



November 15, 2013

Honorable C.L. 'Butch' Otter
Governor of Idaho
State Capitol, 2nd Floor
Boise, ID 83720-0034

Dear Governor:

The Idaho Association of Commerce & Industry (IACI) has been working on the issue of addressing Idaho's Medicaid system and has given careful consideration to the idea of expanding the program. After its September Board meeting, the IACI policy on this issue was adopted as follows: *"IACI supports Medicaid redesign in a manner that is fair to taxpayers, beneficial to employers, adds provider accountability, addresses the inherent inefficiencies in the county indigent program and the state's catastrophic program, and minimizes the cost shift to business."*

With that policy in mind, it was with interest we read that the federal Centers for Medicare and Medicaid Services (CMS) had approved a "demonstration waiver" for the state of Arkansas. The waiver was designed to allow Arkansas to utilize Medicaid dollars in a premium assistance program that allows some Medicaid recipients to purchase private health insurance. This type of private market solution is of great interest to the members of IACI, and we believe it is worth exploring for the state of Idaho.

IACI's Health Care Subcommittee has deliberated on this idea and developed a series of questions for your office with respect to a conceptual proposal that would mirror the Arkansas premium assistance program in Idaho. We would humbly request that a Medicaid Redesign Task Force be reformed under your office to fully consider these questions, as well as to give thorough consideration to the idea of significantly redesigning Medicaid in Idaho.

We appreciate your leadership on the health care challenges facing our state and, as always, stand ready to assist your office in any way we can.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alex LaBeau", is written over a light blue horizontal line.

Alex LaBeau

enclosure

cc: Christine Neuhoff, Chair
IACI Health Care Subcommittee