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Social Services Conference
OUR PROCESS: SIMPLE RIGHT?
BUZZ WORDS, LINGO

- The board
- The county
- 31- day
- 10 day
- 180- day
- Treatment plan
- Additional request
- Pre Lit
- Suspension
- Extension (Med Records)
- An assignment
- Obligated county
- Third party
BUT THE CAT SAID..................
A CAT year is defined as one year--less one day from the first date of service of the first episode of care that has been approved by the BOCC. A CAT year is very important because it regulates the counties $11,000 deductible. After a county has paid $11,000 in eligible payments on a patient, the remainder of eligible medical claims may be submitted to the CAT program for the one year timeframe. This can include more than one county case, to get to the full $11,000 spent by the county.
OTHER RESOURCES

• PAYOR of Last Resort – §31-3501(2)

• You have the obligation both to the taxpayer and the patient to attempt to gather up all available funding for the indigent program.

• Insurance monies collected by the county can be applied through pricing, not taken ‘off the top’ of the billed amount. As the provider would do for the patient.
EXAMPLES OF OTHER RESOURCES

• Federal Programs:
  ○ SSI, Disability
  ○ Veterans Benefits

• Other State Programs:
  ○ Medicaid
  ○ Worker’s Compensation Fund
  ○ Crime Victims Compensation Fund

• Private Sources:
  ○ COBRA
  ○ 3rd party insurance; liability; auto coverage, homeowners
  ○ Hospital Charity approval
OTHER RESOURCES ...

- **Right of Subrogation – I.C. §31-3510**
  
  (1) …obligated county making such payments shall become jointly subro. to all the rights…of everybody involved…with liability question

  (2) Atty’s fees shall not exceed 25% of the subrogated interest unless previously agreed (i.e. PRIOR to the date of the atty/client retention agreement.

  ○ Itemize atty’s fees in settlements. One w/ 25% amt - one at the standard 1/3. (Outside law suits)
SUBROGATION RIGHTS PURSUANT TO I.C.§ 31-3504(4)

• With the filing of Mr. Patient’s application, an automatic lien became statutorily fixed on all real and personal property of Patient’s name, and on all insurance benefits to which he may be entitled. Pursuant to I.C.§ 31-3504(4)

• Any insurance benefits available and payable to Patient under his policy must first be applied to satisfy the statutory liens of a county and the CAT program

• XYA county & the CAT Fund have first position priority rights to all insurance benefits available to Mr. Patient. The statutory lien will extinguish all known insurance benefits
• The providers receive insurance funds and rarely if ever notify the county of those funds. So notify the providers in your approvals that you are attaching all outside funds.
  ▪ One county uses this disclaimer: *The county has first claim to any funds you are or may become entitled to, including but not limited to insurance awards or settlements, lawsuit judgments, victim’s compensation, worker’s compensation, inheritance, lottery winnings or any other funds.*
  ▪ Another has this.. *If the patient is approved for Medicaid covering any service dates already paid for by the county/CAT program, you are required to reimburse the county/CAT in the full amount received by the county/CAT and collect payment from Medicaid for those dates of service.* I.C. § 31-3509
SAMPLE FORM

ACKNOWLEDGEMENT OF INFORMATION REGARDING COUNTY MEDICAL INDIGENCE ASSISTANCE

I understand that when my application was filed, pursuant to state law, a lien was placed on all my personal property and my real property that I now own or may own in the future; and
- The liens will stay in place until all funds paid by the county and the state have been repaid; and
- The county and the state CAT fund has first claim to any funds and have subrogated rights to any funds I may become entitled to, including but not limited to insurance awards or settlements, lawsuit judgments, victim’s compensation, worker’s compensation, inheritance, state of Idaho tax refunds or any other funds.

I understand that:
- If my application for assistance is denied, I may appeal to the Board of County Commissioners by submitting to The county indigent services a written appeal within 28 days of the denial; and
- If my application is denied again, I may file an appeal with the District Court within 28 days from that denial.

It is my responsibility to provide all documentation and information requested by The County Indigent Services during the investigation of my application. Failure to cooperate in this manner will result in my application being denied.

I understand if the county and/or the state pays for any or all of my medical expenses:
- I will be ordered to reimburse the county and the state; and
- The reimbursement order will be based on my disposable income after considering my income, assets and allowed expenses, but will be at least $25/month; and the order of reimbursement is enforceable and may be sent to a collections agency if I don’t comply with the order; and
- If I experience a “substantial change in circumstances” I can petition the Board of County Commissioners and ask them to modify my order of reimbursement. To do this, I must submit to The County Indigent Services a completed written request on a form provided by Indigent Services; and
- If I believe the required reimbursement is unreasonable, I may file a timely appeal and appear before the county Commissioners to present my case. These appeals must be submitted in writing and delivered to indigent services within 28 days of the date of the Order of Reimbursement. If I fail to file a timely appeal, the Order of Reimbursement becomes final; and
- If the county Commissioners do not order reimbursement at this time, they shall do so later if my financial circumstances improve; and
ATTACHING RESOURCES

(31-3505A. INVESTIGATION OF APPLICATION BY THE CLERK (2) The applicant and third party filing an application on behalf of an applicant to the extent they have knowledge, shall have a duty to cooperate with the clerk in investigating, providing documentation, submitting to an interview and ascertaining eligibility and shall have a continuing duty to notify the obligated county of the receipt of resources after an application has been filed.
TYPES OF ACTIONS ON LIENS

- Full Release 31-3504(4)
- Subordination of Lien
- Consensual Lien 31-3510A(4)
LIENS & BANKRUPTCY

- Bankruptcy discharge wipes out the debt and therefore the reimb. agreement...BUT
- Medical Indigency liens remain intact on pre-petition property
  
  (...their home has been exempted for example...our lien remains on it.)

