Gallatin County

Inside:
National, State, and Local Forecasts • Health Care • Travel and Recreation
Agriculture • Manufacturing • Forest Products
Housing • Energy

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Big Provisions of the Affordable Care Act Less Than One Year Away

Health Insurance Exchanges
Medicaid Eligibility Expansion
Individual Mandate
Employer Mandate

- Small business tax credit
- Age 26 Coverage
- Tanning salon tax
- Flexible savings plan limits
- Brand name drug tax
- Medical device tax
- Medicare tax increase for higher earners
- More FSA limits


Debate Never Ends, But New Decisions Will Quickly Be Upon Us

- Consumers
  - Sign up for exchange? Which one?
  - Shopping for care
- Businesses
  - Drop group coverage?
  - Self-insure?
- Providers: End of the individual practitioner?
- State Government
The State and National Economic Outlook: Smooth Sailing Toward a Cliff?

Patrick M. Barkey, Director
Bureau of Business and Economic Research
The University of Montana

2012:
A Better Year for Montana

- Strong income growth, but not quite as strong as state tax collections would suggest
- Evidence of energy activity is everywhere
- A glimmer of growth in the west
- Sitting out the party: retail and government
Real Wage Growth, Percent, 2011Q2-2012Q2

Where’s the Growth? Montana Real Wage Growth

$ Millions

-40 0 20 40 60 80 100 120 140 160

Difference between Inflation-adjusted Wages and Salaries, FY2012 vs. FY2011
Where’s the Growth?
Total Real Wage Growth

$ Millions

<table>
<thead>
<tr>
<th>Region</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cascade</td>
<td>0</td>
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<tr>
<td>Flathead</td>
<td>20</td>
</tr>
<tr>
<td>Gallatin</td>
<td>140</td>
</tr>
<tr>
<td>Lewis &amp; Clark</td>
<td>20</td>
</tr>
<tr>
<td>Missoula</td>
<td>10</td>
</tr>
<tr>
<td>Silver Bow</td>
<td>20</td>
</tr>
<tr>
<td>Yellowstone</td>
<td>140</td>
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<tr>
<td>Rest of State</td>
<td>100</td>
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</tbody>
</table>

Difference between inflation-adjusted Wages and Salaries, FY2012 vs. FY2011

Where’s the Growth?
Construction Real Wage Growth

$ Millions

<table>
<thead>
<tr>
<th>Region</th>
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<tbody>
<tr>
<td>Cascade</td>
<td>-5</td>
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<tr>
<td>Flathead</td>
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<tr>
<td>Gallatin</td>
<td>5</td>
</tr>
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<td>Lewis &amp; Clark</td>
<td>10</td>
</tr>
<tr>
<td>Missoula</td>
<td>-5</td>
</tr>
<tr>
<td>Silver Bow</td>
<td>5</td>
</tr>
<tr>
<td>Yellowstone</td>
<td>25</td>
</tr>
<tr>
<td>Rest of State</td>
<td>10</td>
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</table>

Difference between inflation-adjusted Wages and Salaries, FY2012 vs. FY2011
**Where’s the Growth?**
**Public Admin. Real Wage Growth**

Difference between inflation-adjusted Wages and Salaries, FY2012 vs. FY2011

---

**2013: Risks and Uncertainty**

<table>
<thead>
<tr>
<th>Risk</th>
<th>Bad Outcome</th>
<th>Impact on Montana</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil Prices</td>
<td>Price spike from war or international event threatening supplies</td>
<td>Consumer spending adversely affected</td>
</tr>
<tr>
<td>Global Economic Growth Uncertainty</td>
<td>EU Recession, Asian Slowdown</td>
<td>Commodity price collapse, exports decline</td>
</tr>
</tbody>
</table>
Global Growth Has Stumbled

Percent Change in Real Gross Domestic Product
Source: Moody’s Analytics

2013: Risks and Uncertainty

<table>
<thead>
<tr>
<th>Risk</th>
<th>Bad Outcome</th>
<th>Impact on Montana</th>
</tr>
</thead>
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<td></td>
<td>threatening supplies</td>
<td></td>
</tr>
<tr>
<td>Global Economic Growth Uncertainty</td>
<td>EU Recession, Asian Slowdown</td>
<td>Commodity price collapse, exports decline</td>
</tr>
<tr>
<td>Federal Budget and Tax Uncertainty: Fiscal</td>
<td>Government Shutdown, Default or Abrupt Fiscal</td>
<td>New recession, disruption to federal activities</td>
</tr>
<tr>
<td>Cliff Issues</td>
<td>Contraction</td>
<td></td>
</tr>
</tbody>
</table>
The 2013 Fiscal Cliff as of December 1

**Tax Increases:**
- Bush Tax Cut Expiration
- Payroll Tax Cut Expiration
- Depreciation Incentives Expiration
- Alternative Minimum Tax

**Spending Cuts:**
- Budget Sequester
- Emergency Unemployment Insurance Expiration
- Medicare Reimbursement Cuts

2013 Total
- $621 Billion
- 3.8 percent of GDP

Implications of the Cliff for GDP

Source: Bureau of Economic Analysis and IHS Global Insight
The 2013 Fiscal Cliff as of January 4

Tax Increases:
- **Bush Tax Cut Expiration** Most Rates Maintained
- **Payroll Tax Cut Expiration** ✓
- **Depreciation Incentives Expiration** Extended
- **Alternative Minimum Tax** Permanent Fix

**2013 Total $139 Billion**

Spending Cuts:
- **Budget Sequester** Delayed 2 months
- **Emergency Unemployment Insurance Expiration** Extended through 2013
- **Medicare Reimbursement Cuts** Delayed

0.9 percent of GDP

Implications of the Cliff for GDP

Source: Bureau of Economic Analysis and IHS Global Insight
**State and National Outlook**

### Bust vs. Recovery
#### Percent Change in Montana Home Price Index

![Graph showing percent change in Montana home price index for Bust 2009-11 and Recovery 2011-12 for Billings, Great Falls, Missoula, Non-metro, and Montana.]

Source: Federal Home Finance Agency

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### New Homes Becoming More Price Competitive

![Graph showing median prices for new and existing Montana homes from 2008 to 2016.]

