

## ***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 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 to the Idaho Association of Counties. 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 provide training and support. 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).

It continues to be a challenge to meet the ever-growing needs of medical providers on behalf of the citizens of Idaho. The CAT Board of Directors is diligent in their efforts to protect both county and state taxpayer dollars. We have implemented a number of policies and programs which have saved money over the past 8 years. Those combined with the implementation of the state health exchange appear to have significantly reduced Idaho's dependency on the indigent program, for 2 years.

### **Core Functions/Idaho Code**

The purpose of the CAT fund is to assist in covering Idaho residents' medical expenses when they are determined 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 of each indigent's medical bills. The counties then submit the cases to the CAT fund for consideration of payment by the state. 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 administered by the county, and the applicant must repay the debt over time. All pursuant to Chapter 35, Title 31, Idaho Code.

### **Budgeting for 2020**

Determining estimates for FY 2020 has been a challenge. 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. While the fund experienced a down turn in spending for two years, the current year has not and in fact exceeded expectations. The fund used its full appropriation for fiscal 2018 as well as some reserves. Prudent decision making insists a cushion must also be included to account for the inconsistencies that abound in this unique program. Fiscal 2018 showed the wisdom of that. Many outside factors lend to the inconsistencies of this program such as a person's choice to maintain medical insurance, personal lifestyle choices, or the change in requirements for other resources, including but not limited to Medicaid.

**Revenue and Expenditures**

Revenue	FY2015	FY 2016	FY 2017	FY 2018
CAT Health Care - General	\$34,966,300	\$27,000,000	\$18,000,000	\$ 17,999,500
Negative Approp./Cash Transfers		(11,951,000)*	(\$4,945,100)	
CAT Health Care - Other	\$ 3,177,889	\$3,284,231	\$ 2,690,377	\$ 3,298,196
<b>Total</b>	<b>\$38,144,189</b>	<b>\$30,284,231</b>	<b>\$15,745,277</b>	<b>\$21,297,696</b>
Expenditures	FY2015	FY 2016	FY 2017	FY 2018
Operating Expenditures	\$ 387,824	\$ 366,600	\$ 371,762	\$ 423,249
Trustee/Benefit Payments	\$ 18,582,666	\$ 16,582,239	\$ 12,030,889	\$ 19,993,209
<b>Total</b>	<b>\$ 18,970,491</b>	<b>\$ 16,948,821</b>	<b>\$ 12,402,651</b>	<b>\$ 20,416,458</b>

(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 2015	FY 2016	FY 2017	FY 2018
Payments for medical services	\$18,582,666	*\$16,310,600	\$12,030,889	\$ 20,416,458
No. of New CAT Cases Fiscal year	721	634	584	820
Cost per case	\$25,773	\$25,727	\$20,601	\$24,898

**Part II – Performance Measures**

Performance Measure		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>Goal 1</b>						
<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 \$18,582,666 In claims for 721 indigents	Paid \$16,582,239 in claims for 634 indigents	Paid \$12,030,889 in claims for 584 indigents	Paid \$19,993,209 in claims for 820 indigents	-----
	target	<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 \$18,000,000 in claims for 650 indigents</i>	<i>To Pay \$15,000,000 in claims for 625 indigents</i>	<i>To Pay \$20,500,000 in claims for 825 indigents</i>
2. Administer the fees and costs paid.	actual	\$387,824	\$366,582	\$371,762	\$423,249	-----
	target	\$387,700	\$387,700	\$380,000\$	\$380,000	\$430,000
3. Collect reimbursements from those county residents approved as medically indigent.	actual	Received \$2,540,678	Received \$3,006,344	Received \$2,445,474	Received \$2,919,456	-----
	target	<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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