



ISSUE 35 : MAY 2013

## More Perils In Store for Obamacare?

"The Perils of Pauline" was a 1914 movie serial about a damsel in distress. Well, Obamacare (aka The Affordable Care Act) has survived more perils than Pauline.

There was the death of Sen. Edward Kennedy in 2009, which deprived Democrats of the 60th vote they needed to break a filibuster. Democrats had to resort to a controversial reconciliation procedure to rescue the bill.

In 2010, Republicans won a sweeping victory in the House of Representatives on a pledge to repeal the new law. The House has voted to repeal all or part of the law 37 times, only to see the votes ignored by the Democratic Senate.

In 2012, the health care law survived a Supreme Court test by one vote.

The perils seemed to end in 2012 when Mitt Romney ran for President on a promise to repeal the law on day one of his Administration. He lost. Obamacare survived. But it's still not out of danger.

The danger is that, when enrollment opens this fall, not enough young and healthy people will sign up. Without those new customers, the insurance rolls will be overwhelmed by older and sicker Americans who can't get coverage now—and who will drive up costs. And insurance premiums.

Most of the premium increases will hit individuals who buy their own health insurance

rather than getting it from an employer. The leading insurer in Maryland has already announced that premiums for new individual policies are likely to rise by an average of 25% next year. Only five percent of Americans buy individual insurance policies. An additional 16% are uninsured and currently pay nothing. They're the ones most likely to balk at the cost of the new policies.

The new law does offer federal subsidies for people with incomes up to four times the poverty level. And those who sign up will be getting benefits, or more and better benefits than

they get now. But if enrollment lags, premiums will go up for everybody. The sticker shock is certain to generate a political backlash.

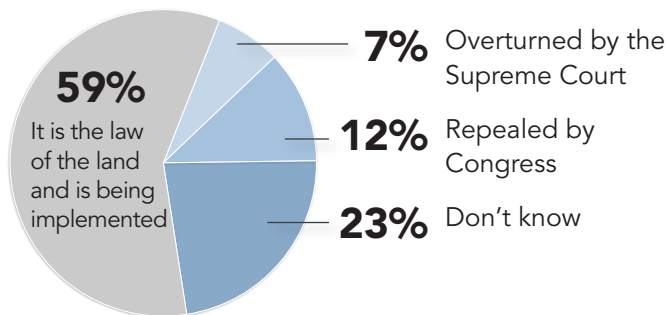
The problem is that many healthy young people may opt to pay the tax penalty—up to one percent of their income—rather than purchase insurance, which could be far more costly. After all, young people, particularly young men, believe they are immortal and would rather take their chances with health care and use the cash to buy a car or go to Cancun.

What's needed is a massive campaign to inform people about the new law and persuade them to sign up. Right now, 42% of Americans are unaware that the new health care law is about to go into effect.



## Describe the Status of the New Health Care Law

The Henry J. Kaiser Family Foundation



The Obama Administration says it is planning a campaign to roll out the new law, although Democrats are complaining they haven't seen it. Sen. Max Baucus, one of the architects of the new law, warned of "a train wreck" if preparations are inadequate. Majority leader Harry Reid said he agreed. Meanwhile, Republicans are doing everything they can to derail the train. House Republicans are withholding funds for the campaign. Congress is providing less money than it did for the rollout of President Bush's prescription drug program in 2004. That program had a constituency of seniors who were eager to participate.

The Obama Administration has one key ally in the enrollment campaign: health insurance companies. Insurers may not like the new law, but they want the new customers. And they will compete aggressively for them in order to keep their costs down. The Administration's outreach campaign—Enroll America—is soliciting donations from insurance companies to help fund its upcoming sign-up drive.

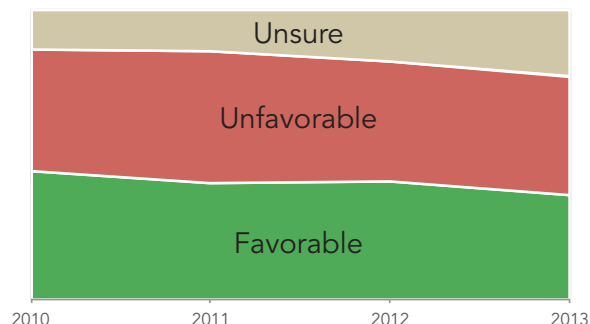
Has public opinion toward the new law changed since it was signed in 2010?

Actually, neither support nor opposition has increased. The public remains closely divided. What's changed is that more people now say they are unsure how they feel about the new law. They number nearly a quarter of Americans. The enrollment campaign will be aimed squarely at them.

