

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Monday, February 10, 2020

TIME: 3:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Martin, Vice Chair Souza, Senators Heider, Lee, Harris, Burtenshaw, Bayer, Jordan, and Nelson

ABSENT/EXCUSEDNone

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 meeting of the Senate Health and Welfare Committee (Committee) at 3:00 p.m.

MINUTES APPROVAL: **Senator Burtenshaw** moved to approve the Minutes of January 21, 2020. **Senator Lee** seconded the motion. The motion carried by **voice vote**.

Senator Lee moved to approve the Minutes of January 22, 2020. **Senator Heider** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT VOTE: **Senator Heider** moved to send the Gubernatorial reappointment of Dr. John MacMillan to the Board of Environmental Quality to the floor with a recommendation that he be confirmed by the Senate. **Senator Nelson** seconded the motion. The motion carried by **voice vote**. Senator Heider will carry the reappointment to the floor.

H 351 **Matt Wimmer**, Administrator of the Division of Medicaid, Department of Health and Welfare (Department), presented **H 351**. See attachment 1. **Mr. Wimmer** explained that the bill presents two challenges. The first challenge is to manage Medicaid spending in the short term by reducing General Fund needs for fiscal years 2020 and 2021, as requested by Governor Little. The bill would allow reductions in hospital payments and temporarily increase assessments for nursing facilities. See attachment 2. The second challenge of the bill addresses the need for better budget management for Medicaid. Currently, both hospitals and nursing facilities are paid based on their costs and Medicaid is legally obligated to pay those costs. **Mr. Wimmer** said payments will take into account patient needs, quality of care, reasonable cost, and state budget limitations. More importantly, the bill establishes a payment structure that gives the Department better management tools and gives the Legislature better visibility and control over these elements of Medicaid spending.

DISCUSSION: In response to questions from Senators Harris, Lee, and Nelson, **Mr. Wimmer** discussed plan implementation, going over the budget, the timeframe for the new payment methodology, risk to nursing homes, and critical care hospitals.

TESTIMONY: **Steve LaForte**, Chairman of the local Idaho Health Care Association's (IHCA) Legislative Committee and Director of Strategic Operations for Cascadia Healthcare, testified in support of **H 351**. He stated he was excited for and committed to the work ahead in the coming months to craft a new reimbursement system and feels the current work has set the foundation to make Idaho a leader in value-based care delivery. **Mr. LaForte** also said he was appreciative of Mr. Wimmer and his team.

- DISCUSSION:** **Vice Chair Souza** inquired if Mr. LaForte was comfortable with the changes and losses. **Mr. LaForte** replied that his overall operating revenue will be decreased, but it was something he could work within. **Senator Lee** stated that in the past, the Legislature has struggled to implement provider increases, particularly in the rural areas with regard to employment. **Mr. LaForte** said he was excited about the new reimbursement system that will reward operators for doing what they need to do and to provide quality care for vulnerable adults.
- TESTIMONY:** **Jeff Morrell**, CEO of Intermountain Hospital, testified in support of this bill and the value-based reimbursement strategy. He said a bill was passed and signed by the Governor in 2015 that allowed them to have their cost based upon a percentage of Medicare funding and it seemed like a very stable methodology. He would like to see that continue.
- MOTION:** **Senator Nelson** moved to send **H 351** to the floor with a **do pass** recommendation. **Senator Jordan** seconded the motion.
- DISCUSSION:** **Senator Bayer** said she supports the bill, but reserves the right to change her mind on the floor. **Senator Lee** stated that she supports the motion and understands the implications to the state budget if some changes are not made. She also expressed her appreciation for everyone coming together to try to get a solution to address the problem. **Senator Harris** said that he also appreciates the work that has been done; however, he questions the value-based payment system but supports the motion.
- VOICE VOTE:** The motion to send **H 351** to the floor with a **do pass** recommendation carried by **voice vote**. Senator Bair will be the floor sponsor.
- RS 27645** **Senator Crabtree** said **RS 27645** relates to ambulance service districts. This legislation grandfathers any existing ambulance district and will only affect ambulance service districts formed after July 1, 2020. It mimics the current process in Idaho Code for fire districts and would require a vote of the people within a proposed district during the May or November election dates. This legislation would remove governance by the Board of County Commissioners and put in place an independent commission which would allow ambulances to operate across county boundaries.
- DISCUSSION:** **Vice Chair Souza** questioned why there were so many new sections on a simple bill. **Senator Crabtree** explained it was because of grandfathering in existing districts and mirroring another system.
- Senators Harris** and **Crabtree** discussed provisions regarding crossing state lines. **Senator Crabtree** also addressed Senator Jordan's concerns related to the independent commission, and existing cross jurisdictional agreements.
- MOTION:** **Vice Chair Souza** moved to send **RS 27645** to print. **Senator Lee** seconded the motion. The motion carried by **voice vote**.
- RS 27537** **Senator Lee** presented **RS 27537**. This resolution proclaims the month of May as Hidden Heroes Month in conjunction with Idaho's current recognition of Military Appreciation Month in May. It states findings and expresses support for military and veteran caregivers.
- MOTION:** **Senator Harris** moved to send **RS 27537** to print. **Senator Heider** seconded the motion. The motion carried by **voice vote**.

