House Health & Welfare Committee

Minutes
2009

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 14, 2009

TIME: 1:30 p.m.

PLACE: Room 228

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: None

GUESTS: Dennis Stevenson, Administrative Rules Coordinator; Maribeth Connell, AARP/CCTF; Kathie Barrett, IADDA; Larry Benten, Ellis & Assoc.; Lycia Egner; Nikki Carlson; Mary Marshall; Margaret Porter, SL Start, AAA; Andrea Rasmussen, Friends of Children & Families, Head Start; Trudy Cressy

With a quorum present, **Chairman Block** called the meeting to order and requested a silent roll call. The Chairman welcomed the members and guests and invited each member to give a brief introduction. The Chairman introduced the secretary, **Jennifer Coggins** and page, **Todd Beck.**

Chairman Block introduced **Dennis Stevenson**, Administrative Rules Coordinator, Dept. Of Administration, and invited him to present an overview on the rules process. Mr. Stevenson noted that administrative rules have the force and effect of law, and changes to rules are driven by changes to state and federal laws. Mr. Stevenson discussed the review role of the Legislative Branch and the committee; pending fee rules and temporary rules must be affirmed by concurrent resolution and rejected by omnibus resolution. Mr. Stevenson explained that the committee may reject all or part of a pending rule, but that pending rules automatically go into effect unless rejected by concurrent resolution.

Chairman Block discussed that rules process and that three subcommittees have been formed to review the administrative rules in addition to the main committee review. These subcommittees are as follows:

1. Rep. Pete Nielsen, Chairman
   Rep. Tom Loertscher
   Rep. Fred Wood
   Rep. Judy Boyle
   Rep. John Rusche

2. Rep. Janice McGeachin, Chairman
   Rep. Lynn Luker
   Rep. Steven Thayn
   Rep. Jeff Thompson
   Rep. George Sayler

3. Rep. Paul Shepherd
   Rep. Jim Marriott
   Rep. Marc Gibbs
   Rep. Sue Chew
   Rep. Branden Durst

Chairman Block noted that rules review will begin on Tuesday, January 20, 2009 and noted that the Speaker has requested rules review to be completed by the end of January.

ADJOURN: There being no further business to come before the meeting, the meeting was adjourned at 2:30 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 16, 2009

TIME: 11:00 a.m.

PLACE: Room 228

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Shepherd(8), Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: Rep. Loertscher; Rep. Marriott

GUESTS: Kandace Yearsley, Child Support Bureau Chief for the Department of Health and Welfare, Division of Welfare; Genie Sue Weppner, Program Manager in the Division of Welfare; Kathie Garrett, Idaho Academy of Physicians; Russ Barron, IDHW; Michael Pearson, IDHW; Ike Kimball, IDHW; Erica Feider, IDHW; Lindsay Russell, Governor's Office.

Chairman Block called the meeting to order and stated that a quorum was present. She welcomed the committee members and guests.

Chairman Block asked for approval of the standing committee meeting minutes from Wednesday, January 14, 2009. **Rep. Rusche** moved to approve the minutes from January 14, 2009. **Rep. Sayler** requested the following correction be made: end of the fourth paragraph; the word "to" should be changed to "by". **Motion to approve as corrected passed on voice vote.**

DOCKET # 16-0303-0801

Chairman Block invited **Kandace Yearsley**, Child Support Bureau Chief for the Department of Health and Welfare, Division of Welfare to present **Docket #16-0303-0801.** Ms. Yearsley stated that the Federal Deficit Reduction Act of 2005 requires states to assess an annual fee of $25.00 for each child support case for which the state collects $500.00 or more in payments during the federal fiscal year. This fee is not assessed to families who have received temporary assistance to needy families (TANF or TAFI in Idaho). This act allows the states the option to pay the fee, collect the fee from the custodial parent or collect the fee from the non-custodial parent.

In response to questions, **Ms. Yearsley** indicated that the goal of the state is to minimize the impact on children by assessing this fee to the non-custodial parent.

In response to questions from the committee, **Ms. Yearsley** stated that the $25.00 fee is not part of any court order for child support but the fee is assessed to the family when they begin the program. This is a federal requirement and the state does not have any say regarding the $25.00 fee.

In response to questions, **Michael Pearson** from the Idaho Department of Health and Welfare responded that the State of Idaho owed $412,000 to the federal government for this last year for fee collection. This is an ongoing expense that is assessed annually. The $25.00 fee is not taken until the $500.00 is paid to the family and then the fee is assessed. This fee is in addition to child support payments that the state collects.

Ms. Yearsley replied in response to questions that the Governor drafted a letter to discuss exempting Idaho from collecting this fee to the Federal Government but at this time she did not know what the response to the letter was. **Lindsay Russell** from the Governor's office stated that she would check into the response.

MOTION: **Rep. Rusche** moved that the Legislature approve **Docket #16-0303-0801.** During discussion on the motion, **Rep. McGeachin** encouraged support of the bill since this is a federal mandate. **Rep. Nielsen** clarified the point that if the rule is rejected, the state would have to pay the $412,000 to the federal government. A question was asked if there were any other penalties the state would have to pay if the state does not collect the $25.00 fee. **Ms. Yearsley** stated that anytime the state does not follow federal mandate, the state risks losing the federal grant.

SUBSTITUTE MOTION: **Rep. Boyle** moved that the decision on the motion be postponed until the end of the meeting to allow time to hear back on what the response was to the Governor.

During the discussion, **Lindsay Russell** stated that it was determined that the Governor had never received a response from the federal government. **Rep. Boyle** withdrew her motion to postpone the decision on the motion. **Substitute Motion is withdrawn**.

Rep. Rusche moved to accept **Docket #16-0303-0801**. **Rep. Nielsen** stated his concerns that collecting the $25.00 fee is taking it from the children, but since the state would have to pay the fee to the government, it would come out of the system anyway. **Rep. Durst** was excused from voting on the issue due to conflict of interest. **Motion passed on voice vote**. **Rep. Boyle** voted in opposition to the motion.

DOCKET # 16-0416-0802 **Chairman Block** recognized **Genie Sue Weppner**, Program Manager in the Division of Welfare. Ms. Weppner discussed the Weatherization Assistance Program which enables low income families to permanently reduce their energy bills by making their homes more energy efficient. By reducing the energy bill of low income families instead of offering aid, the program reduces dependancy and liberates these funds for other pressing needs. These rules need to be aligned with current federal assistance regulations governed by the Federal Department of Energy. The update will also add required sections of Idaho's Administrative Procedures Act.
Due to the extensive changes necessary to accomplish these requirements, this chapter will be rewritten to align with federal and state regulations.

