

As Forrest Gump might say: Clever is as clever does

By Wayne Hoffman

If cleverness is a disease in politics, it's endemic with some of the folks involved in implementing Gov. Butch Otter and Barrack Obama's health insurance exchange.

Exhibit A: The insurance exchange law passed by the Legislature and signed by Otter says "the exchange shall be financially self-supporting and shall not request any financial support from the state and shall not have the power to tax or encumber state assets."

So, you might wonder, how is it that the state Department of Health and Welfare managed to give nearly \$400,000 to the insurance exchange to begin operating? Well, the key word, it seems, is "request." The exchange didn't "request" money (at least, perhaps, through official channels). And there's nothing, says the department's deputy attorney general, from stopping the state agency from, on its own, granting money to the exchange. Which has happened.

And now the exchange has hired a CEO for \$175,000 a year.

I'm confident this is not what lawmakers had in mind when they included a prohibition against state funding in the statute. But it is clever, isn't it?

Exhibit B: Remember when Idaho lawmakers were confronted with three choices for an insurance exchange? They were told we can have a state exchange, with state autonomy and no federal intervention, or we could have a federal exchange, run by the federal government with no input from state officials. We were also told we could have a state-federal partnership, or hybrid exchange, in which the state handles certain functions and the federal government handles other functions. Lawmakers regrettably selected a state insurance exchange.

But what we're getting is hybrid exchange, in which the federal government runs the enrollment and eligibility components. Supporters of this decision say it gets Idaho in position to meet an Oct. 1 deadline to be up and running. But to me, it sure sounds like arguments about being in control and designing the insurance exchange "from the ground up" were oversold.

But it's clever. Proponents got their state exchange, but somehow we're still mixed in with the federal exchange we were told would be avoided at all costs. Clever.

Exhibit C: Lawyers from Boise's Hawley Troxell law firm peddled Medicaid expansion as good public policy during the recently concluded conference of the Idaho Association of Commerce and Industry. Alas, however, the lawyers didn't mention that they have other clients with an interest in the Medicaid expansion issue—the Idaho health insurance exchange.

Rep. Janet Trujillo of Idaho Falls contends the lawyers left out "kind of an important point." Rep. Judy Boyle of Midvale thought the lawyers would present the pros and cons of Medicaid expansion. They only heard the supposed upside.

"We were a little ticked off," Boyle said.

But it was clever, don't you think, to have lawyers with expertise in health care talking about the value of Medicaid expansion? It is, if you don't know the conflicts.

Exhibit D: In an op-ed in the Idaho Business Review, lawyers for the same law firm claim "employers are prohibited from pressuring employees to not seek coverage through an exchange." Prohibited under what law or regulation, we wondered? It turns out, there is no such prohibition. When we asked about it, one of the column's authors walked their statement back, contending it is merely a "best practice" to not discourage participation in the exchange. Clever, though.

But "clever" is the exchange's middle name. Remember when lawmakers told us they weren't expanding government by creating the health insurance exchange? Because it's an independent body, not a government agency? In that context, three months of cleverness, word twisting and fact obfuscation isn't terribly shocking.

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