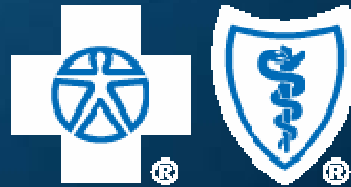


# BlueCross<sup>®</sup> of Idaho



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

## Report to the Economic Outlook and Revenue Assessment Committee

January 4, 2008

Jack Myers

Executive Vice President and CFO

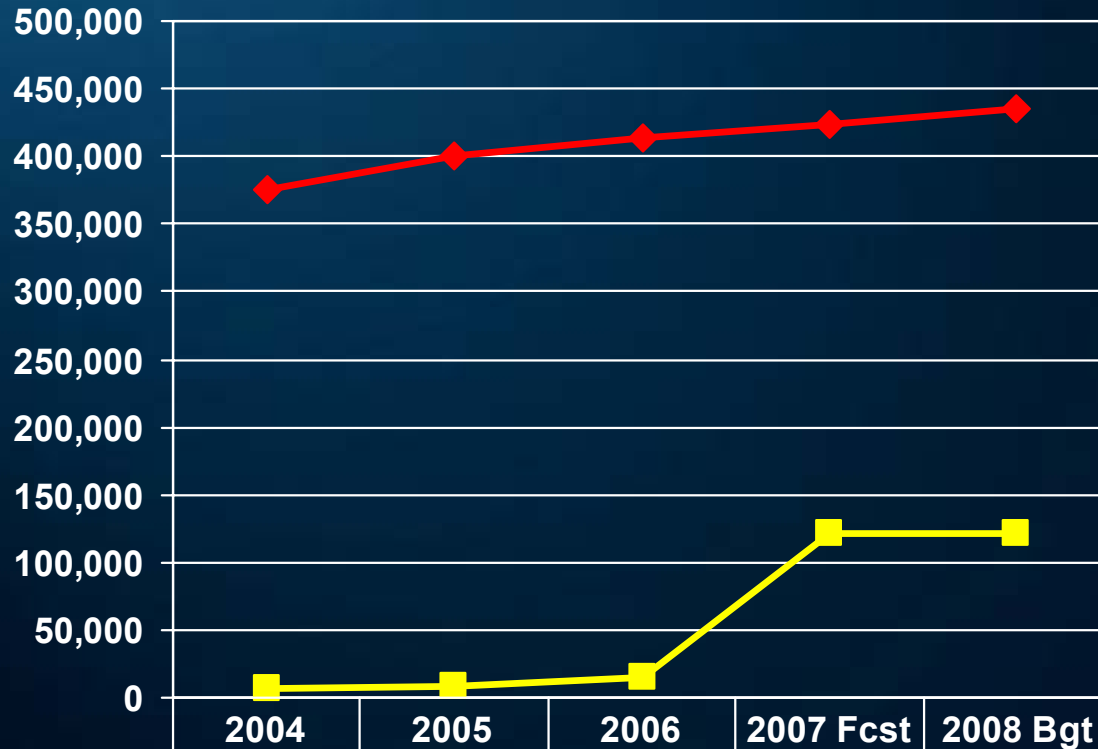
Blue Cross of Idaho

# Current State of Idaho Medical Insurance Sector

- Stable and growing.
- Blue Cross targets a 2% underwriting gain and will achieve approximately 1.5% in 2007 and 1.7% in 2008.
- Blue Cross membership is expected to grow at about the 2.1% general population growth rate.
- Blue Cross plans to hire 24 new staff in 2008, a 2.7% increase.