Ms. Weppner clarified in response to questions that this program uses only federal money and is administered by the state for the federal government. Federal poverty guidelines are the same except they mirror what the energy assistance guidelines are. The language is minimum of 125% but the maximum can be set higher than that. Department of Energy funds are used to administer this program and the cost to the state is zero. Ms. Weppner stated in response to questions that the state is divided into regions that each weatherization office operates in. These changes to the rules are to comply with the federal requirements or standards the agency is expected to meet. The utility companies provide additional funding to the weatherization program which they use to further assist more families. The weatherization program helped 1399 families last year in the State of Idaho and spent $4.7 million dollars. $8 million is the current fund total available for the next year. They have very sophisticated technology that checks each home and determines how much energy consumption is used and what measures they can do to make it as energy efficient as possible. Radon was brought up as a concern with homes becoming more airtight and if radon is addressed in the program. Ms. Weppner was not sure whether radon is addressed and stated they do address health and safety issues such as lead and mold.

MOTION: **Rep. Rusche** moved to accept **Docket #16-0416-0802. Motion passed on voice vote.**

DOCKET #16-0416-0801 **Ms. Weppner** stated that the purpose of **Docket #16-0416-0801** is to align the chapter with federal and state regulations by repealing it.

MOTION: **Rep. Nielsen** moved to accept **Docket #16-0416-0801. Motion passed on voice vote.**

The next meeting will be Tuesday, January 20th at 1:30 p.m. in Room 228.

ADJOURN: There being no further business before the committee, the meeting adjourned at 12:55 p.m.

Representative Sharon Block	Jennifer Coggins
Chairman	Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 20, 2009

TIME: 1:30 p.m.

PLACE: Supreme Court Building, Lincoln Room

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: None

GUESTS: Leslie Clement, Administrator, Division of Medicaid; Richelle Tierney; Jonathan Ball; Barbara Ball; Katherine Hansen, IADDA; Greg Dickerson, MHPAI; Michelle Weaver, IADDA; Tony Smith; Tawni Robinson, Riverside Rehab; Lee Bardon, Riverside Rehab; Kelly Keele, Children's Supportive Services; Kathie Garrett, IADDA; Jim Baugh, Co-Ad; Tracy Warren, Idaho Council on Developmental Disabilities; Amy Castro, LSO; Dick Schultz, Health and Welfare; Marilyn Sword, Idaho Council on Developmental Disabilities; Kristen Stewart Bums, Health and Welfare; Dwight Whittaker; Mike Brassey, St. Lukes RMC; Rosie Andueza, Health and Welfare; Jeff Celeh, St. Lukes; Bill Ruder, PHRMA; Christine Bayliis, Health and Welfare; Michael C. Wilson, Inclusim, Inc.; Kathy McGill, Health and Welfare; Russ Barron, Health and Welfare; Drew Hall, Health and Welfare; Russ Newcomb, IMA; Kelly Buckland, S.I.L.C.; Genie Sue Weppner, Health and Welfare; Erica Feider, Health and Welfare, Sarah Stover, LSO.

Rep. Block welcomed committee members and guests. Rep. Block stated that this is an informational meeting only and pro and con testimony will not be taken today but will be allowed next Monday, January 26, 2009. Rep. Block read over the rules of decorum for legislative hearings.

Rep. Block welcomed **Leslie Clement**, Administrator, Division of Medicaid who presented an overview of the 2009 Holdbacks and related policy changes along with an overview of the 2010 budget and related policy changes.

Ms. Clement gave an overview of the color coded matrix handout that explains the actions that are needed to implement the budget holdbacks. Many changes proposed here will also required federal approval in order to move forward.

In September the agency was asked to hold back 1% of their general funds budget. In December the agency was asked again by Gov. Otter to hold back another 3%. The agency has reduced their budget as directed by first looking at administrative reductions that could be made and then trustee and benefits reductions. These consisted of reducing hospital interim payments and making three behavioral health reductions.

For the 2010 budget, Medicaid was directed to further reduce its budget by

another 2%. Medicaid is hopeful that a stimulus package would bring some relief through an enhanced federal match but there will be additional cuts to the budget made. Should these holdbacks fail legislative approval, Medicaid may hold claims for all providers to get them out of the 2009 budget year.

Rep. Block commended **Ms. Clement** for her hard work and presentation.

In response to questioning, **Ms. Clement** stated that in the slide presentation that was handed out, the figures for total savings are listed.

Ms. Clement further indicated that she has not spoken to the Department of Labor and does not know what impact these cuts would have on jobs.

Ms. Clement stated that Medicaid has met with the nursing home industry and they are interested in a nursing home tax, which relieves the state general fund and whereby the industry can use to leverage federal dollars. Physicians have not welcomed this approach in the past but they are more open now to working with Medicaid. There is some renewed interest in the CAT fund this year.

Ms. Clement stated the statute passed last year did not consider the use of disproportionate share and some minor changes need to be added to the legislation. Transportation services to behavioral health agencies would be for medical appointments but are not ambulance transportation services.

Ms. Clement stated the changes to the mental health process were very well thought through during a long process. The policy coming before the committee really raises the standard. Medicaid does not believe the benefit reductions will result in higher costs and more hospitalizations. They have made a great deal of effort in this process and do not want to tear down the programs. Medicaid will be tracking the data of those persons whose services are reduced to ascertain how the benefits are affecting them. Any increase in costs of medical expenses would be an unintended result.

Ms. Clement stated that Medicaid realizes that it cannot always be the answer to the problems and there can be a tendency to make it so. There is a place for clinics and faith based programs and the state wants to work with them.

Ms. Clement stated in response to further questioning that the upper payment methodology exists today and has for several years. Smaller hospitals has been using this for a number of years. Medicaid has been through a grueling federal process to get approval for the state program.

Ms. Clement stated that there has not been a management reduction analysis within this review. Medicaid has looked at this in the past. The medicaid division has been working hard on performance objectives, measuring workload, streamlining processes. Medicaid has not eliminated any full time staff positions at this point. Medicaid has eliminated temporary state job positions and cut them in half. When there is a vacancy, a manager is not allowed to fill it but the position is reviewed and a justification is given for that position. If sufficient evidence is not given, Medicaid will move and reallocate staff. All our outside administrative contracts have been reduced and are shifting work to state staff but Medicaid is not asking for

additional resources to accomplish this.

Ms. Clement stated that the independent assessment contractor contracts are to be reduced by $5 million this year. These services are provided for adults with developmental disabilities. The contract was initiated to provide an independent assessment to ascertain what their needs are. Our experience was that it was important to eliminate a conflict of interest. If you are a service provider providing assessment and then turning around providing those services, it could be a conflict of interest. Therefore an outside source could look at the needs and assess it objectively. These independent assessors deny about 20% of those who come and apply for help. Upon review of these decisions, 10% have been evaluated as eligible for the programs. Those who are borderline are more closely looked at and others are reevaluated extensively every 3 to 4 years. These changes have to do with budget reviews. There was a lot of push from many service providers and families that said my disabled adult child's condition has not changed and to go through this full blown assessment year after year did not make sense. Medicaid now does a 2 tier assessment. For those whose condition remains the same, a small assessment is done every 3 - 4 years. For those who are border line, a full blown assessment is done more frequently. This information does need to be expressed to the public so they are aware of what is being provided.

