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Indigent costs hit county

State's medical fund for poor may fall \$2.5 million short in 2009, which could force local government to pay more

CANYON COUNTY — Canyon County officials may be forced to cut some taxpayer services in the future if the state increases the cap counties have to pay to cover medical costs for the very poor.

Counties pay medical care providers the first \$10,000 in medical bills at federal Medicaid rates.

If more money is owed, the state's catastrophic medical fund chips in. That fund covers those who receive county assistance but don't qualify for state or federal health or welfare programs.

The state's medical indigent fund will likely be \$2.5 million short in the current fiscal year. The fund's administrator attributes the shortfall to rising medical costs and a bleak economy.

Blake Hall, who oversees Idaho's Medically Indigent Health Care Program, wants more money for fiscal year 2009, but Gov. Butch Otter hasn't recommended it. If the \$2.5 million isn't approved, payments to medical care providers in Idaho's 44 counties could be put off until next year, he said.

Otter has proposed boosting the counties' share of the cost to the first \$15,000, starting July 1.

That move might force county officials across the state to cut other programs, raise property taxes or tap into other sources of revenue.

The proposed increase is not budgeted for this fiscal year, Canyon County officials said. Four percent — or \$3.2 million — of the county's 2009 budget is slated for welfare.

"This would mean the county would have to make cuts in other areas to make up for the additional burden," Canyon County Commissioners David Ferdinand, Steve Rule and Kathy Alder said in a joint statement to the Idaho Press-Tribune.

"As for future years, the county doesn't have the ability to simply raise taxes to meet our needs. Tax increases are limited by state code, and with decreases to other revenue streams within the county, the limited tax increase we are allowed would not cover the additional cost of indigent health care if the state legislature increased the cap," the commissioners said.

Ultimately, such an increase would cause a reduction in county services to taxpayers, commissioners said.

The Idaho Association of Counties supports a more modest hike than what is proposed by the governor.

"We are opposed to a \$5,000 increase because of the direct hit on the property tax payer. It's a direct shift to the property tax payer. I think the counties would consider maybe a \$1,000 increase. We've made those statements to the state legislature and we're willing to talk about it," IAC deputy director Tony Poinelli said. "Everybody's suffering. You have to be reasonable. I know the state's suffering and so are the counties."