



SCR 112

Adult Cystic Fibrosis

Legislative Health Care Task Force

August 26, 2009

Eligibility, Benefits and Obligations for Adults with CF
 DHW Options Report in Response to SCR 112
 August 26, 2009

Eligibility Criteria	Current Practice	Proposed for ACF	Basis
Financial	No financial eligibility criteria. Everyone with CF is eligible	Income at or below 200% of the FPL.	Three of the five program that have financial eligibility guidelines use 200% of the FPL as their cut-off. One program is more liberal and one is more conservative. In keeping with recommendation #2 of SCR 112.
Insurance	Insurance status is not used as a criteria for eligibility; everyone with CF is eligible. CSHP is payor of last resort	No Change	Current practice
Residency	Legal Resident of Idaho	No Change	Standard eligibility for IDHW programs other than Medicaid and WHC (who require aliens to have been legal residents for 5 years).
Age	CSHP Rule provides for pediatric coverage under the age of 18. Statue provides for adult coverage 21 years and older. To close the gap, CSHP has been covering "adults" starting at 18.	The Department is proposing a change to Idaho statute 56-1019, to provide for coverage for Adults with CF beginning at age 18.	To ensure a seamless transition from the pediatric CF program.
Benefits and Limitations	Current Practice	Proposed for ACF	Basis
Annual payment limit	\$18,000 per year	No Change	Current practice
Non-clinic Scope of services	Identical to the services offered through the pediatric CF program.	No Change	Current practice
Clinics	All Idahoans with cystic fibrosis will have access to the state-funded CF clinic.	No Change	Current practice
Obligations	Current Practice	Proposed for ACF	Basis
Documentation	Provide the beneficiary's most recent year's tax returns.	Provide most recent year's tax returns of the beneficiary if independent, or of the financially responsible persons if the beneficiary is claims as a dependant.	In keeping with the intent of SCR112 recommendation #s 1 & 2.
Co-pays	Adults with CF who have a net taxable income over 185% of the FPL have to pay a sliding-fee co-pay.	No co-pays will be required	With eligibility being reduced to 200% of the FPL, charging a co-pay would not be in line with other Department programs. In keeping with SCR 112 #s 2 and 4.

IN THE SENATE

SENATE CONCURRENT RESOLUTION NO. 112

BY FINANCE COMMITTEE

A CONCURRENT RESOLUTION

STATING FINDINGS OF THE LEGISLATURE AND REQUESTING THE DEPARTMENT OF HEALTH AND WELFARE TO REVIEW THE ELIGIBILITY CRITERIA FOR AND THE SERVICES AVAILABLE THROUGH THE ADULT CYSTIC FIBROSIS PROGRAM AND REPORT TO THE LEGISLATIVE HEALTH CARE TASK FORCE REGARDING CERTAIN OPTIONS FOR RESTRUCTURING THAT PROGRAM.

Be It Resolved by the Legislature of the State of Idaho:

WHEREAS, the Adult Cystic Fibrosis Program managed by the Department of Health and Welfare provides assistance to individuals at high risk of economic hardships due to paying for care related to their disease; and

WHEREAS, adult cystic fibrosis patients who don't have access to care are at increased risk of greater medical need and of dying prematurely; and

WHEREAS, Section 56-1019, Idaho Code, requires the Department of Health and Welfare to provide a program of services to persons suffering from cystic fibrosis who are twenty-one years or more of age; and

WHEREAS, the current Cystic Fibrosis Program provided by the Department of Health and Welfare lacks financial eligibility criteria consistent with other programs providing health services to Idahoans; and

WHEREAS, it is the goal of the Idaho Legislature to assure consistent and nondiscriminatory public policy related to the coverage of health services.