Ms. Clement stated she did not know if the 4% holdbacks represent a loss of federal dollars and if so, how much. She will obtain those figures for the committee. Most of the benefit reductions are in the basic plan because of the significant hospital reductions.

Ms. Clement stated that Medicaid does not think there is a supply issue in regards to incontinence supplies. Medicaid has met with Norco and discussed these supplies with them but they are not interested in handling that business anymore. It does not matter what the price is as they have moved their business into other areas. Medicaid does have several suppliers that can manage these supplies statewide as well through the mail and these suppliers have stepped up and provided those services. She is not aware of any access problems. Federal law is very complex in regards to cost sharing and would have to be looked at very thoroughly as the rules are very restrictive. There are about 30 supply items that have been affected by a range of cuts. Some were cut by 17% but probably across the board there was a 15% reduction.

Ms. Clement further stated that when the department adjusted physician fees, it increased the primary care, well child wellcare visits by a greater amount than it did for the speciality care. In the current budget environment, Medicaid has met with physicians and they are in agreement with this proposal for this year.

Ms. Clement replied that Medicaid has been working closely with JFAC and other legislators and will have draft legislation before this session in order to implement all the necessary changes needed.

In response to questioning, **Ms. Clement** replied that they are optimistic that individuals and families can assist the program by paying a co-pay amount. Timing is everything and if individuals felt they have a choice and could

retain coverage by contributing to the coverage, they would choose to do so and have the coverage rather than losing coverage altogether.

Ms. Clement further replied that Medicaid has laid out a supplemental to JFAC this morning asking that legislators work with us to monitor expenditures. This was prepared before the holdbacks were ordered. If our holdbacks realize the savings projected, then Medicaid will not need any supplementals. Our projections were based on December's figures, but the department will look at the subsequent months to see if any supplementals will be needed.

Rep. Block opened the floor to the public to obtain suggestions for cost savings.

Rep. Block recognized **Jonathan Ball**. Mr. Ball indicated that he would like to see some changes made in the way Medicaid is handled.

Rep. Block recognized **Katherine Hansen**, Idaho Association of Developmental Disabilities. Ms. Hansen thanked Medicaid for their hard work and the openness of Ms. Clement and the Medicaid Division. Ms. Hansen gave a quick overview of a handout with costs savings ideas. Rep. Block thanked her for her ideas.

Michelle Weaver, Idaho Association for Developmental Disabilities Agencies was welcomed by Rep. Block. Ms. Weaver went over the last two items of their handout. Their association would like to see a redesign of children's services and suggest that it be pursued aggressively. The next meeting on this issue is in March or April and rather than carry it out over several years, it should be fast tracked. Their agency is giving their commitment to help move it forward.

Lee Barton was welcomed to the committee by Rep. Block. Mr. Barton represents the Mental Health Providers Association of Idaho. His suggestion is that these costs should be shared equitably across the board instead of being focused on the services provided.

Kelly Keele was welcomed by Rep. Block. Mr. Keele represents the ABSE, the employee network for services. Mr. Keele stated the need to be focused on employment services for persons with disabilities. In order to accomplish this, a waiver for persons with mental health is needed. This will reduce costs in services to them as they become productive citizens. The waiver would be similar to other waivers such as the development disability waiver. A waiver that is designed specifically for persons with mental health illness is needed. The waiver allows us to have more flexibility. Our agency can provide long term supports to a person to enable them to stay on a job long term. It allows us to specialize services for that population. This would be a medicaid waiver, the larger portion paid with federal dollars

Rep. Block welcomed **Jim Baugh** - Executive Director of Co-Ad, a non profit organization. Mr. Baugh stated the agency provides legal and advocacy service to persons with disabilities. Mr. Baugh stated that his suggestions have been brought up already by previous speakers. Mr. Baugh stated that the current administration has taken a careful approach to these cutbacks. However, he does not see that the shift from nursing home care

to assisted living is a help to the community. This does not help persons to stay in their homes. He would like Medicaid to look further at helping persons to stay in their home and not move them into assisted living facilities. **Ms. Clement** stated that any changes to nursing home payments require legislative approval.

Rep. Block welcomed **Marilyn Sword**, Development Disability Council. The DDC is mandated by federal law to assist disabled persons. Ms. Sword stated that Medicaid should aggressively roll out the restructure of children's services and these are very good ideas badly needed. These need to be speeded up and fast tracked. These changes would have a large savings cost. ISH - in these economic times to spend $24 million on 78 people indicates a need that should be looked at. The Development Disability Council would love to work with others in developing a plan to move them out of ISH and develop community services.

Rep. Block welcomed **Dwight Whittaker**, Access Idaho which is composed of 13 non profit organizations. Access Idaho is in support of many of the recommendations stated at today's meeting and would like to encourage serious consideration of accreditation that would save the department money.

Rep. Block asked **Sarah Stover** from the Governor's office to speak. Ms. Stover did not have any material prepared but is available to answer questions regarding the process of the budget cuts. No questions were asked at this time.

Ms. Clement stated in response to questions that Medicaid has implemented rules and protocols for DDAs. Medicaid does not know how many DDAs are accredited. Medicaid is supportive of this approach and would like them all to be accredited. Medicaid is getting the protocols ready for the process at this time. The National Accreditation bodies were checked into in regards to other states. The states are not off the hook in reviewing entirely. There is still a requirement at the federal level to look, but the state staff does not do what the national accreditation does. The national accreditation identifies issues in an agency. They could give a one or three year accreditation depending on the evaluation. This accreditation would reduce the scope of the review that the state performs if this is done.

Ms. Stover responded to questions that when the governor's office received the package from the department, each and every item was gone over. The governor's focus was for the departments to come up with the original plan on where the cuts could come from. If our office saw things in any department that conflicted with the governor's wishes, it was changed. Ms. Stover indicated that items were prioritized, taking into account what each goal of the agency was. They were asked to focus on maintaining their core services and the least painful cuts. They all sat down and went through what each agency could cut and what areas the public would be affected by. Health and Welfare was one of the least cut agencies.

Ms. Clement responded to questions that Medicaid pays certified family home providers a flat rate that does not reflect the services that individuals are providing. By moving to a different payment methodology, Medicaid would pay some less, but other providers are providing service to high

intense needs of individuals. Medicaid would look to add a higher payment to the family home environment which would be tricky to do with a lot of input needed.

Rep. Block thanked **Ms. Clement** and **Director Armstrong** for attending the meeting. In response to questions, Director Armstrong stated that at this point in time, Medicaid does not believe that any of these activities will have a negative impact on counties. It could have a positive impact in some areas. There may be unintended consequences but Medicaid has tried to be very careful in its actions and to not place its problems onto other governmental agencies

Announcements: the subcommittees will be meeting shortly hereafter.

ADJOURN: There being no further business, the meeting adjourned at 3:25 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HEALTH & WELFARE COMMITTEE
McGEACHIN SUB-COMMITTEE

DATE: January 20, 2009

TIME: 4:00 P.M.

