



December 13, 2020

MEMORANDUM

TO: COVID-19 Financial Advisory Committee (CFAC)

FROM: Alex J. Adams, DFM Administrator

SUBJECT: **Local Government Direct COVID-19 Healthcare Costs**

In October, CFAC approved up to \$10 million for direct reimbursements to the Office of Group Insurance. This allocation was to cover costs to state employees and their dependents for suspected and confirmed COVID-19 cases and for COVID-19 testing. These were not expected costs when the budget was established.

All cities and counties had the opportunity to similar submit their direct healthcare costs for reimbursement through their initial allocations.

For administrative convenience, we discussed with the associations making direct allocations to the following insurers after pulling back unspent money, given that they cover multiple Idaho local governments:

- III-A, representing 40 cities, 20 fire and EMS districts, 6 highway districts, 2 irrigation districts, 2 water and sewer districts, 2 recreation districts, and 5 other local government entities
 - Up to \$800,000
- GEM Plan: representing 24 Idaho counties
 - Up to \$1,300,000

Reimbursement would be on actual COVID-19 claims.