

# AND WHILE WE ARE AT IT

## QUICK STATS

- ✘ **CONFERENCE:** Spending
- ✘ **TEAM:** Centers for Medicare and Medicaid Services
- **FUMBLE:** \$30,000 per year, per fake enrollee
- **HOW TO RECOVER THE BALL:** Cooperation with congressional investigators, corrective guidance and regulations, and/or legislation

Among the many promises made to the American people during the Obamacare debate, the Administration was very clear that only qualified low-income Americans would receive subsidies. It turns out that promise was not kept either.

As part of a “secret shopper” investigation commissioned by Congress to test Obamacare’s eligibility enrollment controls, GAO created 18 fictitious identities to apply for premium subsidies under Obamacare. All but one of the fake applicants were able to obtain premium tax credits through telephone and online applications, despite not actually being real people. The cost for a fake applicant’s subsidy

per year is \$30,000. And when it came time to re-enroll at the end of 2014, 11 of the false applicants were able to extend their coverage. In some cases those applicants were able to obtain an even more generous tax credit using just the information they provided during the initial application.<sup>85</sup>

## **RECOVERY**

Absent a repeal of Obamacare, CMS, which oversees the implementation of Obamacare, should cooperate with congressional investigators and GAO to determine how fake applicants can get tax credits.

***For more information, please visit:***

[GAO: Preliminary Results of Undercover Testing of Enrollment Controls for Health Care Coverage and Consumer Subsidies Provided Under the Act](#)

[The Wall Street Journal: ObamaCare Undercover](#)