

By Senator Steven Thayn

# Presentation to Medicaid Alternative Taskforce

# Overarching Goal is to Reduce Medical Costs for All

- Taxpayers
  - State Employees
  - School Employees
  - City and County Employees
  - Businesses
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- Not just provide medical services for those with limited access

# Lay of the Land

- Medicaid Costs in USA 17.5% of the GDP
- Average of Industrialized Nations is 9%
- Singapore, with as good as health outcomes as the USA, is only 5% of the GDP

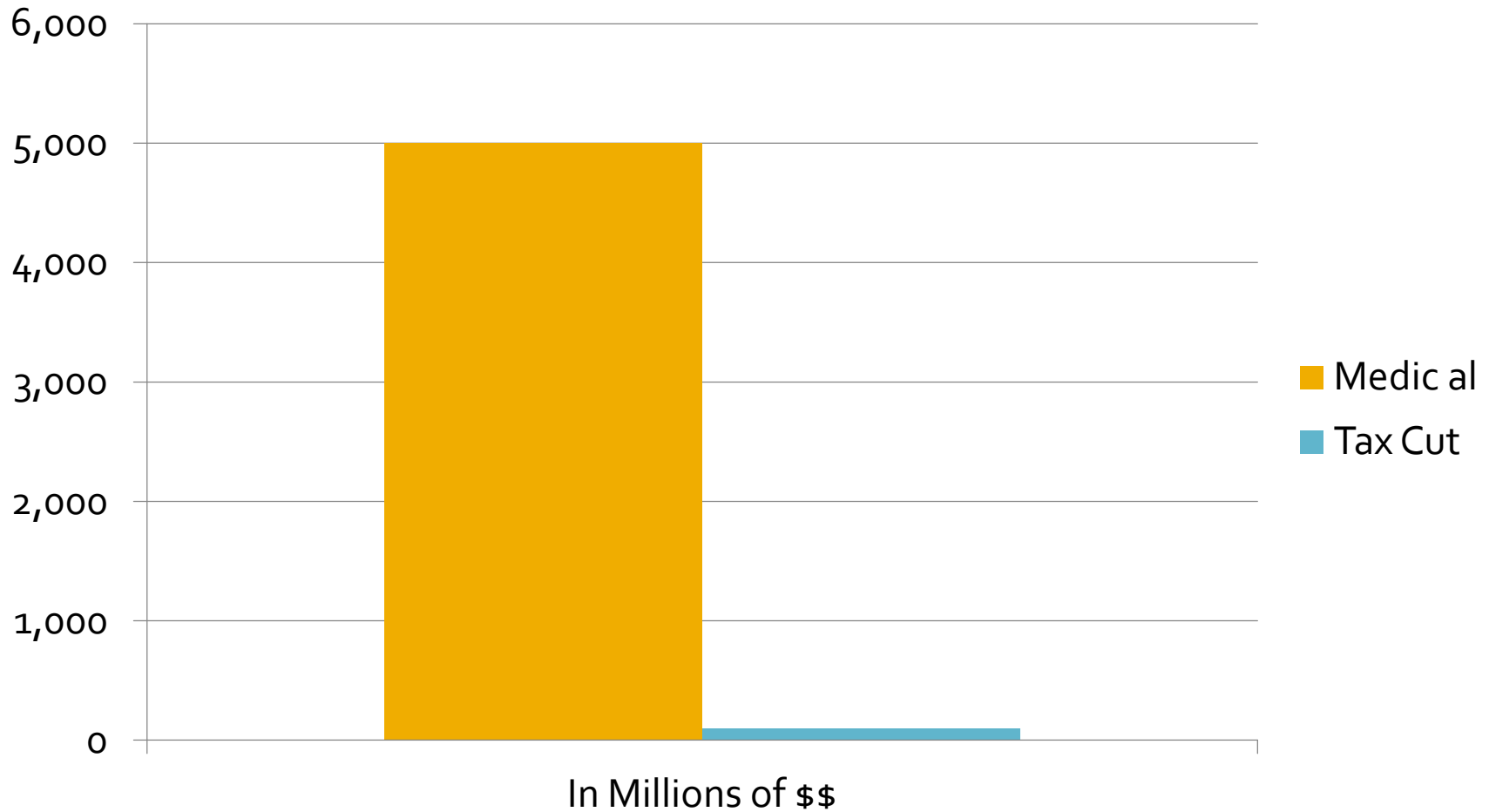
# Medical Costs Total \$\$

% of GDP 2015	Now	Ideal
	17.5 %	9 % or less
Total GDP in trillions \$17.914	\$3 trillion	Savings of \$1.5 trillion

