



Idaho Farm Bureau Federation

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Chairman Marv Hagedorn
Chairman Thomas Loertscher
Healthcare Alternatives for Citizens Below 100% of Poverty Level
700 W. Jefferson Street
P.O. Box 83720
Boise, ID 83720-0054

Dear Chairmen Hagedorn and Loertscher:

On behalf of the more than 76,000 Idaho families who are members of the Idaho Farm Bureau Federation, I appreciate the opportunity to provide comments regarding the proposed expansion of Medicaid eligibility within Idaho. Farm Bureau appreciates the thoughtful approach of the committee and the time the members have taken to study this issue in-depth.

Idaho Farm Bureau policy #170 states "We support a required co-pay by Medicaid recipients and non-insured persons who use hospital emergency room visits for non-life threatening health care. We oppose Medicaid expansion and support Medicaid reform." Therefore, our members oppose the proposed expansion of Medicaid benefits to anyone who is not currently qualified.

We recognize that our members are not "experts" in the medical field and that our opposition is based primarily upon philosophical points. However, there seems to have been little discussion of this important aspect. Yes, we are very concerned about the tax implications of this proposal and believe that taxes will only increase in the future to meet the increased demand for an expanded Medicaid population. This is particularly true when you consider the future planned reduction in federal re-imbursalment rates; and potential further reductions that may be necessary.

Yet the philosophical basis we believe is the strongest argument against expansion. Any "expert" can argue over the numbers, and nobody will know who is right since the assumptions change practically every time it is discussed. However, it is difficult to deny that expansion would provide strong disincentives for work and increased dependency upon government for those that were included in the expansion.

Our members have not taken this position lightly. Members of the Idaho Farm Bureau are very concerned and have great compassion for those who do not currently have health insurance. Many of our own members fall into this category. They understand the anxiety that lack of coverage can bring to those who need it, and we feel for their situation. However, our members choose not to ask government to provide health care for them; they seek other solutions. Their firm belief is that the solution to this situation is not

more government programs. In fact, that is what has brought us to the present situation, government intervention into the voluntary choices of citizens. The most equitable solution is less government intervention which would allow citizens to have more options through less regulation.

At the hearing, you will likely hear a number of stories from people who believe they have been unfairly denied the opportunity to receive coverage. However, for every story you hear, there are likely 10 or more people who have faced similar or worse challenges that have chosen a different path. Despite the government imposed obstacles they must overcome, they have worked to resolve their own challenges. Perhaps with help from family, friends or other support, but have chosen not to rely on the government to solve their problems for them.

There are likely a large portion of those who are counted within the "gap" population who are there by choice, while many others are not. Some within this population could pay for their health coverage, but choose not to because they would rather use their money on other things that they want more. That is their choice and their right. We cannot morally force them to purchase something they choose not to purchase.

However, if the state determines that it will provide coverage for them free of charge, of course they will accept it. This will be a huge disincentive to them to ever progress from their current level of earning power. If they do advance past 100% of poverty level in earnings, they will once again be ineligible for health coverage, then what? They will have another choice to make, and will likely choose to be uninsured again unless their priorities have changed significantly. It will be a never-ending ratchet effect of people trying to maintain their health coverage to which they will then feel entitled to, even though they are increasing their earnings and should be responsible for paying for themselves.

At one of your recent committee meetings, a beautiful young family from Rexburg was presented in the documents as representative of families that fell in the "gap." He is a full-time student who works part-time. She has recently given birth to their first daughter, which led to some health complications which they have not yet resolved. She had previously qualified for Medicaid as a pregnant mother, but no longer qualifies. They are very concerned about her health condition since they no longer have any health care coverage. As described in the handout: "Samantha's husband worries every day about her health and feels guilty that he does not make enough money to provide her with the health insurance she needs." We have great sympathy for their situation and sincerely hope that they can resolve her health concerns.

However, what was not discussed are the voluntary choices that this couple has made. The young couple chose to begin their family without first securing health insurance coverage. The husband has now chosen to continue his education, rather than put it on hold, and only work part-time, rather than seek employment that would provide the health coverage needed for his family. There are consequences to choices we make.

