

## Agenda Item 6

### Options to Address \$94 Million in Funding Requirements Low Income Pool (LIP) Council Meeting December 11, 2006

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- Limit Exempt/Rebasing growth rates. Use the previous policy of 8% and 50% reductions or create a new policy to achieve reductions.
- Adjust Exempt/Rebasing utilization to the most current caseload numbers.
- Take across the board reductions in all LIP programs (percentages may vary by LIP category)
- Use of audited data only for LIP 3 saves \$14.8 million.
- Eliminate the use of bad debt for a LIP 3 allocation saves \$4.6 million.
- Increase the LIP 3 10% qualification threshold
- Recommend shifting the funding of poison control to GR saves \$3.1 million in LIP margin.
- Lower the FQHCs programs and recommend GR to fund statewide rate increases for FQHCs (requires state plan amendment).
- Recommend GR to cover exempt growth rates at 100% or 50% or some other percentage.