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NEWS RELEASE

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Insurance Director Responds to AARP's Letter to Governor

High Risk Pool opt out decision was based on research

BOISE ID (May 14, 2010) – In April of this year, Governor C.L. "Butch" Otter announced that he had notified the U.S. Department of Health And Human Services of his decision not to implement the new temporary High Risk Pool program under the Patient Protection and Affordable Care Act of 2010 based on advice he received from Department of Insurance Director Bill Deal.

Idaho state AARP Director, Jim Wordelman, responded to the Governor's decision in a statement issued to the news media, calling it a "cop out." Deal sent a letter to Wordelman on Thursday explaining the rationale behind the Governor's decision and inviting Wordelman to contact the Department to discuss his concerns.

In his letter to Wordelman, Deal explained, "Health and Human Services sent a letter to the states asking how they would like to participate in the high risk program. The program was designed to give states the flexibility to carry out their own program or have HHS do it for them."

Based on a comprehensive review of the feasibility of creating a second high risk pool and the potential for that pool to exhaust allocated funding before the 2014 end date and place the financial burden on Idaho policyholders, Deal recommended that Idaho choose the option of allowing HHS to carry out a coverage program for the state.

Director Deal's full letter to Wordelman is attached.

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