

Part I – Agency Profile

Agency Overview

In 1982, legislation was enacted to establish the Catastrophic Health Care Cost Program. (CAT) The program was designed by the counties, for the counties to cover the cost of treatment for catastrophic illness suffered by county residents who have no means to pay for the cost of that care. The program picks up the additional medical costs of these residents once the counties verify that payments have exceeded \$11,000 during a 12-month period. Legislation was enacted in 1991 to shift the program from county to state funding in FY 1994.

The CAT fund is governed by an administrative board, which is made up of a county commissioner representative from each of the six districts in Idaho, one Governor's appointee, four legislators—two from the Senate and two from the House, as appointed by the legislative leadership —and a representative chosen by the Director of the Idaho Department of Health & Welfare. Each commissioner serves a two-year term, is elected by the county commissioners of their district, and can serve as many consecutive terms as their constituents wish. The governor's appointee serves at the pleasure of the governor; the health & welfare representative serves at the pleasure of the Director of the Dept. of Health & Welfare, and legislators serve at the pleasure of their leadership. The board meets approximately every eight to ten weeks or as necessary for the administration of the CAT fund.

The Catastrophic Health Care Cost Program Board acts as the administrator for the fund and contracts out the day-to-day business of managing the CAT program. The contractor sees to the processing of all CAT cases, from initial case review to presenting them to the CAT board for determination, to the processing of payment of approved medical claims received from the counties. The contractor works closely with the social service directors and clerks of each county to facilitate payment of medical claims and to reconcile reimbursement payments received from patients. The CAT Board has recently renewed the contract with the Idaho Association of Counties, effective October 1, 2016 for one year. The fund has an annual independent audit done which is supplied to the state controller's office for inclusion in the state accounting report (CAFR).

Each year it is a challenge to meet the ever-growing needs of medical providers on behalf of the citizens of Idaho due to increasing health care costs. The CAT Board of Directors makes every attempt to protect both county and state taxpayer dollars. The implementation of the state health exchange appears to have reduced Idaho's dependency on the indigent program. There is concern, however, that this decrease may be dependent on continued enrollment in the exchange.

Core Functions/Idaho Code

The purpose of the CAT fund is to assist in covering Idaho residents' medical expenses when they are determined by their resident county to be *medically* indigent. People must first qualify for financial assistance through an application process with their county. The counties pay the first \$11,000.00 of each indigent's medical bills. The counties then submit the cases to the CAT fund for consideration for payment. After a review by the Board of Directors, the CAT fund pays approved claims that exceed \$11,000.00 per applicant during a 12-month period. A lien is placed, and the applicant must repay the debt over time. All pursuant to Chapter 35, Title 31, Idaho Code.

Budgeting for 2018

Estimates for FY 2018 will be consistent with the previous year based on historical data and only slight projected program increases. The unpredictability of this program lies in the essence of its creation. It is not practicable to attempt to predict catastrophic medical events in people's lives. Therefore, while historical data is appropriate, a cushion must also be included to account for the inconsistencies that abound in this program.

Revenue and Expenditures

Revenue	FY2013	FY2014	FY2015	FY 2016
CAT Health Care - General	\$36,532,800	\$34,830,100	\$34,966,300	\$27,000,000
Negative appropriation		(6,430,773)		(11,951,000)*
CAT Health Care - Other	\$ 3,797,675	\$ 2,931,213	\$ 3,177,889	\$3,284,231
Total	\$40,330,475	\$37,761,313	\$38,144,189	\$30,284,231
Expenditures	FY2013	FY2014	FY2015	FY 2016
Operating Expenditures	\$365,310	\$382,436	\$387,824	\$366,600
Trustee/Benefit Payments	\$30,718,074	\$28,005,999	\$18,582,666	\$16,582,239
Total	\$31,061,384	\$28,388,435	\$18,970,491	\$16,948,821

(Note: Revenue does not include noncogs and receipts to appropriation.)

Profile of Cases Managed and/or Key Services Provided

Cases Managed and/or Key Services Provided	FY 2013	FY2014	FY 2015	FY 2016
Payments for medical services (Inc. PCIP)	\$30,718,074	\$28,005,999	\$18,582,666	*\$16,310,600
No. of New CAT Cases Fiscal year	1150	1108	721	634
Cost per case	26,711	25,276	\$25,773	\$25,727

Performance Highlights

- **In 2016 a cash transfer of \$16,941,700 was returned to the general fund during the 2016 session.*
- ** Each year refunds from providers are deposited into the T&B account, reducing the SCO report of expenditures. Total actual expenditures for Trustees & Benefits unencumbered is \$16,582,239*

Part II – Performance Measures

Performance Measure		FY 2013	FY 2014	FY 2015	FY 2016	Current Year
Goal 1						
<i>To cover the cost of treatment for catastrophic illness suffered by county residents who have no means to pay for the cost of that care. The program picks up the additional medical costs of these residents once the counties verify that payments have exceeded \$11,000 during a 12-month period.</i>						
1. To pay medical bills for qualified medically indigent persons exceeding \$11,000.	actual	Paid \$30,718,074 In claims for 1150 indigents	Paid \$28,005,999 In claims for 1108 indigents	Paid \$18,582,666 In claims for 721 indigents	Paid \$16,582,239 in claims for 634 indigents	-----
	benchmark	<i>To pay \$34,830,100 in claims for 1400 indigents.</i>	<i>To pay \$34,966,300 in claims for 1200 indigents.</i>	<i>To pay \$22,000,000 in claims for 750 indigents.</i>	<i>To pay \$20,000,000 in claims for 700 indigents</i>	<i>To pay \$20,000,000 in claims for 700 indigents</i>
2. Administer the fees and costs paid.	actual	\$364,310	\$382,436	\$387,824	366,582	-----
	benchmark	\$385,000	\$385,000	\$387,700	\$387,700	\$390,000
3. Collect reimbursements from those county residents approved as medically indigent.	actual	Received \$2,222,516	Received \$2,525,675	Received \$2,540,678	Received \$3,006,344	-----
	benchmark	<i>To receive \$2,500,000</i>	<i>To receive \$2,500,000</i>	<i>To receive \$2,500,000</i>	<i>To receive \$2,500,000</i>	<i>To receive \$2,500,000</i>

For More Information Contact

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