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11623 Lake Shore
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FOR YOUR INFORMATION
The Idaho Statesman
Boise, Idaho
Thursday Sept. 14, 2017
by **Audrey Dutton**
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Health and wellness failed. It's time to earn insurance rebates, Blue Cross CEO says

Charlene Maher took over as CEO of Blue Cross of Idaho in early 2016. She began her career as a registered nurse, then went on to work in health insurance for 25 years, including as a top executive at WellPoint, where she oversaw health plans for 14 states.

One of her goals as a health care leader in Idaho is to help the state reach “access for all,” where no Idahoan is without health care.

“I don’t think people understand how wonderful our health care system is,” Maher (MAY-er) says. “And when I say ‘health care system,’ I mean the physicians and the nurses, and what’s available to us. I think the United States is a little bit, somewhat spoiled, because we’re used to having immediate gratification for most things.”

But still many people in Idaho have no insurance, she notes.

The costs of health insurance have created a large group of middle-class uninsured. Affordable Care Act subsidies that help cover premiums go only to people whose incomes are between 100 percent and 400 percent of the federal poverty level — leaving out the very poor and some of the middle class.

“There is no reason [for that],” Maher says.

Charlene Maher-2016Charlene Maher

And that’s where one of her wish-list items comes from:

“For a state like Idaho, where we don’t have Medicaid expansion, bring the subsidy level down to 0 percent,” she says. “That gives access to all, it’s a quick fix, it’s part of the Republican plan, it’s also part of some waivers we can apply for.”

1. Revert to state-level regulation

Idaho is in the best position to [bring health care] access to all. We have a legislative body here that is interested in solving things.

It’s just, how do we get around the federal government right now? Because they’re really not doing their job, frankly. I would like to see them do something, but they’re not doing their job. And we’re running out of time. If we expect them to solve the problems for us, we will not get the answers we need.

But it has to be state-governed. Health care is regional. Not at a federal level.

Having the flexibility and the products that make sense for the people of Idaho, and the provider systems we have in Idaho, is critically important.

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That would be No. 1: Bring it back to states.

The federal government should always be involved in the larger issues such as security, military, the greater social needs. But they shouldn't get down to education and day-to-day health care needs. That's within a state's rights.

When I had 14 states, and I would roll out products, the same product that I would launch in one state would be about \$100 for a 30-year-old male. Comprehensive benefits that included vision and dental. Very low copay, anywhere from \$5 to \$20. The deductibles were very low, like \$2,500 or \$1,250. That same product in a state like New York, that had guaranteed-issue [a ban on coverage denials], community rated [instead of individual risk ratings] and all the mandates, would be \$450.

That's what the Obamacare mandate ... did to health insurance. They were trying to fix a problem, but they ended up causing other problems.

We have a middle-class uninsured problem now. [People with higher incomes don't qualify for insurance subsidies under the health care law.] They have no options, because their premiums are \$400, \$500, \$600 for each person in their family. So a family of four, if they make \$60,000, they could be paying \$25,000 or \$28,000 for an Affordable Care Act product because they don't get a subsidy. They're completely out of the market. They can't afford it.

Give us the ability to roll out products that really deliver choice, and at a price point for everyone. We could roll out products that are 50 percent cheaper than ACA products are, based on pre-ACA Idaho regulations.

2. Primary care for all

The most important relationship that any individual has when it comes to health care is with their primary physician.

I think everybody should be required to choose a primary care physician.

And that primary care physician should be rewarded for having consultative relationships with their patients. The reimbursements have to change, so they are paid for their time.

The reimbursements do have to be re-adjusted. We pay higher reimbursements for all the specialty items and lower for that primary care relationship. If we had that relationship [factored] in the reimbursement — recognizing the time that is spent on health and wellness — we would close gaps in care.

People would be healthier. There wouldn't be duplications of treatment. They wouldn't have contraindicated treatment. They wouldn't be getting treatments that are not right for them.

We have one lady who's been to the ER 64 times in six months. If she had a primary care physician who truly was working with her, we wouldn't have that.

0920 BI emergency room More primary care in Idaho will help keep people out of emergency room and hospitals, says Blue Cross of Idaho CEO Charlene Maher.

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That would stop the self-referring, where we just open up the health care book like it's a phone book and we pick our own doctors.

[Also create a] high-risk pool. Take the sickest of the sick and have a high-risk pool that's either funded at a state level or a state and federal partnership. What that does is stabilize prices. It would bring down prices on the [exchange plans], and it would stabilize the prices for the long-term.

3. Give people incentives

I remember, going back into the '80s, when everybody was launching these health-and-wellness plans. Everybody was going to get healthier. Nobody did. Only those people that already did [the gym and health checks] signed up for it. It really didn't change anyone's behavior.

One of the things that has prevented us from really doing great things, from an insurance carrier's perspective, is that in many states including Idaho, rebates are illegal. So, we have to be really careful. You can't rebate people to do something.

That's been a real challenge, because what I'd love to say to someone is, "Here is your insurance. It costs \$150, but if you go for your preventive exam and you lose 10 pounds or you stop smoking — whatever you and your doctor agreed to — what if we rebate you 30 percent of your insurance premiums? Because you earned it."

We can't do that.

Or buy down your deductible, too. There are a lot of ways of doing it.

People would invest in that, because they understand what it means.

4. Lift the veil on costs

We have to get full transparency out there. Some kind of innovative plan, where a portion of the savings returns to them — whether it's 50 percent or 25 percent — because then people would be engaged.

If you just say it's the right thing to do, they're not going to do it. They're not. They're going to do what's most convenient. But if there's an actual return on investment for their time, they'll do it.

Imagine if you could go to Clinic A and it's \$1,000, or Clinic B is \$10,000. If we could share a portion of that savings back to the member, that would be huge. That would change behavior quickly, wouldn't it?

But transparency tools themselves haven't worked across the country the way people wanted them to work. I think there has to be rebating or some savings statement, or something, so that people are a lot more aware.

Then, what you'll see is clinics start to bring down their prices.

5. Invest in the next generation

If we really want to change the cost of health care, invest in education — physical education, nutritional education.

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Those children growing up, if we really want to prevent hypertension and diabetes and all the diseases that are tied to those two conditions, change the next generation.

Invest in the next generation. Make sure they are out playing, and that we have parks and have sidewalks, they have physical education in school, access to healthy foods. So many schools cut out PE and nutrition because of their budgets. That's where we have to invest, and that will change things for the future.

Trying to change an adult today is very different than teaching children in a different way.

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