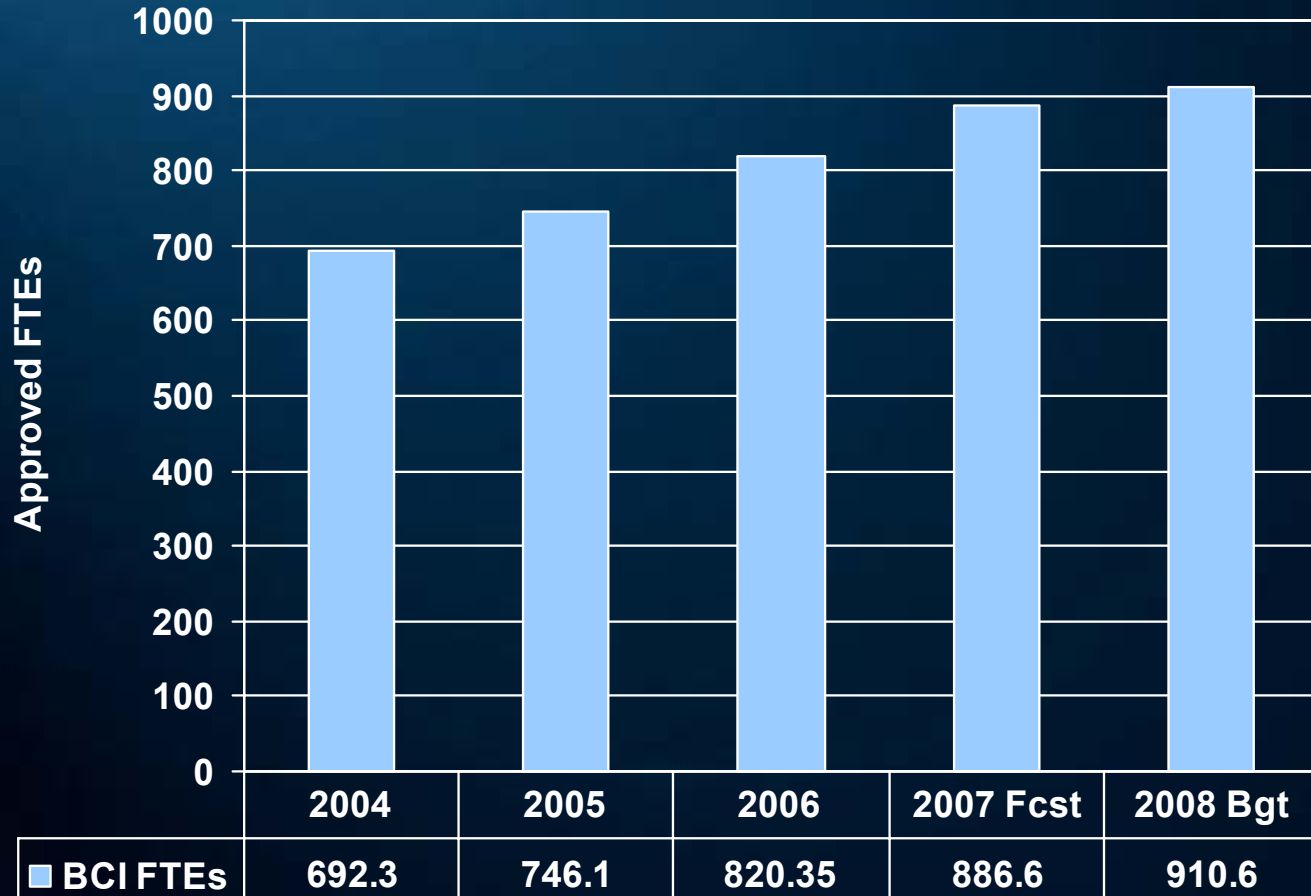


# Enrollment Trends – Blue Cross of Idaho



<b>◆ Total Medical</b>	<b>376,218</b>	<b>399,840</b>	<b>413,537</b>	<b>423,937</b>	<b>435,937</b>
<b>■ Dental Stand Alone</b>	<b>6,906</b>	<b>8,975</b>	<b>14,638</b>	<b>120,638</b>	<b>120,638</b>

