

# Questions and Answers about the County Indigency Fund Program

## How does the lien provision of the county indigency fund program work?

Once a person applies for help from the county indigency fund, the county attaches an automatic lien on all real and personal property of the applicant and sets a reimbursement schedule.

## How do counties determine who gets assistance from the fund?

The County Commissioners have complete control to determine who receives help from the fund. The only guidance from the legislature is that the recipient must be “medically indigent”, which means that the person must be in need of necessary medical services and their family do not have adequate resources or income to pay for the services.<sup>i</sup>

The county can consider the ability to repay the fund when considering an application. This means that upper-income applicants, those earning more than 200 percent of the federal poverty line, receive on average more than twice as much from the fund (\$24,000) as those earning less than 51 percent of the federal poverty line (\$10,000).<sup>ii</sup>

## How do counties get reimbursed?

County Commissioners determine how much a participant must repay the fund. Most counties set up a monthly billing plan and bill the participant each month. If the participant does not pay, counties can send the participant to a collections agency.

While some counties claim that the lien helps them in getting families to pay back the fund, there is no evidence that the lien has provided them with additional leverage. Since the adoption of the lien in 1996, reimbursement rates have remained erratic.

## Who receives help from the county indigency fund in Idaho?<sup>iii</sup>

The typical recipient is very poor and lives below the federal poverty line, which is equal to \$15,260 for a family of three. Fifty-six percent of all recipients earned less than the federal poverty line and by definition did not have enough money to meet their basic needs, much less pay for emergency health care costs. Thirty-six percent of this group lives in severe poverty, earning less than 51 percent of the federal poverty line.

Twenty-eight percent of recipients came from families earning 100 to 185 percent of the federal poverty line, a range of income for a family of three from \$15,260 to \$28,231. These families are barely surviving, and medical bills can easily push them into deep poverty.

On average, families have about \$2,072 of countable assets on hand, although some have no assets. The vast majority, 81 percent, have countable assets worth less than \$1,000. (Countable assets exclude the value of a home and first vehicle.)

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<sup>i</sup> Idaho Code 31-3502(1)

<sup>ii</sup> *Medical Indigency in Idaho: An analysis of county indigency and state catastrophic health care services*, Helen Streobel, Boise State University, February 2003.

<sup>iii</sup> *Ibid.*