Median Prices, New and Existing Montana Homes
Forecasts from IHS Global Insight

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12 | State and National Outlook
Summary

- Montana goes into 2013 with good momentum, but some factors helping 2012 growth won’t be sustained
- Too much uncertainty to forecast anything better than continued slow growth in U.S. economy
- Recovery in housing makes us more optimistic about Montana’s short-term prospects
Outlook for Key Industries

Energy and Mining:

Not a boom, but plenty of activity. Low natural gas prices affecting all markets.

Composition of Earnings in Montana’s Basic Industries, 2010-12

Outlook for Key Industries

Agriculture and Related:

Sustained high prices offset drought impacts. Policy uncertainty ahead.

Composition of Earnings in Montana’s Basic Industries, 2010-12
Outlook for Key Industries

Federal Military and Civilian:

Short- and medium-term risks have risen. Current mild declines expected to continue.

Composition of Earnings in Montana's Basic Industries, 2010-12

Change in Nonfarm Earnings, Montana, 2010-2016
Local Outlook: Gallatin County

By Paul E. Polzin
Director Emeritus
Bureau of Business and Economic Research
The University of Montana

Annual Percent Change in Nonfarm Labor Income (in Constant Dollars), 2001-2011
Annual Percent Change in Nonfarm Earnings (in Constant Dollars), 2001-07 and 2007-11

Nonfarm Employment and Inflation Adjusted Wages and Salaries, Seasonally Adjusted, Gallatin County
Montana’s Regional Health Care Industries

## Definition of Health Care

<table>
<thead>
<tr>
<th>NAICS Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>62</td>
<td>Health Care</td>
</tr>
<tr>
<td>621</td>
<td>Ambulatory Health Care Services</td>
</tr>
<tr>
<td>622</td>
<td>Hospitals</td>
</tr>
<tr>
<td>623</td>
<td>Nursing and Residential Care Facilities</td>
</tr>
</tbody>
</table>
Health Care Earnings (millions of 2011 dollars)

Composition of Health Care Industry

- Nursing and Residential Care Facilities
- Hospitals
- Ambulatory Health Care Services
NAICS 62, Health Care Industry Growth 2001-2010, Percent Change, Constant Dollars

Gallatin County’s Economic Base 2011-2013

- Other Basic Industries 6% Stable at Best
- Federal Government 10% Modest Growth
- Nonresident Travel 11% RightNow’s Future?
- Trade Center * 24% Stable
- Manufacturing 18% Pay Freeze Over
- MSU and State Gov’t 31% Recovery has Started

* Including professional services
Outlook 2013

Is Montana’s Health Care Workforce Ready for the Affordable Care Act?
By Gregg Davis

Some Common Concerns about the Affordable Care Act

- Impact on insurance premiums?
- Will businesses dump employees into FFE?
- Will Medicare beneficiaries struggle to find doctors?
- Will ACA bend the health care cost curve upward instead of downward?
Often Missing from the Discussion...

- Ability of health care infrastructure, primarily health care workforce, to absorb potential added demands for health care due to...
  - Power of individual mandate
  - Federally Facilitated Exchange
    - Tax credits
    - Cost sharing subsidies
  - Medicaid expansion

Demand for Ambulatory Care

<table>
<thead>
<tr>
<th>Office Visits per 100 by Insurance Status</th>
<th>Primary Care</th>
<th>Surgical Specialty</th>
<th>Medical Specialty</th>
<th>Hospital Outpatient</th>
<th>Hospital Emergency Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Insurance</td>
<td>192.0</td>
<td>55.1</td>
<td>61.5</td>
<td>17.3</td>
<td>22.5</td>
</tr>
<tr>
<td>Medicaid/CHIP</td>
<td>254.7</td>
<td>33.1</td>
<td>44.9</td>
<td>84.9</td>
<td>82.1</td>
</tr>
<tr>
<td>Uninsured</td>
<td>65.3</td>
<td>17.2</td>
<td>30.1</td>
<td>19.2</td>
<td>41.5</td>
</tr>
</tbody>
</table>

Source: 2007 National Ambulatory Medical Care Survey
National Shortage Well Documented

• Factors Behind Shortage of Primary Care Doctors
  – Lower reimbursement
  – Lower comparative incomes
  – High patient loads
• Shortage of Primary Care Providers Leads to
  – Fragmented care
  – Inappropriate use of specialists
  – Less emphasis on preventive care

Affordable Care Act

• Many of ACA provisions focus on primary care
  – Reimbursement (10% bonuses), parity between Medicaid and Medicare
  – Welcome to Medicare exams, preventive services with no cost sharing
  – Individual mandate
  – Comprehensive Primary Care Initiative pilot
  – Patient Centered Homes (ACOs, Medical Homes)
  – Community Health Centers
Primary Care Provider Deficit: 2008 to 2025

- 52,000 more docs needed
  - 33,000 due to population growth
  - 10,000 due to aging
  - 8,000 due to ACA


Pre ACA Primary Care Demand in Montana, Gallatin County

<table>
<thead>
<tr>
<th></th>
<th>Expected Source of Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employer Sponsored Insurance</td>
</tr>
<tr>
<td>Montana</td>
<td>742,310</td>
</tr>
<tr>
<td>Gallatin County</td>
<td>78,021</td>
</tr>
</tbody>
</table>

Source: American Community Survey, 2009-2011, National Ambulatory Medical Care Survey, BBER
### ACA Impact on Health Care Demand, Montana

<table>
<thead>
<tr>
<th></th>
<th>Primary Care</th>
<th>Surgical Specialty</th>
<th>Medical Specialty</th>
<th>Hospital Outpatient</th>
<th>Hospital Emergency</th>
<th>Total Additional Office Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Coverage</td>
<td>131,999</td>
<td>39,485</td>
<td>32,713</td>
<td>(1,979)</td>
<td>(19,795)</td>
<td>182,423</td>
</tr>
<tr>
<td>Medicaid</td>
<td>129,283</td>
<td>10,853</td>
<td>10,102</td>
<td>44,846</td>
<td>27,713</td>
<td>222,797</td>
</tr>
<tr>
<td>Total Additional</td>
<td>261,281</td>
<td>50,338</td>
<td>42,815</td>
<td>42,867</td>
<td>7,919</td>
<td>405,220</td>
</tr>
<tr>
<td>Office Visits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: American Community Survey, National Ambulatory Medical Care Survey, BBER

