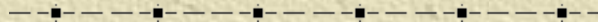




Health Care Task Force

**Jane S. Smith, Administrator
Division of Public Health
August 26, 2009**

Report of Options
SCR 112



Senate Concurrent Resolution 112

DHW was requested to focus on four goals:

- 1. Individual Responsibility**
- 2. Uniform Financial Eligibility**
- 3. High Risk Insurance Pool**
- 4. Aligning Scope of Services**

Adult Cystic Fibrosis Program

- ✦ Propose to separate adult from children's services
- ✦ "Adult" to be defined as 18 years of age and older (versus current statute's 21 years of age)
- ✦ New chapter of rules would be required

SCR112 #1 – Individual Responsibility

- ✦ Individual responsibility is an overarching theme that has been applied throughout the Department's proposal.
- ✦ Documentation of income (IRS Form 1040, 1040A, or 1040 EZ) will be required to determine financial eligibility.

SCR 112 #2 – Financial Eligibility

- ✦ Recommend Adult CF Program cap eligibility at 200% of the FPL.
- ✦ This is consistent with the majority of adult Department programs.

Defining Income

Option #1: “Income” defined as **Gross Income, line 22, IRS form 1040** of the participant’s federal tax return.

Option #2: “Income” defined as **Adjusted Gross Income, line 37, IRS form 1040** of the participant’s federal tax return.

Option #3: “Income” defined as **Gross Income, minus line 4 (Medical/Dental Expenses), IRS form 1040, Schedule A** of the participant’s federal tax return.

Option #4: “Income” defined as **Taxable Income, line 43, IRS form 1040** of the participant’s federal tax return.

SCR 112 #3 – High Risk Insurance Pool

✦ **Not an effective cost-control option**

- 1. Subsequent years provide a 50/50 co-insurance for pharmaceuticals resulting in little or no cost savings.**
- 2. One year no-coverage clause for pre-existing conditions. First year would be high-cost with no savings to the program.**

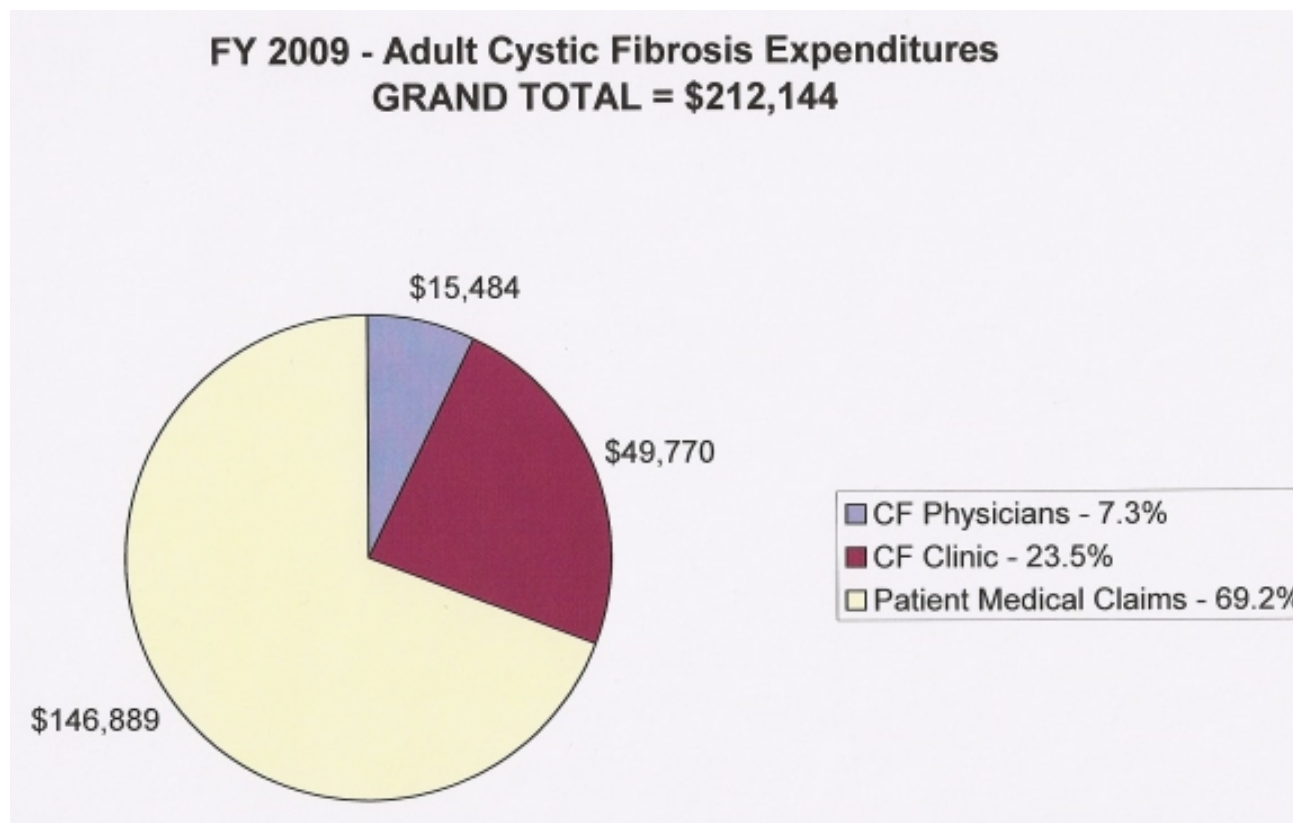
✦ Would provide a benefit and level of coverage not available through other adult programs.