Republicans intend to resist. Republican governors are already being uncooperative. A

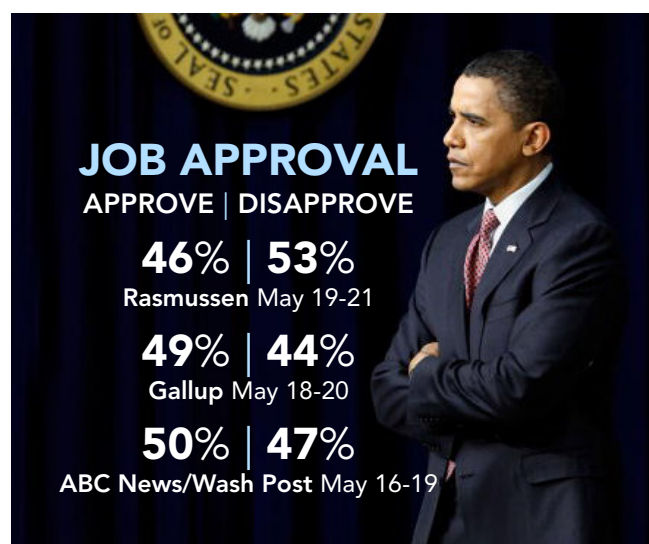
## Public Opinion of the Affordable Care Act

The Henry J. Kaiser Family Foundation



spokesman for the Republican National Senatorial Committee told The New York Times that Republicans intend to make the 2014 midterm a referendum on Obamacare "in a more tangible way than it was in 2010." Democrats are worried. Sen. Ron Wyden told Reuters, "There is reason to be very concerned about what's going to happen with young people. If their premiums shoot up, I can tell you, that is going to wash into the United States Senate in a hurry."

The CEO of Aetna, a major insurer, told POLITICO, "I think this is a two-year ramp to get the individual exchanges up to a level where customers are going to feel appropriate signing up." Two years sounds reasonable for a program of this magnitude. Except for one thing: the midterm election will occur less than one year into the process. ■



## The Last Frontier



Alaska may be the last frontier for gun control supporters. On April 17, both Alaska senators, Republican Lisa Murkowski and Democrat Mark Begich, voted against universal background checks for firearms sales. That would seem to be the safe thing to do in Alaska, a rural, pro-gun, conservative state. But was it?

Public Policy Polling polled Alaska voters a week after the Senate vote. 60% of them said they support background checks for all gun sales, including gun shows and the internet. That was a little lower than the support shown by voters in New Hampshire, Ohio, Arizona, and Nevada, where 70-75% supported background checks. But it was a nearly two-to-one majority (35% of Alaska voters opposed background checks).

Gun control supporters are looking to defeat a senator who voted against background checks. They need to demonstrate that voting against a popular mandate is politically costly. The gun lobby has been going after gun control supporters for years, with notable success (see Democrats, 1994).

Between February and late April, Senator Murkowski's net approval rating fell 16 points, and Senators Begich's fell 6 points. In both cases, 39% of Alaskans said the senator's vote against background checks made them less likely to support him or her for re-election. Only 22-26% said it made them more likely to vote for the senator.

Begich is up for re-election next year, Murkowski in 2016. Knocking off Begich would be risky for gun control advocates. His Republican opponent in Alaska is hardly likely to be a gun control supporter. Begich would have to be defeated in the Democratic primary by a pro-gun Democrat who disagrees with his vote on background checks, and who could carry the fight against the Republican.

Murkowski might be a better target—if Alaska voters can sustain their resentment of her vote for two and a half years.

## Heating Up

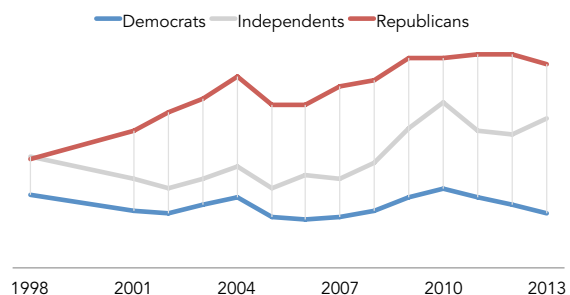
Here's the good news: the percentage of Americans who believe the seriousness of global warming is "generally underestimated" has been going up. It's now one in three. It had gone down to one in four in 2010, the year of the Tea Party. Here's the bad news: more people think the problem is "generally exaggerated" (41% in the April Gallup poll).

There's still a lot of skepticism out there, and it's mostly among Republicans. Over the past 15 years, more and more Republicans have come to believe that climate change is exaggerated. Only 34% of Republicans felt that way in 1998. Now 64% do.

The gap between the parties on global warming has widened considerably. In 1998, the difference was 11 points. It grew to 32-38% in the early 2000s. Since President Obama took office in 2009, the difference has gotten huge. Republicans are 41-47 points more likely than Democrats to believe the seriousness of global warming is exaggerated.

