

Idaho Health Care Plan

A unique Idaho solution aimed at stabilizing the individual insurance market and insurance rates while addressing the gap population by offering affordable insurance to those working and living below the poverty line.

What problems are we trying to solve?

Stabilize Insurance Rates: Rates on the individual market have increased roughly by 20 percent year over year since implementation of the Affordable Care Act (ACA) in 2014, making it less affordable for the general population to pay for coverage. Affordability is causing many to choose to go without coverage.

Cover the gap: There remains a significant number of working Idahoans living under 100 percent of the Federal Poverty Level (FPL) who do not have access to affordable coverage because they are ineligible for a premium tax credit. This plan would allow those individuals to purchase insurance on the private market and receive the advanced payment of the tax credit to help cover the cost of the monthly premiums, making private coverage more affordable – just as individuals at 100-400 percent of the FPL are able to do. This solution does not expand Medicaid, but rather offers affordable options on the private market.

What is the Idaho Health Care Plan?

This plan is a two-pronged proposal that would allow a customized health care strategy to meet the needs of Idaho. Both the Medicaid program and Idaho's Insurance Exchange would need federal flexibility through waiver authority in Medicaid and the Affordable Care Act to make necessary changes to our current system to solve some of our most pressing issues.

- **Your Health Idaho 1332 Waiver:** This waiver would allow individuals with incomes under 100 percent of the FPL to receive the premium tax credits to make the coverage affordable so they can purchase insurance on the private market. To receive the tax credit, these individuals would have to report some taxable income – adding a work requirement for individuals receiving federal subsidies.
- **Medicaid 1115 Waiver:** Allows individuals on the private market with certain medically complex diagnoses to move to Medicaid and receive treatment for the duration of their illness. This would allow more comprehensive and consistent coverage for these individuals in keeping with the goals of the Medicaid program. It would also pull a portion of the high-cost individuals from the private individual market, reducing insurance premium costs for the rest of the individual market population.

The Idaho Health Care Plan is not

- An entitlement program
- Medicaid expansion



IDAHO DEPARTMENT OF
HEALTH & WELFARE

What would this plan cost the state?

No state general funds are needed for changes under the 1332 Waiver.

To help the working poor in the gap and halt the alarming increases in premiums on the individual market that are harming the middle class, the state will need to make approximately \$29 million available to the Department of Health & Welfare to implement the 1115 Waiver. Under this plan taxpayers would also see a reduction in funding to the Catastrophic Health Fund and county indigent health care funds because more individual would have access to health insurance.

Is Legislation required?

To implement the provisions of this plan, the Idaho Legislature would need to pass legislation allowing the provisions for both waivers. Legislative proposals have been submitted by the Department of Insurance and the Department of Health and Welfare, in concert with Your Health Idaho, covering the statute changes required to implement this program. The Idaho Legislature and the Governor also would need to approve funds to cover the state general fund portion of this plan.

Who approves the waivers?

The Secretary of Health and Human Services (HHS) would ultimately have to approve both waivers. Idaho will work closely with the Centers for Medicare and Medicaid Services (CMS) and the Center for Consumer Information and Insurance Oversight (CCIIO) to address federal concerns and move toward federal approval for these waivers. The Department of Health and Welfare will submit the 1115 Waiver to CMS and the Department of Insurance will submit the 1332 Waiver to CCIIO. Both departments and Your Health Idaho will work closely with their federal partners to ensure the waiver process progresses.

