

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, March 08, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash

ABSENT/EXCUSED: None

CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.

LSO STAFF PRESENTATION: **IDAHO STATE HISTORICAL SOCIETY, LBB 5-65. Jill Randolph, Senior Analyst.**
Ms. Randolph introduced the budget for the Idaho State Historical Society. The Idaho State Historical Society is a system of cultural and historic resources composed of the Idaho State museum, archives, state historic preservation office, and historic site program.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Nye**, for the Idaho State Historical Society beginning with the FY 2022 Base \$10,400 for benefit costs, \$26,600 for replacement items, \$16,600 for statewide cost allocation, and \$67,200 for the change in employee compensation. The totals for this motion for FY 2022 are 57.00 FTP, \$3,923,700 from the General Fund, \$2,325,300 from the dedicated funds, \$1,636,500 from the federal funds; for a grand total of \$7,885,500.

CARRIED: **AYES: 18.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Nate, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 2.
Troy, Giddings.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - Service Integration, LBB 2-53. Jill Randolph, Senior Analyst.**

Ms. Randolph introduced the budget for the Department of Health and Welfare, a program of Service Integration. This division focuses on improving the customer service to clients, the service integration program is responsible for promoting coordination of the programs and the Department of Health and Welfare.

DISCUSSION: **Sen. Agenbroad** declared article 39 H.

MOTION: Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Amador**, for the Department of Health and Welfare for the service integration program beginning with the FY2022 Base add \$7,000 for benefit costs, remove \$900 for statewide cost allocation, and add \$38,600 for the change in employee compensation. The totals for FY 2022 are 35.00 FTP, \$737,000 from the General Fund, \$69,500 from dedicated funds and \$5,390,100 from federal funds; for a grand total of \$6,196,600.

CARRIED: **AYES: 18.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Nate, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 2.
Troy, Giddings.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - Child Welfare, LBB 2-11.**
Jill Randolph, Senior Analyst.

Ms. Randolph introduced the budget for the Department of Health and Welfare, a program of Child Welfare. The division of Child Welfare has two budgeted programs and is responsible for child protection, foster care, and adoptions. The child welfare program is responsible for the operating cost of the program, including personnel and capital expenditures, where the foster care and assistance program includes services or items purchased directly for children in the child welfare system.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Cook**, for the Department of Health and Welfare for the Child Welfare Division beginning with the FY 2022 Base add \$98,500 for benefit costs, remove \$17,700 for statewide cost allocation, add \$528,500 for the change in employee compensation, and shift \$26,500 from the federal funds to the General Fund for changes in the Medicaid FMAP rate as requested in non-discretionary adjustments. Also included is line-item 14, which provides \$1,724,000 in one-time federal funds for foster and assistance payments through allocations from the COVID Relief Act. The totals for this motion are FY 2022 are 408.80 FTP, \$28,485,300 from the General Fund, \$243,500 from dedicated funds, and \$53,623,800 from federal funds; for a grand total of \$82,352,600.

CARRIED:

AYES: 18.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Nate, Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 2.

Troy, Giddings.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Nash**, granted by unanimous consent, the following language was included in the bill that contains Child Welfare, Services for the Developmentally Disabled, and Service Integration:

SECTION __. EDUCATIONAL NEEDS. The Department of Health and Welfare shall be responsible for the educational needs of school-age children placed in its custody by the courts for either child protective issues or mental health issues. If the department places a child in a licensed residential treatment facility that includes a non public accredited school and it is determined by the department that it is in the best interests of the child to be educated at the residential treatment facility, then it is the responsibility of the department to pay for such education per student, per educational day. Other Idaho state agencies shall not be precluded from exercising their responsibility to ensure a free and appropriate education for these students within the requirements of federal disability law. The fiscal impact of this section is included within existing department base appropriations.