There are literally hundreds, if not thousands of similar couples who made different choices and avoided the unfortunate consequences that have occurred in this young couple's life. There are likely many hundreds more couples, who are facing similar challenges; who have also made different choices in how they respond to the situation and have made the necessary adjustments and sacrifices to do what they

need to do to provide for their needs. It is not possible for government to protect people from their own choices, or the consequences.

This issue was decided more than 200 years ago. The founders wisely knew that government could not provide anything to anyone without first taking from someone else. The only moral way for government to assist people would be to protect each citizen's rights equally, and let people make their own choices and face their own consequences. Voluntary, charitable actions by friends, family and community members were correctly viewed as the moral and proper way to assist those truly in need.

Let us not gloss over the fact that we are discussing, for the most part, able-bodied adults. People who can and should be doing everything they can to provide for their own needs and wants. It is only within the last 50 years or so that it has become the norm for people to think that government must provide healthcare for its citizens. Previous to that, almost all health-care was provided to those who could not afford it through charitable institutions. This all worked very well prior to the great society of Lyndon Johnson, who decided it was the government's responsibility to take care of the people. Those very people are now worse off than ever.

It is difficult to conceive of a less satisfying result from the intrusion of government into this field. This change in direction has not reduced the number of people in need but has expanded the number. There are now more people than ever who are dependent on care provided by another, and the quality of that care has suffered tremendously.

Here in Idaho we still have some opportunities for charitable care left such as the Terry Riley clinics, which do a wonderful job. Those opportunities could be expanded with less regulation and more flexibility. The proposed expansion cannot work as intended since the laws of economics cannot be thwarted by legislative and judicial fiat. We must get back to the original intent and moral foundation of our society, working to provide for your own needs and caring for those truly in need through charitable institutions which are funded by voluntary donations rather than taxation with no accountability for results.

The premise upon which this proposed expansion is based is that people are at heart selfish and greedy and will not donate to charitable organizations, but must be taxed in order to assist his fellowman. Our premise is based upon the opposite supposition. That mankind is inherently good and decent and is more than willing to voluntarily extend help and assistance to those truly in need. They are not willing though, to help those who can and should help themselves.

Medicaid expansion, no matter how you package it, will necessarily require Idaho to spend more tax dollars than it currently does now. The proponents of expansion are very vocal that there will be a cost savings to the state since they plan to completely eliminate the indigent care program.

Our members are very skeptical that there will be any savings, particularly in the long run. While there may be a small savings initially, IF the entire indigent care program is eliminated, there will surely be increased demand from the newly expanded gap population who will now be covered. It is already known that the funding from the federal government will also decline over the years, so we will be paying a larger percentage of a larger number of people. This is the classic definition of shifting the burden of caring for people from those whose rightful responsibility it is, to those who are already struggling to provide for their own families.

For each person the expansion proposes to help (that which is seen) there is at least one person who will be pushed closer to the edge of being able to continue to provide for their own family (that which is not seen). The State of Idaho cannot afford to focus on that which is seen to the exclusion of that which is not seen. We *may* be able to provide some targeted assistance to a very specific population that we can track and monitor and will feel good about what has been accomplished. However, we will not see and will never be able to effectively track the very real and devastating consequences to those who will bear the burdens of paying for this new entitlement program. There are many who will then face greater struggles to provide for their own families due to higher taxes and less economic opportunity.

In conclusion, you have received comments from a number of our members who have explained their own concerns related to Medicaid expansion. They recognize you have a difficult job to perform. It is never easy to tell people that you cannot help them as they want you to do. However, it is not possible for you to help the proponents without also simultaneously harming an even larger number of taxpaying citizens, which is never easy to quantify, yet is undeniably the result.

Thank you for your thoughtful consideration of these comments. We appreciate very much the efforts you put into your legislative duties.

Sincerely,

A handwritten signature in black ink that reads "Bryan Searle". The signature is written in a cursive, flowing style.

Bryan Searle, President
Idaho Farm Bureau Federation