PLACE: Supreme Court Building, Lincoln Room

MEMBERS: Chairman McGeachin, Representatives Luker, Thayn, Thompson, Sayler

ABSENT/ EXCUSED: None

GUESTS: Kathy McGill, Department of Health and Welfare, Rosie Andueza, Department of Health and Welfare, Christine Baylis, Department of Health and Welfare

Chairman McGeachin called the meeting to order at 3:35 p.m.

DOCKET NO. 16-0301-0801

Kathy McGill presented rules governing Eligibility for Health Care Assistance for Families and Children. **Ms. McGill** explained rule changes pertaining to Iraqi and Afghani special immigrants. The federal government imposed new laws that confer benefits for two new immigration classifications for certain Afghan and Iraqi Immigrants. These immigrants previously worked for the United States and would be facing ongoing threats if they were to stay in their own country. The rules for medical assistance are being aligned with these federal regulations allowing special immigrant eligibility for health care.

Ms. McGill explained the rules are also being amended to align provisions for Transitional Medicaid with federal law which requires the participant to report quarterly.

MOTION: **Representative Sayler** moved to recommend approval of **Docket No. 16-0301-0801** by full Committee. **Chairman McGeachin** and **Representative Thompson** requested they be noted as voting nay. The motion passed on a voice vote.

DOCKET NO. 16-0301-0802

Kathy McGill presented rules governing Eligibility for Health Care Assistance for Families and Children. **Ms. McGill** explained this rule will allow for families and children who receive health coverage through Family Medicaid programs to earn additional income and gain job experience on a temporary basis without jeopardizing their Medicaid benefits.

MOTION: **Representative Luker** moved to recommend approval of **Docket No. 16-0301-0802** by full Committee. **The motion passed on a voice vote**.

DOCKET NO. 16-0304-0801

Rosie Andueza presented rules governing the Food Stamp Program regarding the calculation of self-employment income so that applicants who are self-employed, and who have high expenses in their self-employment enterprises, do not have their Food Stamp benefits denied or reduced based on self-employment income not actually available to them. This rule change aligns with the Department's philosophy of supporting employment so that Idahoans can be self-reliant.

Ms. Andueza stated in October 2006, Idaho changed its policy regarding the treatment of income earned through self-employment. This change in policy unintentionally had a negative impact on some of Idaho's self-employed families. Primarily, those whose self employed business had more than 50% in expenses were found to be eligible for less food stamps; some were found totally ineligible.

MOTION: **Representative Thompson** moved to recommend approval of **Docket No. 16-0304-0801** by full Committee. **The motion passed on a voice vote.**

DOCKET NO. 16-0304-0802

Christine Baylis presented a rule change that will align Food Stamp rules with new and existing federal regulations. The federal government imposed new laws that confer benefits for two new immigration classifications for certain Afghan and Iraqi immigrants. These immigrants previously worked for the United States and would be facing ongoing threats if they were to stay in their own country. The Food Stamp rules are being aligned with these federal regulations allowing special immigrants eligibility for food stamp assistance.

MOTION: **Representative Sayler** moved to recommend approval of **Docket No. 16-0304-0802** by full Committee. **Chairman McGeachin** and **Representative Thompson** requested they be noted as voting nay. **The motion passed on a voice vote.**

DOCKET NO. 16-0304-0803

Rosie Andueza presented rule changes to the Food Stamp Program to be in compliance with changes made in federal code with the 2007 Farm Bill. Additionally, changes in Idaho statute regarding "Able Bodied Adults Without Dependents" program will require the Department to amend these rules.

MOTION: **Representative Thayn** moved to recommend approval of **Docket No. 16-0304-0803** by full Committee. **The motion passed on a voice vote**.

ADJOURN: There being no further business before the Committee, **Chairman McGeachin** adjourned the meeting at 4:22 p.m.

Representative Chairman McGeachin	Shirley Scott Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

Nielsen Subcommittee

DATE: January 20, 2009

TIME: 3:45 p.m.

PLACE: Room 228

MEMBERS: Chairman Nielson, Representatives Loertscher, Boyle, Wood, Rusche

ABSENT/ EXCUSED: None

GUESTS: Paul Leary, Deputy Administrator - Medicaid; Sheila Pugatch, Principal Financial Specialist in the Division of Medicaid, Health and Welfare; Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid; Sharon Duncan, Bureau Chief for the Division of Medicaid Long-Term Care Program; Martin Bilbao; Ed Kauhf

DOCKET # 16-0309-0707

Paul Leary, Deputy Administrator - Medicaid presented **Docket #16-0309-0707.** Consistent with the legislative direction given in House Concurrent Resolution 51 passed by the 2006 legislature Dental benefits on the Medicaid basic plan are now provided through a selective or managed contract. The previous rules relating to dental services are being deleted and the rules now state that these benefits are provided through a third party.

In response to questions, **Mr. Leary** stated that contracting the service to a third part administrator does not change the cost to the budget. The costs are neutral.

MOTION: **Rep. Wood** moved to recommend to the full committee that **Docket # 16-0309-0707** be approved. **Motion passed by voice vote**.

DOCKET # 16-0310-0705

Paul Leary, Deputy Administrator - Medicaid presented **Docket #16-0310-0705.** Consistent with the legislative direction given in House Concurrent Resolution 51 passed by the 2006 legislature, dental benefits on the Medicaid basic plan are now provided through a selective or managed contract. Participants who are on the Enhanced Benefit Plan received their dental benefit through Medicaid. The entire rule relating to Medicaid dental benefit coverage has been deleted from chapter 9, Medicaid Basic Plan, and moved in their entirety to chapter 10, Medicaid Enhanced Plan. The rules covering dental benefits provided through Medicaid have been moved from chapter 9 of the medical assistance rules to chapter 10 that covers the Medicaid Enhanced Plan.

MOTION: **Rep. Wood** moved to have the subcommittee recommend to the full committee that **Docket #16-0310-0705** be approved. **Motion passed by voice vote.**

DOCKET # 16-0309-0708

Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid presented **Docket #16-0309-0708.** These rules are written to increase the opportunities for physicians to deliver outpatient mental health services via telehealth technology, also referred to as telemedicine.

These rules allow physicians to perform telemedicine mental health services in any location in which they are already allowed to practice.These are the same standards and specifications adopted by Medicare for the provision of telemedicine services. The fiscal impact was estimated to be minimal as research has shown that in other states when telemedicine services become available there has been a very slow response to accessing the service and the utilization is minimal. Additionally, some savings in transportation costs was expected since participants would be obtaining services closer to their homes.
In response to questions, mental health services, have received grants to manage mental telehealth.

MOTION: **Rep. Wood** moved to have the subcommittee recommend to the full committee that **Docket #16-0309-0708** be approved. **Motion passed by voice vote**.