SECTION __. CHILD ABUSE PROTECTION TREATMENT ACT FUNDS. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (Federal) Fund, a minimum of \$42,000 of federal Child Abuse Protection Treatment Act (CAPTA) funds appropriated to the Department of Health and Welfare shall be provided to the Public Health Districts each year. The moneys received by the Public Health Districts shall not be considered general state aid for the purpose of Section 39-425, Idaho Code, nor shall the moneys be allocated through a board of trustees formula pursuant to Section 39-411, Idaho Code. Funds for each Public Health District shall be distributed at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Section 16-1647, Idaho Code.

SECTION __. HEAD START APPROPRIATION FROM TEMPORARY ASSISTANCE FOR NEEDY FAMILIES FUNDS. At a minimum, the Department of Health and Welfare shall maintain the Head Start Program appropriations paid from federal Temporary Assistance for Needy Families funds at the same level as fiscal year 2007.

**LSO STAFF
PRESENTATION:**

DEPARTMENT OF HEALTH AND WELFARE - Services for the Developmentally Disabled, LBB 2-15. Jill Randolph, Senior Analyst.

Ms. Randolph introduced the budget for the Department of Health and Welfare, Services for the Developmentally Disabled. This division has two budgeted programs. The first is community developmental disability services, which provide the state leadership role for planning and arranging community services for children and adults with developmental disabilities and people who are disabled before the age of 22 due to environmental genetic, or health factors. The second budgeted program is for the Southwest Idaho Treatment Center, which is a specialized provider of services for the most severely impaired clients in the state. This program serves only the clients who have no other placement options due to severe behavioral or medical issues.

MOTION:

Original Motion: Moved by **Sen. Riggs**, seconded by **Rep. Nash**, for the Department of Health and Welfare for the Services for the Developmentally Disabled Division beginning with the FY 2022 Base add \$67,000 for benefit costs, remove \$13,600 for the statewide cost allocation, add \$363,700 for the change in employee compensation, and shift \$16,400 from the federal funds to the General Fund for changes in the Medicaid FMAP rate as requested in non-discretionary adjustments. Totals for this motion for FY 2022 are 303.71 FTP, \$13,990,100 for the General Fund, \$1,393,500 from dedicated funds, and \$17,664,700 from the federal funds; for a grand total of \$33,048,200.

CARRIED:

AYES: 18.

Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Bundy, Green, Nash.

NAYS: 0.

ABSENT/EXCUSED: 2.

Amador, Giddings.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

LSO STAFF

PRESENTATION:

DEPARTMENT OF HEALTH AND WELFARE - Indirect Support Services, LBB 2-23. Jill Randolph, Senior Analyst

Ms. Randolph introduced the budget for the Department of Health and Welfare, Indirect Support Services division. This division provides administrative functions for the Department of Health and Welfare including the Office of the Director, Office of Legal Services, Office of Human Resources, Division of Information Technology Systems, and the Division of Management Services, which includes the financial services, and Bureau of Compliance and Bureau of Operational Services.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad**, for the Indirect Support Services division, beginning with the FY 2022 Base add \$80,700 for benefit costs, \$187,100 for state-wide cost allocation, and add \$482,100 for the change in employee compensation. The totals for this motion for FY 2022 are 288.60 FTP, \$19,695,200 from the General Fund, \$3,380,900 from the dedicated funds, and \$24,683,600 from the federal funds; for a grand total of \$47,759,700.

CARRIED: **AYES: 19.**
Bair, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Troy, Horman, Syme, Nate, Giddings, Bundy, Green, Nash.
NAYS: 0.
ABSENT/EXCUSED: 1.
Amador.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

UNANIMOUS CONSENT: Requested by **Rep. Troy**, granted by unanimous consent, the following language was accepted:

SECTION __. MEDICAID TRACKING REPORT. The Department of Health and Welfare Divisions of Medicaid and Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal years anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - Independent Councils, LBB 2-19. Jill Randolph, Senior Analyst.**

Ms. Randolph introduced the budget for the Department of Health and Welfare, Independent Councils division. There are two councils within this division. The first is the Developmental Disabilities Council, which was established to ensure that those with developmental disabilities receive the services and systems necessary to achieve maximum independence, productivity and integration into the community. The second council is the Domestic Violence Council, which was established to ensure that availability of assistance for victims of crime with a focus on programs assisting victims of domestic violence, sexual assault or child abuse.

