

BlueCross[®] of Idaho



*An Independent Licensee of the
Blue Cross and Blue Shield Association*

Report to the Joint Economic Outlook and Revenue Assessment Committee

January 5, 2007

Jack Myers

Executive Vice President and CFO

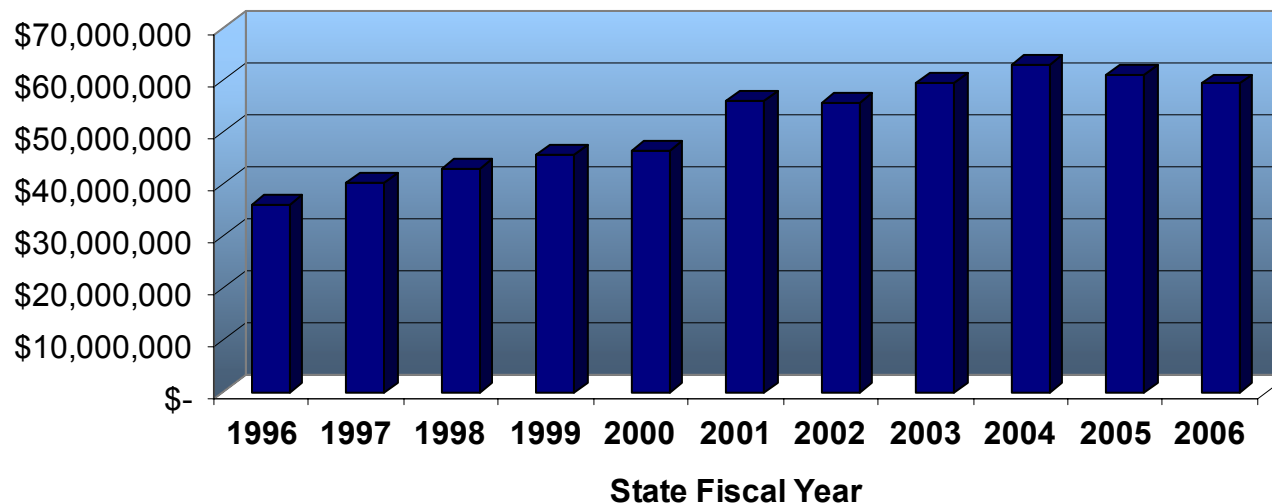
Blue Cross of Idaho

Total State of Idaho Premium Tax Revenue



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(Note: 2006 Premium Tax Estimated)

