

Obamacare site botches more than 100,000 Medicaid, CHIP enrollments

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A week into the official launch of the Obama administration's Affordable Care Act (ACA), details of further technical difficulties at HealthCare.gov have emerged. More than 100,000 Americans who applied for insurance on the site, and were told they were eligible for Medicaid or the Children's Health Insurance Program (CHIP), have not actually been enrolled, due to software defects at the federal online marketplace.

The Obamacare overhaul requires anyone who does not have insurance through an employer, or through a federal program such as Medicare or Medicaid, to purchase coverage from a private insurer on the federal HealthCare.gov site or a state exchange. HealthCare.gov is supposed to inform those visiting the site if they qualify—based on income—for subsidies or enrollment in Medicaid or CHIP, programs jointly administered by the states and federal government.

The Obama administration says that 3.9 million people around the country were found to be eligible for Medicaid or CHIP during October and November, including new registrants and renewals. The more than 100,000 people who have not been properly enrolled in the two programs are among the nearly 270,000 who applied through HealthCare.gov, the site responsible for enrollments in three dozen states.

A basic feature of HealthCare.gov is malfunctioning, leading to the dropped enrollments. When people submit information about their income, the system tells them whether they qualify for a subsidy to buy a private plan, or if their income is low enough for them to be enrolled in Medicaid or CHIP. If they qualify for either of those programs, the system is supposed to transfer their applications to a computer system in their state and automatically enroll them. Software problems at HealthCare.gov are preventing this from happening.

This technical snafu is similar to earlier problems at the Obamacare exchange, when enrollment information on people purchasing private coverage was not properly transmitted to the insurance companies. White House senior communications adviser Tara McGuinness attempted to downplay the current problem, telling the *Washington Post* that the issue “impacts a small fraction of Americans who will have access to health care from Medicaid.”

At the same time, the Centers for Medicare and Medicaid Services (CMS) has launched a barrage of phone calls in recent days to people in 21 states who qualify for the government programs, advising them that they should begin the enrollment process again at their states' Medicaid agencies. At the state level, officials in some states are attempting to use the imperfect data they received from HealthCare.gov for enrollments, while other states are sending letters urging people to contact their state agency to sign up.

As with other problems at HealthCare.gov, the technical glitches and haphazard functioning of the site reflect the underlying character of the Obamacare “reform” as a whole. Barack Obama's signature domestic policy has nothing in common with extending access to quality, affordable health to ordinary Americans. The central feature of the legislation, the so-called individual mandate, requires people without insurance to purchase coverage from private insurers or pay a penalty. The insurance companies stand to make a handsome profit through this new influx of cash-paying customers.

The uninsured shopping for coverage on the exchanges—whether they end up purchasing private coverage, or find out they qualify for Medicaid or CHIP—are contemptuously regarded by White House officials as a measure of the success of this fraudulent

enterprise. After spending hours navigating the HealthCare.gov web site, significant numbers of people are now discovering that they are not even enrolled in whatever plan or program the web site indicated they had qualified for.

State officials have been left scrambling to rectify the situation. The West Virginia Department of Health and Human Resources is mailing letters to 10,000 residents indicated by federal records as being eligible for coverage under Medicaid expansion. In Idaho, a team at the Department of Health and Welfare is sending letters to 6,000 people supposedly qualified for Medicaid, according to federal records.

The underlying problem at HealthCare.gov that is preventing the proper transfer of records to the states has still not been corrected. Spot checks on the automatic transfer of records on Medicaid eligibility and enrollment to the states have widely failed, prompting CMS to let states use “flat files,” which contain some rudimentary information about people who might be eligible for Medicaid, as the basis for enrollment. States have also found problems with these interim files.

As originally drafted, the ACA expanded coverage under Medicaid to individuals and families with incomes up to 133 percent of the Federal Poverty Level (FPL). However, a 2012 US Supreme Court ruling upholding the legislation as a whole also ruled that states could not be mandated to implement the Medicaid expansion.

Only 25 states and the District of Columbia are participating in the expansion, preventing an estimated 5 million to 7 million from enrolling in the government program. In a cruel twist connected to this, people with incomes below 100 percent of the FPL in those states opting out of Medicaid expansion are not eligible for subsidies on the exchanges, as it was assumed that these individuals would be eligible for Medicaid.

The Congressional Budget Office estimates that the patchwork of health care coverage under Obamacare, which Obama promised would provide “near universal coverage,” will leave an estimated 31 million people uninsured in 2016. These include those left out of the Medicaid expansion, undocumented immigrants and people who choose to risk a penalty rather than purchase insurance that carries high deductibles and other out-of-pocket costs.



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