

CONTRACT HEALTH SERVICES

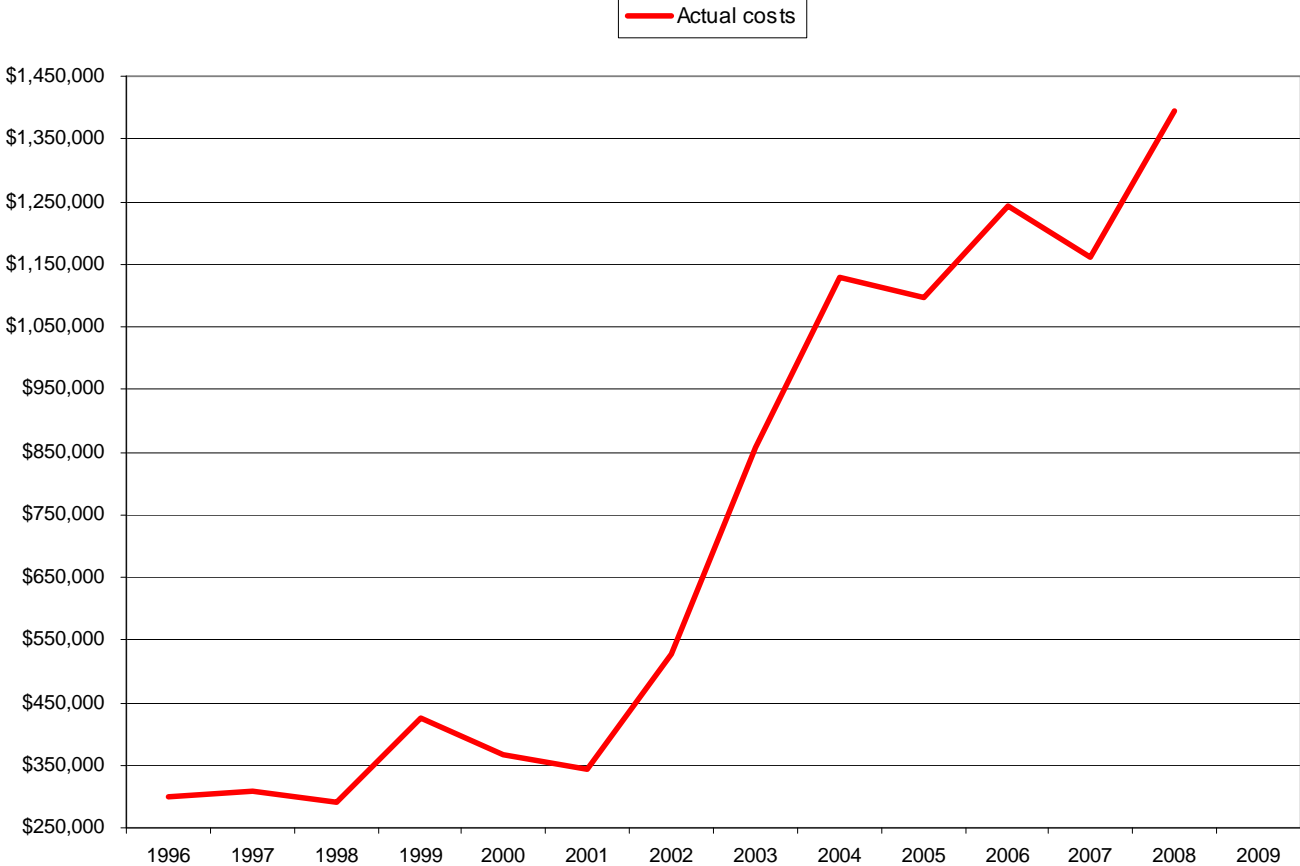
STATUS

July 2009

Costs and Trends

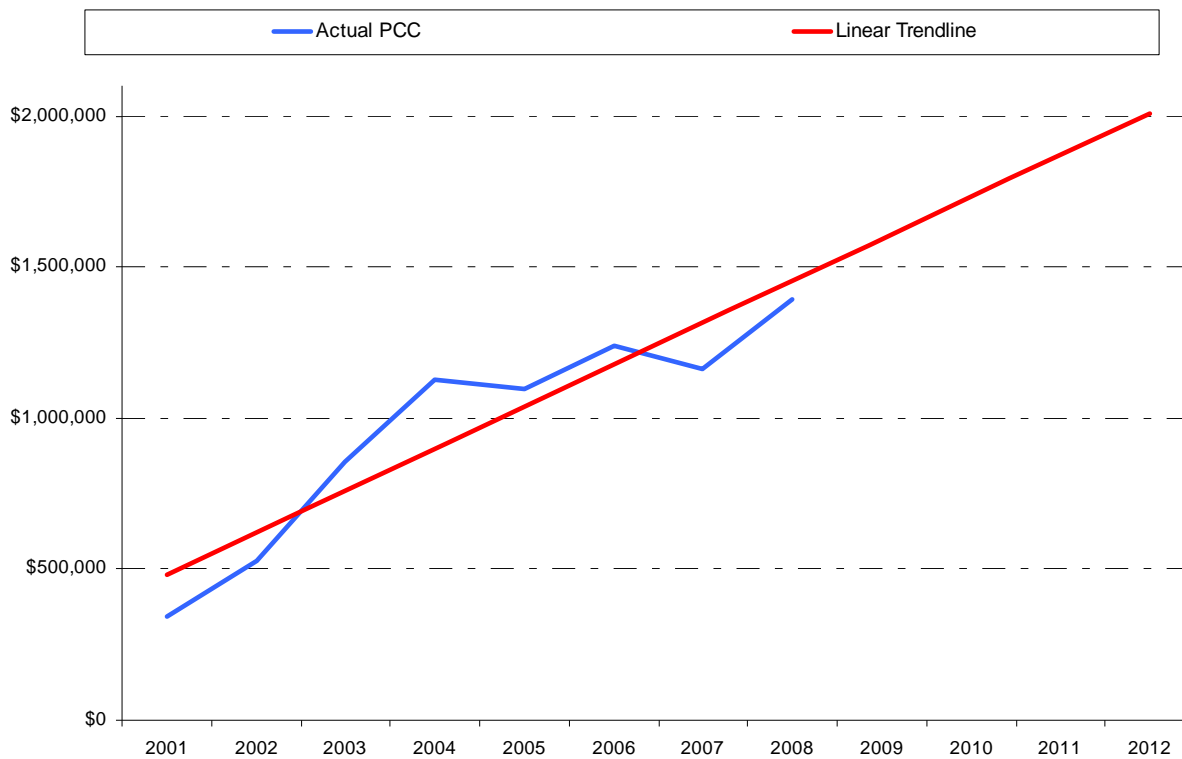
CHS - Cost Growth

CIT Patient Care Cost History
(1996-2008)



CHS - Cost Growth

CIT Patient Care Costs Trend Since 2001 with 4-Year Forecast





Factors Contributing to Cost Growth

- External – What we cannot control
 - CHS Enrollment
 - Changes to the Oregon Health Plan
 - Reduction in Employer Health Insurance
 - Employment status of CHS eligible
 - CHEF Cases



Factors Contributing to Cost Growth - Continued

- Internal
 - Modification in Covered Services
 - Levels of Care
 - Travel
 - Orthodontia
 - Changes in Eligibility
 - Addition of Tribal Spouses
 - Addition of non-Tribal adopted children
 - Addition of Domestic Partner
 - Changes in availability of I.H.S. or Tribal Direct Services



Factors Contributing to Cost Growth - Continued

□ CHS Enrollment

- 1993 – 290
- 1994 – 332
- 1995 – 372
- 1999 – 457
- 2002 – 518
 - 82 Tribal spouses enrolled
- 2004 – 524
- 2009 – 597
 - Spouses
 - Domestic Partner