# Staff Profile – Full Time Equivalents (FTEs) (excludes dental & capitalized staff)

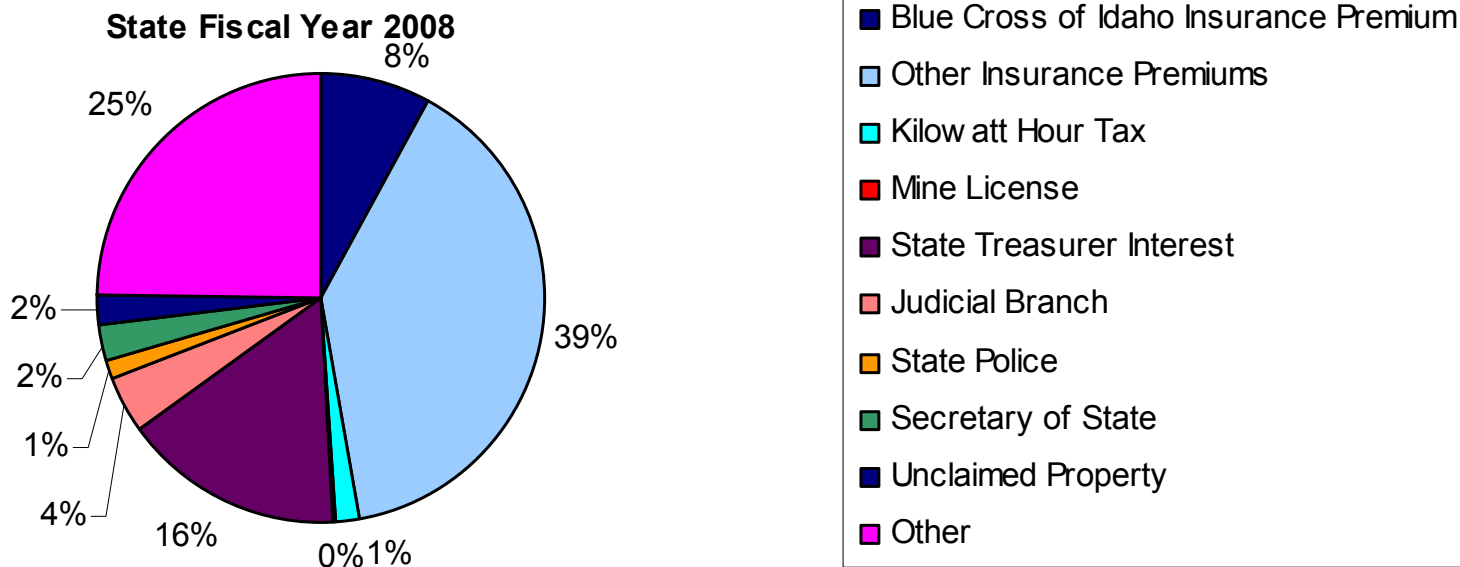


# Idaho Miscellaneous Revenue by Category



**TOTAL MISCELLANEOUS REVENUE: \$124.8 MILLION**

**TOTAL INSURANCE PREMIUM REVENUE: \$59.0 MILLION**



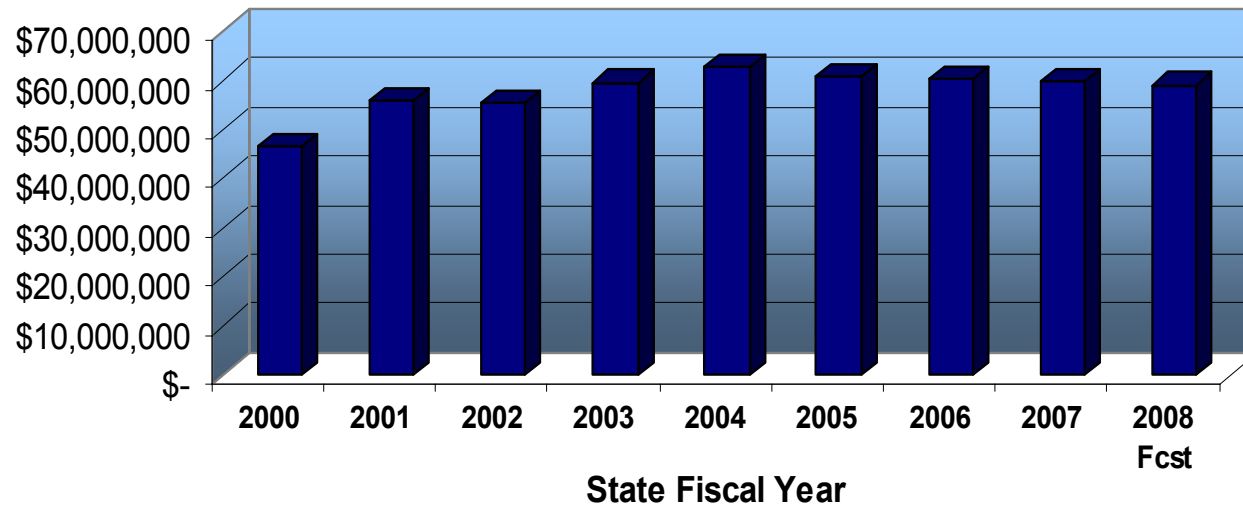
**Estimates for State Fiscal Year 2008**