DOCKET # 16-0309-0709

Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid presented **Docket #16-0309-0709.** These rules allow qualified mental health providers to offer outpatient family therapy sessions without the participant present. In the provision of family therapy services sometimes it is appropriate for the therapist to meet in therapeutic session with the participant's family members without the participant present. This is an aspect of treatment consistent with various models of intervention including Functional Family Therapy. **Rep. Loertscher** stated that this has been one of the goals of the legislature and is a great advancement.

MOTION: **Rep. Wood** moved to have the subcommittee recommend to the full committee that **Docket # 16-0309-0709** be approved. **Motion passed by voice vote**.

DOCKET # 16-0309-0801

Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid presented **Docket #16-0309-0801**. These rules describe program eligibility requirements, provider requirements, and service descriptions and limitations. The 2008 legislature allotted funding so that Medicaid could partner with the Division of Behavioral Health to provide Medicaid coverage of the existing substance abuse services managed by Division of Behavioral Health. It is estimated that 2,544 Medicaid-eligible parents, pregnant women and adolescents will access these services. Medicaid has already received approval from CMS for the state plan amendment required to proceed with this new benefit. During the public comment period following the publication of these rules Medicaid received no comments. In response to a questions, Ms. Guidry stated that the intent of this rule was to improve federal funding.

MOTION: **Rep. Wood** moved to have the subcommittee recommend to the full committee that **Docket # 16-0309-0801** be approved. **Motion passed by voice vote.**

DOCKET # 16-0309-0804

Paul Leary, Deputy Administrator - Medicaid presented **Docket #16-0309-0804**. Chapter 9 of the Medical Assistance rules is being amended to comply with federal regulation changes that require all handwritten Medicaid prescriptions for fee for service participants be fully compliant with federal and/or state guidelines for prescription tamper resistance. The change in federal requirement was included in section 7002(b) of the U.S. Troop Readiness, Veteran's Care, Katrina Recovery, and Iraq Accountability Appropriation Act of 2007.

MOTION:

Rep. Wood moved to have the subcommittee recommend to the full committee that **Docket # 16-0309-0804** be approved. **Motion passed by voice vote**.

DOCKET # 16-0310-0706

Sharon Duncan, Bureau Chief for the Division of Medicaid Long-Term Care Program presented **Docket #16-0310-0706.** The original legislation required entities providing fiscal intermediary services to become personal assistance agencies as well. This created conflict for the agencies, consumers and the Department of Health and Welfare. The changes to the statute under HB 167 addressed these issues. Currently, FI agencies do not have to become a personal assistance agency to provide FI agency services for participants. These rule changes will align the Medicaid Enhanced Plan rules for personal assistance service agencies with Idaho code that went into effect July 1, 2007.

In response to questions, **Ms. Duncan** stated that this rule creates a divide between the Personal Assistance agency and the FI agency.

MOTION:

Rep. Wood moved to have the subcommittee recommend to the full committee that **Docket # 16-0310-0706** be approved. **Motion passed by voice vote.**

DOCKET # 16-0310-0707

Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid presented **Docket #16-0310-0707**. This is the companion docket for the therapy rules which were just approved.

MOTION:

Rep. Wood moved to have the subcommittee recommend to the full committee that **Docket #16-0310-0707** be approved. **Motion passed by voice vote**.

DOCKET # 16-0310-0802

Sheila Pugatch, Principal Financial Specialist in the Division of Medicaid, Health and Welfare presented **Docket #16-0310-0802.** These rules are being changed to clarify how reimbursement rates for nursing facilities are calculated so that providers can effectively manage their facilities. The rule changes remove language regarding specific dates to specify the rate base year. The rule also defines the factors for determining a distressed facility and requires an annual financial review of the facility.

MOTION:

Rep. Rusche moved to have the subcommittee recommend to the full committee that **Docket #16-0310-0802** be approved. **Motion passed by voice vote**.

ADJOURN: There being no further business, the committee adjourned at 4:22 p.m.

Representative Pete Nielsen
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
Shepherd Subcommittee

DATE: January 20, 2009

TIME: 3:40 p.m.

PLACE: Room 316

MEMBERS: Chairman Shepherd(8), Representatives Marriott, Gibbs, Chew, Durst,

ABSENT/ EXCUSED:

GUESTS: Dr. Murray Stuckie, Idaho Emergency Medical Services (EMS) Physician Commission; James Aydelotte, Bureau Chief of the Bureau of Vital Records and Health Statistics; Elke Shaw-Tulloch, Bureau Chief, Bureau of Community and Environmental Health, Division of Health; Dieuwke Spencer, Bureau Chief of Clinical and Preventive Services in the Division of Health; Dale Peck, Environmental Response & Technology Director for Panhandle Health District; Dia Gainor, EMS Bureau Chief, Department of Health & Welfare Emergency Medical Services; Mitch Scoggins, Program Manager, Division of Health

The meeting was called to order at 3:40 p.m. by Chairman Shepherd.

DOCKET #: 16-0202-0801

Dr. Murray Stuckie, Idaho Emergency Medical Services (EMS) Physician Commission presented on the changes to the EMS Physician Commission Standards Manual. On September 12, 2008, the Idaho EMAS Physician Commission (EMSPC) amended the 2008-1a edition of the EMSPC Standards Manual. The 2008-1a edition includes several scope of practice changes. These changes either clarify the original intent of the EMSPC or expand the number of optional critical care skills for paramedics. The remaining amendments in 2008-1a incorporate improvements to the Idaho EMS Airway Management Reporting Sheet. He further stated that these changes were due mainly to the scope of practice of EMS outside a a hospital setting and the changes in equipment available for their use.

In response to a question, when the motion is made it will be for approval of all rules changes on the docket.

MOTION: **Rep. Durst** moved that the subcommittee recommend to the full committee to approve **Docket No. 16-0202-0801. Motion passed on voice vote.**

DOCKET #: 16-0208-0801

James Aydelotte, Bureau Chief of the Bureau of Vital Records and Health Statistics explained that during the 2008 legislative session, the House Health and Welfare Committee approved a Vital Statistics rule docket, but requested at that time that a change in terminology be made to the rule. The rule (IDAPA 16.02.08.850) deals with the disposition of dead bodies and who has authority to take specific actions, such as authorizing the removal of a dead body from the place of death and

signing the death certificate.

The rule allows the treating physician, physician assistant, or an advanced practice professional nurse to designate a colleague to act in their place if they are not available. The terms used to indicate this relationship were "designate: and "designee". The Committee felt these terms were too broad and asked that the terms be changed to "designated associate". The term "designated associate" is defined in Idaho Code, and using it in the rule makes it clear that only a qualified colleague can be designated to act for a physician, physician assistant, or an advanced practice professional nurse.

In response to a question **Mr. Aydelotte** said the use of "designated associate" would be the most precise term to use since Idaho Code specifically defines this term.

