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## Idaho to seek grants for health exchange

*Governor says move avoids 'loss of control'*

BOISE – Idaho Gov. Butch Otter gave the go-ahead Monday for the state to apply for nearly \$31 million in federal grants to start an Idaho health insurance exchange.

“It’s a difficult choice, but one I find far preferable to submitting to a federally established insurance exchange, with all the loss of control over our own destiny that entails,” Otter said. He said the exchange will be designed to make health coverage more accessible and affordable for Idahoans.

Otter remains a firm opponent of the national health care reform legislation that he dubs “Obamacare,” and the state continues to press its lawsuit seeking to overturn the law. But Otter said the idea of exchanges has been around since long before the legislation and was “co-opted” by the national law; he said Idaho’s been looking into it since 2007.

“My goal is to establish a state-based exchange emphasizing free-market principles and create a competitive marketplace for individuals and businesses to obtain the coverage they need, rather than imposing a one-size-fits-all solution that may not be suitable or even workable for Idaho,” Otter said.

Exchanges are envisioned as places or portals where people or small businesses could go to find health insurance they can purchase, see if they’re eligible for federal subsidies, and compare costs and benefits. Plans offered on the exchanges would have to comply with guidelines.

The state exchanges are a centerpiece of the national health care reform legislation; they would be designed to let Americans who lack insurance get easier, more affordable access to it. If states don’t set them up on their own, federal authorities will take over the task.

Idaho Health and Welfare Director Dick Armstrong said that in Idaho in 2010, 31 percent of people age 18 to 34 had no health insurance, a figure he called “strikingly high.” Overall, 17 percent of Idahoans lack insurance, but years of rising costs have pushed the healthiest population – the 18-to-34-year-olds – to drop it. An exchange, he said, would help.

Idaho lawmakers this year pulled back the state Department of Insurance’s proposed budget because it included \$2.5 million in federal grants to start planning an insurance exchange, saying they opposed the national health care reform bill; the department said it would cover those efforts with state funds instead.

But after Otter, Armstrong and state Insurance Director Bill Deal made a personal pitch to lawmakers in late August to back the grant application, key lawmakers said they supported it.

Otter said the idea is to keep the state’s options open; some or all of the grant money could be returned without penalty if Idaho decided later not to use it.