

State Obamacare exchanges enroll 3 pct of target so far -report

Nov 11 (Reuters) - President Barack Obama's healthcare reform has reached only about 3 percent of its enrollment target for 2014 in 12 U.S. states where new online health insurance marketplaces are mostly working smoothly, a report released on Monday said.

States with functioning exchanges have signed up 49,100 people compared with the 1.4 million people expected to be enrolled for 2014, according to the report by healthcare research and consultancy firm Avalere Health.

With enrollment in the federal HealthCare.gov website serving 36 states stalled by technical failures, the weak sign-ups for functioning insurance exchanges could be due to the administration's difficulty to promote the program as a success, Avalere said.

The government is due to release national enrollment figures for the month of October this week. Open enrollment ends March 31, 2014.

Supporters of Obamacare and health insurers fear that scant participation in the private insurance exchanges will prevent them from becoming a sustainable new individual market, including the right mix of young and healthy members to offset coverage for older, sick people.

Before the Oct. 1 launch of enrollment, policy experts had expected that Americans would sign up gradually to the new Obamacare plans, consistent with the roll out of other healthcare programs like Medicare's prescription drug program for the elderly in 2006, according to Avalere President Dan Mendelson.

The turnout in states with functioning marketplaces has so far been weak rather than gradual, according to Mendelson. This could mean HealthCare.gov's problems, which have prompted high-level oversight hearings led by Republican lawmakers, could be weighing on all states, he said

"The technical problems of the website and enrollment generally are causing the administration to go much slower on the positive messaging that is necessary to build enthusiasm for the law and that's an issue," Mendelson said.

Avalere looked at 11 of the 14 states and Washington D.C. that elected to build their own exchanges for individual insurance.

Some of the states included in the tally have also had technology problems along the way. Hawaii did not launch online enrollment until the middle of October. Vermont's governor has asked to extend current individual policies into March 2014 to give residents more time to shop because of issues on its state's site. Colorado and Minnesota have also experienced problems with their web sites.

Avalere's numbers are based on its own enrollment model and the Congressional Budget Office's 2014 forecast that 7 million people will enroll in the exchanges nationwide.

The 49,100 enrollments also include Medicaid sign-ups in Hawaii and Rhode Island, which did not provide a break-out, Avalere said. It based its numbers on public and press reports for the above mentioned states as well as Connecticut, the District of Columbia, Kentucky, Maryland, Nevada, New York and Washington. (Reporting by Caroline Humer; editing by Andrew Hay)