MOTION **Rep. Gibbs** moved that the subcommittee recommend to the full committee to approve **Docket No. 16-0208-0801**. **Motion passed on voice vote.**

DOCKET #: 16-0224-0801 **Elke Shaw-Tulloch**, Bureau Chief, Bureau of Community and Environmental Health, Division of Health presented the proposed rules changes which are necessary in order to clarify cleanup requirements to ensure more consistency in clandestine drug lab cleanup and clearance processes. In addition, the proposed rule more clearly states that law enforcement must notify both the property owner and the Department within 72 hours of a property being identified as a clandestine lab. This will keep the online Clandestine Drug Laboratory Site Property List maintained by the Department more accurate, up-to-date, and comprehensive. Also language/definitions were updated to reflect the industry standards.

In response to questions **Ms. Shaw-Tulloch** stated that changes to rules are in alignment with national policies and those of other states. Also, she clarified that there are no changes in costs to property owners; they are still responsible for costs related to the cleanup of contaminated sites. If a property owner refuses to pay for the cleanup, the site remains on the list of contaminated properties until cleanup has been completed.

MOTION **Rep. Durst** moved that the subcommittee recommend to the full committee to approve **Docket No. 16-0224-0801. Motion passed on voice vote.**

DOCKET #: 16-0226-0801 **Dieuwke Spencer**, Bureau Chief of Clinical and Preventive Services in the Division of Health, began with an overview of the Children's Special Health Program (CSHP), a statewide program primarily for uninsured children with specific health problems or chronic illness or conditions requiring long-term medical treatment and rehabilitative measures.

CSHP's pediatric patients are 100% federally funded. CSHP also manages two adult program, adult Phenylketonuria (PKU) and adult cystic fibrosis, both of which are funded with state general funds. CSHP's programs primarily cover uninsured patients, both the pediatric and adult sections of the PKU and cystic fibrosis programs are permitted in rule to

cover insured patients, but if patients have private insurance or Medicaid, CSHP is the payer of last resort.

The first major change proposed for the CSHP rules is the provision for financial coverage of medical foods for PKU. Current rule includes "nutritional assessment, dietary counseling and provision of formula." The proposed change provides patients with PKU access to the full range of metabolic foods for PKU. These foods are less expensive and are preferred by most PKU patients.

The second major proposed change for the CSHP rules is to move to a pre-payment system for co-payment collection from PKU patients. This would require both children and adult clients to pre-pay at the time the order is placed.

These rule changes will result in general fund saving of $106,200.

In response to questions **Ms. Spencer** stated the following: If pre-payment is not made, the order is not placed. There is no overlap of funding. Children are covered 100% by federal funding and adults are covered by state funds. A person with PKU is unable to utilize essential amino acids and; If they do not get the proper nutrition, they can develop neurological problems. An adult with PKU will spend, on the average, $500 per month for their special diet. There are no state funds allocated to help patients with the costs of formula and medical foods for PKU. Sometimes manufacturers of these products have stepped in to help patients cover the costs. Patients cannot obtain these special diets by prescription as pharmacies do not carry the products needed

Rep. Durst felt inclined to reject the pre-payment and sliding scale section of the rule since we are in down economy. Rep. Durst also felt the adult age should be changed from 18 years to 21 years. **Ms. Spencer** stated that by Idaho law 18 years of age is considered to be an adult and that if the prepayment verbiage were rejected there would be a shortage in the budget of $32,600 this year. Ms. Spencer further stated that most of the receipts they collect are from Medicare and Medicaid.

MOTION

Rep. Durst moved that the subcommittee send **Docket No. 16-0226-0801** to the full committee with **no recommendation. Motion passed on voice vote.**

DOCKET #: 41-0101-0801

Dale Peck, Environment Response & Technology Director for Panhandle Health District presented the proposed rule change. The pending rule was negotiated to address concerns from the development community that the current version of the rule adopted in 2007 restricted the development and sale of some properties. The current rule only allows for application for a septic permit to be accepted concurrent with a request for a permit to construct the structure to be served by the septic system.

The negotiated change would allow the installation of a septic system without a permit to construct and would allow subsequent connection and use of the installed system without a permit to construct and would allow subsequent connection and use of the installed septic system under the

condition of the original permit for up to 5 years.

In response to questions **Mr. Peck** stated these rules apply only to the five northern counties. He further stated that If the property isn't developed within 5 years and no major changes are made to the property that affect the drainfield, the permit for the septic system would still be valid. If changes were made to the property that would affect the drainfield, a new application for a permit would be required. Mainly trenches or embankments are the changes that would affect a drainfield. Also, this is not the same rule as was covered in a recent Statesman article. Changes to a neighbor's property are not a part of the sign off process when issuing a permit. The requested rule change is not being requested because of the slowdown in the economy. Rather it is the result of a shift in development issues. Numerous agencies were involved in the consideration of this issue. Permits are based on design and number of bedrooms, not square footage.

MOTION **Rep. Marriott** moved that the subcommittee recommend to the full committee to approve **Docket No. 41-0101-0801**. **Rep. Durst** requested his vote be recorded as no. **Rep. Chew** abstained. **Motion passed on voice vote.**

ADJOURN: There being no further business to come before the subcommittee, the meeting was adjourned at 4:45 p.m.

Representative Paul Shepherd Chairman	Doreen Bowden Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 22, 2009

TIME: 1:30 p.m.

PLACE: Room 228

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: None

GUESTS: Amy Castro, Legislative Services Financial Analysis; Maribeth Connell, AARP; Annie Henna, Catholic Charities of Idaho; Toni Lawson, Idaho Hospital Association; Ike Kimball, Department of Health and Welfare; Dave Taylor, Department of Health and Welfare; Dick Schultz, Department of Health and Welfare; Richard Humiston, Department of Health and Welfare; Martin Bilbao, Connelly Smyser; Kathie Garrett, IADDA; Maureen Shea, Office of Performance Evaluation; Hannah Cummrine, Office of Performance Evaluation.

Chairman Block called the meeting to order and requested a silent roll call. A quorum being present, Chairman Block welcomed committee members and guests.

Rep. Luker moved the January 16 minutes be approved. **Motion passed on voice vote.**

Chairman Block informed the committee of Parliamentary procedures. When motions are made, the first motion is the main motion. The second motion is a substitute motion except for privileged motions, such as adjournment, etc. Privileged motions are the non-debatable motions. The third motion is an amended substitute motion except for privileged motions. A motion to postpone to a time certain is not a privileged motion, it is debatable.

Chairman Block introduced **Amy Castro,** Legislative Services Financial Analysis. **Sarah Stover** was present and available for questions. **Ms. Castro** gave an overview of the Health and Welfare budget handout, the Medicaid division and the general fund holdback. The handout is attached hereto for future reference.

Ms. Castro stated that only a small amount of general funds are used for personnel costs. There are only two supplements not yet addressed by JFAC.

Ms. Castro responded to questioning that typically one-time money is used for a one time expenditure.

Ms. Castro further stated that two major line items which are crucial to the department are the EPICS replacement funding - it is replacing the IVAA system. This system must work in order for the agency to be able to function. The MMIS system is planning to come on in February. This is the system which pays all the provider payments throughout the state.

