



IDAHO DEPARTMENT OF
HEALTH & WELFARE

DIRK KEMPTHORNE – Governor
KARL B. KURTZ – Director

OFFICE OF THE DIRECTOR
450 West State Street, 10th Floor
P.O. Box 83720
Boise, ID 83720-0036
PHONE 208-334-5625
FAX 208-334-5926

NEWS RELEASE

FOR IMMEDIATE RELEASE
July 15, 2005

Ross Mason
(208) 334-0693

**BONNEVILLE COUNTY BENEFITS FROM \$90.5 MILLION DOLLAR INVESTMENT
FROM THE DEPARTMENT OF HEALTH & WELFARE**

Last year, Bonneville County residents and businesses received \$90.5 million from Department of Health & Welfare programs that help people in need. The investment benefits every one of the county's 87,000 residents. Of Idaho's 44 counties, Bonneville County ranks number 9 in per capita outlay of Health & Welfare dollars.

The disbursement of state and federal tax dollars amounts to \$1,040 for every man, woman and child residing in Bonneville County. This includes citizens who may not receive a single direct service from the Department. The statewide average is \$839 per capita.

The Department distributed \$1.15 billion in 2004 statewide in Idaho communities. These funds came from Medicaid, additional payments to hospitals, Food Stamps, the Idaho Child Care Program, the Women, Infants and Children nutritional program, foster care and a variety of other assistance programs.

"This is an investment for all Bonneville County residents," says Health & Welfare Director Karl Kurtz. "These are tax dollars put to good use because they are used to help people become healthy and productive. This money goes go to foster care for children in crisis, substance abuse treatment for adults and adolescents, improvements and operations at the local hospital, and dozens of other badly needed services."

"This is as much about sustaining communities as it is investing," adds Kurtz. "By providing programs that support people, we are helping communities and their residents build the endurance and strength they need to remain vital. Everyone profits from this investment, not just those who use Department programs. This isn't just me pounding my chest. That's what community leaders tell us."

Bonneville County Commission Chairman Roger Christensen says, “(Medicaid) is an area that really works well for our county. What Medicaid doesn’t pick up must be paid for with our indigent fund. Anytime Medicaid expenditures go down, our costs go up. Health & Welfare has an excellent mental health program and it has been a real benefit to people in our county. Our unemployment rate is low, but the Food Stamps are (helpful) to those with the low paying jobs.”

In 2004, the Department’s Medicaid Division spent \$76.5 million on health care for residents of the county — \$7 million more than in 2003. Total Medicaid spending in the county was \$90 million because many people from other counties travel to Idaho Falls for medical care.

A large share of the dollars go to drug stores like Eastgate Drug in Ammon. “About 30 percent of our business is Medicaid. We have four full time pharmacists, plus three part time. We just had to hire another because of business demands,” says Pharmacy Manager Kim Kohler. “The money from Medicaid goes to salaries. Our business would change drastically if the Medicaid budget shut-off. We are providing a valuable service for (Medicaid) people by helping them with their meds. It saves money in the long run. They take their medicine properly and that way they don’t end up back in the hospital.”

The story is much the same at Eastern Idaho Regional Medical Center. "The benefit (from Medicaid) for our hospital is dramatic,” says Hospital Administrator Doug Crabtree. EIRMC received more than \$1.3 million in extra payments from Medicaid in 2004 called Disproportionate Share. Disproportionate Share payments are made by the Department to hospitals that have a higher than average share of Medicaid patients. “(This money) means we can provide services that we otherwise would be unable to provide.”

The extra payment is in addition to regular payments to the hospital for Medicaid patients and can be used for any purpose, so it has the potential of benefiting anyone using the hospital. All Medicaid payments to the hospital totaled \$15.3 million.

Bonneville County residents received \$6.3 million in Food Stamps in 2004 to feed their families, an increase of \$1.3 million and an additional 1,000 clients over 2003. Grocers redeemed \$6.8 million worth, including Food Stamps issued outside the county. Smith's Food & Drug in Idaho Falls redeemed \$333,000. Corporate Spokesperson Marsha Gilford in Salt Lake City says that money is “very, very valuable to our company.”

She says, “If we were to lose our WIC license or Food Stamp authorization, it would affect us at least 15 to 20 percent.” Does it allow them to create more jobs? “Yes. More sales mean more hours for our employees. It’s job security. It’s essential to our business.”

She notes if the Food Stamp money was not available, it would have consequences. “It would have an impact on our business and our customers, because it is a convenience for those on welfare to be able to shop here. We certainly value the business and want all of our customers to be happy with our service and products. Those who come in on assistance are just as important as any other customer.”

Department spending helps people, and it has an upside for business, according to Idaho economist John Church. “This is not lost money. The spending is an investment. It goes back into the economy. If an employer came to town and spent this much money we would be elated. People need to remember that a big chunk of this is federal money which is a huge return on our taxes. This comes back and helps stimulate the economy and it helps people.”

Kurtz says, “Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses. These dollars recycle numerous times in each community and help us keep the high quality of life we enjoy in Idaho. This is a wise use of taxpayer dollars because the money spent in the community often stays in the community. The dollars are spent again and again to help create jobs and an infrastructure that provides healthy and safe neighborhoods.”

###

(**Editors:** Interviews are available on request. Contact Ross Mason at 334-0693 or Regional Director Tracey Sessions at 528-5791 for more information.)

**More information on Health & Welfare’s
investment in every Idaho County
can be found online at
<http://www.healthandwelfare.idaho.gov>**