

Twin Falls Times, Thursday, March 26, 2009 – by Jared Hopkins

## Cameron proposes CAT fund revamp

BOISE - The Senate Health and Welfare Committee voted unanimously Tuesday in favor of a bill to revamp the state's policy on indigent health care in a move designed to save the state millions in the long term.

The bill, sponsored by Sen. [Dean Cameron](#), R-Rupert, could receive a vote on the Senate floor by the end of the week. The bill creates a utilization management program in which the Department of Health and Welfare is required to initiate early third-party review of patients' eligibility for coverage, including Medicaid. Private contractors would assist with some of the processes, including claims reviews and assisting in a "medical home" preventive care measure.

The changes will cost the state a little more to hire the private contractors but ultimately lead to savings by determining patients' coverage eligibility much earlier, Cameron said. For example, an earlier determination of eligibility could discourage patients from undergoing treatments unnecessary to address their problems.

"These are pretty big steps but they're commonsense steps that are going to save us money," Cameron said. "We've simply been paying the bills without checking or questioning the bills."

Indigent health care is emergency health care provided to people without insurance that addresses a wide-range of needs, including mental health. Claims are submitted to counties, which cover the first \$10,000 and hand the rest to the state's catastrophic health care program. It can often be a cumbersome process that involves appeals and various challenges.

Additionally, the catastrophic fund comes entirely from the state's general fund, which means it faces the same money crunch as other agencies in this year's financial crisis. Idaho's indigent costs have risen from almost \$28 million in 2004 to more than \$38 million in 2007, while the number of persons who submitted claims dropped.

Meanwhile, legislation will increase the amount counties cover per claim to \$11,000, which will save the state \$1 million but likely drive up costs to counties. Gov. C.L. "Butch" Otter originally wanted the amount to increase to \$15,000 but Cameron said he is comfortable with the bill proposed.

The legislation is the result of a series of meetings and negotiations between hospitals, insurance companies and local governments.

Rep. [Fred Wood](#), R-Burley, who also helped craft the legislation, said the savings won't begin to show until after six months but will be substantial in the long term.

"This is the best method to start with," said Wood, a physician.