



Catastrophic Health Care Cost Program

Post Office Box 1623 • Boise, Idaho 83701-1623 • (208) 345-1366 • Fax (208) 345-0379

June 30, 2016

Division of Financial Management
Attn.: Sara Stover
P.O. Box 83720
Boise, Idaho 83720-0032

FISCAL YEARS 2017-2020 COMPREHENSIVE STRATEGIC PLAN Catastrophic Health Care Cost Program

Mission

The mission of the Catastrophic Health Care Cost Program is to assist the counties in Idaho with providing financial assistance for medical bills of medically indigent residents. Specifically those residents who do not qualify for other government health programs, but who apply for and qualify for county financial assistance. Each county is responsible for the first \$11,000 in medical bills incurred by the eligible medically indigent applicant within any 12-month period. The catastrophic health care cost program pays eligible medical bills in excess of \$11,000 for the qualified applicant during the 12 month period.

General Goals

The general goals and functions of the Catastrophic Health Care Cost Program are as follows:

1. To support each county by providing financial assistance for residents' medical bills exceeding \$11,000 for each qualified *medically indigent* person as defined in statute.
2. Closely monitor operating costs associated with the administration of the program
3. Track and reconcile indigents' reimbursement accounts including obtaining refunds from other resources and working closely with counties.
4. Compile data and provide reporting.
5. Provide guidance and program training

How Goals and Objectives Are Achieved

1. Pay medical claims -
 - Through payment requests from counties;
 - Submit to SCO for payment
 - Assistant providers with tracking and payment reconciliation
 - Track and report medical claims paid by state funds
 - I. by provider
 - II. by county; for
 - Counties
 - Other agencies upon request
 - Legislative branch

- contract for program administrator;
 - training expenses
 - board meeting management and expenses; and
 - medical review costs
3. Obtain reimbursements and refunds -
 - Track reimbursements received from counties for indigent repayment;
 - Track refunds from other resources to maintain *payer of last resort* compliance
 4. Provide reporting tools for the counties to use to gather and provide data for inquiries
 - Currently providing data for various studies involving healthcare in Idaho.
 - Perform all agency reporting required
 - Provide standardized training materials to assist the counties and hospitals in learning the CAT program requirements to insure claims payment.
 - Furnish updates when statutory or regulatory changes occur.
 - Offer training sessions statewide to counties, hospitals and providers

Performance Standards and Measures As It Relates to this Strategic Plan

1. The board insures county compliance with the statutory definition of medical indigency in each case.
2. Statute requires counties to obtain reimbursements from medically indigent individuals who have received assistance and are capable of making full or partial reimbursement. We provide oversight and management of collection of the state portion of said reimbursements.
3. Assist county prosecuting attorneys in defending difficult claims made by health care providers against their county and/or the catastrophic program.

Key Factors External to Agency and Beyond Its Control

Inasmuch as the definition of *medically indigent* is statutory, the catastrophic program does not have control of who qualifies and who does not qualify for indigency; only which claims are eligible for payment by the state of Idaho. When the economy is strong, fewer people apply and/or qualify through the counties for financial assistance. Medical inflation is also an external factor controlling costs to the catastrophic program over which it has no control. The impact of enrollment in the state health exchange has proven to be influential in reducing case load and therefore expenditures. Hospitals are making a concerted effort to sign patients up for insurance when the opportunity presents itself.

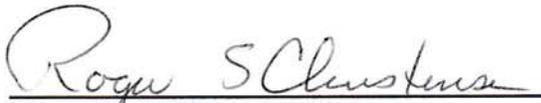
Factors beyond our control involve the unique position healthcare funding in Idaho is in. When approaching the future, it's difficult to implement a five-year strategy while not knowing how long the program will exist. Therefore we currently emphasize current rather than historical production numbers when predicting the future. In this erratic environment, the outcomes are tenuous at best.

Division of Human Resources

The catastrophic program is administered as a state agency, however, has no state employees. The CAT board contracts with the Idaho Association of Counties as an independent contractor, to provide all day-to-day operations of the agency. The association provides 2.5 staff positions to administer the program. The current contract expires September 30, 2016. All oversight and case determination is performed by a board of directors. The board meets approximately seven times per year. The agency and the association are currently reviewing the contract for renewal.

Program Evaluations Used

1. The Catastrophic Health Care Cost Program is bound by statute to report annually to the Legislature. All counties and hospitals provide annual reports to the catastrophic program for this purpose.
2. The catastrophic program audits each case submitted by a county to insure compliance with the statutory requirements for submission to and payment by the CAT program.
3. The catastrophic program requires the counties to file medical indigency liens on behalf of the county and the state in each case where financial assistance is provided.
4. The catastrophic program maintains constant vigilance with regard to maintaining low administrative costs which are approximately 2.63% of the annual appropriation.



Roger S. Christensen, Chairman
Board of Directors
Catastrophic Health Care Cost Program

Performance Measure	2017	2018	2019	2020	Benchmark
1. To pay medical bills for qualified medically indigent persons exceeding \$11,000	\$17,000,000 In claims for 650 indigents	\$17,425,000 In claims for 650 indigent	\$17,860,000 In claims for 650 indigents	\$18,300,000. in claims for 650 indigents	2.5% increase in dollars from 2017*
2. Administer the fees and costs paid.	\$375,000	\$385,000	\$385,000	\$385,000	

**History has shown, case load does not increase as fast as dollar amount, as medical inflation increases and assuming for this analysis- no changes in statute.*

Recent trends indicate our 'clientele' is stable, registering an increase in medical charges incurred