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Federal Health Chief Makes Last-Minute Insurance Push In New Jersey

With about a week left to sign up for health insurance for 2014 -- the first year of the individual mandate under the Affordable Care Act -- U.S. Secretary of Health and Human Services Kathleen Sebelius visited New Jersey yesterday to grab the attention of the largest media market and get as many people in the state enrolled as possible.

New Jersey has the 10th largest uninsured population in the country.

At a press conference at Montclair State University, Sebelius pushed back against a reporter's question citing criticisms of the ACA, and emphasized that many people are purchasing health insurance for the first time and benefiting from the law's consumer protections.

"We're urging people to take advantage of the last eight days," Sebelius said, referring to the March 31 end of the open enrollment period.

In conjunction with the secretary's visit, Montclair State officials announced that the university started to provide daily enrollment assistance in its student center.

Sebellius noted that a 27-year-old who earns \$25,000 can receive subsidized insurance for as little as \$114 per month and compared that amount to the prices of cellphone or cable TV plans. But not everyone understands what their options are under the ACA, Sebelius said.

"There are a lot of people who are confused and I don't blame them for that confusion, because the message is still mixed," Sebelius said.

Those who don't have insurance by March 31 will have to pay a penalty on their 2014 tax returns. It will be either \$95 or 1 percent of income, whichever is greater.

For example, a person with an income of \$50,000 who doesn't buy insurance will have to pay a \$500 penalty. The penalty will increase in each of the following two years, reaching the greater of \$695 or 2.5 percent of income in 2016, or \$1,250 for someone earning \$50,000.

Sebelius explained why the penalty was included in the ACA.

"We can't pick and choose when we get sick, we can't pick and choose if someone runs into our car as we're driving down the road, or if we fall on the basketball court," Sebelius said.

"If you don't have the ability to pay those bills and you have turned down the opportunity to actually provide for yourself and your family (by having insurance), somebody else is picking up that tab," Sebelius said.

“So your fee is really because you’re spreading that risk to others. You have affordable, available options and you have chosen not to take them,” she concluded.

For those who miss the opportunity to enroll this week, the open enrollment period to buy marketplace insurance for 2015 will begin November 15.

Sebelius also defended the security of the marketplace website healthcare.gov, saying that no attacks have managed to access patient information.

She added that those who are paying more for their insurance under ACA regulations are also receiving more consumer protections. For example, under ACA guidelines, New Jersey insurers can no longer require that patients wait one year to receive coverage for pre-existing conditions. In addition, women and men of the same age cannot be charged different insurance rates.

University President Susan A. Cole noted that all full-time students are required to have insurance, but she hopes that part-time students, family members of full-time students and those who live near the university take advantage of the in-person enrollment assistance.

“If the families of our students have healthcare difficulties, then our students have difficulties, and if our students have difficulties, that becomes a university issue,” Cole said.

State Sen. Nia H. Gill (D-Essex and Passaic) noted that more than 417,000 uninsured residents live in Bergen, Essex, Hudson, and Union counties, and children make up more than 10 percent of them.

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