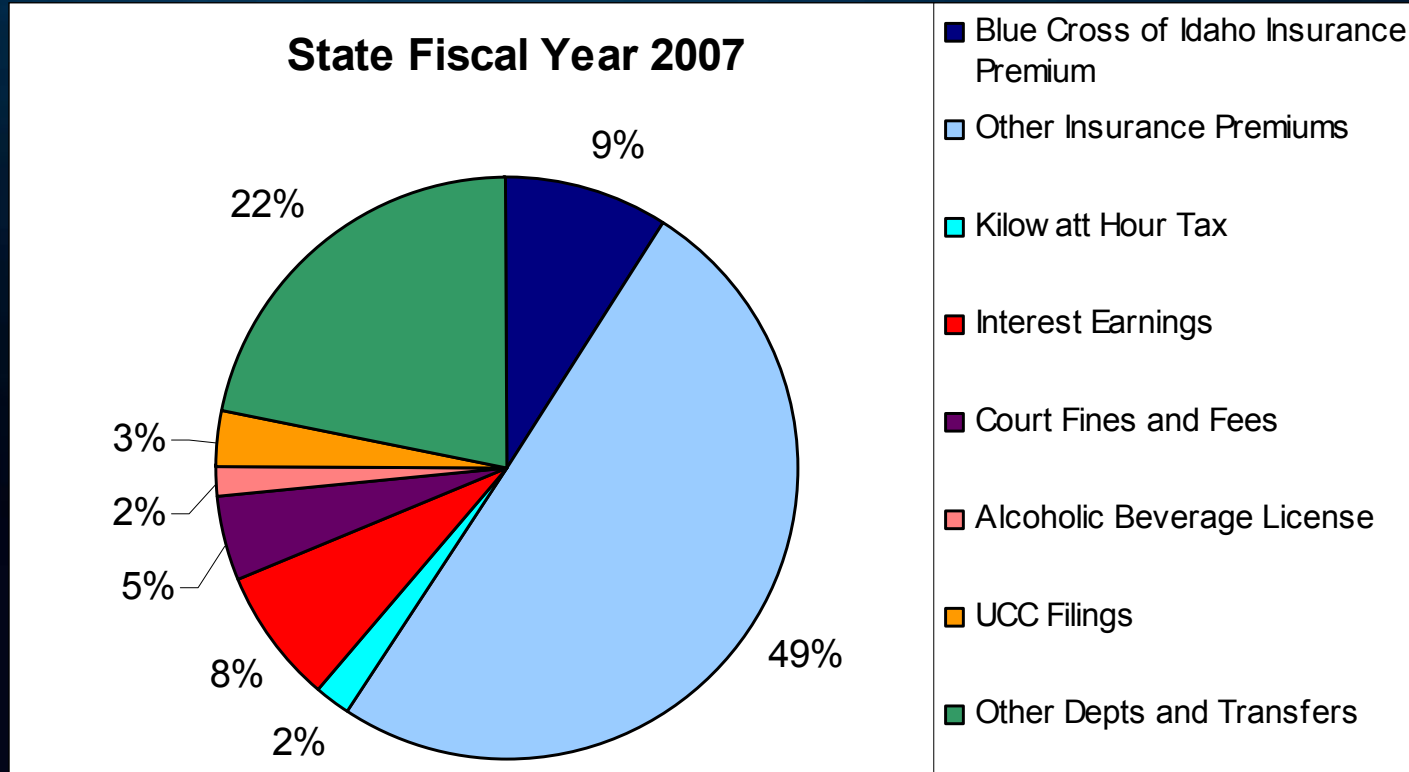


Source: Idaho Outlook, State of Idaho Division of Financial Management –
November 2006 (Volume XXIV No. 5)

