



DOI, DHW TEAM UP TO CREATE IDAHO HEALTH CARE PLAN

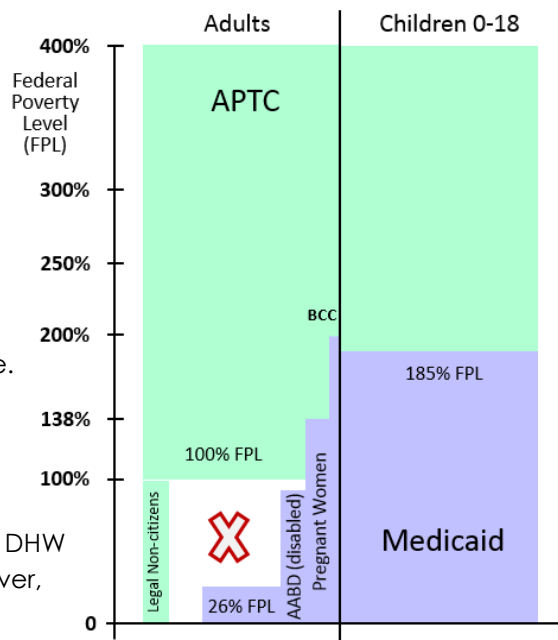
The DOI and DHW have created a unique proposal to stabilize the health insurance marketplace, lower costs to consumers, and address those who are caught in the gap between qualifying for Medicaid and federal assistance to buy coverage. (See graph.)

The proposal, if approved by the legislature, would allow the application of two waivers. DHW would apply for a 1115 waiver, DOI would apply for a 1332 waiver. Both waivers are critical to the success of the plan, as they complement each other. Both would have to be approved by the federal government, which has been seeking creative solutions.

The 1115 waiver would allow citizens with certain high risk conditions to transfer to Medicaid. Once in remission, they could transfer back to private coverage. This is already allowed for those with breast or cervical cancer. The waiver would expand the list. The goal is to allow the transfer of about 2,000 Idahoans with severe conditions or about \$125 million of claims costs. We know, based on DOI data, that 40% of claims costs are being driven by 2% of insureds. Savings to the consumer is achieved by lower out-of-pocket costs and Medicaid cost-containment features. This waiver would incur estimated state expenses of about \$22 million, however, costs should be reduced in other areas.

The 1332 waiver would allow citizens to receive federal assistance to buy coverage if their incomes are below 100% of poverty, as long as they file a tax return. Currently only those Idahoans who are between 100% and 400% of the federal poverty level qualify. We believe, based on DHW data, there are 35-37,000 citizens who would qualify. Ironically, Obamacare allows legal non-citizens to qualify below 100% of poverty. This waiver would seek to treat Idaho citizens the same as we are required to treat legal non-citizens. This approach would help in reducing health care costs by attracting the healthy who happen to have lower incomes and who may be choosing to go without coverage.

The two waivers combined should help stabilize the market while lowering costs by an estimated 20%.



ASK THE DOI

My carrier is no longer selling on the Exchange, now what do I do?

Open enrollment is always a good time to carefully review your plan with your agent, regardless of carrier withdrawals. Several plans are proposing changes. This year Bridgespan is withdrawing from the Exchange statewide and SelectHealth is withdrawing from three counties in eastern Idaho (Caribou, Power, and Bannock).

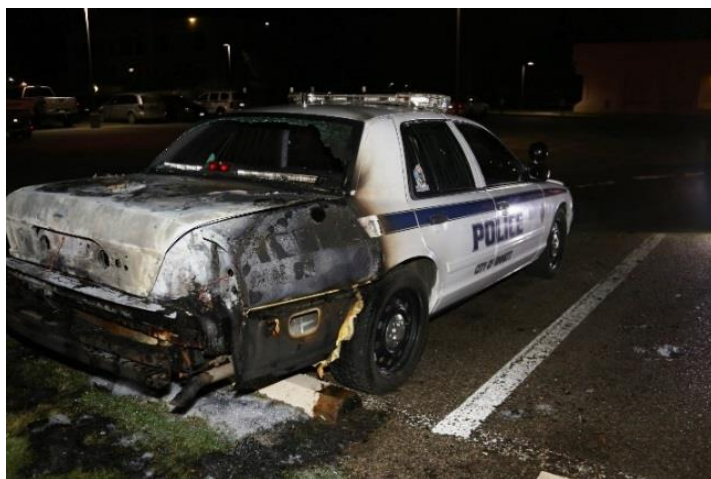
Your Health Idaho will auto-enroll consumers whose carriers have left the Exchange to the lowest cost plan at the same metal level. Consumers should carefully review all options with their agents and consider cost, networks, and benefits of each plan.