Factors Contributing to Cost Growth - Continued

- Oregon Health Plan
 - Major ‘Alternate Resource’ and revenue source.
 - July 2004 closed the OHP Standard Program
 - Significantly reduced Medicaid coverage for non disabled adults under the age of 65.
 - Briefly reopened enrollment for Standard Program for a few months in 2008.
 - Four CHS eligible individuals regained medical OHP standard coverage

Factors Contributing to Cost Growth - Continued

- Reduction in Employer Health Insurance
 - Industry Trend
 - Reduction of Benefits to Employees
 - Increasing Employee Premium
 - Individual and family coverage
 - Fewer small employers are able to offer health benefits
- Employment status of CHS eligible



Factors Contributing to Cost Growth - Continued

□ CHEF Cases

- 1996
- 1997
- 1998
- 1999 – 3
- 2000-2002 – 0
- 2003 – 2
- 2004 -3

□ CHEF – Continued

- 2005 – 0
- 2006 – 1
- 2007 – 1
- 2008 – 1
- 2009 - ?

Factors Contributing to Cost Growth - Continued

□ Internal

■ Modification in Covered Services

□ Dental

- Raised to Level V August 2003
- All services covered except Level X - July 2007
- Annual Cap has remained @ \$1500

□ Medical

- Level III since 1995
 - Level III – Inpatient and outpatient care services that involve the treatment of prevalent illnesses or conditions that have a significant impact on morbidity and mortality. This involves treatment for conditions that may be delayed without progressive loss of function or risk of life, limb or senses.



Factors Contributing to Cost Growth - Continued

- Vision
 - Cap \$450 per year
- Orthodontia
 - Coverage of full orthodontic services since July 2006, for CHS eligible Tribal members
 - Funded by the CIT General Fund - \$45,000 per year
 - Has assisted 19 members to obtain braces
 - Age range of Tribal members ~ 8-69
 - Average Cost per case ~ \$4,500
 - Average Cost per year ~ \$2,250
- Travel



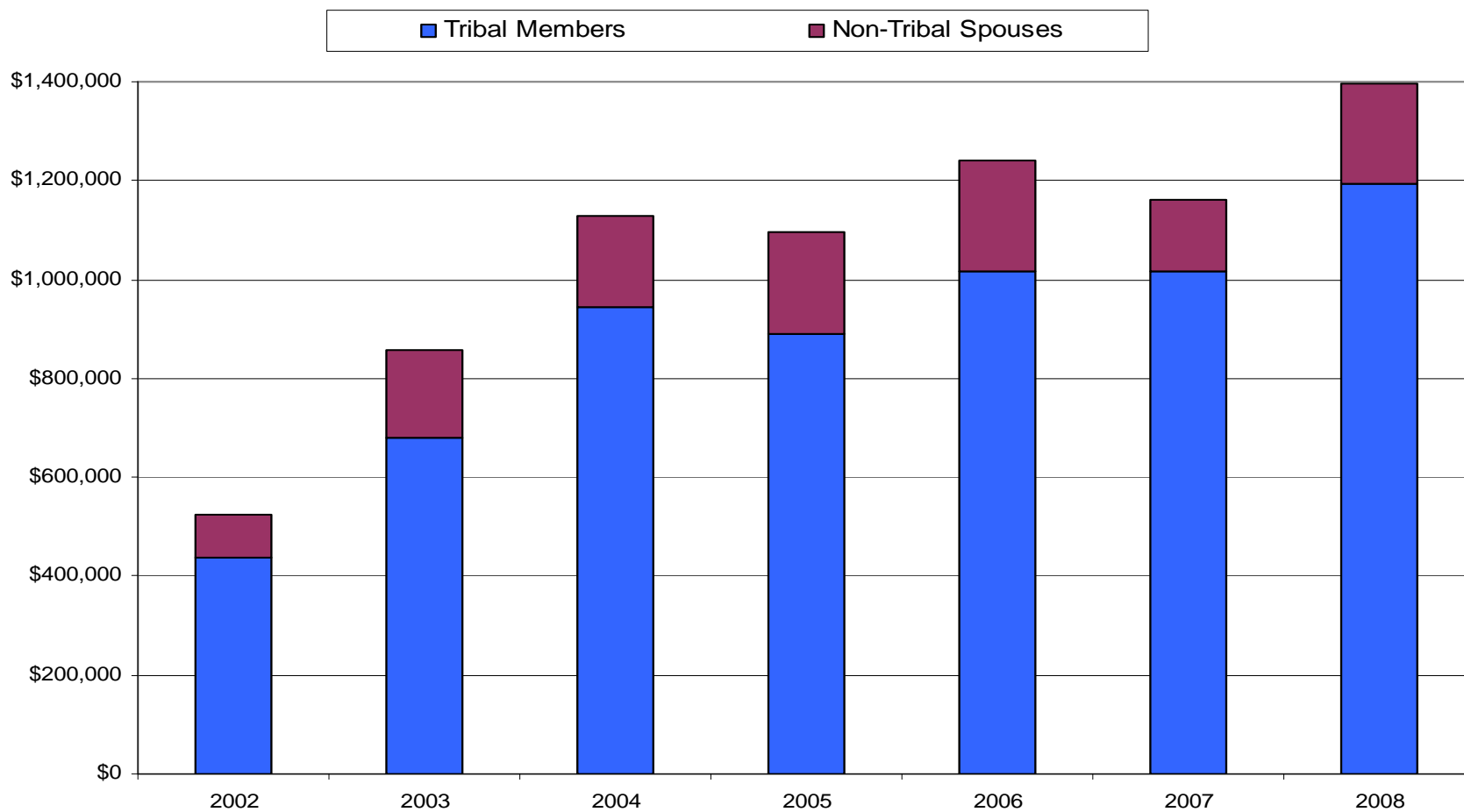
Factors Contributing to Cost Growth - Continued