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Sixtieth Idaho Legislature, the Senate and the House of Representatives concurring therein, that the Department of Health and Welfare is requested to review the eligibility criteria for and the services available through the Adult Cystic Fibrosis Program and report to the Legislative Health Care Task Force by September 2009, options for restructuring that program to:

- (1) Assure individual responsibility for the expenses associated with the medical care those individuals receive for cystic fibrosis;
- (2) Establish uniform financial eligibility for patients receiving services from the state of Idaho;
- (3) Maximize the use of the Idaho High Risk Reinsurance Pool as a vehicle for covering the costs of care for those individuals who are uninsured or underinsured; and
- (4) Align the program eligibility and scope of services with those of other health benefit programs provided by the state of Idaho.

STATEMENT OF PURPOSE

RS18956C1

This concurrent resolution directs the Department of Health and Welfare to review the current Adult Cystic Fibrosis program and recommend changes to the Health Care Task Force. The four policy areas included in the concurrent resolution for review and recommendations for change include: individual patient responsibility, uniform financial eligibility, maximization of the state Individual High Risk Re-insurance Pool insurance coverage for adults in the cystic fibrosis program, and aligning the program eligibility and scope of services with other health benefit programs provided by the state of Idaho.

FISCAL NOTE

The Childrens Cystic Fibrosis program is covered entirely with federal funds and will not be affected by this concurrent resolution nor has it seen reduced federal funding. The Adult Cystic Fibrosis program is funded entirely by General Fund moneys and the costs for fiscal year 2009 were \$205,000. Upon passage of this concurrent resolution, \$205,000 in one-time General Fund moneys would be required for the Department of Health and Welfare to cover the costs of the Adult Cystic Fibrosis program for fiscal year 2010.

Contact:

Name: Senator John McGee

Office:

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What are the "High Risk Reinsurance Pool Plans"?

The law that created the High Risk Reinsurance Pool Plans (HRP Plans) went into effect on January 1, 2001. The purpose of the HRP Plans is to make health insurance coverage available to Idaho residents not covered by employment-related insurance. Idaho residents may be eligible for the HRP Plans regardless of health status or claims history.

There are five HRP Plans: Basic, Standard, Catastrophic A, Catastrophic B and HSA Compatible. An applicant has the right to choose any one of the five Plans. The Plans' key features are described on page 5.

Who is eligible for the HRP Plans?

If you are an Idaho resident or dependent of an Idaho resident, you may be eligible for an HRP Plan through the insurance carriers that are approved to offer individual health benefit plans in Idaho.

For a list of the approved insurance carriers, please contact the Idaho Department of Insurance by calling one of the numbers listed at the end of this brochure. The list is also on the department's Website, www.doi.idaho.gov. Select "Consumer Services" then "Health Insurance Information".

There are four ways you may be eligible:

#1:

If you are:

- Under age 65; and
- Not eligible for coverage under a group health plan, Medicaid, or Medicare, and do not have other health insurance coverage; and

You apply for any individual health benefit plan from the approved insurance carriers:

- If any one carrier declines your coverage under another health benefit plan due to your health status or claims history; **or**
- If a carrier refuses to issue a plan to you providing coverage substantially similar to an HRP Plan except at a higher premium rate;

then that carrier **must** offer to you your choice of one of the five HRP Plans. The carrier's offer must be in writing and explain why the offer has been made, and how to enroll in an HRP Plan. You are not required to

exhaust any available COBRA continuation coverage prior to your eligibility for an HRP Plan.

#2:

If you are a "federally eligible individual" under the federal law known as HIPAA (Public Law 104-191), you are eligible to apply for an HRP Plan from any one of the approved carriers.

A "federally eligible individual" means an individual:

1. Who has had at least 12 months of creditable coverage as of the date the individual applies for an HRP Plan; and
2. Whose most recent prior creditable coverage was under a group health benefit plan; and
3. Who is not eligible for coverage under a group health plan, Medicare, or Medicaid, and who does not have other health insurance coverage; and
4. Whose most recent creditable coverage was not terminated based on nonpayment of premiums or fraud; and
5. Who, if offered, elected COBRA continuation coverage or a similar state program and exhausted that continuation coverage.