### ACA Impact on Health Care Demand, Gallatin County

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<th>Hospital Outpatient</th>
<th>Hospital ER</th>
<th>Total Additional Office Visits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Insurance</td>
<td>10,873</td>
<td>3,253</td>
<td>2,695</td>
<td>(163)</td>
<td>(1,631)</td>
<td>15,027</td>
</tr>
<tr>
<td>Medicaid</td>
<td>7,758</td>
<td>651</td>
<td>606</td>
<td>2,691</td>
<td>1,663</td>
<td>13,369</td>
</tr>
<tr>
<td>Total Increase</td>
<td>18,631</td>
<td>3,904</td>
<td>3,301</td>
<td>2,528</td>
<td>32</td>
<td>28,396</td>
</tr>
</tbody>
</table>

American Community Survey 2009-2011, National Ambulatory Medical Care Survey, BBER
Primary Care Capacity

- 2009 study by Davis, Roberts, White
  - Includes Family Practice, Internal Medicine, Pediatrics
- U.S. DHHS Guideline of 4,200 office visits/year
  - Contrasts with 5,400 office visits per AMA guidelines

Estimated Shortage/Surplus of Primary Care Office Visits, Montana

<table>
<thead>
<tr>
<th>Primary Care Supply</th>
<th>Primary Care Demand</th>
<th>Shortage (-) Surplus (+) Office Visits per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,079,000</td>
<td>1,997,814</td>
<td>+ 81,186</td>
</tr>
</tbody>
</table>
Estimated Shortage/Surplus of Primary Care Office Visits, Gallatin County

<table>
<thead>
<tr>
<th>Primary Care Supply</th>
<th>Primary Care Demand</th>
<th>Shortage (-) Surplus (+) Office Visits per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>71,400</td>
<td>172,895</td>
<td>- 101,495</td>
</tr>
</tbody>
</table>

And the earnings forecast from last year?

- Depends on whether you view glass as half full or half empty
- Major revisions in key growth rates 2010-2011
  - BEA revised health care earnings growth from 3.9% to 3.2%
  - CMS revised PHCE growth from 4.6% to 3.9%
- Impact of outsourcing on health care earnings per se
gregg.davis@business.umt.edu

• “I don’t believe there’s any problem in this country, no matter how tough it is, that Americans, when they roll up their sleeves, can’t completely ignore.”
  — George Carlin 1937-2008
Yearly Resident Travel

- 15.4 million person-trips (> 50 miles from home)
- Residents spent $833 million on pleasure trips
- $1.03 billion in combined economic activity
- $85/day trip; $208/overnight trip

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2012 Preliminary Economic Contribution of Travel: Nonresident & Resident

- Resident: $695 million Direct, $343 million Indirect & Induced
- Nonresident: $1.5 billion Indirect & Induced
- Combined: $2.5 billion Direct, $5.1 billion Economic Contribution to Montana in 2012
**Nonresident travel supports 42,860 jobs**
**Resident travel supports 11,830 jobs**

**People choose to live/work in Montana because...**

Looking for a town with no traffic report, clean air, simple life, and kind people....

It wasn’t the job at first but the lifestyle. As I grew with the business and eventually became a partner, the job came more into play, but then so did the lifestyle.

A summer job in Yellowstone brought me here, then I fell in love with Montana. I transferred to a Montana college and tourism marketing became my career.

The vast open space, quality of air and water.

My wife and I thought it was a good combination of our favorite places in the world, there was plenty of business opportunity and a great place to raise a family.

I love to fly fish!
35 | Nonresident Travel Outlook
57% of nonresidents who spent a night in Bozeman came from these 10 states and Alberta (2012, Q1-3).

55% of nonresidents who spent a night in West Yellowstone came from these 9 states (2012, Q1-3).
2013 Outlook

- Consumer confidence improving
- US Travel spending at record level ($8,467 billion in 2012 vs $5.45 billion in 2002).
- Overseas travel to US setting new records (29.2 million in 2012; 19.1 million in 2001)
- Hotel room demand is at an all time high (+3%)
- Restaurant industry on the incline (+3.5%)
- Gas prices on the way down (for now)
- 2% increase in nonresident travelers to MT
- 4% increase in traveler spending in MT

THANK YOU!

www.itrr.umt.edu
norma.nickerson@umontana.edu
2013 Montana Agricultural Outlook

George Haynes
Department of Agricultural Economic & Economics
MSU Extension

Data Source: National Agricultural Statistics Service
Montana Field Office (NASS) and Livestock Marketing Information Center (LMIC)

2012 “Recap”

- **Crops**
  - All wheat prices – strong
  - All wheat production
    - Winter wheat production – down
    - Spring wheat production – up
  - Hay prices - strong

- **Cattle**
  - Cattle and Calf Prices – strong
  - Cow Herd – stable

- **Consumer Food Prices**
  - Increased
Gross Revenue Estimates
(2012 dollars)

Source: NASS and MSU Estimates

Livestock  Crops  Government

AgricultureProud.com
Droughts 2011 and 2012
(severe, extreme & exceptional – D2 – D4)

<table>
<thead>
<tr>
<th>Week</th>
<th>Nothing</th>
<th>D0-D4</th>
<th>D1-D4</th>
<th>D2-D4</th>
<th>D3-D4</th>
<th>D4</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 11, 2011</td>
<td>57.83</td>
<td>42.17</td>
<td>30.47</td>
<td>23.85</td>
<td>17.12</td>
<td>9.76</td>
</tr>
<tr>
<td>October 9, 2012</td>
<td>23.28</td>
<td>76.72</td>
<td>63.55</td>
<td>39.91</td>
<td>20.15</td>
<td>6.18</td>
</tr>
</tbody>
</table>

Drought Impacts:
Higher Corn, Barley, and Spring Wheat Prices

Source: LMIC and USDA, U.S. Corn, Feed Barley and Hard Red Spring Wheat
Drought Impacts:
Higher Cattle and Calf Prices

Source: NASS
CROPS (GRAIN AND HAY)

Wheat Exports
Percent of Total U.S. Production

Source: WASDE, Total U.S. Exports = 1,050 mb in 2011/2012 and 1,050 mb in 2012/2013 (higher wheat production in 2012)
Where are Montana exports going?