# Total State of Idaho Premium Tax Revenue



## Total State of Idaho Premium Tax Revenue

(Note: 2008 Premium Tax Estimated)



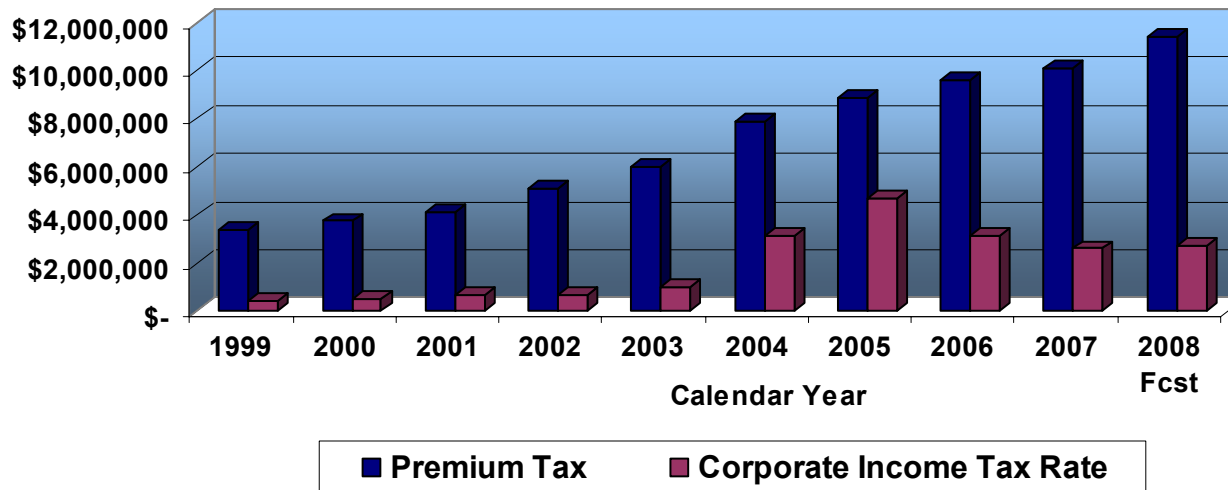
Source: Joint Legislative Economic Outlook and Revenue Assessment Committee –  
General Fund Revenue Collections Estimates

