

There are other ways to change Obamacare. What would cuts mean to Idaho?

Efforts by Republicans in Congress to repeal and replace the Affordable Care Act are dead for the moment.

But what if the Senate's Republican leaders can rally the votes to revive a bill?

What if they transplant ideas from the Senate and House bills into something new?

"If I had to put money on it, I would say they don't get [repeal] done this summer," said Justin Vaughn, co-director of the Center for Idaho History and Politics at Boise State University. "But I would not put a lot of money on it."

Either way, what happens to Idaho?

Here is what we know — and what we don't.

Advocates say Medicaid is worry No. 1

Kristyn Herbert has been on Medicaid all her life. With cerebral palsy, the 41-year-old Boise woman receives 24-hour care.

"They help me with basic needs such as showers, toileting, brushing teeth, cooking, feeding me through my GI tube, laundry and helping me with cleaning my apartment," she said in an interview over Facebook chat.

The only reason she can live on her own is because she has Medicaid coverage, she said. The insurance also helps pay for her medications, medical supplies and a new wheelchair every five years.

That is why advocates for Herbert and others reliant on Medicaid are still watching Washington. Despite the recent failure of ACA repeal, they know Medicaid is in the sights of Republicans who want to cut entitlement spending.

Congressional Republicans in their health care reform bills and in a House budget proposal revealed this week have proposed changes that would curb future spending on Medicaid. President Donald Trump did the same in his budget outline earlier this year. The party for years has called for trimming government spending and the federal debt, and they consider reforming the massive Medicaid and Medicare programs one tool to do that. In this case, Medicaid outlays would continue to rise, but at a lower rate and with caps such as a limit on the federal government's share of Medicaid funding.

"We all took a breath of relief, but not for long, because we know it's just not going to stop," said Christine Pisani, executive director of the Idaho Council on Developmental Disabilities. "It's the same monster, just in a different room."

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**by Audrey Dutton &
Cynthia Sewell**
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Idaho's Medicaid program has the sixth-highest federal match rate in the country — \$2.47 for every \$1 Idaho spends on Medicaid. The federal government funds 71 percent of Idaho Medicaid, versus the U.S. average of 57 percent. That means cuts in Idaho would be felt more drastically than in other states.

With a reduction in federal spending, the state would have to pick up the extra costs or find ways to trim spending.

Idaho was one of 19 states that did not expand its Medicaid program to include poor adults, so it already has a minimalist Medicaid budget compared with others in the country.

“At some point, there isn't fat to cut,” said Toni Lawson, vice president of government relations for the Idaho Hospital Association. “In a state like Idaho, those cuts are really going to mean something.”

Lauren Necochea, director of Idaho Voices for Children, said the Medicaid changes laid out in ACA repeal proposals are concerning. But, she said, so is the willingness to reduce tax credits for people near the poverty line.

About 100,000 Idahoans bought health insurance this year from Your Health Idaho, the state's insurance exchange, she noted. Many of them relied on tax credits to help afford premiums. Necochea predicts that shifting the priority for tax credits from lower-income to higher-income families would add 60,000 people to Idaho's uninsured ranks — on top of the 78,000 who lack Medicaid.

She is most worried about the vulnerability of Medicaid funding.

“We're very concerned about any attempts to cut our long-standing Medicaid program that's primarily low-income children and children with disabilities,” Necochea said.

Health care hunger games

While all sides agree the Affordable Care Act has not stopped health insurance premiums and deductibles from increasing, there is tremendous disagreement about the reasons why.

Meanwhile, insurers in some states are pulling out of exchange marketplaces — the only place people can buy plans with federal subsidies — which Republicans who support repeal attribute to the failures of the ACA.

Leaders in Idaho's health care industry were loath to forecast exactly how the bills moving through Congress would affect Idaho's hospitals, health insurers or government programs.

But if congressional Republicans pass legislation making changes like those they've proposed in the past six months, Idaho leaders predict Idaho's poor and sick will have less access to health care, Idaho business will have a harder time planning for the future and health insurance will be further destabilized.