- Medical Transportation Program
 - The purpose of this program is to assist with travel and lodging expenses for medical procedures that would normally be covered by CHS that cannot be performed in their home area.
 - \$1000 per year
 - 2009 Annual Budget \$17,000

- Changes in Eligibility
 - Addition of Tribal Spouses
 - Enrolled 82 January 2002
 - Currently 113
 - Addition of non-Tribal adopted children
 - Addition of Domestic Partner

Factors Contributing to Cost Growth - Continued

Patient Care Costs



Factors Contributing to Cost Containment

- Implementation of Medicare Like Rates
 - July 5, 2007
 - Savings
 - 2007 - \$ 45,465
 - 2008 - \$418,782
 - Hospital Charges Only
- Preferred Provider Repricing
 - Health Care Direct
- Negotiated Discounts
- Implementation of Primary Care Providers
- Maximizing Alternate Resources

Comparison to Other CHS Programs

TRIBE	I.H.S. MEDICAL PRIORITY	I.H.S. DENTAL PRIORITY	ANNUAL DENTAL MAXIMUM	ORTHODONTIA
Coquille	III	All Levels except 10	1500	Yes
Confederated Tribes of the Coos Lower Umpqua and Siuslaw	II Level III on a case by case basis	All Levels except 10	1700	No
Cow Creek Band of Umpqua Indians	II	Level V	1500	No
Confederated Tribes of Siletz Indians	II Preparing to move to I	Don't Use Priorities	None, but nearly all Dental is through Siletz Dental Clinic	No
Confederated Tribes of Grand Ronde	III	All Except X	1000	Yes Onsite at Dental Clinic
Klamath Indian Tribes	II	Don't Use Priorities	None, but nearly all Dental is through the Tribal Clinic	No
Confederated Tribes of Umatilla	II	II	None	Yes not through CHS
Confederated Tribes of Warm Springs	I	None	NA	No

CHS - Cost Projection

CIT Patient Care Costs Trend Since 2001 with 4-Year Forecast