Idaho Miscellaneous Revenue by Category



TOTAL MISCELLANEOUS REVENUE: \$104.25 MILLION
TOTAL INSURANCE PREMIUM REVENUE: \$59.08 MILLION



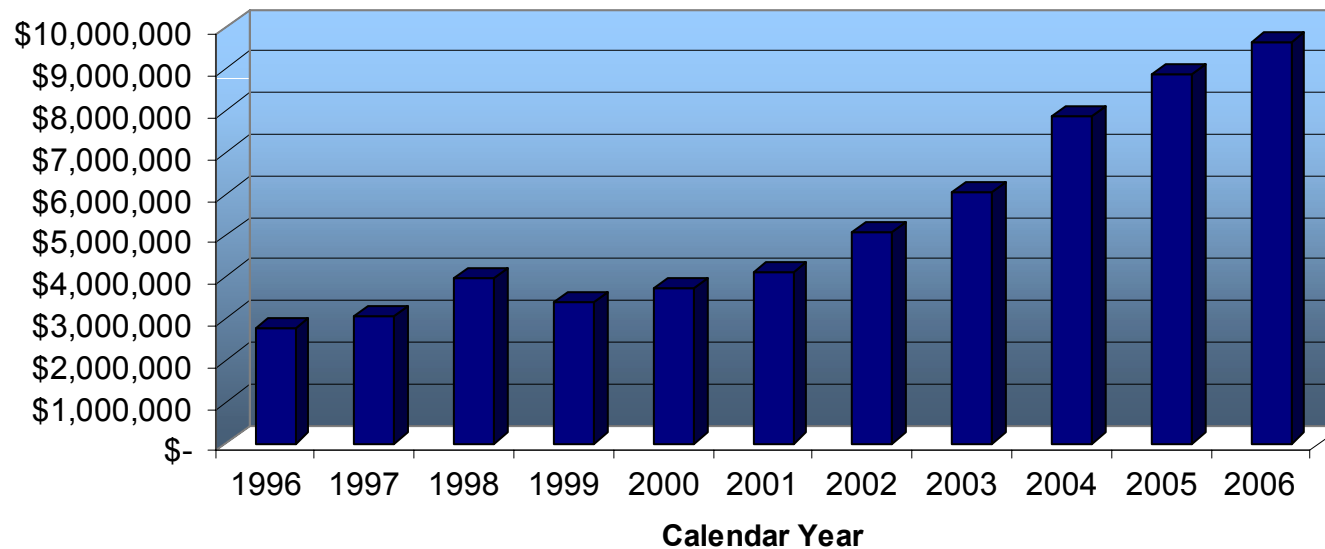
Estimates for State Fiscal Year 2007

Blue Cross of Idaho Premium Tax Payments



Blue Cross of Idaho Premium Tax

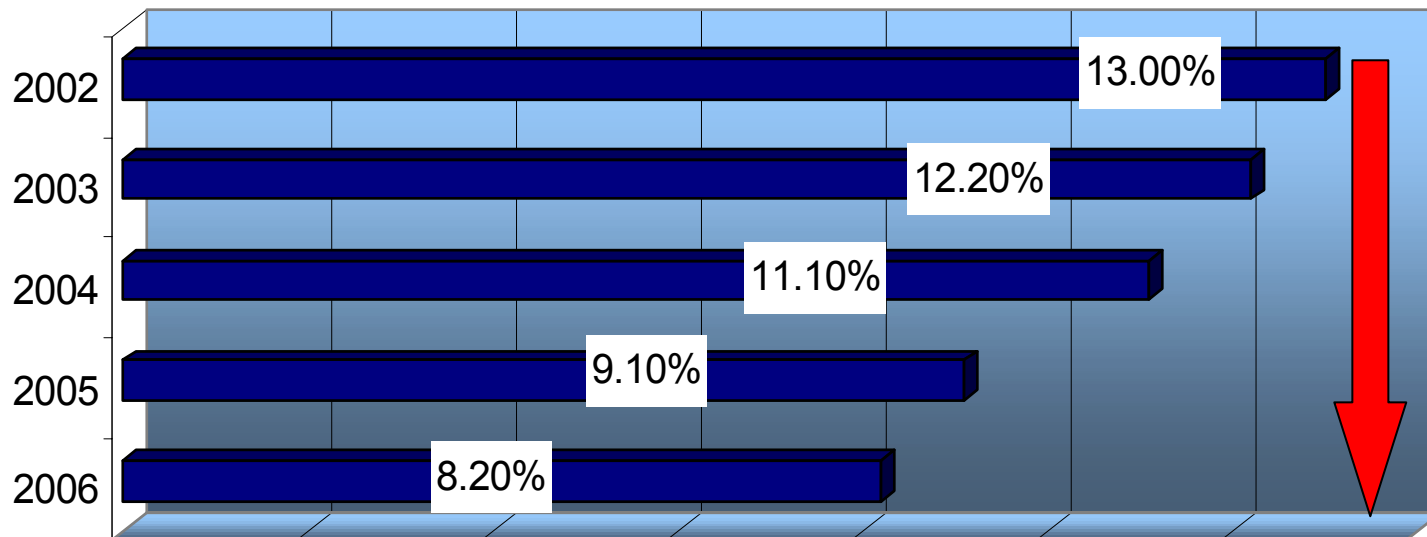
(Note: 2006 Premium Tax Estimated)