NOTE: Under Idaho law COBRA eligibility does not render a person ineligible for coverage under an HRP Plan. The "under age 65" limitation does not apply to a "federally eligible individual".

#3:

If you are eligible for the credit for health insurance costs (trade adjustment assistance) under the Trade Act of 2002 (Public Law 107-210), you are eligible to apply for an HRP Plan from one of the approved carriers. You do not have to be declined for a preferred plan due to health status or claims experience or refused coverage due to high premiums in order to qualify for an HRP Plan.

In addition, if you had prior creditable coverage for a total period of three months as of the date you apply for an HRP plan, and there was no break in coverage over 63 days:

- The preexisting condition limitation in your HRP plan will not apply to you; and
- You are not required to exhaust any available COBRA continuation coverage or a similar state program prior to your eligibility to enroll for an HRP Plan.

#4:

If you are eligible under #1, #2 or #3 above but have existing coverage under another health benefit plan, you are eligible to apply for an HRP Plan if:

- There is a reasonable probability that you will exceed your lifetime benefit maximum under your existing coverage within 90 days; and
- The lifetime benefit maximum is at least \$500,000.

If I qualify under #1, #2, #3 or #4 above, are there reasons why I still might not be eligible?

You are not eligible for an HRP Plan if:

1. You are not a “federally eligible individual” and, except as provided in #4 above, you have or obtain health insurance coverage substantially similar to or more comprehensive than an HRP Plan, or would be eligible to have that coverage at a rate not exceeding the rate for an HRP Plan if you elect it;
2. You are determined to be eligible for Medicaid health care benefits;
3. You previously terminated an HRP Plan within the past 12 months (not applicable to a “federally eligible individual” under #2 on page 2); or
4. You are an inmate or resident of a state or other public institution, or a state, local or private correctional facility (not applicable to a “federally eligible individual” under #2 on page 2).

What are the premium costs for the HRP Plans?

The Board of Directors of the Idaho Individual High Risk Reinsurance Pool sets the premiums for the HRP Plans. ALL carriers must charge the same premium rates set for the five plans by the HRP Board of Directors.

You may call the Department at one of the numbers listed at the end of this brochure and ask for the HRP Plan premium amounts. The premiums are also on our Website, www.doi.idaho.gov. Select “Consumer Services” then “Health Insurance Information”. The premiums shown are the amounts charged each month.

Do these plans cover preexisting health conditions?

Idaho law defines a “preexisting condition” as:

- A condition that would have caused an ordinarily prudent person to seek medical advice, diagnosis, care, or treatment during the six months immediately preceding the effective date of coverage; or
- A condition for which medical advice, diagnosis, care, or treatment was recommended or received during the six months immediately preceding the effective date of coverage; or
- A pregnancy existing on the effective date of coverage.

The HRP Plans may exclude benefits for a preexisting condition for 12 months after the effective date of coverage. However, if you were covered under a group or individual health benefit plan within 63 days before applying for an HRP Plan, you will receive credit for the time insured under your prior coverage towards satisfaction of this 12-month exclusion under your HRP Plan.

No preexisting condition limitation or exclusion may be applied under the HRP Plan to a “federally eligible individual” if the individual applies for coverage within 63 days of the date of termination of prior creditable coverage.

If I’m eligible for an HRP Plan, may I cover my family under the Plan too?

Yes. If you are eligible for an HRP Plan, your dependents who are Idaho residents may also be eligible under that Plan. However, you may want to discuss with your agent if an HRP Plan would be the most appropriate coverage for your family.

Can my HRP Plan be terminated if I have expensive medical claims?

Your HRP Plan may not be terminated or canceled due to your claims.

If your claims do exceed the Lifetime Maximum Benefit Per Carrier, you may apply for a new HRP Plan with another carrier. **It is important that you do not have a 63-day or greater gap in coverage between the two plans.**

Can my HRP Plan be terminated for other reasons?

