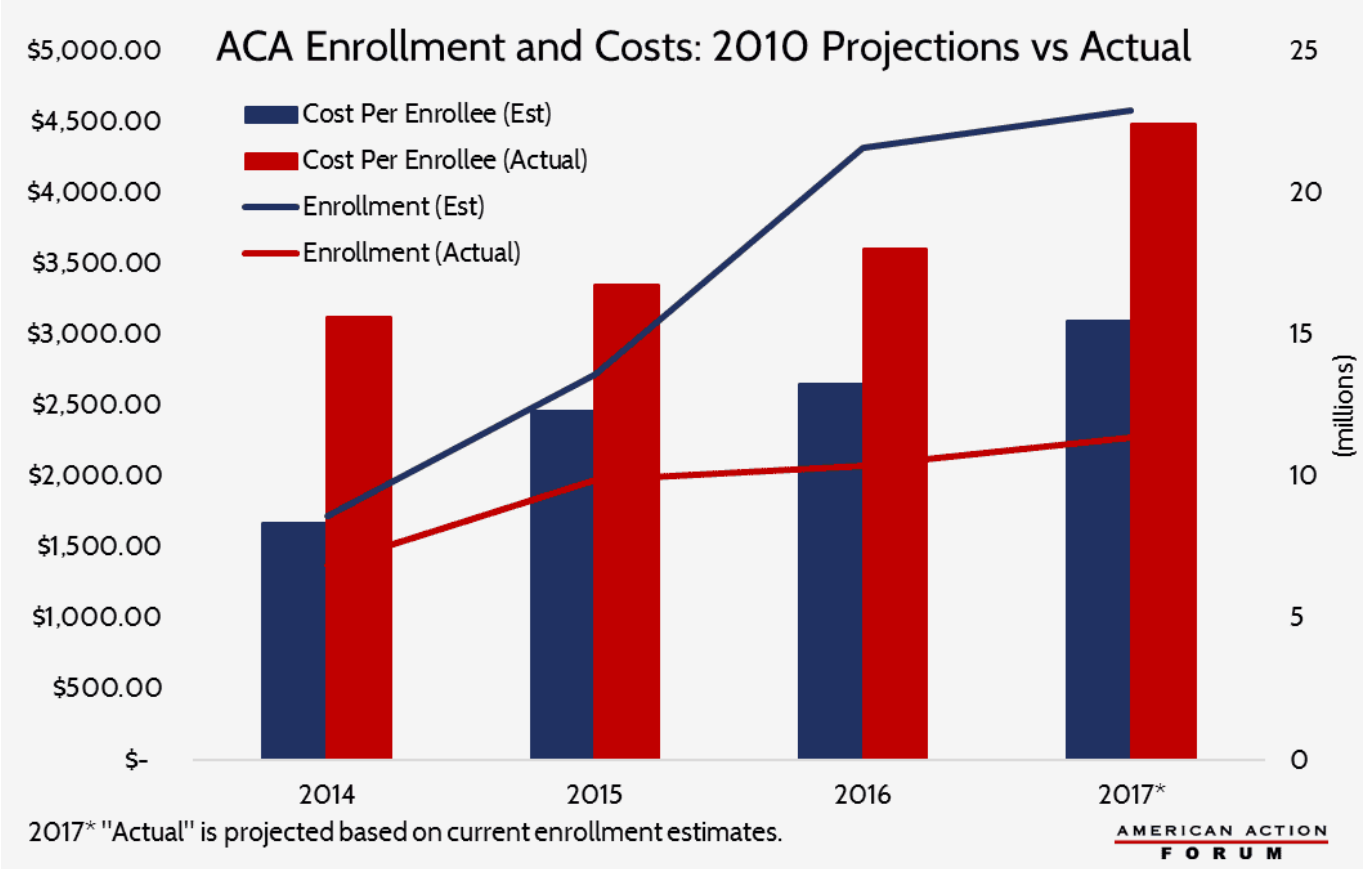
Weekly Checkup

ACA Projections Versus Reality

TARA O'NEILL HAYES | DECEMBER 20, 2016

After passage of the Affordable Care Act in 2010, the Congressional Budget Office estimated that within ten years, more than 24 million people would be enrolled in individual coverage through the Exchanges, and the ten-year cost of premium and cost-sharing reduction subsidies would total $442.4 billion. As we near the end of the open enrollment period for the fourth coverage year, we compare annual projections from the estimates made in August 2010 with actual performance. While total costs to date are $32.7 billion below projections, this is solely because enrollment is also so far below the original projections, as shown in the chart below. Enrollment was expected to increase significantly through 2016 before leveling off; instead, it has been relatively flat since the initial coverage year, and the Centers for Medicare and Medicaid Services now estimates only 11.4 million people will maintain coverage through 2017. Costs per enrolled individual, however, are significantly higher than expected, averaging nearly $1,200 more per year than originally estimated. This is partially because premiums are higher than expected and partially because a larger percentage of the enrolled population is receiving subsidies than expected: 84 percent compared with projections of 79 percent.


ACA Enrollment and Costs: 2010 Projections vs Actual
$5,000.00
$4,500.00
$4,000.00
$3,500.00
$3,000.00
$2,500.00
$2,000.00
$1,500.00
$1,000.00
$500.00
$-
25
20
15
10
5
0
(millions)
Cost Per Enrollee (Est)
Cost Per Enrollee (Actual)
Enrollment (Est)
Enrollment (Actual)
2014
2015
2016
2017*
2017* "Actual" is projected based on current enrollment estimates.
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