

The 2,700 pages of the Affordable Care Act (ACA) is just the beginning. Since its passage, more than 12,000 pages of regulations have been written to accompany and implement the ACA – costs being felt by already struggling American businesses. What’s more, the ACA has missed nearly half of its own regulatory deadlines. Analysis from the American Action Forum (AAF) examines the regulatory costs that have already been felt and what remains to be seen.

\$20 Billion in ObamaCare Regulatory Costs Remain

[American Action Forum](#)

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The future of President Obama’s “Affordable Care Act” remains unclear. The Supreme Court recently upheld the law as constitutional, but the House of Representatives plans to vote again this week on full repeal. Let’s consider what components of the law have already been implemented since its passage in 2010 and what remains to be seen.

To date, the Affordable Care Act (ACA) has imposed more than **\$24 billion in lifetime costs** on already-struggling American businesses, including more than **58 million paperwork burden hours**. To put the paperwork burden in perspective, it would take more than 29,400 employees (working a 2,000 hour year) to complete the appropriate federal forms.

Future implementation of the law depends not only on subsequent litigation, but also on what regulations legislators choose to rescind, amend, or ignore following the Court’s decision. According to the data, only a small fraction of the law has actually imposed “sunk” (past burdens that are not recoverable) regulatory costs. This is not too surprising, since the law will not be fully implemented until 2014.

From 2010 to 2012, ACA has **imposed \$2.35 billion in private-sector and intergovernmental costs**. Of the rules with published sunk costs, more than **\$9.4 billion in costs remain after 2012**.

Top ACA Sunk Regulatory Costs

Regulation	Sunk Costs	Prospective Costs
Establishment of Exchanges	\$690.55 million	\$2.76 billion
Community First Choice	\$480 million	\$5.25 billion
CHIP Transparency	\$224.36 million	\$163.07 million
Screening Requirements	\$209.91 million	\$189.89 million
Health Issuers MLR	\$125 million	\$103 million
Early Retiree Reinsurance	\$119.4 million	\$39.8 million
Uniform Glossary	\$98 million	\$48 million
Group Health Plans	\$89.24 million	\$75.7 million
Grandfathered Health Plans	\$71.8 million	\$0
Medicare Advantage	\$62.42 million	\$196.14 million
HCBS Amendments	\$60 million	\$520.01 million
Covered Outpatient Drugs	\$43.5 million	\$37.9 million
Byrd Amendments	\$35 million	\$0
End Stage Renal Disease	\$20 million	\$67.13 million
Rate Increase Review	\$15 million	\$7.8 million
Preexisting Conditions	\$9.8 million	\$4.9 million
MLR Requirements	\$3 million	\$0

Totals	\$2.35 billion	\$9.46 billion
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Beyond 2012, **more than \$20 billion in pending regulatory costs remain**, totaling approximately **51 million paperwork burden hours**. The top ten prospective regulations could impose **\$19.1 billion in costs**. Of these rules, the administration has already published **\$1.29 billion in sunk burdens**.

Top 10 Prospective Regulations (by cost)

Regulation	Prospective Costs	Sunk Costs
Adoption of Operating Rules	\$5.95 billion	\$0
Community First Choice	\$5.25 billion	\$480 million
Establishment of Exchanges	\$2.76 billion	\$690.55 million
Standard Health Plans	\$2.25 billion	\$0
Standard Menu Items	\$757.1 million	\$0
PPACA Eligibility Changes	\$580.19 million	\$0
HCBS Amendments	\$520.01 million	\$60 million
§3022 PPACA Implementation	\$451 million	\$0
Vending Machine Labeling	\$421.3 million	\$0
Medicare Advantage	\$196.14 million	\$62.42 million
Totals	\$19.14 billion	\$1.29 billion

Pending ACA Rules

According to data from the Office of Information and Regulatory Affairs, there are nine pending health care regulations. Two of these have not been published in the Unified Agenda and there is no available cost or paperwork burden information on any of the pending proposals. However, the White House identified four regulations as “economically significant” (economic impact greater than \$100 million).

In addition, five pending regulations have statutory deadlines. However, the administration has yet to publish the proposals in the *Federal Register*; thus, the rules are unlikely to meet their statutory deadlines. To date, ACA has missed 47 percent of its mandated [statutory deadlines](#).

For example, four regulations (Rules for EFT, RA, Inpatient Rehabilitation, Prescription Drug Premiums, and Modifications to HIPAA) have already missed their target publication dates.

Pending ObamaCare Rules (significant regulations bolded)

Regulation	Date Received	Estimated Publication
Physician Fee Schedule	7/02/2012	11/01/2012
Hospice Wage Index	6/14/2012	8/01/2012
Prospective Payment System	7/6/2012	7/31/2012
Rules for EFT, RA	7/07/2012	7/01/2012
CHIP Allotments	6/12/2012	N/A
Inpatient Rehabilitation	6/12/2012	4/2012
Dental and Vision Insurance	5/16/2012	N/A
Prescription Drug Premiums	3/28/2012	6/2012
Modifications to HIPAA	3/24/2012	3/2012

Conclusion

Although ACA has been law for more than two years, only a fraction (\$2.3 billion of \$24 billion) of its regulatory costs has been implemented. The Supreme Court’s decision on the law’s

constitutionality surely won't end the debate over the legislation or the broader issue of health care reform. However, as these data indicate, Congress and the administration will have to confront significant implementation hurdles in the future.