This **webpage** will help consumers making this transition.

STATE FIRE MARSHAL

Investigators from the State Fire Marshal's Office investigated an arson fire involving several police vehicles in Emmett, Idaho. A suspect was identified and charged with third degree arson. He is currently awaiting trial.

The Fire Marshal's Office completed its investigation of July's deadly fire at Tamarack. The home had a fireplace that had been converted from propane to wood-burning. After the conversion, the propane valve was abandoned in place. Renters attempted to start a fire in the fireplace by burning paper and then opening the propane valve. The propane flowed into a concealed void behind the fireplace and eventually escaped into the fireplace where it came into contact with the burning paper, resulting in an explosion and subsequent fire. The cause of the fire was deemed to be accidental.



REGULATOR OF THE YEAR

Idaho was awarded Regulator of the Year by the Securities and Insurance Licensing Association (SILA). This award recognizes leadership and initiative in the improvement of the relationship between state insurance departments and the insurance industry. Lisa Tordjman, Licensing Supervisor, was also elected as a regulatory advisor on the SILA Board of Directors.

DOI'S CONSUMER ADVOCATES



Boise Consumer Affairs staff members take a quick break to witness the eclipse.

The Consumer Affairs Section is a free resource to the public, providing general information about insurance, responding to questions about insurance, and investigating consumer complaints. Consumer Affairs Officers work diligently with consumers to help resolve disputes with insurance companies and insurance agents. Our primary purpose is to provide assistance and advice on matters within Idaho pertaining to a variety of insurance products. Anyone with questions about insurance or problems with an insurance company or agent is encouraged to call 208-334-4319, or 800-721-3272 toll-free statewide.

MEDAL OF HONOR

On September 8, State Fire Marshal Knute Sandahl presented the 2017 Firefighter Medal of Honor to Blackfoot Fire Department Captain Dave Krumenacker at the annual Idaho Fallen Firefighter Memorial and Medal of Honor presentation in Boise.

On June 14, 2016, Krumenacker risked his life to lead a team of firefighters into a burning house to rescue an elderly man who was trapped inside.



Sandahl, Krumenacker

HONORS



Katie Berryman and Kris Cerecero, insurance investigators, earned their Certified Fraud Examiner (CFE) credentials. The CFE denotes proven expertise in fraud prevention, detection, and deterrence and is a credential awarded by the Association of Certified Fraud Examiners. The CFE course consists of an intense multi-day study program ending with a final exam that tests knowledge in Fraud Prevention and Deterrence, Financial Transactions and Fraud Schemes, Investigation, and Law.

INVESTIGATIONS

In February 2014, Christina Maciel purchased an insurance policy for her vehicle. A few hours later she submitted an insurance claim, reporting that the vehicle caught fire. In its investigation, the insurance company discovered the car had actually caught fire three days prior to the policy being purchased, and the claim was not paid. Maciel pleaded guilty to one count of insurance fraud. On September 18 she was sentenced in Twin Falls County to two years' probation and granted a withheld judgment. Maciel was also ordered to serve 100 hours of community service, pay a \$500 fine, and pay \$637 in restitution to the DOI for investigation costs.

LICENSING

The DOI Producer Licensing section completed and submitted applications for each of 13 exams offered for licensure to the Idaho Veterans Administration to qualify the exams for veteran reimbursement under the GI Bill®. All exams were approved. Veterans taking an Idaho exam for an insurance license may apply for reimbursement of exam cost through this link: <https://inquiry.vba.va.gov/weamspub/buildSearchLCCriteria.do>.

In August, Licensing received 2,170 applications and issued 1,948 new licenses. Total number of licenses as of August 31 is 108,217. Total number of CE Courses available is 4,682.

COMPANY ACTIVITIES

Company Activities is processing and reviewing TPA annual reports. Analysts are working on holding company filings and have received second quarter financial statements for domestic companies. Financial and market conduct examinations are in progress.

The certificates of authority of Castlepoint National Insurance Company, Republic Mortgage Insurance Company, First Sealord Surety, Inc., and Republic Mortgage Insurance Company of North Carolina were continued in suspension. An order was issued revoking the certificate of authority of Reinsurance Company of America, Inc.

An order adopting the report of examination of Amerititle, Inc., Adams County, can be viewed on our website.