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OPINION

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AN IDAHO HEALTH INSURANCE EXCHANGE MAKES SENSE, BUT HOW IT'S DONE MAKES A BIG DIFFERENCE

By Governor C.L. "Butch" Otter

You likely have heard a lot in the news media over the past several months about health insurance exchanges. I've heard from few people objectively opposed to the idea of a one-stop clearinghouse for the best, most up-to-date and concise information available about options for insuring themselves and their families against the potentially catastrophic costs of health care.

But I also share the concerns of many about who would operate such an exchange, and whether it would be market-driven and locally focused or more attuned to the top-down models we have come to expect out of Washington, D.C.

Unfortunately, President Obama's so-called "Patient Protection and Affordable Care Act" effectively halted plans by Idaho and some other states to improve healthcare accessibility and affordability. Idaho joined 25 other states in challenging the constitutionality of this unprecedented overreach of federal power. So as we await a U.S. Supreme Court decision on the case in 2012, I want Idaho to be prepared for the nationwide healthcare environment – economic and regulatory – that results from the court's ruling.

Obamacare mandated establishment in each state of a health insurance exchange – essentially an Internet portal where individuals and small businesses can shop for health insurance. But long before the passage of the law, Idaho was exploring ways to create its own exchange emphasizing free-market principles and creating a competitive marketplace that would improve access to coverage and keep insurance decisions between Idaho patients and insurance providers.

But federal red tape created by Obamacare – plus accelerated expansion of Medicaid programs – complicated the process for states to independently set up such a marketplace. Now Idaho is left with some tough choices.

I allowed our State agencies to apply for a health insurance exchange grant in order to preserve the opportunity for legislators and our citizens to discuss our options and decide what's best for Idaho. Now this next statement is particularly important so please take note: Passing up the opportunity to apply for the grant would have left Idaho with only one option – a health insurance exchange imposed and operated by the federal government.

The decision on how to proceed with a health insurance exchange is difficult, given continuing uncertainty about the federal law and what seems to be a growing number of strings attached. Our path forward is one that warrants input from those who will be most affected. The Legislature will need to act with the best interests of Idaho and our citizens in mind. In the coming weeks we will be working together to weigh all our options and the potential outcomes associated with each of them.

Legislative approval to spend the grant money would enable Idaho to build an exchange, but even that option has potential complications. If Idaho sets up an exchange using federal dollars and the federal government does not approve of how the exchange is structured, it will step in and take over. If the Legislature rejects the grant money and the Supreme Court upholds Obamacare, Idaho loses control and our citizens will be subjected to a federal exchange.

I want to work with the Legislature to find IDAHO solutions to Idaho's healthcare issues and minimize the federal government's footprint on how Idahoans obtain their health insurance. The fact that it could be June before the Supreme Court issues an opinion on constitutional challenges to Obamacare in no way diminishes the need for the Legislature to discuss the issue during its 2012 session.

I look forward to the discussion and hope that it will be civil, informed and open. And I hope it will have at its heart the deep-seated desire that I know most Idahoans share to be the architects of our own destiny.

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