
Medicaid expansion alternative underwhelming

At least it’s concrete plan to help needy, but cost will make tough sell to lawmakers

It’s hard to think of a topic that’s more toxic with Idaho state lawmakers than Obamacare. Although it’s a national health care law, states have some say in how or whether they’ll participate, and to use sports lingo, Idaho is 1-for-2 in that department.

The one part of the Affordable Care Act in which Idaho did choose to participate is the state health care exchange, Your Health Idaho. Gov. Butch Otter was able to persuade enough Republicans to join Democrats and approve the controversial exchange in 2013 because, he argued, state residents were going to have to use either a state or federal exchange at some point, so at least the Gem State would have control over the one its residents who need to buy policies would use.

The governor took a lot of political heat for it. Critics were vocal. And now Idaho remains one of just 13 states with its own exchange. Neighboring states including Oregon and Nevada have ditched theirs, allowing the feds to take them over.

The other component of Obamacare Idaho could have implemented but hasn’t — at least not yet — is Medicaid expansion. The U.S. Supreme Court allowed states that option, and 30 of them have done it.

Democrats are demanding Idaho follow suit. They point out that it will save the state $173 million over 10 years because most of the money would come from the federal government — not exactly the most popular entity among Idahoans.

County governments in particular would be major financial beneficiaries because they are currently paying treatment costs through their indigent funds. And proponents have chided Otter for failing to push for expansion after the panel he appointed to study the issue recommended it.

Of course, Democrats are heavily outnumbered in the Legislature, where many Republicans feel burned enough as it is by the state exchange. Not only are they reluctant to approve any further component of the unpopular health care law, they’re also concerned that expansion would put the state on the hook for funding that could dry up from the feds — and given Washington’s penchant for racking up debt, you can understand their concern.

So it wouldn’t be wise to wager the mortgage that state lawmakers will approve a fullblown Medicaid expansion. But Otter hasn’t refused outright to consider alternatives that would promote patient accountability, and now his administration is floating a plan that would provide some coverage to the 78,000 Idahoans who fall in the “gap” between earning too much to qualify for Medicaid and not enough to qualify for subsidized insurance plans from the state exchange.

The plan would have no federal ties and could cost the state about $30 million a year, part of which could come from a cigarette tax increase. It wouldn’t cover prescriptions or major procedures such as
emergency room visits and hospitalizations, but rather preventive care. The theory is that, if they get minor, less expensive preventive care today, they won’t have to have more expensive, major care tomorrow.

In theory, it sounds promising. Unfortunately, some people just don’t do it. They don’t go to the doctor until they have major symptoms that require costly medical intervention. So it’s hard to estimate how many of those 78,000 or so would actually use the plan.

There’s also the issue of cost. Unlike full Medicaid expansion, Idaho would have to foot the entire bill for this one. Some bristle that state residents already pay federal taxes and aren’t getting that money back in the form of Medicaid expansion, yet they’d have to pay additional taxes for this program.

Lawmakers will be pressured to lower taxes when they convene next month, not raise them. Cigarette tax hikes are pitched as more palatable because they’re “sin taxes,” and they could entice more people to quit smoking. But critics love to point out that if that strategy succeeds, there will be fewer people smoking, and all that extra money the government was counting on to fund health programs will disappear.

We’re torn on outright Medicaid expansion. Both sides make compelling arguments, and given the political reality of a deeply red state, it’s hard to fathom that it would happen.

The Governor’s Office, Department of Health and Welfare and all those who helped draw up the proposal deserve credit for at least working on an alternative that would help those who really need it. It’s better than nothing, but it really wouldn’t be much more than a minor band-aid. It’s hard to get excited about it, and the price tag would no doubt mean an uphill battle with lawmakers.