

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 212

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO THE INDIGENT SICK; AMENDING SECTION 31-3502, IDAHO CODE, TO
2 REVISE A DEFINITION AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SEC-
3 TION 31-3503, IDAHO CODE, TO REVISE THE POWERS AND DUTIES OF THE COUNTY
4 COMMISSIONERS; AMENDING SECTION 31-3503A, IDAHO CODE, TO REVISE THE
5 LIMIT ON PAYMENT BY A COUNTY FOR CERTAIN RESIDENTS; AMENDING SECTION
6 31-3505B, IDAHO CODE, TO REVISE A MONETARY LIMIT ON COUNTY RESPONSIBIL-
7 ITY; AMENDING SECTION 31-3517, IDAHO CODE, TO REVISE COUNTY MONETARY
8 RESPONSIBILITY PER CLAIM AND TO MAKE A TECHNICAL CORRECTION; AND AMEND-
9 ING SECTION 31-3519, IDAHO CODE, TO REVISE THE CLAIM AMOUNT REQUIRED TO
10 BE FORWARDED BY THE CLERK TO THE BOARD OF THE CATASTROPHIC HEALTH CARE
11 COST PROGRAM.
12

13 Be It Enacted by the Legislature of the State of Idaho:

14 SECTION 1. That Section 31-3502, Idaho Code, be, and the same is hereby
15 amended to read as follows:

16 31-3502. DEFINITIONS. As used in this chapter, the terms defined in
17 this section shall have the following meaning, unless the context clearly
18 indicates another meaning:

19 (1) "Applicant" means any person who is requesting financial assis-
20 tance under this chapter.

21 (2) "Application" means an application for financial assistance pur-
22 suant to section 31-3504, Idaho Code, and the uniform form used for the
23 initial review and the department's medicaid eligibility determination de-
24 scribed in section 31-3503C(4), Idaho Code.

25 (3) "Board" means the board of the catastrophic health care cost pro-
26 gram, as established in section 31-3517, Idaho Code.

27 (4) "Case management" means coordination of services to help meet a pa-
28 tient's health care needs, usually when the patient has a condition that re-
29 quires multiple services.

30 (5) "Catastrophic health care costs" means the cost of medically neces-
31 sary drugs, devices and services received by a recipient that, when paid at
32 the then existing reimbursement rate, in aggregate exceed the sum of ~~eleven~~
33 twelve thousand dollars (\$~~11~~2,000) in any twelve (12) consecutive month pe-
34 riod.

35 (6) "Clerk" means the clerk of the respective counties or his or her de-
36 signee.

37 (7) "County commissioners" means the board of county commissioners in
38 their respective counties.

39 (8) "County hospital" means any county approved institution or facil-
40 ity for the care of sick persons.

41 (9) "Department" means the department of health and welfare.

1 (10) "Dependent" means any person whom a taxpayer could claim as a de-
2 pendent under the income tax laws of the state of Idaho.

3 (11) "Emergency service" means a service provided for a medical condi-
4 tion in which sudden, serious and unexpected symptoms of illness or injury
5 are sufficiently severe to necessitate or call for immediate medical care,
6 including, but not limited to, severe pain, that the absence of immediate
7 medical attention could reasonably be expected by a prudent person who pos-
8 sesses an average knowledge of health and medicine, to result in:

9 (a) Placing the patient's health in serious jeopardy;

10 (b) Serious impairment to bodily functions; or

11 (c) Serious dysfunction of any bodily organ or part.

12 (12) "Hospital" means a facility licensed and regulated pursuant to
13 sections 39-1301 through 39-1314, Idaho Code, excluding state institutions.

14 (13) "Medicaid eligibility review" means the process used by the de-
15 partment to determine whether a person meets the criteria for medicaid cov-
16 erage.

17 (14) "Medical home" means a model of primary and preventive care deliv-
18 ery in which the patient has a continuous relationship with a personal physi-
19 cian in a physician directed medical practice that is whole person oriented
20 and where care is integrated and coordinated.

21 (15) "Medically indigent" means any person who is in need of necessary
22 medical services and who, if an adult, together with his or her spouse,
23 or whose parents or guardian if a minor, does not have income and other
24 resources available to him from whatever source sufficient to pay for neces-
25 sary medical services. Nothing in this definition shall prevent the board
26 and the county commissioners from requiring the applicant and obligated per-
27 sons to reimburse the county and the catastrophic health care costs program,
28 where appropriate, for all or a portion of their medical expenses, when in-
29 vestigation of their application pursuant to this chapter, determines their
30 ability to do so.