An HRP Plan may be terminated on the first day of the month after:

1. The date an insured is no longer an Idaho resident;
2. The date an insured requests the HRP Plan to end;
3. The date of an insured's death;
4. At the option of the High Risk Pool Board, 30 days after the carrier makes any inquiry about an insured's eligibility or place of residence to which the insured does not reply; or
5. The date the insured no longer meets eligibility requirements for an HRP plan.

The HRP Plan policy may include additional termination provisions.

What are the benefits under the HRP Plans?

Key features for the five HRP Plans include:

Benefit Areas*	Basic Plan	Standard Plan	Catastrophic A Plan	Catastrophic B Plan
Lifetime Maximum Benefit Per Carrier (ALL Benefit Areas)	\$500,000	\$1,000,000	\$1,000,000	\$1,000,000
Calendar Year Deductible Amount Per Individual (Benefit Areas A, C, D, E and F; Benefit Areas B and G have separate deductibles)	\$500	\$1,000	\$2,000	\$5,000
Normal Maternity Benefit Deductible (Benefit Area B)	\$5,000	\$5,000	\$5,000	\$5,000
Outpatient Prescription Drugs Calendar Year Deductible per Individual (50% Benefit Percentage / 50% Coinsurance Percentage; Does not apply to Out-of-Pocket Expense Limit) (Benefit Area G)	\$250	\$250	\$500	\$500
Benefit/Coinsurance Percentage (ALL Benefit Areas except Benefit Area G)	50% / 50%	70% / 30%	70% / 30%	80% / 20%
Individual Out-of-Pocket Expense Calendar Year Maximum (Does NOT include Deductible or Co-Payments) (ALL Benefit Areas except Benefit Area G)	\$20,000	\$10,000	\$10,000	\$10,000

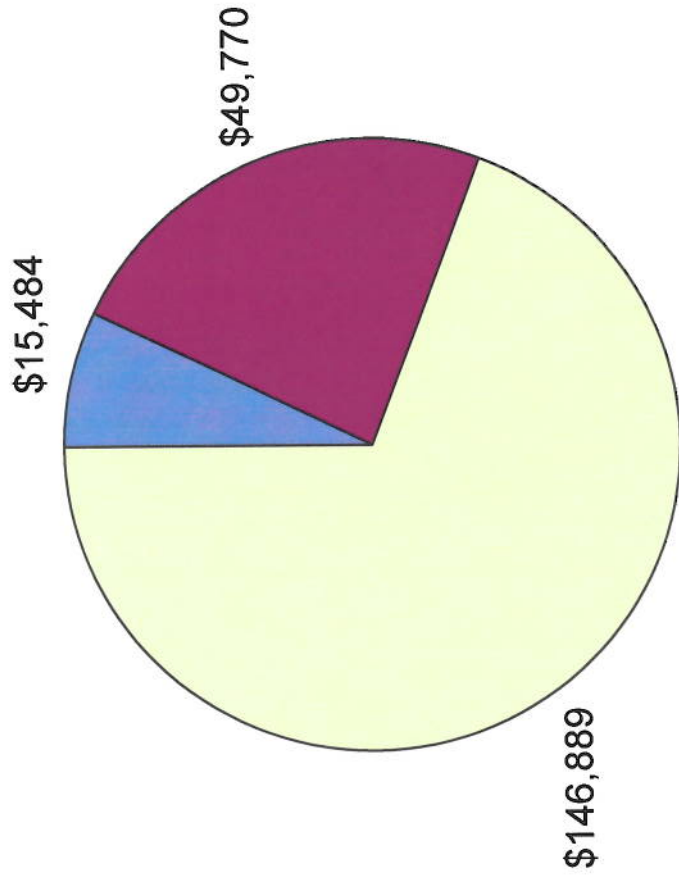
Benefit Areas *	HSA Compatible Plan
Lifetime Maximum Benefit Per Carrier (ALL Benefit Areas)	\$1,000,000
Calendar Year Deductible Amount (ALL Benefit Areas)	\$3,000 per individual \$6,000 per family
Normal Maternity Benefit (Benefit Area B)	EXCLUDED
Benefit/Coinsurance Percentage (ALL Benefit Areas)	60% / 40%
Out-of-Pocket Expense Calendar Year Maximum (INCLUDES Deductible, Copayments, and Coinsurance) Outpatient Prescription Drugs Calendar Year Maximum (Benefit Area G)	\$5,000 per individual \$10,000 per family \$6,000

