

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Thursday, March 03, 2022

TIME: 3:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Martin, Vice Chairman Riggs, Senators Heider, Lee, Harris, VanOrden (Bair), Zito, Stennett, and Wintrow

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairman Martin** called to order the Senate Health and Welfare Committee (Committee) at 3:07 p.m.

Chairman Martin explained there were a couple bills on the agenda that were already presented and testified on and there would be no additional public testimony.

H 601 **RESIDENTIAL CARE AND ASSISTED LIVING - Amends existing law to provide that a residential care or assisted living facility resident shall be entitled to in-person visitation subject to certain precautions.**

VOTE: **Senator Zito** moved to send **H 601** to the floor with a **do pass** recommendation. **Vice Chairman Riggs** seconded the motion.

DISCUSSION: **Senator Wintrow** stated her sticking point on the bill was the vaccination piece and thought the other bill was broader and more comprehensive. **Senator Stennett** stated the other bill that passed also included hospitals and allowed for an essential caregiver of choice to accompany the patient. **Chairman Martin** explained he felt the bill that was passed was comprehensive and this bill was more restrictive in facilities. **Senator Zito** stated she thought the 2 bills dealt with separate issues. **Senator Lee** relayed she thought **H 601** dealt specifically with assisted living centers because they were regulated by the State and the other bill addressed everyone but in a different way.

ROLL CALL VOTE: **Chairman Martin** called for a roll call vote on the motion to send **H 601** to the floor with a **do pass** recommendation. **Vice Chairman Riggs, Senators Lee, VanOrden, and Zito** voted aye. **Chairman Martin, Senators Heider, Stennett, and Wintrow** voted nay. **Senator Harris** was absent for the vote. The motion failed.

S 1350 **HEALTH - Amends and repeals existing law to provide for an increase in hospital assessments and to fund certain Medicaid expenses.** **Juliet Charron**, Medicaid Administrator, Department of Health and Welfare (DHW) introduced herself to the Committee. She provided details of the current statute and the proposed legislation to address the Medicaid funding shortage. (see Attachment 1)

DISCUSSION: **Senator Wintrow** asked about the funding and the connection between home and community based service providers and the hospitals. **Ms. Charron** replied they could use ARPA funds through FY 2023 then the new formula would increase hospital assessments which in turn increased the federal funds that would be received. **Senator Wintrow** asked what the amount of money was being reverted each year for the last 5 years from Medicaid. **Ms. Charron** responded she did not have those numbers but could get the information for the Committee.

TESTIMONY: **Brian Whitlock** President/CEO, Idaho Hospital Association (IHA) introduced himself to the Committee. He stated this was a complex and confusing issue. The IHA was asked to assist Idaho with Medicaid cost increases. This legislation details how the costs would be covered by the hospitals through a tax to begin in FY 2025. It was recently learned that the anticipated American Rescue Plan Act (ARPA) funds would no longer be available to cover this starting FY 2024. **Mr. Whitlock** stated the hospitals had been asked to begin the assessment in 2024. He offered that if the public health emergency continued through November, 2022, there would be two additional quarters of ARPA funds, equalling \$66M, which could then cover the amount needed for 2024. The new calculations method had not been approved by the Center for Medicaid and Medicare Services (CMS) yet and he was unsure whether the Upper Payment Limit (UPL) would generate the anticipated amount of funds. **Mr. Whitlock** stated he hoped the hospital tax would fill the gap and suggested the needed to be a contingency plan.

DISCUSSION: **Senator Zito** asked for clarification on this being tied to state of emergency funds and how that affects the bill. **Mr. Whitlock** provided details on how the Secretary of Health and Human Services (HHS) had declared a public health emergency due to COVID and an enhanced payment was made to every state of 6.2% in additional Medicaid match. **Senator Wintrow** asked what the impact would be on the hospital. **Mr. Whitlock** stated hospitals may have to borrow the money to pay the assessments up front. **Senator Wintrow** asked about the timing of this causing stress. **Mr. Whitlock** replied that January and February of 2022 had been the most financially difficult months for hospitals. They had missed budget by 40-80% in January and smaller hospitals lost \$1-2 million in the first 4 months of the fiscal year. This bill would make it really hard for hospitals. **Senator Zito** asked if there were specific reasons why hospitals were below budget. **Mr. Whitlock** stated contract labor costs, prescription drug and supply increases. He stated volumes were down and labor way up. **Senator Lee** stated Rule 39(h) declaration of possible conflict as she served on a community hospital board. She explained there was a challenge in Idaho paying for these services and reverted money was added to the Medicaid budget because of expanded Medicaid costs. She stated the Joint Finance-Appropriations Committee (JFAC) could address needs as they go forward.

