CAPITOL CONFIDENTIAL

TIMES-NEWS POLITICAL COVERAGE WITH MELISSA DAVLIN

Denney, Moyle encourage Idaho to not implement Affordable Care Act mandates

House Speaker Lawerence Denney, R-Midvale, and House Majority Leader Mike Moyle, R-Star, issued a joint statement saying Idaho shouldn't implement a state-based insurance exchange or expand Medicaid.

In the statement, the Republican House leaders claimed Medicaid expansion could add up to 80,000 Idahoans to the program, "something our state cannot afford."

The statement comes a day after Gov. C.L. "Butch" Otter stated Idaho should carefully consider all options before moving forward on an exchange and Medicaid expansion.

For more, read tomorrow's Times-News and visit magicvalley.com. Read the full release below.

FOR IMMEDIATE RELEASE

With the Supreme Court affirming the constitutionality of the so-called Patient Protection and Affordable Health Care Act (i.e., Obamacare), Idaho finds itself in a difficult situation. Should we as a state implement an extremely unpopular federal law that, even in the best of economic times, we cannot afford?

In the coming weeks, there will be mounting pressure on Idaho's lawmakers to submit to the wishes of those who will benefit most from Obamacare – the insurance companies – to establish a state health insurance exchange. A key provision of Obamacare, state health insurance exchanges, puts the states in a position of implementing– this unfunded federal mandate. When states voluntarily choose to implement and enforce federal law, the line of accountability gets blurred.

Under the “employer mandate,” businesses with at least 50 full-time employees will be taxed up to $3,000 per employee for failing to offer mandatory health benefits, but that expense is only levied *after* its employees receive credits or subsidies to buy insurance through a state health insurance exchange.

A law professor, Jonathan Adler, and Cato Institute Director, Michael F. Cannon, wrote in *USA Today*, that the employer tax/penalty only kicks in for states that establish their own insurance exchanges. According to the article, the employer credits apply only if insurance is purchased through a state-operated exchange. If Idaho declines to establish the exchange, and the federal government creates an exchange instead, the federal government cannot offer credits. Without credits there is no authorization under the law to impose the $3,000 tax on Idaho’s employers.

The continuing cost of implementation and conflicts within the law itself prompted more than 70 members of Congress, including Rep. Raul Labrador (R-Idaho), to sign a letter urging the National Governors Association to oppose the establishment of state-sponsored health insurance exchanges. They wrote “Clearing the hurdles of crafting an exchange that complies with the 600 plus pages of federal exchange regulations will only result in wasted state resources and higher premiums for your constituents.”

Also in the Supreme Court decision, Chief Justice Roberts wrote that states could decide whether to implement Obamacare’s requirement of expanded Medicaid coverage without fear of the federal government withholding the state’s Medicaid funding. In Idaho, adopting the Medicaid expansion could mean adding an additional 80,000 people to Medicaid – something our state cannot afford.

Resistance usually comes at a cost, but the state of Idaho must resist Obamacare. The cost of not resisting will be much higher. The burden of Obamacare upon taxpayers and the economy won’t be felt until the law is fully implemented in 2014. In fact, that will just mark the beginning of the burden. The 2012 elections for President, Congress and the Senate have never been more critical.

Lawerence Denney, Speaker

Mike Moyle, Majority Leader

Idaho House of Representatives