

IN THE HOUSE OF REPRESENTATIVES

HOUSE CONCURRENT RESOLUTION NO. 20

BY STATE AFFAIRS COMMITTEE

A CONCURRENT RESOLUTION

STATING FINDINGS OF THE LEGISLATURE AND REQUESTING THE GOVERNOR AND THE DEPARTMENT OF ADMINISTRATION TO WORK WITH THE NECESSARY PARTIES TO CREATE A HIGH DEDUCTIBLE HEALTH SAVINGS ACCOUNT INSURANCE POLICY FOR STATE PUBLIC EMPLOYEES WITH SPECIFIED BASIC CHARACTERISTICS, REQUESTING THE STUDY OF CERTAIN HIGH RISK INSURANCE PRODUCTS AND REQUESTING PRESENTATION OF THE REQUESTED INSURANCE PRODUCTS TO THE LEGISLATURE.

Be It Resolved by the Legislature of the State of Idaho:

WHEREAS, the state of Idaho is experiencing ongoing budget shortfalls that are requiring cuts in basic and necessary services including education, infrastructure and social services; and

WHEREAS, it has been shown that high deductible policies coupled with health savings accounts provide the foundation for a more efficient and effective health care system; and

WHEREAS, the state of Idaho and its employees and retirees spent \$177 million on medical premiums in 2010; and

WHEREAS, according to one estimate, the state of Idaho and its approximate 20,100 employees and retirees could spend as little as \$25 million for premiums for a \$10,000 deductible policy, fund a portion of a Health Savings Account and still save up to \$100 million; and

WHEREAS, rising medical costs are a problem affecting families, businesses and local and state government budgets now consuming approximately 15 percent of the gross domestic product; and

WHEREAS, tax rates and regulatory costs are at high levels burdening Idaho citizens; and

WHEREAS, the state of Idaho could use its resources more efficiently in the area of medical care; and

WHEREAS, medical reform is needed to reduce costs and improve care through reduction of administrative paperwork and to restore consumer-driven choice and true market competition between providers.

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Sixty-first Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Governor and the Department of Administration are requested to work with the necessary parties to create a High Deductible Health Savings Account Insurance Policy for state public employees and their dependents with the following basic characteristics:

1. A High Deductible Health Insurance Policy;
2. A Health Savings Account for each person that allows unused balances to remain in the possession and ownership of the insured person from year to year, to be used for medical expenses, with the account to be made tax deductible;
3. All medical bills incurred under the deductible amount will be paid for by the person using their Health Savings Account;

1 4. All paperwork requirements to be kept by the insured until the de-  
2 ductible is met upon which time the paperwork will be presented to the  
3 insurance company by the individual covered, the purpose being to re-  
4 duce paperwork cost;

5 5. That for state public employees, said plan is to include at least an  
6 annual \$2,500 payment from the state to the Health Savings Account for  
7 each insured state employee;

8 6. That this high deductible and Health Savings Account combination be  
9 the preferred insurance option for all state public employees in order  
10 to create a pool large enough to achieve premium savings that will actu-  
11 ally reduce costs; and

12 7. That this insurance policy be designed so that it may be expanded to  
13 include public school teachers, local government employees and eventu-  
14 ally an option for all willing citizens of the state of Idaho.

15 BE IT FURTHER RESOLVED that the Governor and the Department of Admin-  
16 istration are requested to study companion insurance products to care for  
17 those with high medical costs that need special attention, including the  
18 creation of a special high risk pool or incorporation of those with high  
19 medical costs into the existing Idaho High Risk Insurance Pool, but with the  
20 premium cost not to exceed 10 percent of the total premium cost.

21 BE IT FURTHER RESOLVED that the Governor and the Department of Admin-  
22 istration are requested to present the insurance products requested in this  
23 concurrent resolution to the Legislature for its review and approval at the  
24 start of the 2012 Legislative Session.