Ms. Castro stated that the vaccine policy shift reduction by $2 million is the Governor's recommendation. The agency did not recommend this reduction. The federal government covers 87% of vaccine costs at this time. The new recommendation is that If you are insured, you will have to go through the insurance company for the vaccine or pay a portion of the cost to the state. In response to questioning, **Director Shultz** responded that under the federal program, the pediatrician offices have to make sure the client is eligible for the vaccine. The under-insured and non-insured are covered for the vaccine cost. Those with good insurance will need to reimburse the cost for the vaccine.

Ms. Castro went over the medicaid coverage by federal or state statute chart and Medicaid service costs drivers handout which lists the top 7 drivers of costs.

In response to questioning, **Ms. Castro** responded that any cost reductions to the program can be changed by legislation but would need approval by the federal government if they are written into the state medicaid plan.

Leslie Clement, Administrator, stated in response to questioning that the percentage rate of obtaining approval for changes from the federal government is fairly high, about 90%. The medicaid program was designed back in 1965 and was very different back then. An optional service is pharmacy services. There would not be a very effective health plan if these services were eliminated. Medicaid has the option include it, but the issues can be very complex. It does provide Medicaid greater flexibility to modify benefits. A state must have certain mandated benefits in order to be a federal medicaid program. Even though the approval process is fairly effective in getting changes from the federal government, it is not necessarily an easy process.

In response to questioning, **Ms. Castro** indicated that for 2009, $31 million of matching federal dollars would be lost. Also $800,000 for health insurance reduction would be lost.

Ms. Castro further stated that the rules proposed reduce the budget for the Governor's holdbacks, but there is a $41 million gap in the budget. The Governor's recommendation does not include anything for increased caseloads.

Ms. Castro stated that Medicaid is an entitlement program, and is totally driven off of forecasts. Medicaid does not have the ability to say to someone they are not in the budget and cannot afford to take care of them. This is what makes Medicaid an entitlement program. **Ms. Clement** responded that the SCHIP program is not an entitlement program. It has a given budget with some flexibility built into its design. If as Idaho has done, overspend its funds for its allotted time period, the program could not add additional children to the program. In Medicaid, it does not matter. The forecasts for

the caseload comes out of the Division of Welfare. This is all trending information which looks at the history and makes adjustments. Medicaid anticipates a annual growth of about 3% across all of Medicaid. Ms. Clement stated Medicaid's forecasting has proved to be very good. Some of the figures are over or under slightly but in the neighborhood of 1%.

Ms. Castro stated that it is the legislature's task to cover the $41 million gap that exists. If JFAC goes with the Governor's recommendation, it will leave a $41 million gap. Stabilization funds can be looked at, and stimulus packages may be used as well as more cuts to Medicaid to cover the shortfall.

Ms. Castro stated that the Medicaid member figure for 2010 is 194,999 people using medicaid services. A majority of individuals are on the basic plans. The majority of costs come from the other two plans, the enhancement plan and the dual eligible plan.

Ms. Castro stated that personnel costs were just less than 4%. The department did not lay off any staff but it did equate to some positions being held vacant. The department gave a 3-day furlough for all staff and a 4-day furlough for all management staff in order to meet the budget cuts. **Ms. Castro** is not aware of what the impact would be on providers.

In response to questioning **Director Schultz** stated that the department will continue to track immunization rates in the state but this may not necessarily reflect how much is due to the changes in the program. Idaho has a lower immunization rate and the department has no way to really track how much of a reduction will be due to the cuts.

Director Schultz further stated that trying to look at what problems might be created by the cuts is difficult because the results would vary by the cuts that would be made. Some are good business cuts ensuring good outcomes. This is forcing the department to ensure that a good service outcome is being delivered. The department hopes there is not an adverse relationship between services and outcomes.

Ms. Castro stated that a lot of information has been given at the JFAC meetings which is recorded and which the committee members may listen to. These are more detailed that what has been given here. One of the challenges of budget cuts is getting everyone on the same page as to what these mean. There has been great cooperation between the agencies in getting this information put together.

Ms. Castro stated that the Department of Health and Welfare has a general fund request of $216,363,400 which includes federal funds. The department will need statutes and legislation passed in order to meet the Governor's recommendations. There will still need to be additional funds found even if the Governor's recommendation is met. In response to questioning, **Director Schultz** stated that from their perspective, for every rule that is not passed by the legislature, the $41 million figure continues to grow.

Ms. Castro stated that **Ms. Stover** is putting together a package of statutes that will be coming over for legislative approval. **Ms. Clement's** presentation chart listed out most of the changes that will be coming over. Ms. Castro

stated that a summary can be put together if needed.

Ms. Clement stated that the colored dot handout (attached hereto) shows what areas will require a statute change so this chart can be used to give an overview. If the chart reflects that a statute change is needed, the department will be working on these and will be presenting bills.

ADJOURN: There being no further business, the meeting adjourned at 3:00 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 22, 2009

TIME: 3:00 p.m.

PLACE: Room 145

MEMBERS: Chairman McGeachin, Luker, Thayn, Thompson, Sayler

GUESTS: Susie Cummins, Medicaid Program Specialist; Erica Feider, Principal-Division of Health & Welfare; Geni Sue Weppner-Program Manager-Division of Health & Welfare

ABSENT/EXCUSED: None

Chairman McGeachin called the meeting to order at 3:00 p.m. and stated that a quorum was present.

Chairman McGeachin presented the minutes from January 20, 2009 for approval. There were requested changes and will be approved at the next meeting.

DOCKET # 16-0305-0801

Susie Cummins, Medicaid Program Specialist for the Department of Health and Welfare, Division of Welfare presented **Docket #16-0305-0801.** Ms. Cummins stated the changes in this rule are the same rules that will be heard for Family Medicaid, Food Stamps and Temporary Assistance for Families in Idaho (TAFI) because the changes are a result of new regulations passed by our federal legislators.

Ms. Cummins explained the National Defense Authorization Act for FY 2006 created a new Special Immigrant classification for Iraqi and Afghani nationals and their families. These nationals faced ongoing threats due to their work with the U.S. Armed Forces as translators.

These Special Immigrants would be eligible for entitlement programs such as Medicaid and other benefit programs, for a period not to exceed 6 months. The 6 months begins upon entrance into the U.S. or with the date that the Special Immigrant status was granted. A cap of 500 special immigrants, not including family members, per year for FY 2007 and FY 2008 was set, with a cap of 50 per year after FY 2008.

Ms. Cummins said The National Defense Authorization Act for FY 2008 extended benefits for Iraqi special immigrants to no more than eight months, and raised the cap to 5000 yearly for the first five fiscal years.

The Idaho rules for Aid to the Aged, Blind and Disabled have been updated in include the eligibility requirements for the Iraqi and Afghani special immigrants to comply with the federal regulations.

Ms. Cummins stated the actual number of special immigrants has been

much lower than the estimate. To date, seven special immigrants have relocated to Idaho.