National Medical & Drug Trends

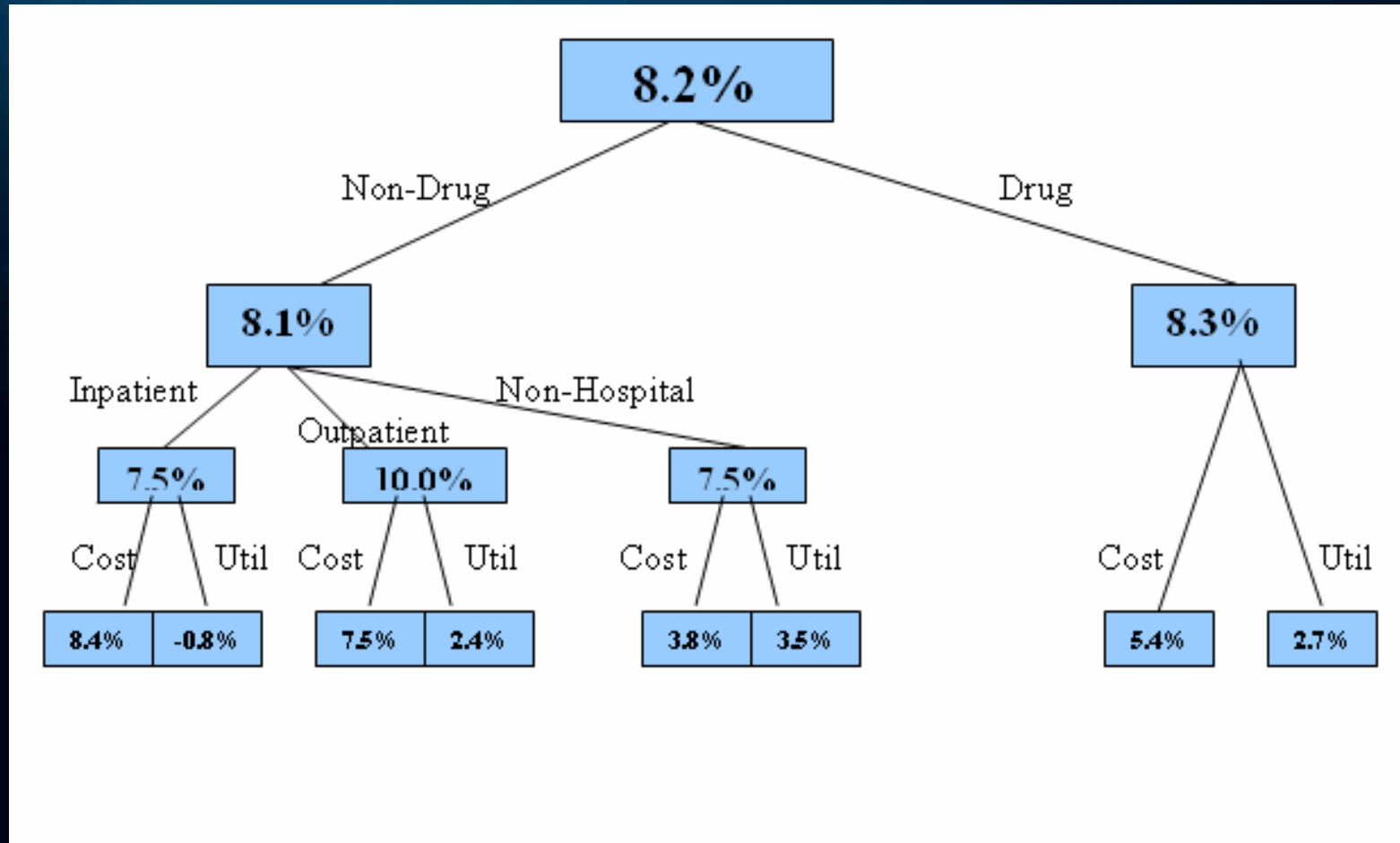
Medical and Drug Trends



Annual values reflect 12-month period ending June 30

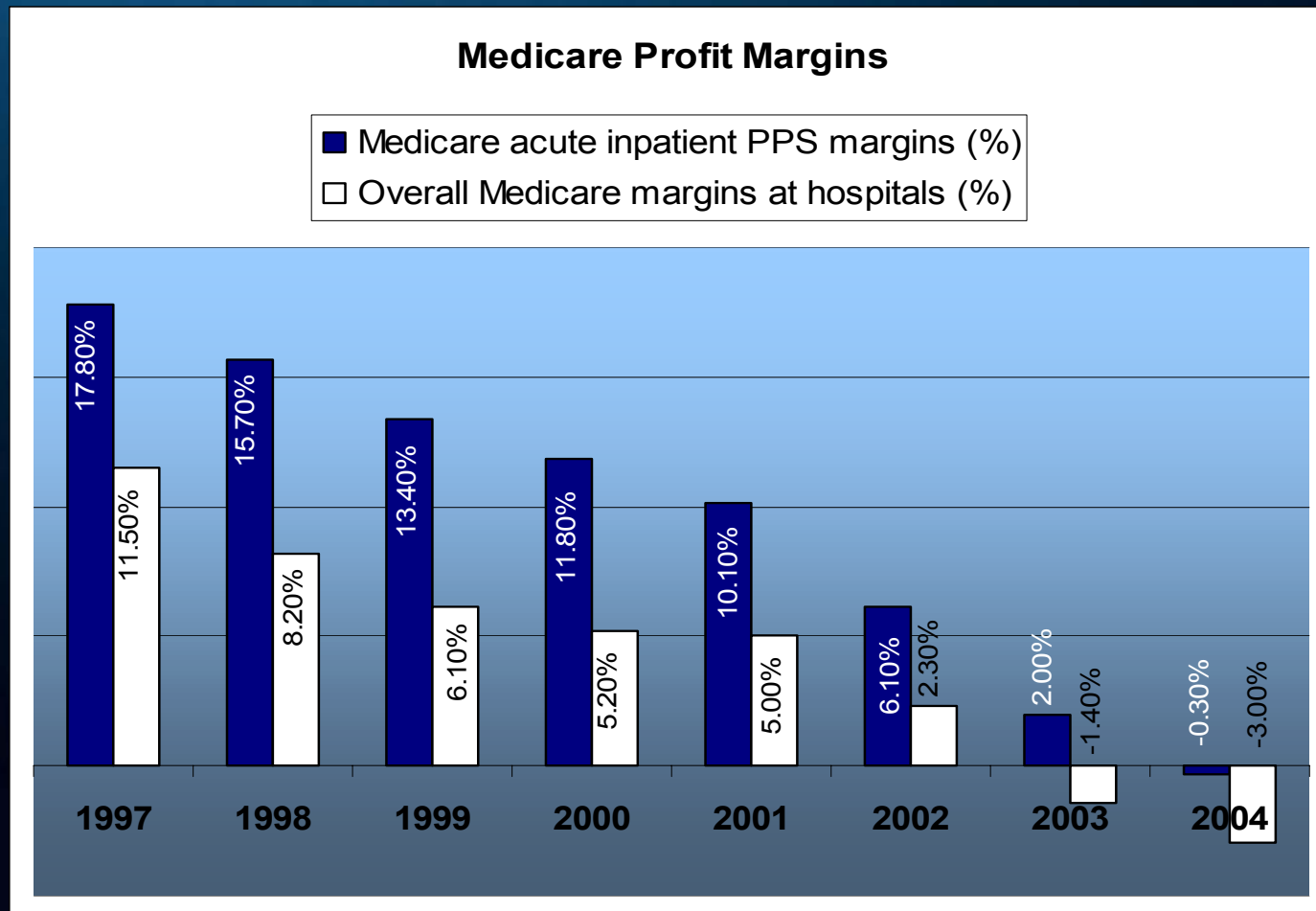


Healthcare Trend Drivers



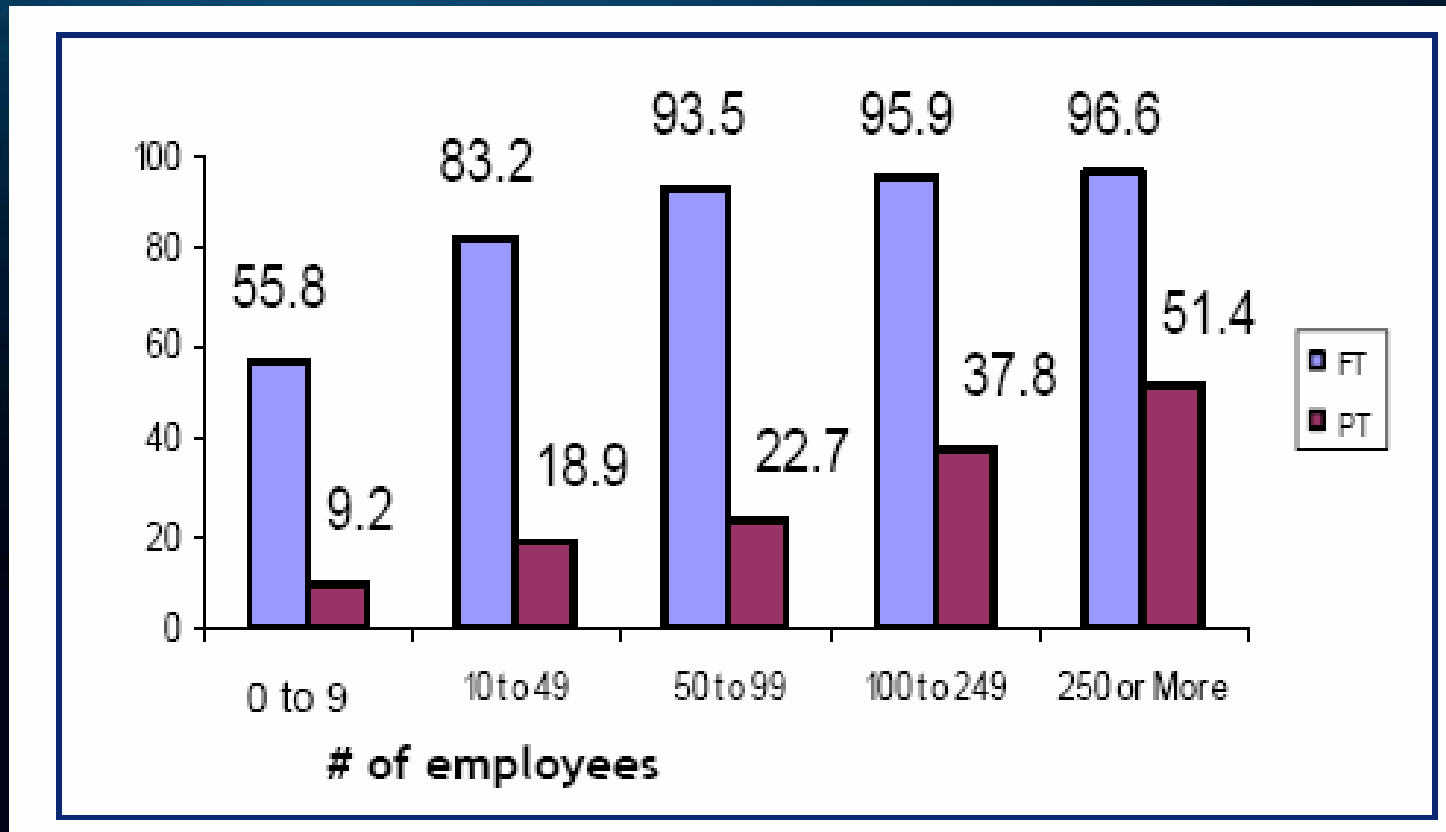


Hospital Profits From Medicare



Source: Medicare Payment Advisory Commission, 202-220-3700, medpac.gov

How Many Idaho Employers Offer Health Insurance?



Source: Idaho Commerce & Labor Idaho Fringe Benefits Survey 2005

What Share Do Employers Pay for FT Employees?



Percentage of Medical Insurance Premium Paid by Employer for FT Employees

Firm size (# employees)	<25%	25-74%	>75%
Less than 10	7.0	14.5	78.6
10 to 49	4.5	14.7	80.8
50 to 99	5.1	17.2	77.7
100 to 249	2.3	14.7	82.9