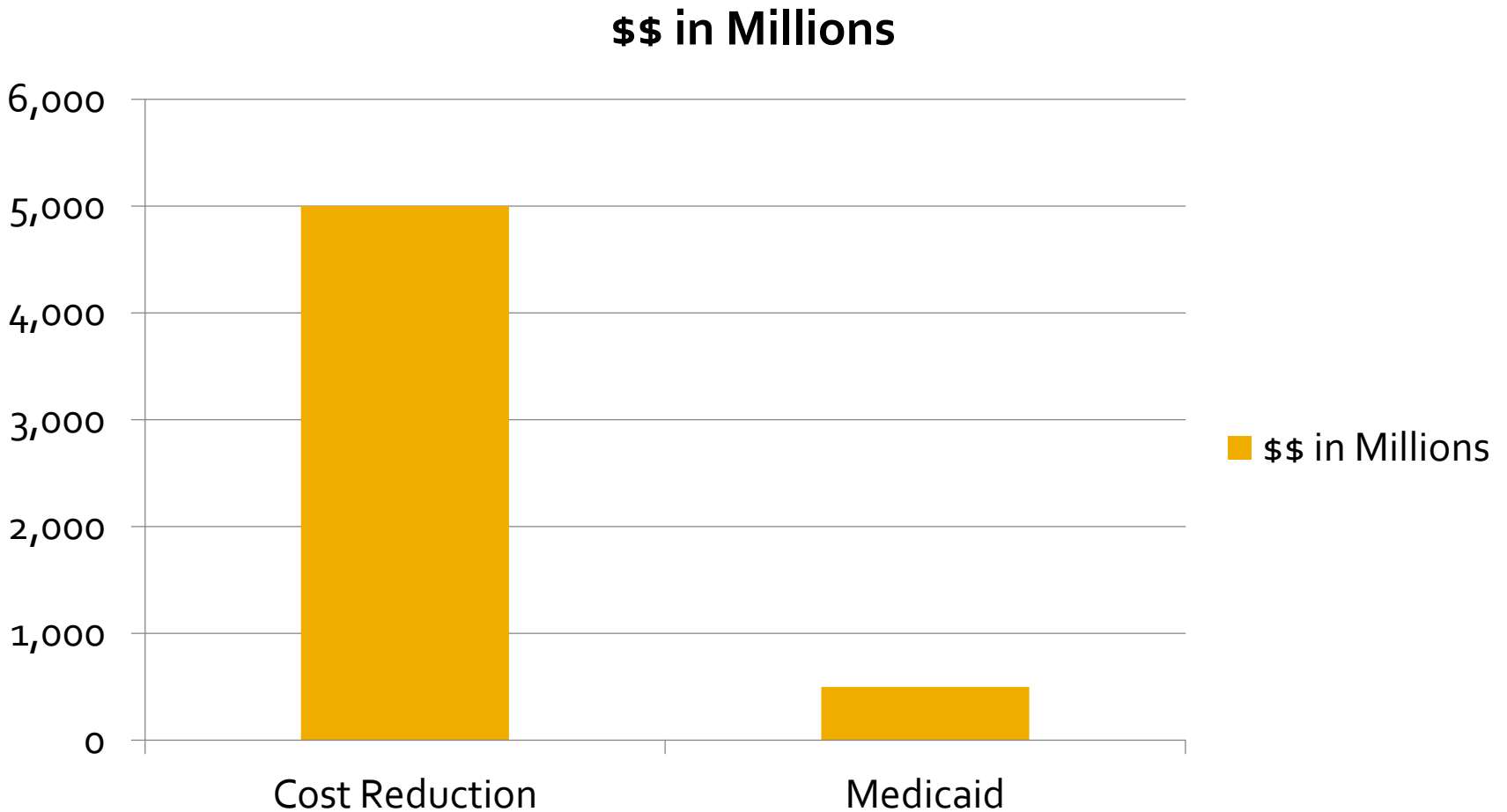
# Medical Costs per Person Impact

US GDP \$17.9 trillion	Medical Spending with Present System	Medical Spending with 50% Reduction	Medical Spending with 75% Reduction
	\$3 trillion	\$1.5 trillion	\$.75 trillion
Medical Sending per Person	\$9,523	\$4,761	\$2,720
Cash per Person Average	\$0	\$4,761	\$6,803

# Versus Tax Cut



# Comparison between Medicaid Expansion and Cost Reduction



# Individual Impact in Idaho

\$30 million Tax Cut

\$1.56 per person per month

\$5 billion Medical Cost Reduction

\$258 per person per month



# Why Medical Costs are High?

- 89% of all medical spending controlled by insurance companies and federal medical programs – A Third Party Payer System
- <https://video.search.yahoo.com/yhs/search?fr=yhs-mozilla-002&hsimp=yhs-002&hspart=mozilla&p=problems+with+third+party+payer+system#id=1&vid=ff2of2e7f274e256657db1dd61ee4198&action=click>
- Only 11% of all spending is controlled by the people
- Lack of focus on primary care

# Tools to Reduce Medical Costs

- Funded HSAs
- Renewed Focus on Primary Care
- Change how Primary Care is Funded
  
- State employees
- Teachers
- City and County Employees
- Medicaid gap population
- Encourage the Private Sector to have HSAs

# Medicaid Expansion Alternative

- Adults under 100% FPL
- Focus on primary care
- Chronic health issue
- Those with life coaches have preference
- Life-time limit
- State funds – State rules
- Goal help people become productive and self-sufficient

# Community Primary Care Program

- State funds – No Federal Funds – For Primary Care – Between \$15 and \$30 million
- Provide access to 15,000 to 30,000 individuals
- \$1,000 per year per person with Chronic Health Conditions (PCAP less than \$400/year)
- Run by Counties not the IDHW
- Priority Given to those with Life Coaches

# State Employees

- Funded HSA with higher deductible
- Overall Impact is Budget Neutral
- Right to Shop
- Cash for Primary Care

# School Teachers

- Send Added Discretionary Funds to be Used Only for HSAs or MSAs

# Private Sector

- Encourage Private Sector to have Funded HSAs

# The End

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