  - Total 152.4 million bushels
    - Exports are 80% of total Montana wheat production
  - Destination
    - West 121.8 million bushels
      - Japan (50%), other Asian, Canada, & Mexico
    - East 30.6 million bushels

- **Export competition**
  - Canada, Australia, EU-27 & FSU-12 (Russia/Kazakhstan/Ukraine)

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### Global Wheat Market Shares

<table>
<thead>
<tr>
<th>Country</th>
<th>2011/2012 mmt</th>
<th>2012/2013 mmt</th>
<th>2011/2012 %</th>
<th>2012/2013 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>29.9</td>
<td>21.0</td>
<td>4.3</td>
<td>3.2</td>
</tr>
<tr>
<td>Canada</td>
<td>25.3</td>
<td>26.7</td>
<td>3.6</td>
<td>4.0</td>
</tr>
<tr>
<td>China</td>
<td>117.4</td>
<td>120.6</td>
<td>16.9</td>
<td>18.2</td>
</tr>
<tr>
<td>EU-27</td>
<td>137.2</td>
<td>131.7</td>
<td>19.7</td>
<td>19.9</td>
</tr>
<tr>
<td>India</td>
<td>86.9</td>
<td>93.9</td>
<td>12.5</td>
<td>14.2</td>
</tr>
<tr>
<td>FSU-12</td>
<td>114.8</td>
<td>77.8</td>
<td>16.5</td>
<td>11.7</td>
</tr>
<tr>
<td>U.S.</td>
<td>54.4</td>
<td>61.8</td>
<td>7.8</td>
<td>9.3</td>
</tr>
</tbody>
</table>

Other 130.5 18.7 114.7 17.3

Total 696.4 100.0 662.8 100.0

Source: WASDE-813, December 2012
All Hay Production (2012)

All Hay Prices
(2012 dollars)
Futures Prices
(no basis adjustment – 12/26/12)

<table>
<thead>
<tr>
<th>Location</th>
<th>Units</th>
<th>5/13</th>
<th>7/13</th>
<th>9/13</th>
<th>12/13</th>
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<tbody>
<tr>
<td>Minneapolis Grain Exchange</td>
<td>$/bu</td>
<td>8.80</td>
<td>8.89</td>
<td>8.87</td>
<td>8.92</td>
</tr>
<tr>
<td>Hard Red Spring Wheat</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kansas City Board of Trade</td>
<td>$/bu</td>
<td>8.35</td>
<td>8.42</td>
<td>8.54</td>
<td>8.69</td>
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<tr>
<td>Winter Wheat</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicago Board of Trade</td>
<td>$/bu</td>
<td>6.96</td>
<td>6.94</td>
<td>6.20</td>
<td>6.00</td>
</tr>
<tr>
<td>Corn</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: MGE, KBOT, CBOT and MGGA Market Manager

Montana Wheat 2012

- 2012/2013 Winter Wheat Plantings → ???
- Influence of corn prices (public policy)
- Influence of the 2011 & 2012 droughts
- 2013 Production/Prices
  - MT 2013 All Wheat Price: optimistic

Agricultural Outlook
CATTLE

U.S. Beef Production and Cattle Herd Size

Bil. Pounds

Mil. Head


16 18 20 22 24 26 28

100 110 120 130 140

— Cattle Inventory — "U.S. Beef Production"

Source: LMIC and MSU Agricultural Marketing Policy Center
U.S. Beef and Veal Exports
Percentage of Total U.S. Production

Source: LMIC, Beef and veal exports 2.5 billion pounds in 2012

Exports – who’s buying U.S. beef

Source: NASS
Montana Cattle Herd

Calf Prices
(2012 dollars)

Source: NASS

NASS, 1990 – 2011, MSU 2012 estimate
Futures Prices  
(no basis adjustments – 12/26/12)

<table>
<thead>
<tr>
<th>Location</th>
<th>05/13</th>
<th>08/13</th>
<th>10/13</th>
<th>11/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago Mercantile Exchange</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feeder Cattle, $/cwt</td>
<td>159</td>
<td>163</td>
<td>163</td>
<td>164</td>
</tr>
<tr>
<td>Live Cattle, $/cwt</td>
<td>132</td>
<td>132</td>
<td>135</td>
<td>137</td>
</tr>
</tbody>
</table>

Source: Chicago Mercantile Exchange

Montana Cattle 2012/13

- **Strong prices for cow/calf producers**
  - Optimistic about calf prices through 2013 and beyond

- **Opportunity to increase cattle herd**
  - Beef demand – sell more beef at the same price
  - Farm programs – good insurance, good subsidies
  - Labor issue – more skills required to work on a ranch
  - Age of ranchers – little incentive
Consumer Food Prices


2013 Forecast

- **Crops**
  - Wheat, barley, & hay – prices higher than historical average

- **Livestock**
  - Cattle and calves – prices higher than historical average

- **Consumer Impact**
  - 3 to 4% increase in food prices
Montana Manufacturing & Forest Products: 2013 Outlook

Todd A. Morgan, CF

U.S. Manufacturing

- Approaching 12.5 million workers.
- Annual worker income is rising.
- Value of output per worker is increasing.
Montana & U.S. Manufacturing Employment 1990-2011

Montana Manufacturing
2012 Labor Income

Total Sales: $13 billion
Total Employment: ~21,250
Total Labor Income: $1.08 billion

Chemicals, Petroleum & Coal 27%
Nonmetallic Minerals 4%
Machinery 7%
Computers, Electronics & Appliances 4%
Metals 10%
Wood & Paper 16%
Food & Beverage 13%

Other 19%

Sources: BEA-REIS; Census Bureau; and BBER estimates
### Montana Brewery Survey Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>2010</th>
<th>2011</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beer production (barrels)</td>
<td>87,442</td>
<td>102,925</td>
<td>18%</td>
</tr>
<tr>
<td>Beer sales (millions)</td>
<td>$21.8</td>
<td>$26.1</td>
<td>20%</td>
</tr>
<tr>
<td>Employment</td>
<td>231</td>
<td>320</td>
<td>39%</td>
</tr>
<tr>
<td>Compensation (millions)</td>
<td>$5.2</td>
<td>$6.4</td>
<td>23%</td>
</tr>
<tr>
<td>Expenditures (millions)</td>
<td>$15.6</td>
<td>$18.8</td>
<td>21%</td>
</tr>
</tbody>
</table>

(excluding employee compensation)

### Statewide Economic Impacts Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Units</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Employment</td>
<td>Jobs</td>
<td>434</td>
</tr>
<tr>
<td>Output (private sector sales)</td>
<td>$ Millions</td>
<td>48.4</td>
</tr>
<tr>
<td>Compensation (private non-farm)</td>
<td>$ Millions</td>
<td>9.8</td>
</tr>
<tr>
<td>Compensation (government)</td>
<td>$ Millions</td>
<td>1.8</td>
</tr>
<tr>
<td>Population</td>
<td>People</td>
<td>36</td>
</tr>
<tr>
<td>State government revenues</td>
<td>$ Millions</td>
<td>1.5</td>
</tr>
</tbody>
</table>

Note: “Impact” refers to the difference between the baseline with brewing scenario, and the alternative without brewing scenario
Gallatin County Manufacturing
2011 Labor Income

- Other Durable Goods 33%
- Food & Beverage 10%
- Textiles 2%
- Printing 3%
- Plastics & Rubber 3%
- Other Non-durable Goods 11%
- Non-metallic minerals 9%
- Wood & Furniture 7%
- Metals 11%
- Computers & Electronics 10%

Total Labor Income: $123 million
Total Employment 2,702

Sources: BEA-REIS, Census Bureau; and BBER estimates

2012-2013 Montana Manufacturers Survey
- annual survey
- conducted in November
- open-ended & multi-choice questions
- current & coming year
- 180+ firms participate
- response rate 80%
Montana Manufacturing 2012 Recap

- Better than 2011 for many firms
- Employment down at one-quarter of firms, up at 30%
- Many firms reported increased production, sales, and profits
- Few firms reported curtailments
- 40% of firms did make major capital expenditures

Montana Manufacturing Outlook for the Coming Year

<table>
<thead>
<tr>
<th>Percent of Firms</th>
<th>Outlook for 2012</th>
<th>Outlook for 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Better than last year</td>
<td>36%</td>
<td>41%</td>
</tr>
<tr>
<td>Same as last year</td>
<td>52%</td>
<td>43%</td>
</tr>
<tr>
<td>Worse than last year</td>
<td>11%</td>
<td>14%</td>
</tr>
</tbody>
</table>
Montana Manufacturers Outlook Trend

Montana Manufacturing Outlooks by Sector

Manufacturing and Forest Products Outlook
Montana Forest Products
Industry 2013 Forecast

- U.S. homebuilding recovering.
- Markets are expected to be better than 2012.
- Lumber production & sales should increase.
- Employment & worker earnings may increase slightly.
- Timber supply ...

Montana Manufacturing Outlooks by City/Region

![Graph showing manufacturing outlooks by city/region for Montana in 2012 and 2013. The graph indicates trends for different cities including Helena, Great Falls, Missoula, Billings, Bozeman, Butte, Kalispell, and all respondents.]
Montana Manufacturing Forecast for 2013

- Continued improvements anticipated.
- Modest growth expected in statewide employment & worker earnings.
- Health insurance costs and continued economic recovery are major concerns.
- 65% of MT manufacturers expect their health insurance costs to increase.
Montana Housing Outlook 2013

2012 was a good year.
Sales increased.

Single Family Homes 2012 Sales

<table>
<thead>
<tr>
<th>Area</th>
<th># Sales</th>
<th>1 Year % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>2,001</td>
<td>18%</td>
</tr>
<tr>
<td>Bitterroot*</td>
<td>374</td>
<td>13%</td>
</tr>
<tr>
<td>Butte*</td>
<td>380</td>
<td>11%</td>
</tr>
<tr>
<td>Gallatin</td>
<td>1,079</td>
<td>18%</td>
</tr>
<tr>
<td>Great Falls</td>
<td>897</td>
<td>12%</td>
</tr>
<tr>
<td>Helena</td>
<td>779</td>
<td>24%</td>
</tr>
<tr>
<td>Missoula</td>
<td>962</td>
<td>23%</td>
</tr>
<tr>
<td>Flathead Co.*</td>
<td>1,238</td>
<td>20%</td>
</tr>
<tr>
<td><strong>OVERALL</strong></td>
<td>7,333</td>
<td><strong>19%</strong></td>
</tr>
</tbody>
</table>
### Single Family Homes 2008-12 Sales

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>1946</td>
<td>1967</td>
<td>1721</td>
<td>1698</td>
<td>2001</td>
</tr>
<tr>
<td>Flathead</td>
<td>990</td>
<td>912</td>
<td>1039</td>
<td>1029</td>
<td>1238</td>
</tr>
<tr>
<td>Great Falls</td>
<td>967</td>
<td>924</td>
<td>856</td>
<td>804</td>
<td>897</td>
</tr>
<tr>
<td>Missoula</td>
<td>901</td>
<td>913</td>
<td>830</td>
<td>779</td>
<td>962</td>
</tr>
<tr>
<td>Gallatin</td>
<td>744</td>
<td>688</td>
<td>796</td>
<td>911</td>
<td>1079</td>
</tr>
<tr>
<td>Helena</td>
<td>672</td>
<td>692</td>
<td>606</td>
<td>627</td>
<td>779</td>
</tr>
</tbody>
</table>

### Single Family Homes 2008-12 Sales

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>Billings</td>
<td>Billings</td>
<td>Billings</td>
<td>Billings</td>
<td>Billings</td>
</tr>
<tr>
<td>2nd</td>
<td>Flathead</td>
<td>Great Falls</td>
<td>Flathead</td>
<td>Flathead</td>
<td>Flathead</td>
</tr>
<tr>
<td>3rd</td>
<td>Great Falls</td>
<td>Missoula</td>
<td>Great Falls</td>
<td>Gallatin</td>
<td>Gallatin</td>
</tr>
<tr>
<td>4th</td>
<td>Missoula</td>
<td>Flathead</td>
<td>Missoula</td>
<td>Great Falls</td>
<td>Missoula</td>
</tr>
<tr>
<td>5th</td>
<td>Gallatin</td>
<td>Helena</td>
<td>Gallatin</td>
<td>Missoula</td>
<td>Great Falls</td>
</tr>
<tr>
<td>6th</td>
<td>Helena</td>
<td>Gallatin</td>
<td>Helena</td>
<td>Helena</td>
<td>Helena</td>
</tr>
</tbody>
</table>
So did prices.

Single Family 2012 Median Prices

<table>
<thead>
<tr>
<th>Area</th>
<th>Median Price</th>
<th>1 Year % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>$197,500</td>
<td>7%</td>
</tr>
<tr>
<td>Bitterroot*</td>
<td>$168,000</td>
<td>-4%</td>
</tr>
<tr>
<td>Butte*</td>
<td>$92,250</td>
<td>4%</td>
</tr>
<tr>
<td>Gallatin</td>
<td>$253,750</td>
<td>7%</td>
</tr>
<tr>
<td>Great Falls</td>
<td>$155,500</td>
<td>4%</td>
</tr>
<tr>
<td>Helena</td>
<td>$189,450</td>
<td>1%</td>
</tr>
<tr>
<td>Missoula</td>
<td>$209,450</td>
<td>2%</td>
</tr>
<tr>
<td>Flathead Co.*</td>
<td>$185,600</td>
<td>3%</td>
</tr>
</tbody>
</table>
## Single Family 2008-2012 Avg. Prices

<table>
<thead>
<tr>
<th>Area</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missoula</td>
<td>$428.3</td>
<td>$334.7</td>
<td>$330.1</td>
<td>$328.1</td>
<td>$335.7</td>
</tr>
<tr>
<td>Gallatin</td>
<td>$339.3</td>
<td>$277.6</td>
<td>$271.9</td>
<td>$251.8</td>
<td>$265.7</td>
</tr>
<tr>
<td>Flathead Co.</td>
<td>$223.1</td>
<td>$212.3</td>
<td>$214.8</td>
<td>$205.2</td>
<td>$214.7</td>
</tr>
<tr>
<td>Helena</td>
<td>$206.4</td>
<td>$200.5</td>
<td>$212.7</td>
<td>$208.5</td>
<td>$220.6</td>
</tr>
<tr>
<td>Great Falls</td>
<td>$171.0</td>
<td>$163.3</td>
<td>$161.3</td>
<td>$164.7</td>
<td>$187.4</td>
</tr>
</tbody>
</table>

In $ Thousands

## Single Family 2012 Days on Market

<table>
<thead>
<tr>
<th>Area</th>
<th>Avg. Days on Mkt</th>
<th>1 Year % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billings</td>
<td>58</td>
<td>-18%</td>
</tr>
<tr>
<td>Gallatin</td>
<td>101</td>
<td>-10%</td>
</tr>
<tr>
<td>Missoula</td>
<td>123</td>
<td>-3%</td>
</tr>
<tr>
<td>Helena</td>
<td>141</td>
<td>0%</td>
</tr>
<tr>
<td>Great Falls</td>
<td>152</td>
<td>8%</td>
</tr>
<tr>
<td>Butte*</td>
<td>161</td>
<td>8%</td>
</tr>
<tr>
<td>Flathead Co.*</td>
<td>249</td>
<td>-30%</td>
</tr>
<tr>
<td>Bitterroot*</td>
<td>354</td>
<td>0.3%</td>
</tr>
<tr>
<td>OVERALL</td>
<td>213</td>
<td>-11%</td>
</tr>
</tbody>
</table>
What’s selling?

2,060 Square Feet
35 Years Old
3 Bed
2+ Bath
2 Car Garage
You still can’t afford it.

Resort  2008-2012 Median Prices

<table>
<thead>
<tr>
<th>Resort</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gallatin Val./Big Sky/W. Yellow.</td>
<td>$1,100.0</td>
<td>$550.0</td>
<td>$582.5</td>
<td>$552.0</td>
<td>$535.0</td>
</tr>
<tr>
<td>Paradise Valley &amp; Gardiner</td>
<td>$450.0</td>
<td>$334.1</td>
<td>$306.0</td>
<td>$343.0</td>
<td>$342.5</td>
</tr>
<tr>
<td>Bigfork</td>
<td>$305.0</td>
<td>$315.0</td>
<td>$336.0</td>
<td>$247.3</td>
<td>$252.2</td>
</tr>
<tr>
<td>Whitefish</td>
<td>$305.0</td>
<td>$256.8</td>
<td>$226.0</td>
<td>$246.6</td>
<td>$227.0</td>
</tr>
<tr>
<td>Lakeside</td>
<td>$295.0</td>
<td>$305.0</td>
<td>$238.5</td>
<td>$243.5</td>
<td>$217.9</td>
</tr>
</tbody>
</table>

$ thousands
Resort  | 2008-2012 Sales

<table>
<thead>
<tr>
<th>Resort</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whitefish</td>
<td>182</td>
<td>157</td>
<td>216</td>
<td>218</td>
<td>215</td>
</tr>
<tr>
<td>Bigfork</td>
<td>78</td>
<td>67</td>
<td>83</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td>Lakeside</td>
<td>42</td>
<td>43</td>
<td>50</td>
<td>48</td>
<td>49</td>
</tr>
<tr>
<td>Gallatin Val./Big Sky/W. Yellow.</td>
<td>39</td>
<td>41</td>
<td>52</td>
<td>64</td>
<td>73</td>
</tr>
<tr>
<td>Paradise Valley &amp; Gardiner</td>
<td>19</td>
<td>18</td>
<td>31</td>
<td>28</td>
<td>20</td>
</tr>
</tbody>
</table>

“IT’S GOT IT ALL. STYLE. LOCATION.”
### Location Estimate

<table>
<thead>
<tr>
<th></th>
<th>Price/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver Bow</td>
<td>$ 64</td>
</tr>
<tr>
<td>Cascade</td>
<td>$ 82</td>
</tr>
<tr>
<td>Other</td>
<td>$ 89</td>
</tr>
<tr>
<td>Yellowstone</td>
<td>$ 93</td>
</tr>
<tr>
<td>Ravalli</td>
<td>$ 101</td>
</tr>
<tr>
<td>Flathead</td>
<td>$ 113</td>
</tr>
<tr>
<td>Lewis&amp;Clark</td>
<td>$ 127</td>
</tr>
<tr>
<td>Gallatin</td>
<td>$ 129</td>
</tr>
<tr>
<td>Lake</td>
<td>$ 146</td>
</tr>
<tr>
<td>Missoula</td>
<td>$ 154</td>
</tr>
</tbody>
</table>

### Style Estimate

<table>
<thead>
<tr>
<th></th>
<th>Price/SF</th>
<th></th>
<th>Price/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>$ 63</td>
<td>1 Level</td>
<td>$ 101</td>
</tr>
<tr>
<td>1.5 Level</td>
<td>$ 71</td>
<td>Split F/B</td>
<td>$ 101</td>
</tr>
<tr>
<td>Bungalow</td>
<td>$ 82</td>
<td>Cottage</td>
<td>$ 108</td>
</tr>
<tr>
<td>Split Level</td>
<td>$ 82</td>
<td>3 Level</td>
<td>$ 108</td>
</tr>
<tr>
<td>Split Entry</td>
<td>$ 87</td>
<td>Traditional</td>
<td>$ 108</td>
</tr>
<tr>
<td>3 Story</td>
<td>$ 88</td>
<td>1.5 or 2 Lev.</td>
<td>$ 113</td>
</tr>
<tr>
<td>2 Story</td>
<td>$ 89</td>
<td>Townhouse</td>
<td>$ 114</td>
</tr>
<tr>
<td>Manufactured</td>
<td>$ 90</td>
<td>Other</td>
<td>$ 133</td>
</tr>
<tr>
<td>Contemporary</td>
<td>$ 90</td>
<td>Tri-Level</td>
<td>$ 133</td>
</tr>
<tr>
<td>Ranch</td>
<td>$ 95</td>
<td>Custom</td>
<td>$ 142</td>
</tr>
<tr>
<td>4 Level</td>
<td>$ 95</td>
<td>Condo</td>
<td>$ 146</td>
</tr>
<tr>
<td>Baseline</td>
<td>$ 97</td>
<td>Cabin</td>
<td>$ 272</td>
</tr>
</tbody>
</table>
## Ranch Style Estimate

<table>
<thead>
<tr>
<th>Area</th>
<th>Price/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver Bow</td>
<td>$71</td>
</tr>
<tr>
<td>Cascade</td>
<td>$97</td>
</tr>
<tr>
<td>Yellowstone</td>
<td>$112</td>
</tr>
<tr>
<td>Flathead</td>
<td>$122</td>
</tr>
<tr>
<td>Ravalli</td>
<td>$127</td>
</tr>
<tr>
<td>Lewis &amp; Clark</td>
<td>$133</td>
</tr>
<tr>
<td>Gallatin</td>
<td>$135</td>
</tr>
<tr>
<td>Lake</td>
<td>$135</td>
</tr>
<tr>
<td>Missoula</td>
<td>$158</td>
</tr>
</tbody>
</table>

## Condo Estimate

<table>
<thead>
<tr>
<th>Area</th>
<th>Condo Price/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Missoula</td>
<td>$211</td>
</tr>
<tr>
<td>Gallatin / Lake</td>
<td>$181</td>
</tr>
<tr>
<td>Lewis &amp; Clark</td>
<td>$178</td>
</tr>
<tr>
<td>Flathead</td>
<td>$163</td>
</tr>
<tr>
<td>Yellowstone</td>
<td>$150</td>
</tr>
<tr>
<td>Cascade</td>
<td>$130</td>
</tr>
</tbody>
</table>
Overall Estimate  

2012 Home Values

3% to 4% Increase

Who is buying?
### When Do They Buy? By Age Range

<table>
<thead>
<tr>
<th>Buying Type</th>
<th>% of All Buyers</th>
<th>18-24</th>
<th>25-44</th>
<th>45-64</th>
<th>65+</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st-Time</td>
<td>41%</td>
<td>4%</td>
<td>30%</td>
<td>7%</td>
<td>&lt;1%</td>
</tr>
<tr>
<td>Prev. But Not Current</td>
<td>43%</td>
<td>&lt;1%</td>
<td>13%</td>
<td>21%</td>
<td>8%</td>
</tr>
<tr>
<td>2nd Home Purchaser</td>
<td>13%</td>
<td>&lt;1%</td>
<td>4%</td>
<td>7%</td>
<td>2%</td>
</tr>
<tr>
<td>3rd Home Purchased (+)</td>
<td>4%</td>
<td>&lt;1%</td>
<td>2%</td>
<td>1%</td>
<td>&lt;1%</td>
</tr>
</tbody>
</table>

### Homeowners Years Between Moves

![Graph showing years between moves for SFH and Condo owners.][1]

--

[1]: #/images/housing_outlook.png
Homeowners By Income Level

Credit Score  Risk of Default

FICO  Probability of Default

MONTANA STATE UNIVERSITY BILLINGS  ACCESS & EXCELLENCE
2013 has potential.

Thank you.
Natural Resources & Energy Outlook:
Coal, Oil Natural Gas (Fossil Fuels), Renewables, Minerals, Alternative
By Terry Johnson

Presentation Outline

• Fossil Fuel Focus
  – Coal
  – Oil
  – Natural Gas

• Renewables, Minerals, Alternatives

• What Changed? 2008 to 2011

• Energy Outlook

• What Does This All Mean?
Reasons for Production Value Change – 2008 to 2011

• Coal
  – Price increases due to world demand
  – International energy policies

• Oil
  – Stable prices (on average)
  – Slow implementation of new technology

• Natural Gas
  – Weak demand, over supply
  – Transportation

Montana’s Energy Outlook

Coal --- ↔

• Why?
  – International Demand
  – International Natural Gas Price vs. Coal Price

• What to monitor
  – Federal Environmental Rules
  – Construction of Port Facilities
Montana’s Energy Outlook

Oil ---

- **Why?**
  - Rig Count Improvement
  - Economic Recovery
  - U.S. Energy Independence

- **What to monitor**
  - Environmental Issues With “Fracking”
  - Transportation Issues
  - Federal & State Taxation Policies
Montana Oil Rig Count

Montana Oil Rig Counts By Month

Montana’s Energy Outlook
Natural Gas ---

- Why?
  - Electricity Generation
  - Environmental Issues with Coal

- What to monitor
  - Environmental Issues With “Fracking”
  - Federal & State Taxation Policies
  - International Energy Policies
U.S. Electricity Generation by Fuel Type

What Does This All Mean?

- **Economic Growth**
  - Eastern Montana
  - Other Areas (Billings for example)
- **Enhanced Governmental Revenue**
  - Natural Resource Taxes
  - Income Taxes
  - Consumption Taxes
- **Governmental Service Pressures**
  - Education
  - Public Safety
  - Infrastructure (State and Local)
Questions

• Some Interesting Energy Facts
  – Montana has the highest estimated recoverable coal reserves in U.S.
  – Wyoming produced the most coal in U.S. (2011) – over 40%
  – U.S. was 3rd largest oil producer in 2011 – Saudi Arabia and Russia were 1st and 2nd, respectively
  – North Dakota was second largest oil producer in U.S. (2012)
  – U.S. natural gas production was highest level ever in 2011
  – U.S. natural gas use for electricity generation increased 188% from 1988 to 2011

Health Care:
Avg. Annual Growth = 7.0%

Total:
Avg. Annual Growth = 5.2%

Source: Centers for Medicare and Medicaid Services and Bureau of Economic Analysis
The Health Care System

Inputs
- Human Resources
- Financing
- Facilities and Equipment

Process
- Hospitals
- Doctors Offices
- Nursing Homes
- Home Care

Outputs
- Accessible Care
- Quality of Care
- Cost of Care

Montana’s 195,000 Uninsured: How ACA Can Help

- Medicaid Eligible (<138% FPG), 69,000
- Remains Uninsured, 86,000
- Eligible for Low Income Subsidy, 40,000
Gallatin County and Montana: The Uninsured

<table>
<thead>
<tr>
<th></th>
<th>Gallatin County</th>
<th>Montana</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Uninsured</td>
<td>12,678</td>
<td>195,000</td>
</tr>
<tr>
<td>Percent of Total County Pop Uninsured</td>
<td>14.1%</td>
<td>20%</td>
</tr>
<tr>
<td>Number Covered by Medicaid before ACA</td>
<td>6,380</td>
<td>106,000</td>
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<tr>
<td>Number Eligible for Medicaid after ACA</td>
<td>17,390</td>
<td>175,000</td>
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<tr>
<td>Hospital Cost of Uncompensated Care (2010)</td>
<td>$10,818,934</td>
<td>$244,900,000</td>
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<tr>
<td>Physicians and Other Community Providers (Est)</td>
<td>$6,917,023</td>
<td>$156,700,000</td>
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<tr>
<td>Total Uncompensated Care (Est)</td>
<td>$17,735,957</td>
<td>$401,600,000</td>
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<tr>
<td>Uncompensated Care Reduction</td>
<td>$4,416,324</td>
<td>$100,000,000</td>
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</table>

Health Insurance Exchange

- Functions
  - Internet virtual marketplace for individuals and small employers to shop for insurance
  - Provide consumer choice (bronze, silver, gold, platinum)
  - Increase transparency of products and prices
  - Ensure all plans offer “essential health benefits”
Financing Moves Away from Fee For Service

<table>
<thead>
<tr>
<th>Performance Risk</th>
<th>Utilization Risk</th>
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<tbody>
<tr>
<td>Cost of Care</td>
<td>Quality of Care</td>
</tr>
<tr>
<td>Volume of Care</td>
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</tbody>
</table>

**Bundled Pricing**
- Episodic Efficiency
- Readmission Reduction
- Care Standardization

**Pay-for-Performance**
- Process Reliability
- Clinical Quality
- Patient Experience

**Shared Savings**
- Chronic Care Management
- Care Substitution
- Disease Prevention

Source: Health Care Advisory Board Interviews and Analysis
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Montana Number of Employers by Employee Category, 2012

<table>
<thead>
<tr>
<th>Size of Employer by Number of Employees</th>
<th>Number of Employers</th>
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<tbody>
<tr>
<td>1 to 4</td>
<td>25,327</td>
</tr>
<tr>
<td>5 to 9</td>
<td>6,899</td>
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<tr>
<td>10 to 19</td>
<td>4,337</td>
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<tr>
<td>20 to 49</td>
<td>2,382</td>
</tr>
<tr>
<td>50 to 99</td>
<td>686</td>
</tr>
<tr>
<td>100 to 249</td>
<td>264</td>
</tr>
<tr>
<td>250 to 499</td>
<td>153</td>
</tr>
<tr>
<td>500 to 999</td>
<td>53</td>
</tr>
<tr>
<td>1000 or more</td>
<td>19</td>
</tr>
<tr>
<td>1000 or more</td>
<td>18</td>
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</tbody>
</table>
Primary Care Physicians Per 100,000 Population, 2005

Montana Physicians in Active Practice by County

0 Doctors (10 Counties)
1-5 Doctors (20 Counties)
6-20 Doctors (12 Counties)
21-100 Doctors (8 Counties)
100+ Doctors (6 Counties)
Upcoming Events

**Manufacturing/Trade Day at the Capitol**  
April 4, Helena

**Montana Chamber Summer Meeting**  
June 18-19, Big Sky

**2012 Governor’s Cup Golf Tournament**  
August 1-3  
Flathead Valley  
www.2013GovernorsCup.com

**Montana Goes to China Tour**  
September 28-October 7  
www.MontanaGoestoChina.com

**Montana Goes to Cuba Tour**  
October 25-November 1  
www.MontanaGoestoCuba.com

Membership Benefits

Office Depot Program  
HR e-Source  
Monthly Newsletter “Eye on Business”  
Weekly membership e-updates

Programs

Montana Manufacturing Council  

Montana High School Business Challenge  
www.MTHSBC.com

Montana Chamber Choices  
www.ChamberChoices.com

Montana Safety Choices  
www.MTSafetyChoices.com
## 2013 Economic Update

<table>
<thead>
<tr>
<th>Location</th>
<th>Date and Time</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kalispell</td>
<td>Thursday August 1, 2013 12:00 – 1:30 p.m.</td>
<td>Red Lion Hotel</td>
</tr>
<tr>
<td>Billings</td>
<td>Tuesday August 6, 2013 7:00 – 8:30 a.m.</td>
<td>Crowne Plaza</td>
</tr>
<tr>
<td>Bozeman</td>
<td>Tuesday August 6, 2013 12:00 – 1:30 p.m.</td>
<td>Best Western GranTree</td>
</tr>
<tr>
<td>Helena</td>
<td>Wednesday August 7, 2013 7:00 – 8:30 a.m.</td>
<td>Jorgenson’s</td>
</tr>
<tr>
<td>Butte</td>
<td>Wednesday August 7, 2013 12:00 – 1:30 p.m.</td>
<td>Comfort Inn</td>
</tr>
<tr>
<td>Great Falls</td>
<td>Thursday August 8, 2013 7:00 – 8:30 a.m.</td>
<td>Hilton Garden Inn</td>
</tr>
<tr>
<td>Missoula</td>
<td>Thursday August 8, 2013 12:00 – 1:30 p.m.</td>
<td>Holiday Inn Downtown</td>
</tr>
</tbody>
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Check out [www.MontanaChamber.com](http://www.MontanaChamber.com) for the latest Montana business news and resources.