31 (16) A. "Necessary medical services" means health care services and
32 supplies that:

33 (a) Health care providers, exercising prudent clinical judgment,
34 would provide to a person for the purpose of preventing, evalu-
35 ating, diagnosing or treating an illness, injury, disease or its
36 symptoms;

37 (b) Are in accordance with generally accepted standards of medi-
38 cal practice;

39 (c) Are clinically appropriate, in terms of type, frequency, ex-
40 tent, site and duration and are considered effective for the cov-
41 ered person's illness, injury or disease;

42 (d) Are not provided primarily for the convenience of the person,
43 physician or other health care provider; and

44 (e) Are not more costly than an alternative service or sequence of
45 services or supply, and at least as likely to produce equivalent
46 therapeutic or diagnostic results as to the diagnosis or treatment
47 of the person's illness, injury or disease.

48 B. Necessary medical services shall not include the following:

49 (a) Bone marrow transplants;

50 (b) Organ transplants;

- 1 (c) Elective, cosmetic and/or experimental procedures;
2 (d) Services related to, or provided by, residential, skilled
3 nursing, assisted living and/or shelter care facilities;
4 (e) Normal, uncomplicated pregnancies, excluding ~~eaesarean~~
5 cesarean section, and childbirth well-baby care;
6 (f) Medicare copayments and deductibles;
7 (g) Services provided by, or available to, an applicant from
8 state, federal and local health programs;
9 (h) Medicaid copayments and deductibles; and
10 (i) Drugs, devices or procedures primarily utilized for weight
11 reduction and complications directly related to such drugs, de-
12 vices or procedures.

13 (17) "Obligated person" means the person or persons who are legally re-
14 sponsible for an applicant.

15 (18) "Primary and preventive health care" means the provision of pro-
16 fessional health services that include health education and disease preven-
17 tion, initial assessment of health problems, treatment of acute and chronic
18 health problems and the overall management of an individual's health care
19 services.

20 (19) "Provider" means any person, firm, or corporation certified or li-
21 censed by the state of Idaho or holding an equivalent license or certifica-
22 tion in another state, that provides necessary medical services to a patient
23 requesting a medically indigent status determination or filing an applica-
24 tion for financial assistance.

25 (20) "Recipient" means an individual determined eligible for financial
26 assistance under this chapter.

27 (21) "Reimbursement rate" means the unadjusted medicaid rate of reim-
28 bursement for medical charges allowed pursuant to title XIX of the social se-
29 curity act, as amended.

30 (22) "Resident" means a person with a home, house, place of abode, place
31 of habitation, dwelling or place where he or she actually lived for a consec-
32 utive period of thirty (30) days or more within the state of Idaho. A resi-
33 dent does not include a person who comes into this state for temporary pur-
34 poses, including, but not limited to, education, vacation, or seasonal la-
35 bor. Entry into active military duty shall not change a person's residence
36 for the purposes of this chapter. Those physically present within the fol-
37 lowing facilities and institutions shall be residents of the county where
38 they were residents prior to entering the facility or institution:

- 39 (a) Correctional facilities;
40 (b) Nursing homes or residential or assisted living facilities;
41 (c) Other medical facility or institution.

42 (23) "Resources" means all property, whether tangible or intangi-
43 ble, real or personal, liquid or nonliquid, or pending, including, but not
44 limited to, all forms of public assistance, crime victims compensation,
45 worker's compensation, veterans benefits, medicaid, medicare, supplemental
46 security income (SSI), third party insurance, other available insurance and
47 any other property from any source for which an applicant and/or an obligated
48 person may be eligible or in which he or she may have an interest. Resources
49 shall include the ability of an applicant and obligated persons to pay for
50 necessary medical services, excluding any interest charges, over a period

1 of up to five (5) years. For purposes of determining approval for medical
2 indigency only, resources shall not include the value of the homestead on
3 the applicant or obligated person's residence, a burial plot, exemptions for
4 personal property allowed in section 11-605(1) through (3), Idaho Code, and
5 additional exemptions allowed by county resolution.

6 (24) "Third party applicant" means a person other than an obligated per-
7 son who completes, signs and files an application on behalf of a patient. A
8 third party applicant who files an application on behalf of a patient pur-
9 suant to section 31-3504, Idaho Code, shall, if possible, deliver a copy of
10 the application to the patient within three (3) business days after filing
11 the application.

