



The Obamacare Trifecta

What do you do when a false promise meets reality? The nation was promised that Obamacare would lower an average family’s annual healthcare costs by \$2500. But the reality is that ACA premiums rates are rising, not falling. When false promise meets reality, you pull a “switcheroo”.

Through the kindness of their bureaucratic hearts, the Administration recently set up an auto-renewal policy for Obamacare subscribers because the bureaucrats realized that many people would not go through the painful sign-up process again. The people most likely to be auto-renewed are in the cheaper and more popular plans. The problem is that these “cheaper” plans are seeing the highest rate increases. What can you possibly do to hide this discrepancy? The self-appointed rule writers at CMS decided, on their own, that if a policyholder’s premium has increased, the policyholder will automatically be switched to a less expensive plan with fewer benefits and higher deductibles. On paper, the problem is solved. ..voila! But the policyholder now has a plan that covers less and has a higher deductible and the administration can claim they are holding costs in line.



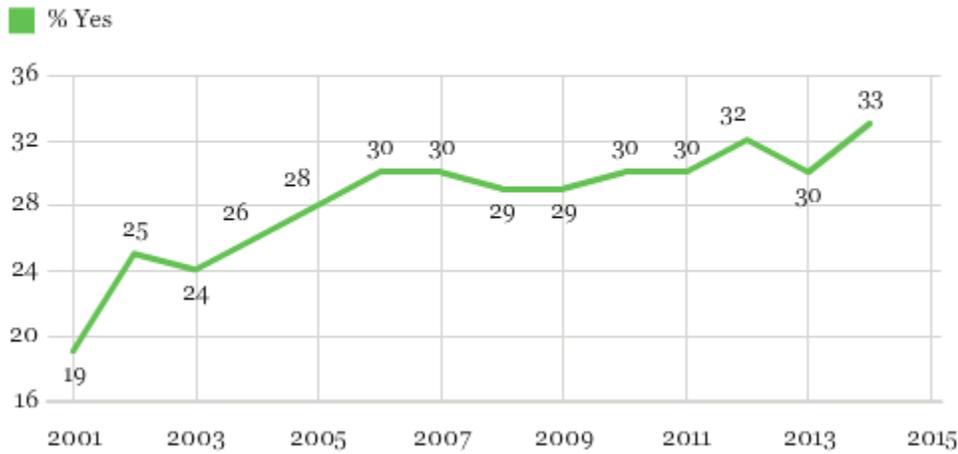
Not only does this break the promise, again, that if you like your plan you can keep your plan and the promise, if you like your doctor you can keep your doctor, but this hides the true out-of-pocket cost paid by the consumer. How is that for the untruth trifecta?

Gallup Poll

One in three Americans put off getting medical care in 2014 because of high costs. Wait, hold the presses! That must be a typo. Obamacare was supposed to solve this drain on the poor and the middle class. Remember, Obamacare was supposed to make healthcare affordable for everyone.

Percentage of Americans Putting Off Medical Treatment Because of Cost

Within the last 12 months, have you or a member of your family put off any sort of medical treatment because of the cost you would have to pay?



GALLUP

It appears that the hardest hit are the middle class with incomes between \$30,000 and \$75,000. In this group, 38% had to delay medical treatment (33% the year before). Among households with incomes above \$75,000 the rate of delay was 28% (17% the year before).

Income and Healthcare Coverage Factors in Putting Off Treatment

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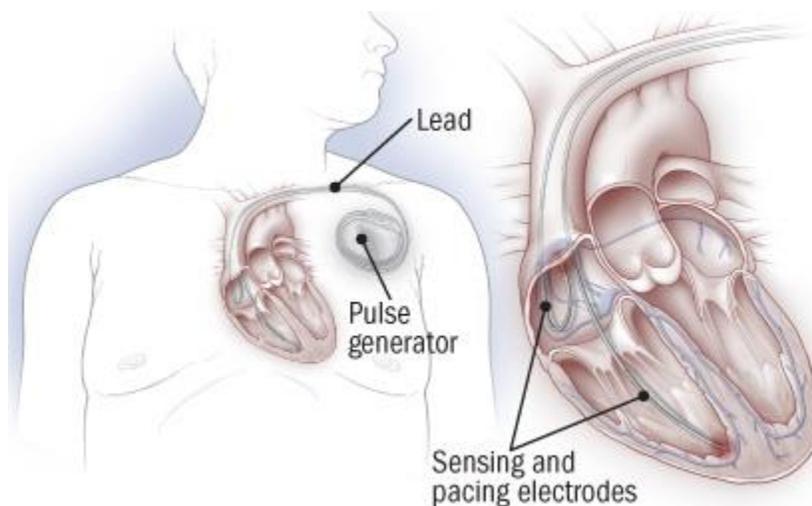
	2013 % Yes	2014 % Yes
ANNUAL HOUSEHOLD INCOME		
Under \$30,000	43	35
\$30,000 to \$74,999	33	38
\$75,000 or more	17	28
HEALTHCARE COVERAGE		
Private	25	34
Medicare/Medicaid	22	22
Uninsured	59	57

GALLUP

Why are people deferring their healthcare? Part of the problems is the shift to higher deductibles and more out of pocket expenses. Yes, more people have insurance, but healthcare is less affordable. Which brings up the question, what good is an insurance card if you can't afford to use it?