MOTION: Original Motion: Moved by **Rep. Bundy**, seconded by **Sen. Riggs**, for the Department of Health and Welfare, for the Division of Independent Councils beginning with the FY 2022 Base, add \$2,600 for benefit costs, and add \$16,300 for change in employee compensation. Also included is line-item 7, which provides 1 FTP and \$85,900 for a grant supervision position for the Domestic Violence Council. The totals for FY 2022 are 12.00 FTP, \$208,200 from the General Fund, \$569,900 from the dedicated funds, and \$13,806,300 from the federal funds; for a grand total of \$14,584,400.

CARRIED: **AYES: 16.**
Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 2.
Crabtree, Amador.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

LSO STAFF PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE - Licensing and Certification, LBB 2-71. Jill Randolph, Senior Analyst.**

Ms. Randolph introduced the budget for the Department of Health and Welfare, Independent Councils division. This division surveys, inspects, licenses, and certifies health care facilities that require such certification or licensure by either the state or federal requirements. The program investigates complaints, conducts on-site surveys and takes licensure action to protect the health and safety of vulnerable people receiving health related services and supports.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Agenbroad**, for the Department of Health and Welfare for the Licensing and Certification Division, beginning with the FY 2022 Base, add \$18,500 for benefit costs, remove \$500 for statewide cost allocation, and add \$112,400 for change in employee compensation. The totals for this motion for FY 2022 are 71.9 FTP, \$2,074,900 from the General Fund, \$866,700 from the dedicated funds, and \$4,811,600 from the federal funds; for a grand total of 7,753,200.

CARRIED: **AYES: 16.**
Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Syme, Bundy, Green, Nash.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 2.
Crabtree, Amador.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so

ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Troy**, granted by unanimous consent, the following language was accepted:

SECTION __. REPORTS ON FACILITY LICENSING AND CERTIFICATION. The Licensing and Certification Program shall provide biannual reports to the Legislative Services Office and the Division of Financial Management on the status of facility licensing and certifications as well as staff workload and caseload issues. The format of the report and the type of information included therein shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2021, and the second report shall be submitted no later than June 30, 2022.

**LSO STAFF
PRESENTATION:**

**DEPARTMENT OF HEALTH AND WELFARE - Division of Medicaid,
LBB 2-27. Jared Tatro, Principal Analyst.**

Mr. Tatro introduced the budget for the Department of Health and Welfare, Division of Medicaid. The Division of Medicaid includes five budgeted programs. The Medicaid Administration and Medical Management Program, which manages the personnel costs and the operating expenditures for the Division of Medicaid. The Coordinated Medicaid plan, which handles those eligible for Medicaid and Medicare. The Enhanced Medicaid Plan, which is foster care children and primarily those that are disabled. The Basic Medicaid Plan which is the children's program, as well as pregnant women. And the Expansion Medicaid Plan, which is for those that have an income of less than 138% of the federal poverty limits. The current year appropriation is for \$3,115,077,600. The agency is requesting a 15.2% increase, and the Governor is recommending the same percentage for a \$3,587,766,200. However there are two line-items that are subject to legislation, line-items 1 and 11.