250 or More	5.4	8.9	85.7
Total	5.1%	14.7%	80.2

What Share Do Employers Pay for Families?



Percentage of Medical Insurance Premium Paid by Employer for FT Employees (Family)			
Firm size (# employees)	<25%	25-74%	>75%
Less than 10	52.8	14.8	32.4
10 to 49	49.2	22.3	28.5
50 to 99	44.9	23.7	31.4
100 to 249	36.1	27.8	36.1
250 or More	26.2	13.1	60.7
Total	47.0	20.3	32.6%

Universal Coverage: Massachusetts vs. Idaho and the U.S. Average



Pre-Reform Massachusetts had...		Idaho	U.S. Average
Uninsured Rate	10.7%	16.5%	15.7%
Employer Coverage			
• Those with employer coverage	66.8%	59.5%	59.5%
• Employers offering coverage	65.6% (4 th highest in the U.S.)	51.0% (37 th highest in the U.S.)	56.2%
Median income	\$54,617 (8 th highest in the U.S.)	\$44,994 (26 th highest in the U.S.)	\$46,326
Medicaid spending (FY2005)	\$9.7B— \$1,496 per capita (8 th highest in the U.S.)	\$1.0B \$729 per capita (44 th highest in the U.S.)	\$4.1B

Source: U.S. Census Bureau, Current Population Survey, total population, 3-year averages, 2003-2005

Where States Rank on Percentage of Uninsured



Top States

- ➡ 1 Minnesota
- ➡ 2 Hawaii
- ➡ 3 Iowa
- ➡ 4 Wisconsin
- ➡ 5 Maine

Bottom States

- ➡ 50 Texas
- ➡ 49 New Mexico
- ➡ 48 Florida
- ➡ 47 Oklahoma
- ➡ 46 California
- ➡ 44 Montana
- ➡ 44 Louisiana
- ➡ 43 Nevada
- ➡ 42 Arizona
- ➡ 41 Alaska
- ➡ 40 Georgia
- ➡ 39 Mississippi
- ➡ 38 Arkansas
- ➡ 36 West Virginia
- ➡ 36 Colorado
- ➡ 35 Oregon
- ➡ 34 Idaho

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