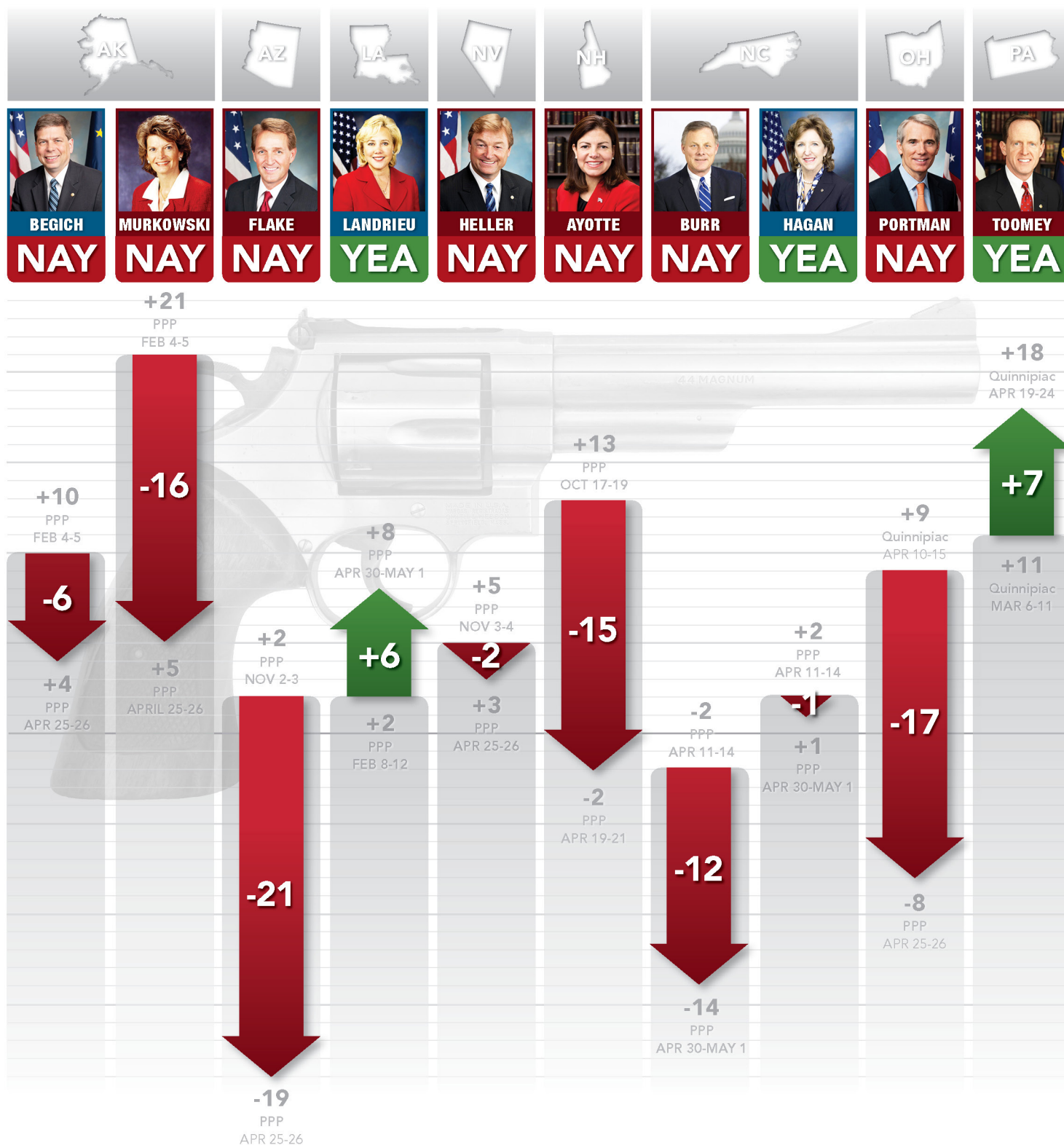
Partisan voters take signals from party leaders. In 2008, Barack Obama promised the Democratic National Convention, "We will be able to look back and tell our children that this was the moment . . . when the rise of the oceans began to slow and our planet began to heal." In 2012, Mitt Romney said on NBC News Meet the Press, "I'm not in this race to slow the rise of the oceans or to heal the planet. I'm in this race to help the American people."

Is Global Warming Exaggerated?



# WHAT A DIFFERENCE A **NAY** MAKES

Change in Net Job Approval After Senate Vote on Gun Background Checks



All polling data from Public Policy Polling (PPP) and Quinnipiac. All pre-vote polls done from November 2012 to April 2013. Post-vote polls from April/May 2013. Arrow values represent change in net approval rating from before to after Manchin-Toomey Amendment gun background check vote. Net approval is approval minus disapproval.

From *Inside Politics with Bill Schneider*, May 2013. © 2013 Third Way. Free for re-use with attribution/link. For more, visit Third Way at [www.thirdway.org](http://www.thirdway.org). Polling research by Sarah Trumble and Michelle Diggles, graphic by Bill Rapp.



**third way**  
fresh thinking