

# Refusing Obamacare will cost Idaho dearly

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## Marty Trillhaase/Lewiston Tribune

If Idaho Gov. C.L. (Butch) Otter still doubts the need to extend Medicaid coverage to low-income adults, the final reason fell into place Monday.

The people running Idaho's medically indigent program say its costs are on the rise again. All of which means Idaho's penalty for not extending Medicaid to low-income adults will grow more painful by the year.

Idaho has more than 262,000 people without health insurance. When Obamacare takes full effect less than two years from now, about 150,000 Idahoans will be eligible for insurance subsidies purchased through health care exchanges. These could be state-run if Idaho chooses or federally managed if the state defers.

Another estimated 110,000 adults will become eligible for Medicaid because they earn just slightly more than the federal poverty limit. But under the U.S. Supreme Court decision upholding Obamacare, Idaho and other states have the option of not expanding Medicaid.

For some states, such a step may be financially tempting. Although the feds would pay 100 percent of the cost through 2016, state taxpayers pick up 5 percent in 2017 and 2018 and shoulder 10 percent thereafter. Plus, Idaho would pick up its traditional 30 percent cost if someone applies for Medicaid but was eligible prior to the expansion - most likely children of these newly covered adults.

By some estimates, Idaho's expanded Medicaid bills would settle in at about \$40 million a year.

Which is a good deal less than it's spending on indigent care.

A legal term, indigents refer to people who get medical treatment and then are unable to pay. Idaho's 44 counties are the source of last resort and, under state law, they ante up the first \$11,000 of any claim. Idaho's general fund picked up the larger bills, through the catastrophic insurance fund. In total, the program relies on about \$61 million.

After years of watching the indigent program's demands on state and local budgets steadily balloon, the people managing the effort had contained the costs during the past three years.

But Monday, Bonneville County Commissioner Roger Christensen, who chairs the CAT Fund board, said those days are over.

"Unless we can come up with some kind of a rabbit out of a hat, we're going to see some of the trends start going back up," Christensen said.

Among the changes:

- A state law allowing CAT to pay health care providers 5 percent below the Medicaid reimbursement rate expires in 2013. That saved about \$1.6 million.
- As Obamacare comes on line, a temporary insurance pool for people with chronic, pre-existing conditions sunsets. By paying premiums for some of its clients, CAT saved about \$5 million a year.
- With the economy still in trouble, more people are turning to the state and counties to pay their medical costs. Case loads are rising about 10 percent a year.
- Medical inflation is back. The cost per case is projected to jump 9 percent to \$27,500.

What Christensen is suggesting is that Idaho can spend \$71 million on CAT in 2014 or transfer virtually all of its clients to a 100-percent federally provided Medicaid program.

And by 2019, Idaho can either spend more than \$100 million on CAT - or less than half that amount on an expended Medicaid program.

And that's only money. What about quality of care? People on Medicaid would see doctors more regularly and receive treatments earlier, when it's more effective and less costly. The CAT program tends to respond to people who put off seeking medical attention until it is unavoidable.

Whatever the choice is elsewhere, the one confronting Idaho is becoming undeniable: Expand Medicaid to cover poor adults or watch an increasing pile of Idaho tax dollars spent on providing less adequate medical care. - M.T.