12 (25) "Utilization management" means the evaluation of medical neces-
13 sity, appropriateness and efficiency of the use of health care services,
14 procedures and facilities and may include, but is not limited to, preadmis-
15 sion certification, the application of practice guidelines, continued stay
16 review, discharge planning, case management, preauthorization of ambula-
17 tory procedures, retrospective review and claims review.

18 SECTION 2. That Section 31-3503, Idaho Code, be, and the same is hereby
19 amended to read as follows:

20 31-3503. POWERS AND DUTIES OF COUNTY COMMISSIONERS. The county com-
21 missioners in their respective counties shall, under such limitations and
22 restrictions as are prescribed by law:

23 (1) Care for and maintain the medically indigent residents of their
24 counties as provided in this chapter up to ~~eleven~~ twelve thousand dollars
25 (\$~~11~~2,000) per claim in the aggregate over a consecutive twelve (12) month
26 period with the remainder being paid by the state catastrophic health care
27 cost program pursuant to section 31-3519, Idaho Code.

28 (2) Have the right to contract with providers, transfer patients, nego-
29 tiate provider agreements, and all other powers incident to the county's du-
30 ties created by this chapter.

31 (3) Cooperate with the department, the board and contractors retained
32 by the department or the board to provide services including, but not limited
33 to, medicaid eligibility review and utilization management on behalf of the
34 counties and the board.

35 (4) Have the jurisdiction and power to provide county hospitals and
36 public general hospitals for the county and others who are sick, injured,
37 maimed, aged and infirm and to erect, enlarge, purchase, lease, or otherwise
38 acquire, and to officer, maintain and improve hospitals, hospital grounds,
39 nurses' homes, shelter care facilities and residential or assisted living
40 facilities as defined in section 39-3301, Idaho Code, superintendent's
41 quarters, medical clinics, as that term is defined in section 39-1319, Idaho
42 Code, medical clinic grounds or any other necessary buildings, and to equip
43 the same, and to replace equipment, and for this purpose said commissioners
44 may levy an additional tax of not to exceed six hundredths percent (.06%) of
45 the market value for assessment purposes on all taxable property within the
46 county. The term "public general hospitals" as used in this subsection shall
47 be construed to include nursing homes.

1 SECTION 3. That Section 31-3503A, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 31-3503A. POWERS AND DUTIES OF THE BOARD. The board shall, under such
4 limitations and restrictions as are prescribed by law:

5 (1) Pay for necessary medical services for a resident medically indi-
6 gent person where the reimbursement rate for the claim exceeds in aggregate
7 the sum of ~~eleven~~ twelve thousand dollars (\$~~11~~2,000) during a consecutive
8 twelve (12) month period;

9 (2) Cooperate with the department, respective counties of the state and
10 contractors retained by the department or county commissioners to provide
11 services including, but not limited to, eligibility review and utilization
12 management on behalf of the counties and the board;

13 (3) Require, as the board deems necessary, annual reports from each
14 county and each hospital and provider including, but not limited to, the
15 following:

16 (a) From each county and for each applicant:

17 (i) Case number and the date services began;

18 (ii) Age;

19 (iii) Residence;

20 (iv) Sex;

21 (v) Diagnosis;

22 (vi) Income;

23 (vii) Family size;

24 (viii) Amount of costs incurred including provider, legal and ad-
25 ministrative charges;

26 (ix) Approval or denial; and

27 (x) Reasons for denial.

28 (b) From each hospital:

29 (i) 990 tax forms or comparable information;

30 (ii) Cost of charges where charitable care was provided; and

31 (iii) Administrative and legal costs incurred in processing
32 claims under this chapter.

33 SECTION 4. That Section 31-3505B, Idaho Code, be, and the same is hereby
34 amended to read as follows:

35 31-3505B. APPROVAL. The county commissioners shall approve an appli-
36 cation for assistance if it determines that necessary medical services have
37 been or will be provided to a medically indigent person in accordance with
38 this chapter; provided, the amount paid by the county for any medically indi-
39 gent resident shall not exceed in aggregate the sum of ~~eleven~~ twelve thousand
40 dollars (\$~~11~~2,000) per applicant for any consecutive twelve (12) month pe-
41 riod.