**SUBSTITUTE
MOTION:**

Original Motion: Moved by **Rep. Nate**, seconded by **Sen. Giddings**, for the Department of Health and Welfare for the Division of Medicaid, beginning with the FY 2021 estimated expenditures, remove \$63,482,800 in one-time expenditures, then remove \$89,843,300 for base adjustments related to the various supplemental, add \$56,300 for benefit costs, reduce \$3,400 for the statewide cost allocation, add \$295,500 for the change in employee compensation, and add \$250,461,300 for the non discretionary adjustments. Then provide for the following line-items: add \$763,700 for the electronic visit verification in line-item two, add \$935,000 for the patient access and interoperability in line-item three, add \$424,000 for managed care accountability and auditing in line item four, add \$3,400,000 for the veterans services payment methods in line item eight, add line item 11 to reduce the \$12,500,000 from the General Fund to align with the Governor's recommendation, and then add line-item 13 to reduce the \$163,600 and change \$300,000 from ongoing to one-time for funding that was appropriated in 2019 for Medicaid expansion added requirements. The totals are 213.00 FTP, \$733,529,900 from the General Fund, \$418,487,900 from dedicated funds, and \$2,386,968,000 from federal funds. For a grand total of \$3,538,985,800.

MOTION:

Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Amador**, for the Department of Health and Welfare for the Division of Medicaid beginning with FY 2022 Base add \$56,300 for benefit costs, decrease \$3,400 for statewide cost allocation, add \$295,500 for the change in employee compensation, add \$408,641,300 for non discretionary adjustments, add \$763,700 for the electronic visit verification in line-item 2, add \$935,000 for the patient access inter-operability in line-item 3, add \$424,000 for managed care, accountability, and auditing in line-item 4, add is \$3,400,000 for the veteran services payments methods in line-item 8, reduce the \$12,500,000 from the General Fund to align with the Governor's recommendation in line-item 11. Then add line item 13 to reduce the \$163,600 and change \$300,000 from ongoing to one-time for funding that was appropriated in 2019 for Medicaid expansion added requirements. The totals for FY 2022 are 213.00 FTP, \$769,728,500 from the General Fund, \$418,487,900 from the dedicated funds; \$2,545,148,000 from federal funds. For a grand total of \$3,733,364,400.

**VOTE ON
SUBSTITUTE
MOTION
—CARRIED:**

AYES: 17.

Bair, Agenbroad, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye, Youngblood, Horman, Amador, Amador, Syme, Bundy, Green, Nash.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 1.

Crabtree.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Sen. Agenbroad**, granted by unanimous consent, the following language was accepted:

MEDICAID TRACKING REPORT. The Department of Health and Welfare's Divisions of Medicaid and Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

MEDICAID MANAGED CARE IMPLEMENTATION. The Division of Medicaid shall provide a report to the Legislative Services Office and the Division of Financial Management on progress in integrating managed care approaches into the state Medicaid system. The format of the report and information contained therein shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 1, 2021.

TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments

expense class in the Division of Medicaid may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, Expansion Medicaid Plan, and the Medicaid Administration and Medical Management Programs, but shall not be transferred to any other budgeted program or expense class within the Department of Health and Welfare during fiscal year 2022

COST-SHARING REQUIREMENT. The Department of Health and Welfare shall implement cost-sharing in the Division of Medicaid, as required by Section 56-257, Idaho Code, to the maximum extent that is federally allowable for the expanded population of children whose families' gross taxable income exceeds one hundred eighty-five percent (185%) but does not exceed three hundred percent (300%) of the federal poverty limit (FPL), for Medicaid-eligible services as identified in House Bill No. 43, as enacted by the First Regular Session of the Sixty-fourth Idaho Legislature.

BUDGET INTEGRITY. Notwithstanding any other provision of law to the contrary, and consistent with its cost containment strategy, the Department of Health and Welfare's Division of Medicaid shall submit its budget request in accordance with applicable Idaho Law as of the date of submission. This section does not prohibit the agency from making requests of the legislature that would impact any portion of the department's budget. However any proposed changes to Idaho Code with an anticipated budgetary impact shall be identified in narrative form only, without numerical entries. Further, the department shall submit its budget request based on the forecasted amount for the most recent month available from the report identified in subsection _ of this bill, and for the estimated needs of maintaining operations of the division.

ADJOURN: There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:53 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary