

MINUTES

HOUSE COMMERCE & HUMAN RESOURCES COMMITTEE

- DATE:** Thursday, March 01, 2012
- TIME:** 1:30 p.m. or Upon Adjournment
- PLACE:** Room EW05
- MEMBERS:** Chairman Block (Block), Vice Chairman Hartgen, Representative(s) Lake, Trail, Marriott, Thayn, Simpson, Loertscher, Nessel, Ringo, King
- ABSENT/
EXCUSED:** Chairman Block, Representative Loertscher
- GUESTS:** Representative Nonini, self; Alex LaBeau, Idaho Association of Commerce and Industry; Donna Yule, Idaho Public Employees Association; Alex Neiwirth, Idaho Association of Government Employees; Julie Taylor, Blue Cross of Idaho.
- Vice Chairman Hartgen** called the meeting to order at 2:30 p.m.
- MOTION:** **Representative Thayn** made a motion to approve the minutes of February 23, 2012. **Motion carried by voice vote.**
- H 573:** **Representative Luker** began the presentation of **H 573**, which relates to facilitating and funding Health Savings Accounts (HSAs) for employees of the State of Idaho who are enrolled in a high-deductible health plan. It is the intention of the legislation that by encouraging state employees to create a health savings account, they will be empowered to make sound, responsible decisions about healthy living and better manage their own medical care. The plan would be voluntary, state employees could shop for any high-deductible policy they want, and the state would put the cost differential into a health savings account for the employee.
- Representative Thayn** presented data on how these plans perform relative to participation, funding, and financial sustainability. He stressed that **H 573** is not a comprehensive plan, but that it is meant to get the process started.
- Representative Nonini**, speaking as a private citizen and financial consultant with insurance expertise, spoke in favor of high-deductible health plans and illustrated the variety of ways such plans are utilized.
- Alex La Beau**, Idaho Association of Commerce and Industry, testified **in support** of **H 573**, expressing the belief that a high deductible plan would help curtail the accelerating costs of health care.
- Donna Yule**, Idaho Public Employees Association and **Alex Neiwirth**, Idaho Association of Government Employees, testified **in opposition** to **H 573**, expressing the opinion that health savings accounts: (1) could be good for healthy individuals but not for older individuals who have more medical problems; (2) could drive costs upward rather than downward, and (3) questioned the legality of seeking health insurance outside the state group plan.
- Committee members posed a variety of questions to the presenters and testifiers relating to transparency, possible change in the pool of insured individuals by shopping elsewhere, product competition, risks of higher rates, and financial technicalities.
- Representative Thayn** emphasized that if an individual has a high deductible health plan, he or she is more likely to adhere to preventive care, and he reiterated that **H 573** is just to start the discussion toward a comprehensive program.
- MOTION:** **Representative Simpson** made a motion to send **H 573** to General Orders. **Representative Thayn** seconded the motion.

SUBSTITUTE MOTION:

Representative Ringo made a substitute motion to **HOLD H 573** in committee and create an interim committee for further study over the summer months.

VOTE ON SUBSTITUTE MOTION:

Vice Chairman Hartgen called for a vote on the substitute motion to **HOLD H 573** in committee. **Motion failed by voice vote.**

VOTE ON ORIGINAL MOTION:

Vice Chairman Hartgen called for a vote on the original motion to send **H 573** to General Orders, with amendments as follows: On page 1 of the printed bill, delete lines 36 through 40. On page 2, in line 1, delete "(5)" and insert "(4)"; and in line 3, delete "(6)" and insert "(5)". Correction to title: On page 1, in line 6, following "STATE EMPLOYEES" delete ", TO PROVIDE FOR A CHOICE OF HIGH DE-"; and in line 7, delete "DUCTIBLE HEALTH PLANS"... **Motion carried by voice vote.** **Representative Ringo** requested to be recorded as voting **NAY**. **Representatives Thayn and Luker** will sponsor the bill on the floor.

Representative Nasset commented that the committee should request a complete overview of the State of Idaho's Total Employee Compensation Program.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 3:55 p.m.

Representative Hartgen
Vice Chairman

Jeanne Clayton
Secretary