

Spotlight on State: Idaho

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Idaho has stepped up its efforts to promote price transparency and control healthcare costs in recent legislative sessions. Signed into law in 2020, the Idaho Patient Act adds transparency to the medical billing process and protects consumers from unfair medical debt collection practices. The state legislature also made a notable effort but failed to pass the No Surprises Act, which would have implemented surprising billing protections by prohibiting health care providers from charging higher rates for out-of-network services.

The state has also taken affirmative steps to curb anticompetitive practices in the healthcare market. Idaho law prohibits most favored nation clauses, or clauses having a similar effect, against hospital and service corporations, stock or mutual insurance companies, and managed care organizations entering into agreements with participating providers. Additionally, the state regulates non-compete agreements for physicians by requiring that such provisions be limited to protecting legitimate business interests.

Idaho further exercises regulatory oversight over the healthcare provider market by requiring written notice to the attorney general prior to entering into any nonprofit conversion or transaction. In a landmark antitrust enforcement case against St. Luke's Health Systems and Saltzer Medical Group, the Idaho AG and the FTC filed a joint complaint to challenge the merger between the Idaho-based, not-for-profit

health system and the state's largest independent, multi-specialty physician group. 16 states filed an amicus brief to the Ninth Circuit, explaining that the acceleration of health care costs due to the growth of large health care provider systems has become a matter of grave concern for the states. The Ninth Circuit affirmed the federal district court's ruling that the acquisition violated Section 7 of the Clayton Act and the Idaho Competition Act and ordered a full divestiture of Saltzer from St. Luke's Health System, restoring competition in the local adult primary care services market.