“Insurance will become less expensive for the young and healthy, but at the expense of coverage for the unexpected,” St. Luke's Health System President and CEO David Pate said in a presentation last month.

“Insurance will be much more expensive for older [people] and those with chronic disease, and some who are in most need of insurance may be unable to afford it.”

The trade group that lobbies for Idaho’s hospitals looked with dread at talks of repeal in the Senate this week.

“It creates a vacuum that could implode the insurance markets, create chaos in health care and take years to fix,” Lawson said. “Repeal with no plan is not a plan.”

The uncertainty about the future of the ACA already has caused problems, she said.

“Imagine if you were the CEO of a small rural hospital trying to make decisions,” Lawson said. “There are a few small hospitals that are really struggling.”

Focus turns to budget, lawsuit

When some Senate Republicans quickly spoke out against repealing the ACA this week, advocates and industry leaders turned their eyes to the president’s budget and a little-known court case.

The budget proposed by Trump would cut hundreds of billions from Medicaid over the next decade.

“Provider rates in our state, they’re already so low that there’s no way providers could stay in business at the even lower rates,” Pisani said. She worries that people like Herbert will be shifted to nursing homes if Medicaid cuts its rates to their health care providers.

Meanwhile, one part of the ACA has an uncertain future.

The law promised that the federal government would help cover out-of-pocket costs for people who are near the poverty line. But last year, House Republicans sued over those “cost sharing reduction” payments that were expected to total \$7 billion in fiscal year 2017, arguing that the law’s promise to fund them was unconstitutional.

That lawsuit is on hold for now. But industry members are pushing to make sure the payments stay in place.

Hospitals and health insurers believe the loss of either federal funding source would be destructive, resulting in higher premiums.

But as they keep an eye on the budget, the court case and the cost-sharing payments, they aren’t ignoring the possibility of ACA repeal.

“I remember when everyone thought the House bill was dead, and it quickly sprang to life and had a vote,” Lawson said. “So we’re still going to be on high alert.”

‘It is this tug of war’

Herbert was one of many Idahoans who visited U.S. Sen. Mike Crapo’s office last week to urge him to oppose his party’s health care reform bills.

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If there are cuts to Medicaid, Herbert said she could no longer live independently.

“My health would go down drastically, and it could lead to my death, because my health is related to my ability to be on my own,” she said. “I would rather go live under a bridge than a nursing home. That’s why I asked Sen. Crapo if he cuts Medicaid if I could live with him.”

Meanwhile, political observers wonder if there is any way McConnell can pull off a repeal at this point.

“You’ve got a big chunk of the Republican caucus that says, ‘I am going to get in trouble if I vote for a bill that is not conservative enough, so I cannot support this.’ You’ve got another chunk of people that say, ‘I am going to get in trouble if I vote on something that is going to be entirely destructive to my constituents,’” Vaughn said. “It is this tug of war. When they move a little to the right, they lose some people. When they move a little to the left, they lose some people. ... There probably isn’t a trick good enough to do something of this scope with this many people watching.”

U.S. Sen. Jim Risch, R-Idaho, was among senators who discussed health care with Trump over lunch Wednesday. Risch said he wants to keep working on a bill.

“The best path forward is to repeal and replace the law with a health care system driven by the wants and needs of the American people, not the wants and needs of the federal government,” he told the Statesman.

Crapo spokesman Robert Sumner called the situation “a fluid process” and said the senator “is open to considering any option” to address his criticisms of the Affordable Care Act.

Crapo, also a Republican, has heard from Idahoans urging him to support the reform bills as well as from people like Herbert, Sumner said. “As this process continues, he will keep those comments in mind but his overall focus is on repealing Obamacare and replacing it with a better option to deliver affordable care.”

U.S. Reps. Raul Labrador and Mike Simpson did not respond to the Statesman’s requests for comment on the health care legislation.

“If it becomes clear that the feds are not going to repeal (the Affordable Care Act), there is no excuse to leave almost 80,000 people uninsured.”

— Idaho Rep. Ilana Rubel, D-Boise, on Medicaid expansion in the 2018 session

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