- RS 27693** **David Lehman** presented **RS 27693** on behalf of his client, The West Clinic, located in Pocatello. **Mr. Lehman** stated **RS 27693** creates a new board with two subspecialties: one being naturopathic doctors and the other, a registered naturopathic providers group. The reasoning for this is to have equal representation. The Board of Naturopathy, under the Bureau of Occupational Licenses, encompasses naturopathic doctors and practitioners not currently licensed under the Board of Medicine. He explained that this is to create a standard for naturopathic doctors that doesn't require a separate accreditation. This bill will enact a license on July 2021 so as to have time to promulgate rules.
- DISCUSSION:** In response to questions from Senator Bayer and Vice Chair Souza, **Mr. Lehman** discussed definitions and terminology of naturopaths, and reimbursements for certain titles.
- Senator Lee** said she thought it was agreed last year to regulate those who wanted to be under the Board of Medicine and those who did not, and asked why this is being heard again this year. **Mr. Lehman** said the people he represents do not want to be licensed under the Board of Medicine, but prefer to be under the jurisdiction of the Board of Occupational Licenses.
- Chairman Martin** stated that a promise was made last year to allow the Committee to consider this legislation again this year.
- MOTION:** **Senator Bayer** moved that **RS 27693** be held in Committee. **Senator Heider** seconded the motion. The motion carried by **voice vote**.
- RS 27576** **Mr. Lehman** presented **RS 27576** and stated he represented Idaho Voices for Children. The purpose of this RS is to have a hearing and begin the process to improve prenatal care. See attachment 3. This legislation would increase Medicaid coverage for children and for pregnant women. Idaho's rate of uninsured children is on the rise.
- DISCUSSION:** Comments from the Committee included suggestions that an informational hearing should be held, and that the data presented is no longer relevant.
- Senator Nelson** said he went to a conference on Medicaid for new legislators, and Idaho really is at the bottom of the ladder. He believes we should be making incremental progress. We're addressing the people on the exchange, not in Medicaid expansion and he would like to see the Committee move forward on this. **Senator Bayer** felt it would give false hope by printing a bill. It was suggested that Mr. Lehman schedule a presentation.
- MOTION:** **Vice Chair Souza** moved that **RS 27576** be held in Committee. **Senator Burtenshaw** seconded the motion. The motion carried by **voice vote**, with **Senators Jordan** and **Nelson** requesting they be recorded as voting nay.
- RS 27686** **Caroline Merritt**, on behalf of the Idaho Association of Chiropractic Physicians, stated **RS 27686** would allow a chiropractic physician to obtain patient-specific prescriptions for office use from a licensed, Idaho compounding pharmacy. Presently, chiropractic physicians certified in clinical nutrition must use an outsourcing facility or a 503B pharmacy to obtain the prescription drug products which they may administer.
- DISCUSSION:** **Senator Harris** asked if this is happening in other states. **Ms. Merritt** replied that she hasn't heard of this being an issue in other states; however, it came about because licensed Idaho chiropractic physicians were having trouble obtaining the medications they were requesting both in-state and out-of-state.
- MOTION:** **Vice Chair Souza** moved to send **RS 27686** to print. **Senator Jordan** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Martin** adjourned the meeting at 4:25 p.m.

Senator Martin
Chair

Margo Miller
Secretary

Juanita Budell
Assistant Secretary