The Daily Dish

The ACA Enrollment Figures

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Yesterday HHS announced that 106,185 people had successfully enrolled in health insurance plans on the ACA's exchanges. The Wall Street Journal writes "New administration figures showed that only 26,794 people nationwide had enrolled in a private health plan through the balky online federal marketplace in its first month—far short of projections. Meantime, some 79,391 people had bought private plans on state-run exchanges." DHE has more below on the numbers and AAF's analysis of how they stack up.

Meanwhile, Fed Chair Nominee Janet Yellin indicated that the Fed would continue its policy of market stimulus under her leadership. Reuters writes "President Barack Obama's nominee to lead the Federal Reserve, thinks the U.S. central bank has "more work to do" to help an economy and a labor market that are still underperforming. "I believe that supporting the recovery today is the surest path to returning to a more normal approach to monetary policy."

DHE writes in Reuters Opinion on the role of the Fed: "The Federal Reserve undertook a major program of providing liquidity during the 2008 financial crisis. Despite the program's scope and novelty, the facilities used were really an extension of traditional tools that central banks have used to keep markets functioning. The deviations from that lender of last resort role, though conspicuous, were not the focus of the Fed. Yes, the Fed helped big banks. But its efforts were broader and fairer than that narrative suggests."

Eakinomics: Enrollment in ObamaCare

As has been widely reported (see here here or here, yesterday the administration released the early enrollment numbers for ObamaCare. In the first month, 106,185 individuals were enrolled in health insurance coverage, with only 26,794 people nationwide signing up via the mistake-prone federal exchanges and 79,391 people purchasing on a state-run marketplace (the vast majority of the latter signed up in California and New York). In briefing reporters, HHS Secretary Sebelius deployed a blizzard of statistics to suggest that the level of activity was much higher. But the core question is: how much has the Affordable Care Act expanded insurance coverage? And the sad answer is not very much so far.

That raises several questions. First, what does this say about the ultimate coverage expansion in 2014? AAF experts Chris Holt and Conor Ryan compared the pace thus far to a variety of benchmarks such as HHS goals or the experience with the startup of Medicare's Part D prescription drug program. By any metric the program is struggling. Indeed, at the first-month's pace it will take 5 and one-half years, not until March, to sign up the administration's goal of enrolling 7 million individuals.

The second question is whether the gross enrollment outweighs the cancellation of old policies due to the new regulations imposed by the ACA. That is, has there been a net improvement in coverage. Evidently not, as cancellations are reported to be in the range of 4 million.

The final question is whether the so-called “young invincibles” are enrolling. Young and healthy enrollees are needed to balance the cost of older and sicker insurers. HHS was silent on the composition of the signups thus far.