MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: Wednesday, April 03, 2019

TIME: 9:00 A.M. **PLACE:** Room EW42

MEMBERS: Chairman Wood, Vice Chairman Wagoner, Representatives Vander Woude, Gibbs,

Blanksma, Kingsley, Zollinger, Christensen, Green(2), Lickley, Chew (Toevs),

Rubel, Davis (Page)

ABSENT/ EXCUSED: Representative(s) Christensen

GUESTS: The sign-in sheets will be retained with the minutes in the committee secretary's

office until the end of the session. Following the end of the session, the sign-in

sheets will be filed with the minutes in the Legislative Services Library.

Chairman Wood called the meeting to order at 9:01 a.m.

MOTION: Rep. Lickley made a motion to approve the minutes of the February 26, March 19,

20, and 22, 2019, meetings. Motion carried by voice vote.

Chairman Wood welcomed everyone and reviewed the meeting decorum. He also

welcomed substitute Reps. Page and Toevs to the committee.

S 1204aa: Rep. Vander Woude, District 22, presented **S 1204aa**, for Medicaid expansion.

This legislation is similar to **H 277**. The differences include the option to go on the health exchange, a six-month work requirement reporting period, and a retroactive

time frame increase to ninety days.

Answering questions, he stated no work training program is included at this time. The confusion regarding the differences between the work reporting requirement and the Supplemental Nutrition Assistance Program (SNAP) may have to be clarified with an amendment. Managed care is not a specific process. He indicated

his unfamiliarity with the fiscal note and its development.

Fred Birnbaum, Idaho Freedom Foundation, testified **in support** of work requirements, and **in opposition** to **S 1204aa**. Managed Medicaid costs are fee-for-service, a type of cost used sparingly in Idaho. Persons already working meet the work requirements. The exemptions are listed, generous, and have nominal work requirements, which is consistent with Proposition 2 supporters.

Testifying in opposition to S 1204aa were Dr. Martha Lund, Self, Retired OB-GYN, American Association of University Women; Dena Duncan, Self; Lori Burelle, South West Idaho Chapter, National Organization for Women; Tracy Olson, Self; Rebecca Schroeder, Executive Director, Reclaim Idaho; Caroline Merrit, Close the Gap Idaho; Christine Pisani, Executive Director, The Idaho Council on Developmental Disabilities; Ceci Thunes, Idaho Behavioral Health Alliance; Joyce Witzel, Self; Kathie Garrett, National Alliance on Mental Illness; Sam Sandmire, Self; Maya Buehr, Self; Jim Giunre, Self; Francoise Cleveland, Associate State Director, Advocacy, American Association of Retired Persons, Idaho; Rita Sherman, Self; Diane Jensen, Self; Stephanie Hanson, Self; Mark Andersen, Self; John Segar, Self; Roberta Damico, Self; Sue Reents, Self, Past Idaho Senator.

Their statements included concerns regarding the family services referral, which removes a woman's freedom to visit her obstetrician-gynecologist.

They stated Medicaid is not designed as a work program and does not have the SNAP statutory authority. SNAP recognizes the heavy burden finding work is on Idahoans aged fifty to fifty-nine with an exemption age beginning at forty-nine. The committee was asked to decrease the age to mirror the SNAP work requirement. Other ways to help people improve their income would include raising the minimum wage, expanding job training programs, and improving rural school programs. Work training programs would be better than work requirements. Work and transportation opportunities provided as a collaboration between the city of Boise and the Interfaith Sanctuary have shown the success of giving persons a hand up instead of a hand out.

Testifiers expressed their belief that there is no hard evidence or documentation to support the concept of work hour reporting creating incentives. Family caregivers face reduced paid employment due to the amount of time needed to care for their family members. The work requirement costs could better be used to fund a voluntary work promotion program and provide substance abuse support. Retail employers offer only scattered working hours over which the workers have no control. Medical conditions can impact a person's ability to both work and be insured. The assumption regarding Medicaid participants not wanting to work is incorrect. The committee was asked to write a bill, separate from Medicaid expansion, to address work issues. This is not the in-depth study and consideration the voter request deserves. The committee was asked to address the issues keeping persons within the poverty level and form a committee of stakeholders to review issues which may arise after funding a clean expansion.