Benefit Areas *	All Plans
Preventive Services Calendar Year Maximum Benefit (Benefit Area A)	\$200
Organ Transplant Lifetime Maximum Benefit (Benefit Area C)	\$250,000
Skilled Nursing Facility Calendar Year Maximum Benefit (Benefit Area C)	45 Days
Rehabilitation Therapy Calendar Year Maximum Benefits (Benefit Area D)	\$25,000 Inpatient (Benefit Area C) \$2,000 Combined Outpatient (Benefit Area D)
Home Health Care Calendar Year Maximum Benefit (Benefit Area D)	\$5,000
Hospice Care Calendar Year Maximum Benefit (Benefit Area D)	\$5,000
Amulance Service Calendar Year Maximum Benefit (Benefit Area E)	\$2,000
Durable Medical Equipment Calendar Year Maximum Benefit (Benefit Area E)	\$10,000
Psychiatric and Substance Abuse Services Calendar Year Benefit Maximum (Benefit Area F)	\$5,000

* For more information on the coverage under each Benefit Area and the plan exclusions and limitations, please call the Idaho Department of Insurance at one of the numbers listed at the end of this brochure. You may also review the sample plans on the department's Website, www.doi.idaho.gov. Select "Consumer Services" then "Health Insurance Information" and "Individual High Risk Pool Plan Designs".

If you have any additional questions or concerns about the HRP Plans or other health insurance issues, please contact the Idaho Department of Insurance.

FY 2009 - Adult Cystic Fibrosis Expenditures
GRAND TOTAL = \$212,144



- CF Physicians - 7.3%
- CF Clinic - 23.5%
- Patient Medical Claims - 69.2%

Apportioned ACF- Administrative Costs

ACF Admin Costs	Total	ACF Portion	Basis
EDS Cost from FY09	\$94,264	\$44,493	3,115 total claims of which 1,469 were Adult CF (47.2%)
Database Cost from FY09	\$73,964	\$15,385	269 total patients, of whom 56 are Adult CF(20.8%)
Other Operating @ 7.2%	\$40,967	\$2,950	Operating minus EDS, database, and PKU formula
Personnel @ 7.2%	\$319,200	\$22,982	
Total ACF Portion		\$85,809	
% of overall ACF Budget		40.4%	

Per Patient Costs for CF Clinics

Per Patient, Per Visit, Clinic Costs at St. Luke's CF Clinic						
	Total CF Clinic Cost SLRMC	Patients Served	Per-patient Costs Not Including Physicians	Physician's Per-patient Charge	Total Per-Visit Cost	Notes:
2008	\$144,866	245	\$591.29	\$125.00	\$716	All data is exact.
2009	\$173,125	245	\$706.63	\$132.25	\$839	Number of patients served is approximated, budget data is exact.
2010	\$142,060	245	\$579.84	\$137.54	\$717	Budget data is approximate, and patient numbers are extrapolated from previous years.

Per Patient, Per Visit, Clinic Costs for Non Treasure Valley Patients			
	Total Billed to CSHP Per Visit	Per-claim Payment by CSHP at Idaho Medicaid Rate	Notes:
Spokane CF Clinic	\$259.50	\$117.00	Insurance, if any, is billed first.
Salt Lake City CF Clinic	\$294.95	\$117.00	Insurance, if any, is billed first.

Per Patient Medical-claim Costs from FY09
and Gross Income

ACF Program Participant	09 Claims Paid	# in Family	Insurance	Gross Income	% of FPL	Total Claims Paid for % Group	% of FY09 Claims
1	\$0	1	Medicaid		0%		
2	\$62	2	Medicaid		0%		
3	\$0	1	Medicaid		0%		
4	\$0	2	Medicaid		0%		
5	\$68	1	Medicaid		0%		
6	\$1,493	5	Medicaid		0%	\$8,253	6%
7	\$0	3	Medicaid		0%		
8	\$77	1	Medicaid		0%		
9	\$0	5	Medicaid		0%		
10	\$0	2	Medicaid		0%		
11	\$0	1	Medicaid		0%		
12	\$6,553	3	Medicaid		0%		
13	\$305	2	Medicare		?		
14	\$0	2	Medicare		?		
15	\$1,127	2	None		?		
16	\$18,000	2	None		?		
17	\$0	1	None		?		
18	\$0	3	None		?		
19	\$8,364	1	None		?		
20	\$0	1	None		?		
21	\$0	1	None		?		
22	\$2,101	5	Private insurance		?		
23	\$0	3	Private insurance		?		
24	\$2,109	4	Private insurance	No Income Information Provided To CSHP	?	\$48,198	33%
25	\$46	5	Private insurance		?		
26	\$125	5	Private insurance		?		
27	\$300	1	Private insurance		?		
28	\$56	1	Private insurance		?		
29	\$15,199	1	Private insurance		?		
30	\$375	4	Private insurance		?		
31	\$35	1	Private insurance		?		
32	\$0	4	Private insurance		?		
33	\$23	2	Private insurance, Medicare		?		
34	\$33	1	Private insurance, Medicare		?		
35	\$466	3	Private insurance, Medicaid	\$2,262.00	12%		
36	\$603	1	Private insurance	\$2,227.00	21%		
37	\$1,814	3	Private insurance	\$3,902.00	21%		
38	\$125	1	Private insurance	\$3,315.00	31%		
39	\$3,138	2	Private insurance	\$5,111.00	35%		
40	\$62	1	Medicaid	\$5,379.00	50%		
41	\$15,096	1	None	\$8,431.00	78%		
42	\$1,402	2	Medicaid	\$11,712.00	80%	\$66,464	45%
43	\$94	2	Medicaid, Medicare	\$11,712.00	80%		
44	\$2,070	3	Medicaid, Medicare	\$16,186.00	88%		
45	\$797	2	Private insurance, Medicare	\$12,896.00	89%		
46	\$18,000	2	Private insurance, Medicare	\$13,901.00	95%		
47	\$4,796	3	Private insurance	\$17,932.00	98%		
48	\$18,000	1	None	\$10,620.00	98%		
49	\$0	7	Medicaid	\$35,916.00	108%		
50	\$0	2	Private insurance	\$17,953.00	123%		
51	\$340	1	None	\$13,683.00	126%		
52	\$3,125	3	Private insurance	\$28,267.00	154%	\$16,393	11%
53	\$11,873	3	Private insurance	\$28,831.00	157%		
54	\$395	2	Private insurance, Medicare	\$23,840.00	164%		
55	\$660	1	None	\$19,670.00	182%		
56	\$563	2	Private insurance	\$32,054.00	220%		
57	\$617	3	Private insurance, Medicare, Medicaid	\$40,743.00	223%		
58	\$45	2	Private insurance	\$37,865.00	260%		
59	\$18	3	Private insurance	\$49,786.00	272%		
60	\$255	2	Private insurance	\$46,475.00	319%	\$7,580	5%
61	\$1,423	2	Private insurance	\$54,958.00	377%		
62	\$837	5	Private insurance	\$115,559.00	448%		
63	\$3,545	2	Private insurance	\$78,489.00	539%		
64	\$276	1	Private insurance	\$90,490.00	836%		
	\$146,889						