42 SECTION 5. That Section 31-3517, Idaho Code, be, and the same is hereby
43 amended to read as follows:

44 31-3517. ESTABLISHMENT OF A CATASTROPHIC HEALTH CARE COST PRO-
45 GRAM. (1) The governing board of the catastrophic health care cost program
46 created by the counties pursuant to a joint exercise of powers agreement,

1 dated October 1, 1984, and serving on June 30, 1991, is hereby continued as
2 such through December 31, 1992, to complete the affairs of the board, to
3 continue to pay for those medical costs incurred by participating counties
4 prior to October 1, 1991, until all costs are paid or the moneys in the cata-
5 strophic health care cost account contributed by participating counties are
6 exhausted, and to pay the balance of such contributions back to the county
7 of origin in the proportion contributed. County responsibility shall be
8 limited to the first ~~eleven~~ twelve thousand dollars (\$~~112~~,000) per claim.
9 The remainder of the eligible costs of the claim shall be paid by the state
10 catastrophic health care cost program.

11 (2) Commencing October 1, 1991, a catastrophic health care cost program
12 board is hereby established, and the board shall be the administrator of the
13 catastrophic health care cost program. This board shall consist of twelve
14 (12) members, with six (6) county commissioners, one (1) from each of the six
15 (6) districts or regions established by the Idaho association of counties,
16 four (4) members of the legislature, with one (1) each being appointed by the
17 president pro tempore of the senate, the leader of the minority party of the
18 senate, the speaker of the house of representatives and the leader of the mi-
19 nority party of the house of representatives, one (1) member appointed by
20 the director of the department of health and welfare, and one (1) member ap-
21 pointed by the governor.

22 (a) The county commissioner members shall be elected by the county com-
23 missioners of the member counties of each district or region, with each
24 board of county commissioners entitled to one (1) vote. The process
25 and procedures for conducting the election and determining the members
26 shall be determined by the board itself, except that the election must
27 be conducted, completed and results certified by December 31 of each
28 year in which an election for members is conducted. The board recog-
29 nized in subsection (1) of this section shall authorize and conduct the
30 election in 1991.

31 (b) The term of office of a member shall be two (2) years, commencing
32 on January 1 next following election or appointment, except that for
33 commissioner members elected in 1991, the commissioner members from
34 districts or regions 1, 3 and 5 shall serve for a term of one (1) year,
35 and the commissioner members from districts or regions 2, 4 and 6 shall
36 serve for a term of two (2) years. Members may be reelected or reap-
37 pointed. Election or appointment to fill vacancies shall be for the
38 balance of the unexpired term.

39 (c) The member appointed by the governor shall be reimbursed as pro-
40 vided in section 59-509(b), Idaho Code, from the catastrophic health
41 care cost account.

42 (d) At the first meeting of the board in January of each year, the board
43 shall organize by electing a chair, a vice-chair, and such other offi-
44 cers as desired.

45 (3) The legislative council shall cause a full and complete audit of
46 the financial statements of the program as required in section 67-702, Idaho
47 Code.

48 (4) The board shall submit a request to the governor and the legislature
49 in accordance with the provisions of chapter 35, title 67, Idaho Code, for an

1 appropriation for the maintenance and operation of the catastrophic health
2 care cost program.

3 SECTION 6. That Section 31-3519, Idaho Code, be, and the same is hereby
4 amended to read as follows:

5 31-3519. PAYMENT FOR SERVICES. Each board of county commissioners
6 shall make payments to hospitals or providers for necessary medical services
7 provided to the medically indigent as follows:

8 (1) Upon receipt of a final determination by the county commissioners
9 approving an application for financial assistance under the provisions of
10 this chapter, an applicant, a hospital or provider, or the third party on be-
11 half of the applicant, shall, within sixty (60) days, submit a county claim
12 pursuant to the procedures provided in chapter 15, title 31, Idaho Code.

13 (2) Payment shall be made to hospitals or providers on behalf of an ap-
14 plicant and shall be made on the next payment cycle. In no event shall pay-
15 ment be delayed longer than sixty (60) days from receipt of the county claim.

16 (3) Payment to a hospital or provider pursuant to this chapter shall be
17 payment of the debt in full and the hospital or provider shall not seek addi-
18 tional funds from the applicant.

19 (4) In no event shall a county be obligated to pay a claim, pursuant to
20 this chapter, in an amount which exceeds the reviewed claim as determined by
21 the department's utilization management program.

22 (5) The clerk shall forward claims exceeding ~~eleven~~ twelve thousand
23 dollars (\$~~112~~,000) per recipient in a consecutive twelve (12) month period
24 to the board within fourteen (14) days after approval of an application along
25 with a statement of which costs the clerk has or intends to pay.

26 (6) The board shall, within forty-five (45) days after approval by the
27 board, submit the claim to the state controller for payment.