Ms. Charron followed up by stating the need to support home and community based services providers was absolutely critical. She appreciated what Mr. Whitlock said about our hospitals and recognized the challenges they were going through. **Ms. Charron** reiterated the current gap and payment information from her presentation.

MOTION: **Senator Lee** moved to send **S 1350** to the floor with a **do pass** recommendation. **Senator Heider** seconded the motion.

DISCUSSION **Senator Wintrow** stated she differs with Senator Lee on the issue. Money had been reverted many times and thought the request from Mr. Whitlock should be examined to ensure we had the money going forward without adding stress.

VOTE: Motion carried by **voice vote**. **Chairman Martin, Senators Stennett, and Wintrow** requested they be recorded as voting nay.

S 1356: **Committee Vote on: EXTENDED EMPLOYMENT SERVICES PROGRAM - Repeals and adds to existing law to move the Extended Employment Services Program for the State Board of Education to the Department of Health and Welfare.**

MOTION: **Senator Heider** moved to send **S 1356** to the floor with a **do pass** recommendation. **Senator Zito** seconded the motion.

DISCUSSION: **Senator Wintrow** stated she did not support due to fiscal note issues, using the general fund, and putting people on wait lists. **Senator Martin** agreed the fiscal note needed work. **Senator Stennett** stated she did not support taking money from the GF. **Senator Lee** stated concerns about the fiscal note and did not believe this was the way to get there.

SUBSTITUTE MOTION: **Senator Lee** moved to hold **S 1356** in Committee. **Senator Wintrow** seconded the motion.

DISCUSSION: **Senator Lee** stated the bill was good and necessary but needed to be held to continue discussions to ensure payment was correct. **Chairman Martin** stated these were the most at need people in the State and there was a need to make sure they got services the right way.

VOTE: Motion carried by **voice vote**. **Senators Heider, and VanOrden** requested they be recorded as voting nay.

S 1329 **Committee Vote on: HEALTH AND WELFARE - Repeals and adds to existing law to establish the Extended Employment Services Program in the Department of Health and Welfare.**

MOTION: **Senator Lee** moved to hold **S 1329** in Committee. **Senator VanOrden** seconded the motion.

DISCUSSION: **Chairman Martin** and **Senator Lee** agreed the move to DHW was needed and hoped for a new collaborated bill.

SUBSTITUTE MOTION: **Senator Wintrow** moved to send **S 1329** to 14th Order of Business for possible amendment. **Senator Stennett** seconded the motion.

DISCUSSION: **Senator Wintrow** believed there was still time to pass the bill this year with compromise. **Senator Zito** stated more time was needed to make changes and implement correctly and supported holding the bill in Committee.

ROLL CALL VOTE: **Chairman Martin** called for a roll call vote on the substitute motion to send **S 1329** to the 14th Order of Business for possible amendment. **Vice Chairman Riggs, Senators Stennett, and Wintrow** voted aye. **Chairman Martin, Senators Heider, Lee, Harris, Van Orden, and Zito** voted nay. The substitute motion failed.

VOICE VOTE: Chairman Martin announce they would vote on the original motion to hold in Committee. The motion carried by **voice vote**. **Senator Wintrow** requested to be recorded as voting nay.

S 1346 **HEALTH - Adds to existing law to provide for maximum fees that health care providers may charge for medical records requests. Senator Doug Ricks** introduced himself to the Committee. He stated some hospitals contracted out to third parties for records management and that Idaho was the only state that had no legislation regarding a cap on costs for medical records supplied by them. Senator Ricks identified the need to make a minor modification and asked to send **S 1346** to the 14th Order of Business for possible amendment.

DISCUSSION: **Toni Lawson**, Idaho Hospital Association, introduced herself to the Committee. She stated hospitals already had HIPAA and IDAPA rules on limits on what could be charged. She stated if the real issue was third parties there was language that could be added to existing rules to make them applicable to third parties and would be consistent with hospital current practices.

VOTE: **Senator Zito** move to send **S 1346** to 14th order of Business for possible amendment. **Senator VanOrden** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Martin** adjourned the meeting at 4:10 p.m.

Senator Martin
Chair

Lena Amoah
Secretary