The Outlook for Health Care in Montana

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Health Care: Growth is Back

Year over Year Growth in Health Services Spending by Quarter, 2010-18

Source: Kaiser Family Foundation
Gross State Product: Health Care

Thousands

<table>
<thead>
<tr>
<th>2013Q1</th>
<th>2014Q1</th>
<th>2015Q1</th>
<th>2016Q1</th>
<th>2017Q1</th>
<th>2018Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,500</td>
<td>$3,700</td>
<td>$3,900</td>
<td>$4,100</td>
<td>$4,300</td>
<td>$4,500</td>
</tr>
</tbody>
</table>

Growth Y-on-Y

-1% 0% 1% 2% 3% 4% 5% 6% 7%
Health Care: Share of Montana GSP

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Share GSP</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013Q1</td>
<td>8.5%</td>
</tr>
<tr>
<td>2014Q1</td>
<td>9.0%</td>
</tr>
<tr>
<td>2015Q1</td>
<td>9.5%</td>
</tr>
<tr>
<td>2016Q1</td>
<td>10.0%</td>
</tr>
<tr>
<td>2017Q1</td>
<td>10.5%</td>
</tr>
<tr>
<td>2018Q1</td>
<td>11.0%</td>
</tr>
</tbody>
</table>

2010-15 Average: 9.2%
Health Care: Growth is Back

• Deductibles, co-pays rising rapidly

• Usage, not prices, appears to be the primary cost driver of late

• The uninsured rate has come down dramatically

• Market concentration in health care is rising

• The big story in Montana has been Medicaid Expansion
Montana Has a High Population Aged 65+

- 18.2% of Montana's population is aged 65+
- More than 17.4% of Montana's population is aged 65+

Map showing the percentage of the population aged 65+ in each state.
ACA Exchange Enrollments More Stable in Montana

Source: Kaiser Family Foundation
Insurer Participation on ACA Marketplaces: 2014-19

Source: Kaiser Family Foundation
Average premium: 2014-2019

Source: Kaiser Family Foundation and US BEA
Average premium share personal income

Source: Kaiser Family Foundation
Montana Medicaid Spending and Annual Growth: 2013-2018

Source: Bureau of Economic Analysis
The ACA and Medicaid Expansion Have Reduced the Uninsured Population Aged 0-64 Dramatically

Percent of Montana Population Aged 0-64 With No Health Insurance

Source: Census Bureau American Community Survey
Percent of People in Poverty

Source: US Bureau of the Census
Health Care Contributed More to Growth Than Any Other Industry in 2017

Inflation-Corrected Earnings Growth, 2016-17, Montana, $ Millions

Source: U.S. Bureau of Economic Analysis
Health Care Earnings Growth in Billings and Kalispell Were Strongest in 2017:

Source: U.S. Bureau of Economic Analysis
Thank you

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