Scary...Hacking Into Medical Devices

There is growing concern about hackers getting into medical devices such as insulin pumps, implantable defibrillators, scanners and fetal monitors. Homeland Security (or Homeland Insecurity, as the case may be) is looking into about two dozen cases of potential vulnerabilities. Headlines were made when an expert showed he could hack into an insulin pump to produce a fatal insulin dose at a "Hackers Convention" in 2011. The expert, a diabetic himself, refuses to use a pump, instead he injects himself 6 times a day. No known actual instances of medical device hacking have been reported... yet. On investigation in an actual hospital setting, it was found that infusion pumps for morphine drips, chemotherapy and antibiotics could be remotely manipulated to alter dosages given to patients. Bluetooth enabled devices such as defibrillators could be set off to give random shocks.



Medical records can be accessed to order medications or inappropriate care. Even temperatures on sensitive refrigerators storing blood and drugs can be reset. Also fairly amazing is that surgical robots that connect to internal hackable networks can be hacked.

Medical devices frequently run on older operating systems such as Windows XP, which Microsoft stopped supporting in April. Vendors don't have any real security systems in place, nor is it required as part of the premarket assessment by the FDA. This stuff sounds very scary.

Speaking Of Hacking

Medical records are a desirable hacking target according to experts. Hospitals collect a huge amount of financial data, social security data, diagnostic codes and insurance information. This is a gold mine for the more nefarious minded.



To give you an idea of the bounty on medical records, a typical medical record gets \$5-\$10 dollars on the black market. A typical credit card account hack gets 50 cents. The advantage of medical record data is that the hacker can apply for credit, file false medical claims and buy drugs. Detection of medical records theft is more difficult than credit card theft. Also, entry is fairly easy since malware can be introduced when employees click on links on from their work email.

More News You Won't Hear

The Washington Post is reporting a new problem with Obamacare. One year ago, the administration delayed implementation of the small business portion for the much plagued healthcare law. More than two weeks after the introduction of the new product, interest is at best, scant. This part of the ACA is known as SHOP or Small business Healthcare Options Program and has received very little attention compared to the individual insurance program. It was supposed to be one of the main pillars of the ACA since small businesses have higher insurance because risk is spread over fewer employees. Supposedly, small business would now be allowed to band together for better rates like large businesses.

Despite this segment now being opened for business, testing of the computer network is still ongoing. Brokers have noticed many problems, only some of which have been fixed. For example "At first, for instance, the Web site would not allow business owners to progress to the next screen until they submitted an employee number for each worker they were offering coverage — even though many small companies do not assign numbers to their employees." Another example, is that the portion

where the employer decides how long the employee must wait before starting insurance is inoperable. Yet another problem is the absence of many brokers' names from the drop down lists, including high level brokers responsible for teaching others how to use the system. Finally, in many areas there is really no choice in plans. "Without a choice of plans, said Lee Wilbers, an insurance broker in Jefferson City, Mo., the only insurance available to his clients through SHOP is a Blue Cross Blue Shield plan with a smaller network of doctors than a health plan the same insurer is selling to small businesses outside the federal marketplace. "Most of our clients have kept what they had," Wilbers said."

Many of the individuals receiving this newsletter are small businesses, are you all set up for the SHOP initiative?...didn't think so. As you might expect, we are not going to participate.

More On Private Practice Doctors

As we come to the end of another year, I just wanted to say thank you to all our members who feel that Private Practice Doctors is a worthwhile endeavor. We have been in negotiations for some outstanding rate savings for your office in the coming year and we hope to announce these soon. In addition, we hope we have provided you with valuable information for you and your practice. We are proud that we have been able to get the message out on radio, television, newspapers and websites. These newsletters have allowed us to reach almost a thousand physicians and healthcare professionals. If private practice is to survive in the coming decade, your help and your efforts will be needed, we need to stand together to attain our goals.

It is not in numbers, but in unity, that our great strength lies."

— [Thomas Paine](#), [Common Sense](#)