They shared their point of view that the amendments do not enhance the original bill and add costly provisions and intrusive government bureaucracy, which is contrary to the Idaho way. Good legislation takes time and this is being rushed. The many Senate amendments led to the original sponsor removing his sponsorship. Unproven programs are not an investment. The community and hospital impact is of concern. Other states, having failed with sideboards, have opted to do a clean expansion. This is a non-partisan issue. This and previous legislation have not been in line with the 2019 Executive Order called the Red Tape Reduction Act. The Legislature is choosing to fund other entities while not funding the Medicaid expansion. The fiscal note details and costs are incomprehensible.

Testifiers opined the only legislation needed is to fund Proposition 2 through the existing appropriations bill. Clean expansion is compassionate and economically feasible. Idahoans want people to work if they are physically able; however, Proposition 2 is not a work bill, it is a medical bill. Multiple changes are not the way to write policy, are costly for taxpayers, and are not what was requested by the voters. Proposition 2 was written on one page and funding was found, so these changes are not required for its implementation. The Department of Behavioral Health has lost some of its mental health funding in anticipation of Medicaid expansion. This will impact services. Persons with mental illness are able-bodied but have difficulty working and finding work that does not impact their illness. This group is one of the least likely groups to do well under this program.

MOTION: Rep. Blanksma made a motion to send **S 1204aa** to General Orders.

Ms. Lori Wolff, Deputy Director, Department of Health & Welfare (DHW) and **Ms. Lisa Hettinger**, Deputy Director, DHW, were invited to answer questions. Ms. Wolff stated they support the Legislative Services Office (LSO) fiscal analysis (See attachment 1). Ms. Hettinger said they had no input in **S 1204aa's** fiscal note and were unaware of how the managed care reference was crafted. The two parts of managed care within the legislation place individuals into programs and provide referrals for family planning services.

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Ms. Hettinger stated she was unaware of any waiver requests having been submitted for these types of work requirements and copayments (copays). The recent judicial ruling for work requirements involved two work programs which entirely removed persons from eligibility. This approach moves them to a different part of the Medicaid program.

SUBSTITUTE MOTION:

Rep. Rubel made a substitute motion to HOLD S 1204aa in committee.

Speaking to the motion, **Rep. Rubel** said the LSO-prepared fiscal information indicates a \$4.1M work program cost which is not the same amount as the legislation's fiscal note. These funds would be spent for the referrals, work requirements, thirteen additional staff, and additional red tape requirements for copays from \$4 to as high as \$10. No one in any other business, who is in their right mind, would spend this amount of money for such a small end result. This is an important issue which should be discussed thoroughly. Amendments presented just prior to voting on the floor will not have time for proper development and will not allow time to prepare any defense, explanation, or supporting data. The funding legislation already exists and can be approved, ceasing the haphazard continuation of this issue.

VOTE ON SUBSTITUTE MOTION:

Chairman Wood called for a vote on the substitute motion to HOLD S 1204aa in committee. The motion failed by voice vote. Reps. Rubel, Page, and Toevs requested they be recorded as voting AYE.

ORIGINAL MOTION:

Chairman Wood called for a vote on the original motion to send S 1204aa to General Orders. Motion carried by voice vote. Reps. Rubel, Page, and Toevs requested they be recorded as voting NAY.

Chairman Wood put the committee at ease at 10:26 a.m.

While at ease, the committee thanked our page, **Cathleen Wonacott**, for all of her work during the second half of the session.

Chairman Wood called the meeting to order at 10:28 a.m.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 10:29 a.m.

Representative Wood	Irene Moore
Chair	Secretary