The Opinion Pages | EDITORIAL

Obamacare’s Kindest Critic

By THE EDITORIAL BOARD  JULY 16, 2016

History will almost surely rank health care reform as one of President Obama’s greatest accomplishments. About 20 million Americans have insurance that might otherwise have been unaffordable, and the law has cost much less than anticipated. But one senior administration official thinks the Affordable Care Act has fallen short. His name: Barack Obama.

Presidents usually wait until their memoirs to review their work. Not, in this case, Mr. Obama, who recently marked the act’s sixth anniversary with an unusual article in The Journal of the American Medical Association. Health care costs are still much too high, he wrote, and 29 million people still lack coverage. He then sketched some ideas for the presumptive presidential nominees. Hillary Clinton is likely to listen, having proposed improvements of her own. Donald Trump, not so much. He has so far adopted the “repeal and replace” position of his party.

Six years ago, 16 percent of Americans did not have health insurance; that number is now down to 9.1 percent. People forced to pay out of their own pocket were often bankrupted. Some went without care, and others resorted to charity care at emergency rooms. The law has helped many of these people by expanding Medicaid, which insures the poor. For millions of others, it created health care exchanges where people could buy coverage with the help of government subsidies.
The act also required individuals to either buy insurance or pay a penalty (to help spread the costs), while mandating that businesses with more than 50 full-time workers provide insurance to their employees.

Also impressive is what the law has not done. Republicans who derisively labeled the program Obamacare said it would cost jobs and wreck the federal budget. Yet the economy has added more than 14 million jobs since Mr. Obama signed the measure, and, according to the Congressional Budget Office, the law has cost $157 billion, or one-quarter less than was forecast in 2010.

Still, too many people have been left out. For one thing, 19 states, including Florida, North Carolina and Texas, still have not expanded Medicaid, even though the federal government offered to pay the full cost for the first three years and 90 percent starting in 2020. If these states had opted in, four million more people would be eligible. But the Republicans who control the governments in these states are ideologically opposed to the health reform law.

And despite the subsidies, many people still can’t afford health care. For some middle-class families who buy coverage on the exchanges, the cost of insurance and out-of-pocket expenses like co-pays and deductibles can add up to nearly a quarter of household income, according to the Urban Institute. It is no wonder then that nearly 80 percent of those who still do not have insurance say they cannot afford it.

Mr. Obama proposes several fixes. He recommends that the government offer its own health insurance, a so-called public option, on the exchanges in some parts of the country. That could help make health care more affordable in rural areas and smaller cities where only two or three insurers sell coverage. Republicans and some moderate Democrats fear that this could be the first step to a single-payer health care system. But there might be more support for a policy that is intended strictly for people in places with few choices.

Mrs. Clinton supports the public option and has even suggested that people between the ages of 55 and 64 be allowed to buy into Medicare, though she has not yet provided details of how that would work. Mr. Trump has said he wants universal health coverage, and has proposed tax deductions and allowing insurers to sell policies across state borders. Tax deductions would help some people but wouldn’t
be enough, experts say. And insurers can already expand into other states as long as they follow the laws and regulations of the states in which they want to do business.

In addition to the public option, lawmakers ought to consider bigger subsidies for insurance offered through the exchanges, an idea Mrs. Clinton supports. This can be done at a modest cost paid for by slightly higher taxes, according to several experts. In addition, both federal and state governments ought to do more to educate people about the subsidies available to help them buy insurance.

The system could also be made more efficient. The Affordable Care Act has pushed insurers, doctors and hospitals to focus on preventive care, as Mr. Obama notes in his article, and lawmakers can build on that progress. Congress, he added, should allow Medicare to negotiate drug prices with pharmaceutical companies, an idea that could help lower costs but faces stiff opposition from Republicans and even some Democrats.

Yet another way to reduce spending on drugs, experts say, is to set up a system under which government pays more for effective medicines than for comparable drugs with less impressive results. The Obama administration recently proposed experimentally testing these and other changes within Medicare. The pharmaceutical industry is resisting and has pressured legislators to do so, too.

What Mr. Obama has done here is unusual — asking someone else to burnish a legacy of which he is personally proud. If the candidates (and Congress) pay attention, his request may also do a world of good for millions of Americans for whom decent health care remains out of reach.

Follow The New York Times Opinion section on Facebook and Twitter (@NYTopinion), and sign up for the Opinion Today newsletter.

A version of this editorial appears in print on July 17, 2016, on page SR12 of the New York edition with the headline: Obamacare’s Kindest Critic.