

Polling News & Notes

Overlooked Recent Polling and Insights • April 2, 2014

Cost Of ObamaCare To Large Employers: The American Health Policy Institute conducted a [survey](#) of 100 large employers (companies with 10,000 or more employees) asking them what ObamaCare-related costs they expected to incur over the next ten years. The results were based on the employers' specific evaluations, not projections, and they confirmed what many had warned before the health care law's passage: health care costs will rise far beyond what they would have been without the law.

According to the employers surveyed, ObamaCare will increase health care costs for all large U.S. employers by \$151-\$168 billion between 2014-2023. This breaks down to \$163-\$200 million per large employer and \$4,800-\$5,900 per employee over the ten year window. ObamaCare is expected to increase health care costs for employers by 4.3% in 2016, 5.1% in 2018, and 8.4% in 2023. Costs will go up twice as much in 2023 as a result of the excise tax on "Cadillac" plans that goes into effect in 2018.

Other escalating direct health charges include costs for the implementation and administration of the law, temporary reinsurance fees, Patient Centered Outcomes Research Institute fees, and new benefit mandates. Indirect costs passed on to employers will include new supply-chain taxes like the medical device tax and increased cost shifting from the Medicaid expansion (as providers are forced to pass costs not reimbursed by Medicaid onto non-Medicaid users). While it is not yet known how employers plan to deal with these additional outlays, it is certain they will use this information when structuring employee benefit packages and future hiring plans.

Cost of the Affordable Care Act to Large Employers

The total cost of ACA to all large U.S. employers (10,000 or more employees) 2014 to 2023	\$151 to \$186 billion
Cost per employee, 2014 to 2023	\$4,800 to \$5,900
Cost per large employer, 2014 to 2023	\$163 to \$200 million
Percentage increase in employer-provided health care costs from ACA	4.3% in 2016 5.1% in 2018 8.4% in 2023