SCR 112 #4 – Aligning Scope of Services

- ✦ **No co-pays:** With a proposed financial eligibility cap at 200% of the FPL, continuing to require co-pays would be inconsistent with other adult programs.
- ✦ **No changes to other aspects:** e.g., residency requirements and insurance status, keeps the program aligned with other adult programs.

Fiscal Information

- ✦ SFY 2010 Adult CF appropriation = **\$205,000** (same as SFY 2009).
- ✦ The Adult CF Program's receipts of **~\$7,200** went back to the program.



Adult CF Administrative Costs

(Tab #5 = Spreadsheet)

ACF Admin Costs	Total	ACF Portion
EDS Cost from FY09	\$94,264	\$44,493
Database Cost from FY09	\$73,964	\$15,385
Other Operating @ 7.2%	\$40,967	\$2,950
Personnel @ 7.2%	\$319,200	\$22,982
Total ACF Portion		\$85,809
% of overall ACF Budget		40.4%

These costs have previously been borne by the Children's Special Health Program

Projected SFY 2011 Budget

DU = Increased Funding: \$322,500*

✦ Admin Costs =	\$85,800
✦ Clinic & Physician Costs =	\$59,700
✦ Medical Claims =	<u>\$177,000</u>
✦ Total Projected Costs =	\$322,500

* \$315,300 + estimated \$7,200 in receipts

Budget Increases

It is expected that the annual cost will increase each year:

- ✦ **Increased medical costs,**
- ✦ **New equipment and pharmaceuticals,**
- ✦ **Increasing patient numbers:**
 - Between now and the end of SFY 2011, 9 CSHP CF patients will turn 18.
 - 5 CSHP CF patients will turn 18 during SFY 2012.

Next Steps

2010 Legislative Session – Budget Request:

- ✦ **Propose Decision Unit:** SFY 2010 funding was one-time only; need appropriation to continue program.

2010 Legislative Session – Propose Legislation:

- ✦ **Idaho Code 56-1019:** update statute including changing Adult CF Program coverage from 21 to 18 years of age.

Spring 2010 – Draft Proposed Rules on Revised Code:

- ✦ **New Chapter IDAPA Rules:** specific to Adult CF.
- ✦ **Edit IDAPA 16.02.26 Children’s Special Health Program:** remove references to Adults with CF.

Summer 2010 – Present Draft Rules:

- ✦ **Hold Regional Meetings:** provide information/gather public input.

2011 Legislative Session – Present Rules:

- ✦ **Sine Die:** rules become effective.

Questions?

