

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 9 years. Those combined with the implementation of the state health exchange appear to have significantly reduced Idaho's dependency on the indigent program for several years. With the federal change in the ACA mandate for insurance, both the CAT fund and county indigent program have seen some rise in spending from the low of 2017.

Core Functions/Idaho Code

The purpose of the CAT fund is to assist in covering Idaho residents' medical expenses when they are eligible for the programs by meeting the criteria for the *medically* indigent definition in statute. People must first qualify for financial assistance through an application process with their county. The counties pay the first \$11,000 of eligible medical claims. The counties then submit the cases to the CAT fund for consideration of payment by the state of the remainder of the claims. 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 property (both real and personal) 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 2021

Determining estimates for FY 2021 will be 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. The fund used its full appropriation for fiscal 2018 as well as some reserve cash. Fiscal 2019 showed strong program usage as well; although the expenditures did not exceed 2018. Prudent decision making insists a cushion must be included to account for the inconsistencies that abound in this unique program. Many outside factors contribute to the inconsistent spending pattern of this program. We must also factor in Idahoans' lifestyle choices, such as a person's choice to maintain medical insurance, and now, the change in eligibility requirements for Medicaid coverage in Idaho.

Fiscal year 2021 will be new territory for the CAT program with new, yet unrealized, budgeting considerations. We have no historical data and must depend on estimates and assumptions by the department of health and welfare analysts to make our predictions. That being said, what we know is the primary user group for the CAT fund is single adults with no children in the home between the ages of 18 and 64. This also identifies the new expansion group for Medicaid coverage. We are anticipating, based on IDHW's assumptions, the CAT program reduction in case load will be approximately 80%. The same assumptions cannot be applied equally to dollar amount however. We must provide some allowance for large unexpected emergencies.

Revenue and Expenditures

Revenue	FY 2016	FY 2017	FY 2018	FY 2019
CAT Health Care - General	\$27,000,000	\$18,000,000	\$ 17,999,500	\$ 11,999,700
Negative Approp./Cash Transfers	(11,951,000)*	(\$4,945,100)		
CAT Health Care - Other	\$3,284,231	\$ 2,690,377	\$ 3,298,196	\$ 3,954,431
Total	\$30,284,231	\$15,745,277	\$21,297,696	\$ 15,954,131
Expenditures	FY 2016	FY 2017	FY 2018	FY 2019
Operating Expenditures	\$ 366,600	\$ 371,762	\$ 423,249	\$ 419,062
Trustee/Benefit Payments	\$ 16,582,239	\$ 12,343,855	\$ 19,995,842	\$ 17,515,092
Total	\$ 16,948,821	\$ 12,715,617	\$ 20,419,091	\$ 17,934,154

(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 2016	FY 2017	FY 2018	FY 2019
Payments for medical services	\$16,582,239	\$12,343,855	\$ 19,995,842	\$17,515,092
No. of New CAT Cases Fiscal year	634	584	820	744
Cost per case	\$ 26,155	\$ 21,137	\$ 24,385	\$ 23,541

Red Tape Reduction Act

Each agency shall incorporate into its strategic plan a summary of how it will implement the Red Tape Reduction Act, including any associated goals, objectives, tasks, or performance targets. This information may be included as an addendum.

	As of July 1, 2019
Number of Chapters	N/A
Number of Words	N/A
Number of Restrictions	N/A

The Catastrophic Health Care Cost Program does not have IDAPA rules associated with its program.

Part II – Performance Measures

Performance Measure	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	
Goal 1						
<i>To cover the cost of treatment for catastrophic illness suffered by county residents who have no other means to pay for the cost of that care. The program picks up the additional medical costs of these residents once the counties verify the charges have exceeded \$11,000 during a 12-month period.</i>						
1. To pay medical bills for qualified medically indigent residents exceeding \$11,000.	actual	Paid \$16,582,239 in claims for 634 indigents	Paid \$12,030,889 in claims for 584 indigents	Paid \$19,995,842 in claims for 820 indigents	Paid \$17,515,092 In claims for 744 indigents	-----
	target	<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 750 indigents</i>	<i>To Pay \$15,000,000</i>

Performance Measure		FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
2. Administer the fees and costs paid.	<i>actual</i>	\$366,582	\$371,762	\$423,249	\$419,062	-----
	<i>target</i>	\$387,700	\$380,000	\$380,000	\$430,000	\$400,000
3. Collect reimbursements from those county residents approved as medically indigent.	<i>actual</i>	Received \$3,006,344	Received \$2,445,474	Received \$2,919,456	Received \$3,515,740	-----
	<i>target</i>	<i>To receive</i> \$2,500,000	<i>To receive</i> \$2,500,000	<i>To receive</i> \$2,500,000	<i>To receive</i> \$2,750,000	<i>To receive</i> \$2,750,000

For More Information Contact

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