# Blue Cross of Idaho Premium Tax Payments

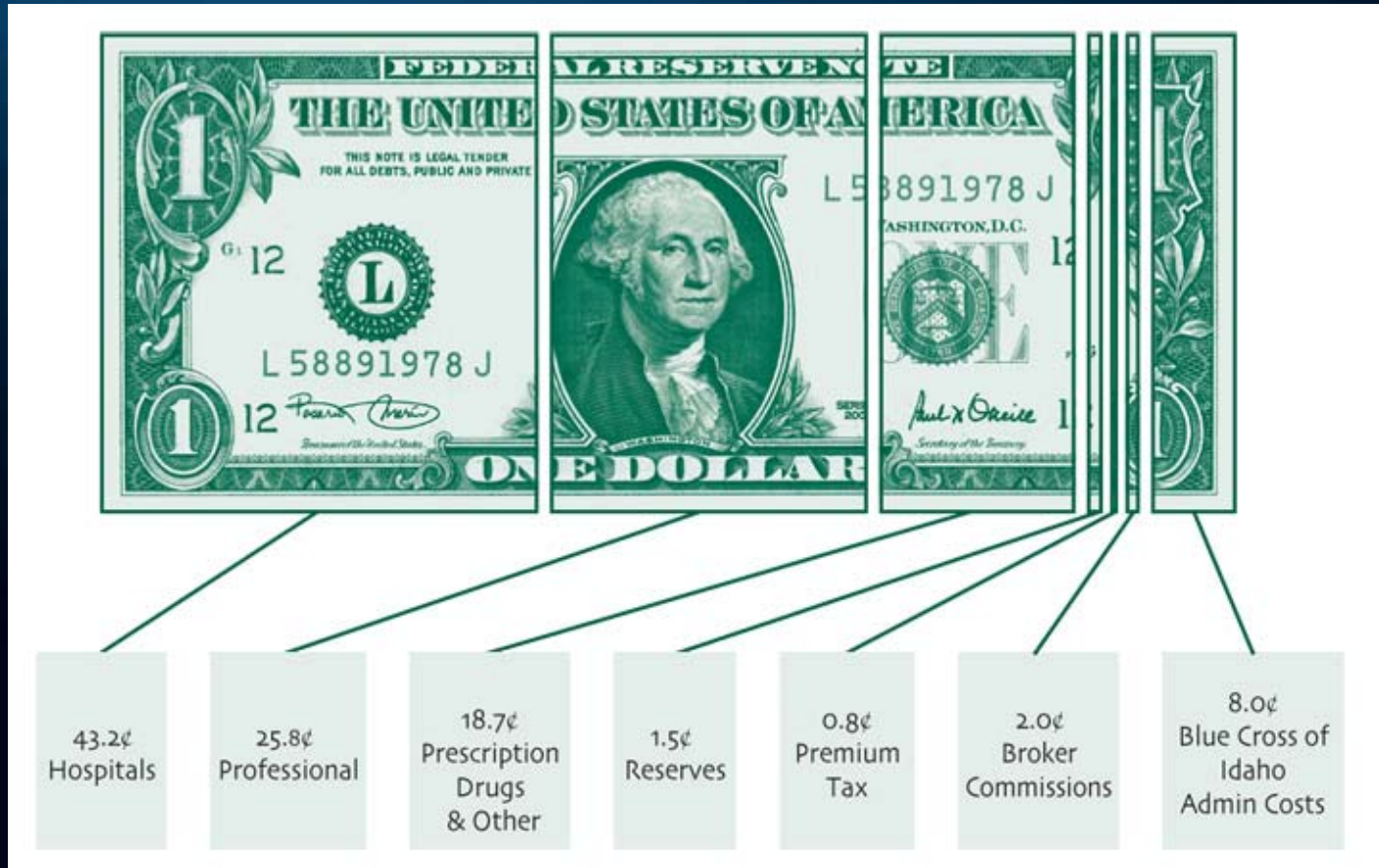


## Blue Cross of Idaho Premium Tax

(Note: 2008 Premium Tax Estimated)



