Idaho ready to embrace Obamacare, surrender sovereignty

By Wayne Hoffman/Idaho Freedom Foundation

Idaho is on its way to becoming the first Republican-controlled state in the nation to implement a state insurance exchange under President Obama's health care law. The Senate Commerce and Human Resources Committee voted for the state insurance exchange, backed by Gov. Butch Otter on Thursday.

Sens. John Tippets, Jim Patrick, Dean Cameron, John Goedde, Jim Guthrie, Fred Martin, Todd Lakey and Dan Schmidt voted for Senate Bill 1042. Only Boise Democrat Branden Durst voted no. The measure now goes to the full Senate.

The committee took its action even though all the evidence suggests that the state gains nothing by administering the federal law. Proponents claim Idahoans will save money under a state exchange, even though just a few months ago we were told the opposite was true. Facts are stubborn things, John Adams said. So Idaho lawmakers choose to ignore them.

The federal government writes the rules for how an exchange works; the state gets no say. And if you think the state does get some kind of control, check out Utah, where Republican Gov. Gary Herbert's negotiations with the federal government over Utah's pre-Obamacare insurance exchange proved fruitless. Utah is opting to cover businesses, not individuals, under its exchange. Even that idea is still subject to federal approval.

Herbert told the American Enterprise Institute the other day that he didn't want his state to be the face of the health care reform law. "Frankly, I don't want to be on the receiving end of phone calls, which I believe will happen, where individuals are going to say, 'Hey, I'm getting a call from the IRS and they're wanting my tax money to pay a penalty because I haven't signed up for their insurance program," Herbert said.

But Idaho lawmakers think Idaho is different. They wait at the imaginary table in Washington, D.C., to have an imaginary confab with federal officials, who will promptly ignore them. But hey, at least we have exercised state control.

Sen. Patrick even went as far as to say he's "too conservative" to allow the federal government's entry into Idaho with its insurance exchange. Interesting statement, given that groups like the Heritage Foundation, Americans for Prosperity, FreedomWorks, the Idaho Farm Bureau and the Cato Institute insist the state's move does nothing to advance conservatism or state sovereignty.

But alas, the bill doesn't assist sovereignty at all. It surrenders it. Even supporters of a state insurance exchange acknowledge the bill before lawmakers serves as a complete and absolute dereliction of the Legislature's oversight responsibilities. The bill creates a supposed nongovernment agency that will assess some kind of unknown fee to unknown persons or businesses for unknown amounts of money.

The most the Legislature can do is approve the governor's appointments to the insurance exchange board. And should a future Idaho governor decide to go full-tilt embracing of Obamacare, there is little the Legislature will be able to do about it.

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Some lawmakers even told me they're looking for as much distance from the future insurance exchange as possible. They don't want to hold responsibility when the insurance exchange starts implementing Obamacare's fines, taxes and outrageous insurance premium increases. Great plan if you are politician. Bad for the rest of us. Only Sen. Durst, a professed state exchange supporter, acknowledged the wrongness of the legislation under consideration.

Our future hinges on what the Legislature does. Will the state become a tool for Obamacare or an obstacle? Will Idaho embrace the free market, or abandon it?