Introduction

If Americans can purchase airline tickets or car insurance online, why can they not purchase health insurance online as well? With the passage of Obamacare, more formally known as the Affordable Health Care Act, millions of Americans will be able to do just that. Within Obamacare are "exchanges" that allow Americans to browse different private insurers, compare costs, and choose which has the most appropriate coverage for them. States have the power to regulate their exchange systems, but many states are refusing to comply at this time, often due to overall opposition of Obamacare.

Multiple factors and characteristics affected the passage and details of Obamacare; these included the economic crisis, lack of access and increased costs of the healthcare system, large support from actors that once opposed, and an influential political majority (Beaussier, 2012). The last factor, the Democratic majority, is most directly related to the insurance exchanges. The Democrat and Republican opposing views in regard to the individual mandate explain why the insurance exchange system is experiencing issues with states complying with the provisions. In fact, researchers have found a strong link between approval or disapproval of health care reform and partisanship (Gelman, Lee, and Ghitza, 2010). Within the federal system, Democrats composed the majority of the legislative branch, and therefore their only challenge was to amend Obamacare enough to unify themselves; they did not have to negotiate with the Republican Party (Beaussier, 2012). However, on the state level, the more conservative Republican states are opting to ignore regulations proscribed by Obamacare's health exchange policy, whereas the more liberal Democratic states have partially or fully complied. Many people do not know what the exchange system is, or how it will affect them. The following section explains the reasoning behind the exchange system, and how it is intended to work.

Background of Obamacare and Insurance Exchanges

President Barack Obama spearheaded the push for health reform for many reasons. He believed that access to affordable healthcare was dwindling for a significant number of Americans. In 2010, close to "38 million working-aged Americans" were without healthcare, many of them full-time workers (Jacobs and Skocpol, 2010). In addition, those with healthcare coverage are spending far more on insurance than citizens of other countries. The United States spends more on healthcare than any other developed country, with 15.3% of the U.S.'s Gross Domestic Product (GDP) going toward healthcare (Jacobs and Skocpol, 2010). A provision of Obamacare, the individual mandate, seeks to lessen the number of people without healthcare. Under the individual mandate, all Americans must obtain some form of health insurance. Those who already have insurance through their employers, private insurers, or Medicare will be permitted to keep their current coverage.

Anyone lacking coverage can instead turn to an option called the healthcare insurance exchanges. These exchanges will essentially allow people to "shop among competing sets of standardized private insurance packages," quite similar to how people browse and purchase auto insurance online (Jacobs and Skocpol, 2010). The purpose is to allow people to compare prices and services so they can best decide which type of coverage and cost is most appropriate for their specific situation. For example, a married couple with no children and in excellent health will benefit from different coverage than a single mother with poor health and three children. Other stipulations of the exchanges require states to include rules of minimum health services, a limit on out-of-pocket expenses for consumers, and mandatory coverage of free basic preventative checkups (Jacobs and Skocpol, 2010). Once in operation, these exchanges will disperse coverage with varying premiums depending upon risk factors, but with supervision to ensure premium differences are not unfair (Weissert and Weissert, 2012). The varying coverage is regulated by splitting purchasers into five separate plans: Bronze, Silver, Gold, Platinum, and Young Invincibles. The Bronze category covers roughly 60% of