

Health Insurance Is “Nuanced Like Crazy” And Other Realities

On November 11, the far left web site DailyKos.com posted the following article, *Pediatric Dental is causing us headaches at Penn*, by molecular biology graduate student Michael Convente:

“I serve as a graduate student representative on the Student Health Insurance Advisory Committee (SHIAC) at the University of Pennsylvania. We are tasked with coming up with the benefits and costs of the annual Penn Student Insurance Plan.

Our population is entirely students. Mostly grad students, but that means the overwhelming majority of us are mid-to-late 20s. We now have to cover pediatric dental even though none of us are even eligible to use that benefit. There aren't even that many grad students with young children (we see about ~100 dependent plans out of over 9,000 total enrollees).

Our committee is quite progressive when it comes to benefits offered (full prosthesis replacement, gender reassignment surgery, etc.) and low deductible (we're at \$300. That's not a typo—three hundred). And yet even for us, at least in the college health insurance market, the ACA [Affordable Care Act] has truly been the 'law of unintended consequences.'

Health insurance is nuanced like crazy, and sadly most people don't have the time and/or capacity to really understand the gritty details. Relying on marketing slogans, some of which turned out not to be so correct, is turning out to be problematic.

I should write a diary about how the ACA is affected college health insurance market. We're a unique situation since the overwhelming majority of our population is young and healthy. Now that students can buy individual plans (or stay on their parents' insurance), we're likely going to be looking at serious adverse selection since our benefits are so great, so only students with known health issues will purchase our plan.”

M. Convente

These statements by Mr. Convente should cause concern over the state of higher education in America today. Even if one ignores his grammatical errors, the fact that an individual can make it into graduate school with a seeming inability to grasp reality is alarming. His statements should be considered one at a time:

“I serve as a graduate student representative on the Student Health Insurance Advisory Committee (SHIAC) at the University of Pennsylvania. We are tasked with coming up with the benefits and costs of the annual Penn Student Insurance Plan.”

[A university needs a student advisory committee for health care? The school should simply offer a plan or plans and those students who choose not to buy a policy should be free to shop elsewhere or go without coverage. The students were “tasked with” evaluating their plan? Tasked by whom? Does the school need the permission of the students to act on such issues?]

“Our population is [composed] entirely [of] students.”

[Yes, one would think so. Tell us something else, Einstein.]

“[We are] Mostly grad students, but that means the overwhelming majority of us are [in our] mid-to-late 20s.”

[First, that is not a complete sentence. Second, we already know that graduate students are primarily in their 20s.]

“We now have to cover pediatric dental even though none of us are even eligible to use that benefit.”

[Welcome to the world of ObamaCare, which forces *everyone* to pay for pediatric dental care—not just college students, but families without children and senior citizens with adult children.]

“There aren’t even that many grad students with young children (we see about ~100 dependent plans out of over 9,000 total enrollees).”

[Thank you for telling us uninformed Americans in flyover country that college students tend not to have young children. But it is unclear how your school has “approximately 100” dependent plans if your prior claim that “*none* [italics added] of us are even eligible for that benefit” is accurate. Perhaps you mean that about 100 students have covered dependent spouses but no children. Incidentally, the word “approximately” does not take very long to type.]

“Our committee is quite progressive when it comes to benefits offered (full prosthesis replacement, gender reassignment surgery, etc.) and low deductible (we’re at \$300. That’s not a typo—three hundred).”

[Arguably, most Americans might call covering “gender reassignment surgery” something other than “progressive”—“absurd” comes to mind—but college life is apparently not the same as when I went to school. “Progressive” apparently means placing a higher priority on converting a male student into a female student than fixing the teeth of children. And while a \$300 annual deductible may be a nice thing to have in a health insurance policy, it is no more “progressive” than a \$100 or a \$1,000 deductible. It

is, however, probably a good deal—one which Obama persuasively but falsely promised you could keep.]

“And yet even for us, at least in the college health insurance market, the ACA [Affordable Care Act] has truly been the ‘law of unintended consequences.’”

[“Even for us?” Are college students supposed to be immune to the “law of unintended consequences?” It is, of course, good that Convente has discovered there *is* such a thing as unintended consequences. Had he taken a decent course in basic economics he would already have been familiar with the term. But if he thinks he has seen the last of ObamaCare’s “unintended consequences,” he has been spending too much time looking into a microscope and not enough reading current events blogs.]

“Health insurance is nuanced like crazy, and sadly most people don’t have the time and/or capacity to really understand the gritty details.”

[“Nuanced like crazy” may not be the most articulate description of health insurance, but it is one reason why 2,000+ page laws should not be written without bi-partisan support or left to legislators who know more about Che Guevara than actuarial tables. Convente *is* correct that “most people don’t have the time and/or capacity to understand the gritty details”—but neither does he.]

“Relying on marketing slogans, some of which turned out not to be so correct, is turning out to be problematic.”

[This is clearly the understatement of the year. It can easily be translated: “Believing Obama’s lies was not a good idea.”]

“I should write a diary about how the ACA is affected college health insurance market.”

[By “is affected” it is assumed he means “is affecting the” or “has affected the” but I am not a graduate student in molecular biology. Yes, the Affordable Care Act is affecting the college health insurance market. It is also affecting about 310 million other Americans who Convente no doubt considers markedly less important than college students. That is precisely why Republicans opposed ObamaCare: it affects *everyone* in ways—mostly negative—that may take years to fully comprehend.]

“We’re [in] a unique situation since the overwhelming majority of our [student] population is young and healthy.”

[Einstein again states the obvious, although the real Einstein might have worded it differently; that is, in a grammatically correct manner.]

“Now that students can buy individual plans (or stay on their parents’ insurance), we’re likely going to be looking at serious adverse selection since our benefits are so great, so only students with known health issues will purchase our plan.”

[“Now that students can buy individual plans...?” Excuse me, but students could buy individual plans long before Barry Soetoro entered the White House. As far as “serious adverse selection,” yes, that is a valid concern. It is also another reason why ObamaCare was opposed by Republicans, who don’t believe that thin, healthy people should pay more to subsidize obese diabetics; or that childless Americans should pay for the dental care of those who have children; or that middle-class Americans should have to work even harder to pay some or all of the health care costs of those who are unwilling to work at all; or that Mr. and Mrs. Responsible should pay for Sandra Fluke’s birth control—or her friend’s abortion or sex change operation. “Since our benefits are so great” is likely a misstatement and Convente probably meant, “since our premiums are now going to be so much higher, only students with known health issues will purchase our plan.” To that, the proper response is, “No kidding!”]

Mr. Convente is discovering that there is no such thing as a free lunch. He is learning that you cannot provide 30 million or more additional breathing souls with health insurance while at the same time lowering premiums for everyone else. He is learning that he cannot keep his plan simply because he likes it. He is learning that “marketing slogans” can be “problematic.” He is learning that politicians lie in order to advance their ideological agendas.

Speaking on behalf of all conservatives, I welcome Mr. Convente’s entry—albeit minimal and reluctant—to the world of reality. Frankly, he is fortunate to have dipped his toe into the water while still somewhat sheltered by university life, because he will be thrown fully into the lake after he graduates and starts looking for a job. But he should be able to put his molecular biology degree to good use as a barista at Starbucks in the Obama economy.

Don Fredrick

November 23, 2013

<http://www.dailykos.com/comments/1254844/51863259#>