- Lien does NOT attach to property acquired after bankruptcy
LIENS AGAINST FUTURE PROPERTY

Idaho Code 45-107 provides:

- “An agreement can be made to create a lien upon property not yet acquired by the party agreeing to give the lien, or not yet in existence.”

- “In such case the lien agreed for, attaches from the time when the party agreeing to give it acquires an interest in the [property].”
WHAT PERSONAL PROPERTY DO OUR LIENS ATTACH TO?

- The SOS N-1 is a broad swipe to attach their assets on a number of levels. It does NOT expire.
- Any & all personal property they own at the time of filing.
- The N-3 is the form for amending the N-1...such as when the person has multiple cases with your county.
THE DIFFERENCE BETWEEN LIENS & REIMBURSEMENT

- Liens and Reimbursement are **NOT THE SAME THING**
- Liens secure the debt

I.C. 31-3510A

”Receipt of financial assistance pursuant to this chapter **shall** obligate an applicant to reimburse the obligated county and the board..."
DID YOU KNOW……………

31-3511. VIOLATIONS AND PENALTIES (4) If the county commissioners fail to act upon an application within the timelines required under this chapter, the application shall be deemed approved and payment made as provided in this chapter.
DID YOU KNOW.............

- **31-3505A. INVESTIGATION OF APPLICATION BY THE CLERK**
  (2) The applicant and third party filing an application on behalf of an applicant to the extent they have knowledge, shall have a duty to cooperate with the clerk in investigating, providing documentation, submitting to an interview and ascertaining eligibility and shall have a continuing duty to notify the obligated county of the receipt of resources after an application has been filed.
NECESSARY MEDICAL SERVICES

- **Indigent program excludes some services:**
  - §31-3502(18)B

  - Organ or bone marrow transplants
  - Elective, or cosmetic or experimental procedures
  - Services provided by residential, skilled nursing, assisted living and shelter care facilities
  - Normal uncomplicated pregnancies, excludes caesarean section and childbirth well baby care
  - Drugs, devices or procedures primarily used for weight reduction or complications
  - Medicare/Medicaid co pays and deductibles
  - Services provided by state, federal or local health programs

- *Services that were provided to our patient could very well have been medically necessary in the textbook definition of those words...but not in the definitions in our chapter of law.*
NECESSARY MEDICAL SERVICES

- "Utilization management" may also include the amount to be paid based on the application of the reimbursement rate to those medical services determined to be necessary medical services.

- Pay for necessary medical services for the medically indigent residents of their counties as provided in this chapter and as approved by the county commissioners at the reimbursement...or contract for the provision of necessary medical services.

- Pay for the cost of necessary medical services for a medically indigent resident, as provided in this chapter, where the cost of necessary medical services.....

- The governor of the state of Idaho or his or her designee is empowered to negotiate reciprocal agreements with other states for the provision of necessary medical services for residents of this and other states.

- Follow-up necessary medical services based on a treatment plan, ..... 

- ....shall have a priority date as of the date the necessary medical services were provided.
MEDICAL REVIEWS

- The CAT will participate with the counties in the cost of medical reviews conducted on CAT cases when the following criteria is met:
  - The review is included as a part of the Board of County Commissioners’ determination process and not after an approval.
  - Any reviewers’ recommendations which provide for a reduction shall be considered and if the BOCC chooses not to apply a reduction, the county shall explain in writing, the choice to approve without considering the reduction.
OUT OF STATE TREATMENT

The governor of the state of Idaho or his or her designee is empowered to negotiate reciprocal agreements with other states for the provision of necessary medical services for residents of this and other states.

(2) No payment shall be made for necessary medical services to an out-of-state provider unless a reciprocal agreement has been entered into by the governor of this state, or unless contracted for pursuant to sections 31-3520 and 31-3522, Idaho Code.

Utah
Oregon
SETTLEMENTS

- A subcommittee of the CAT board will review any settlement requests from counties after the BOCC has approved it.
- When a county negotiates the settlement of a case that includes CAT payments; and the amount being considered for settlement is no more than a reduction of (25%) or less of the current amount due on the account, the county may settle without consulting the CAT program if:
  - a.) the person is deceased
  - b.) the lien is older than 7 years old
  - c.) all means of payment have been exhausted
- In all other settlement requests, the county must email the CAT program office and provide necessary information. (See CAT manual)
  - Upon notification by the county, the CAT program office shall provide all documentation to the settlement subcommittee for consideration.
MEDICAL SETTLEMENTS ... CONT.

- Refi?
  - Ask for copy of closing statement (for estimated funds)
    a) There may be money for a partial payment to ‘catch them up’
    b) No cash out? Skip A

- Agree to subordinate with a consensual lien reattached
  - No new lien? ...then we won’t remove the first one
  - *Escrow companies know how to do this...it can happen at signing*

- Sale of Property?
  - *Same options as above*
  - *Other options.....*
    - *Forgive reimbursement agreement and leave the lien*
    - *Forgive reimbursement agreement for a time certain*
    - *Adjust the payments for their current circumstances...this could be in either direction*
NON MEDICAL

- Be consistent....
  - in decision making
  - Code is wide open for you to do your own thing, don’t abuse it.
    - Create a fee schedule
    - Create a policy
BOARD OF COUNTY COMMISSIONERS: 
**....OTHER STUFF**

- Charity & Indigent Levy....§31-863
- Public Defense as it relates to the Indigent Fund §31-3403
  - DO people have to qualify?
  - Indigent vs. medically indigent
QUESTIONS