# Health Insurance Premium Dollar Distribution

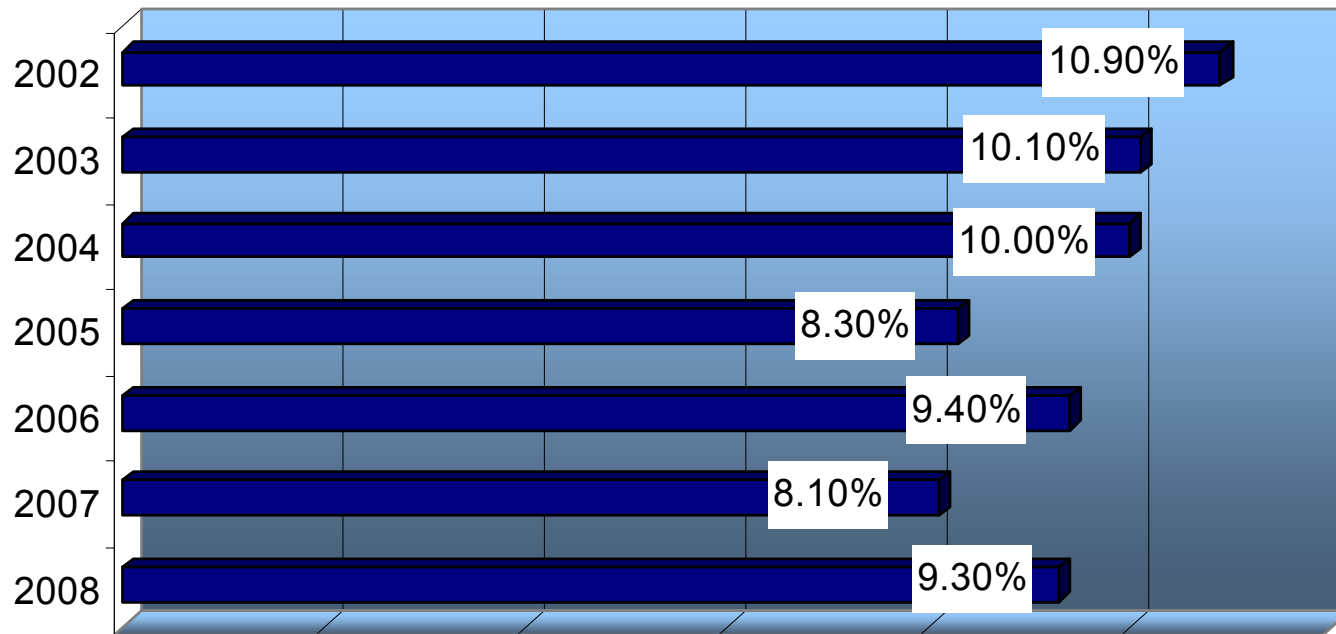






# Medical & Drug Trends

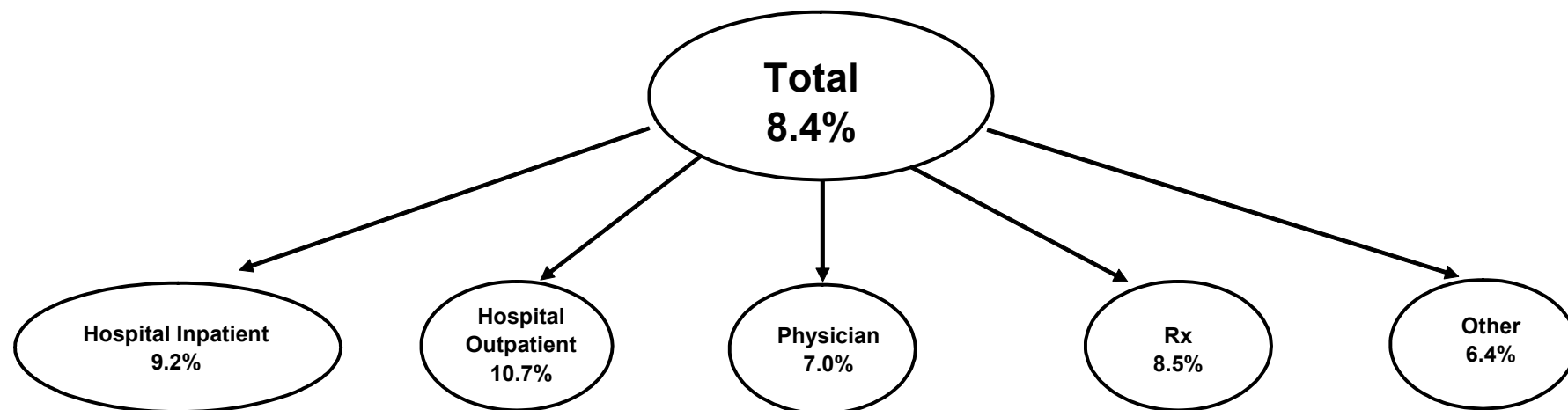
## Medical and Drug Trends



Annual values reflect 12-month period ending June 30



# Healthcare Trend Drivers

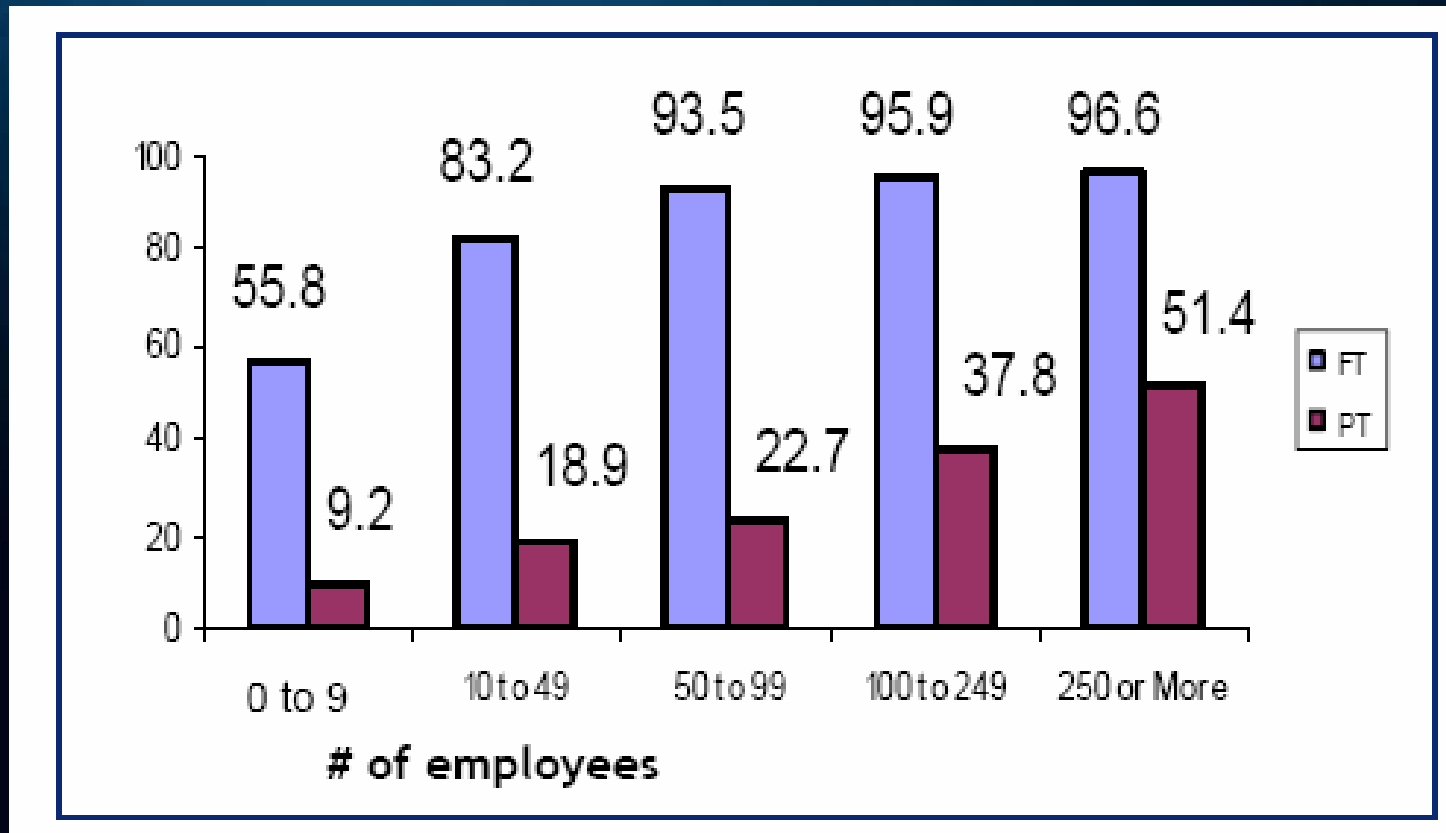


# What are Estimated Costs of Insurance to the Employee and Employer

	Employer	Employee
Average Premium / Cost	\$211	\$279
Employer Share – 80%	\$169	
Employee Share – 20%		\$ 42
Deductibles; Co-insurance; Co-pays – 27%		<u>\$ 68</u>
Total Employee Health Cost / Month		<u>\$110</u>
		39%

**\*Employee share of premium increased from 14% to 20% during the period 1998 – 2004 (Bureau of Labor Statistics – Idaho). Towers Perrin says 22% for 2007.**

# How Many Idaho Employers Offer Health Insurance?



Source: Idaho Commerce & Labor Idaho Fringe Benefits Survey 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 Arizona
- 46 Oklahoma
- 45 Louisiana
- 44 **California**
- 43 Nevada
- 42 Mississippi
- 41 Georgia
- 40 Arkansas
- 39 Montana
- 38 Alaska
- 37 Oregon
- 36 Colorado
- 35 South Carolina
- 34 North Carolina
- 33 Utah
- 32 West Virginia
- 31 Idaho

**IDAHO – 14.9%**

**U.S. – 15.3%**

**Idaho Ranked:**

**#34 in 2005**

**#31 in 2006**

# Potential Changes for Health Plans

- CMS reductions in payments to Medicare Advantage Plans.
- Health Care Reform.





## CONTACT INFORMATION

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