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NEWS RELEASE

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**BUTTE COUNTY BENEFITS FROM \$4 MILLION DOLLAR INVESTMENT
FROM THE DEPARTMENT OF HEALTH & WELFARE**

Last year, Butte County residents and businesses received \$4 million from Department of Health & Welfare programs that help people in need. The investment benefits every one of the county's 2,900 residents. Of Idaho's 44 counties, Butte County ranks number 2 in per capita outlay of Health & Welfare dollars.

The disbursement of state and federal tax dollars amounts to \$1,392 for every man, woman and child residing in Butte 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 Butte 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."

Butte County Commission Chairman Seth Beal says, “(Department programs) are very important to us because any support that is promoted by the state takes pressure off the local communities. This money adds up over a period of time. It’s an indicator of the economic condition of the county. It’s favorable that the programs are here for those who need and qualify for them.”

Butte County residents received \$3.5 million in Medicaid services in 2004. A large share of those dollars went to the county’s only pharmacy, Lost River Drug in Arco. “Medicaid is about 25 percent of our business,” says owner Steve Streeper. “It generates some of my profit, and I pay my employees, my utilities, insurance and taxes with that money.”

Medicaid made \$71,000 in payments to Lost Rivers Hospital for patient care in 2004. The hospital also received an additional \$165,000 from a program called Federal Upper Payment Limits that helps compensate the hospital for low Medicaid reimbursement. Money from FUPL can be used for any purpose, so the money has the potential of helping anyone who uses the hospital. “That money saved our lives last year,” says Hospital Administrator Kim Dahlman. “We wanted to use it for capital to put on a new roof, but our billing and cash flow was non-existent. This money kept the hospital open. My main goal is to use the FUPL for capital in the future to replace things like the roof and plumbing. It’s why (this money) is so badly needed for rural facilities like this.”

Butte County residents also received \$165,000 in Food Stamps to help feed their families — up \$24,000 or 15 percent from 2003. Residents with Food Stamps spent \$126,200 with local grocers, including A&A Market in Arco, where it helps keep 12 people employed.

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.”

“Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses,” says Kurtz. “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.”

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

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<http://www.healthandwelfare.idaho.gov>**