There was discussion in regards to the 70/30 split match which is in effect for Medicaid but not Food Stamps, which is 100% federal funds.

MOTION:

Rep. Sayler moved to recommend to the full committee that **Docket #16-0305- 0801** be approved. **Motion passed by voice vote**. The record will show that Representative Thompson and McGeachin voted no.

DOCKET # 16-0305-0802

Susie Cummins, Medicaid Program Specialist for the Department of Health and Welfare, Division of Welfare presented **Docket #16-0305-0802.** Ms. Cummins stated this rule would allow low income individuals, who are eligible for Medicaid to earn additional income and gain job experience through conducting field work for the Census Bureau without the risk of losing their Medicaid. The Census Bureau period is approaching for 2010 and would employ approximately 4500 paid part time positions for about four to eight weeks.

MOTION:

Rep. Thayn moved to recommend to the full committee that **Docket # 16-0305- 0802** be approved. **Motion passed by voice vote**.

DOCKET # 16-0308-0801

Erica Feider, Principal with the Division of Welfare presented **Docket #16-0308-0801.** Ms. Feider explained this rule states that a self-employed family can choose to either have the 50% deduction applied to their income, or in situations where expenses exceed 50%, the family may opt to use their actual self employed gross minus their actual expenses incurred in the operation of that business in the calculation of their TAFI benefits.

MOTION:

Rep. Luker moved to recommend to the full committee that **Docket # 16-0308-0801** be approved. **Motion passed by voice vote**.

DOCKET# 16-0308-0802

Erica Feider, Principal with the Division of Welfare presented **Docket #16-0308-0802.** Ms. Feider stated the changes in this rule are the same rules that were heard for Family Medicaid, Food Stamps and Temporary Assistance for Families in Idaho (TAFI) to align with the new regulations passed by our federal legislators.

Ms. Feider summarized the changes which allow eligibility for entitlement programs and explained the National Defense Authorization Act for FY 2006 for Iraqi and Afghani nationals and their families who worked with the U.S. Armed Forces as translators due to facing on going threats in their own country for their work with the U.S.

These Special Immigrants would be eligible for entitlement programs such as Medicaid and other benefit programs, for a period not to exceed 6 months. The 6 months begins upon entrance into the U.S. or with the date that the Special Immigrant status was granted. A cap of 500 special immigrants, not including family members, per year for FY 2007 and FY 2008 was set, with a cap of 50 per year after FY 2008.

Ms. Feider said The National Defense Authorization Act for FY 2008

extended benefits for Iraqi special immigrants to no more than eight months, and raised the cap to 5000 yearly for the first five fiscal years.

The Idaho rules for Aid to the Aged, Blind and Disabled have been updated in include the eligibility requirements for the Iraqi and Afghani special immigrants to comply with the federal regulations.

Ms. Feider stated it is not likely any of these Special Immigrants will be eligible for TAFI. The State of Idaho TAFI program provides less support than the Refugee Resettlement program does. Most refugees receive that assistance and do not need to apply for TAFI.

There was discussion of the assistance with federal funds.

MOTION: **Rep. Luker** moved to recommend to the full committee that **Docket # 16-0308-0802** be approved. **Motion passed by voice vote**. The record will show that Representative Thompson and McGeachin voted no.

DOCKET # 16-0308-0803 **Genie Sue Weppner**, Program Manager, Division of Welfare to presented **Docket #16-0308-0803.** Ms. Weppner explained this rule would clarify and adjust the rules for TAFI Cash Assistance Program. The requirement of immunization records for children would be removed, the verifiable social security number of only one member of the family is needed, additional income from educational and retirement will be excluded resources, limit the relative caretaker families to receive just one TAFI grant, and would allow the family to be eligible for a TAFI grant if one child qualifies for Social Security income.

There was discussion on immunization requirements and how it causes a barrier for family care givers to receive assistance.

MOTION: **Rep. Thompson** moved to recommend to the full committee that **Docket #16-0308-0803** be approved. **Motion passed by voice vote**.

ADJOURN: There being no further business before the committee, **Chairman McGeachin** stated there would be no meeting on Friday and adjourned meeting at 3:45 p.m.

Representative Janice McGeachin Chairman	Molly Smith Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

Nielsen Subcommittee

DATE: January 22, 2009

TIME: 3:45 p.m.

PLACE: Room 228

MEMBERS: Chairman Nielson, Representatives Loertscher, Boyle, Wood, Rusche

ABSENT/ EXCUSED: None

GUESTS: Chuck Halligan, Program Manager for the Children's Mental Health Program in the Division of Behavioral Health of the Department of Health and Welfare; Shirley Alexander, Child Welfare Program Manager in Central Office with the Department of Health and Welfare, the Division of Family and Community Services; Terry Pappin, Substance Abuse Program Specialist in the Division of Behavioral Health; Debra Ransom, Bureau Chief of the Facility Standards Bureau in the Medicaid Division; Bethany Gadzinski, Substance Use Disorder Bureau Chief with the Department of Health and Welfare, Division of Behavioral Health.

DOCKET # 16-0503-0801

Jeanne Goodenaugh, Chief of the Human Services Division of the Attorney General's Office, presented **Docket #16-0503-0801.** This rule makes a few changes to the Contested Case Rules of the Department, which define the internal appeal processes. This change moved a rule that applied to the Division of Welfare from the back to the front of the rules, so that the requirement to consolidate a hearing applies to all programs. The rule also clarifies the process for appeals before the Board of Health and Welfare, conforming the time to appeal to that in the Administrative Procedure Act, requiring the person filing the appeal to identify the issues for the Board, and providing a process for deciding whether a transcript of the administrative hearing is necessary. The requirement was added that an administrative review be held within 28 days after it is requested by Child Protection investigations. If an allegation of abuse or neglect is found to be substantiated, the subject of the investigation will be given notice and 28 days to request an administrative review. The person's name will not go on the Child Protection Registry during that 28 day period, and the individual may provide additional information in that administrative review. This creates an administrative review process for issues that relate to Intensive Behavioral Intervention services. Administrative reviews occur prior to a hearing, and an attempt to resolve matters without the stress and expense of a hearing is made. This rule also creates appeal processes for the Infant/Toddler Program, which deals with developmental delays in very young children. These processes are required by federal regulation, and had been described in information provided to parents, but had been omitted from the rules.

In response to questioning, **Ms. Goodenaugh** stated that a person's name

stays out of the registry even after 28 days if the person files the required information and is following the rules.

MOTION: **Rep. Loertscher** moved to recommend to the full committee that **Docket #16-0503-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0737-0801 **Chuck Halligan**, Program Manager for the Children's Mental Health Program in the Division of Behavioral Health of the Department of Health and Welfare, presented **Docket #16-0737-0801.** The existing rules concerning Children's Mental Health services were contained in Section 16-0601, Rules Governing Family and Children's Services. Children's Mental Health extracted the sections pertaining to Children's Mental Health from those rules into these rules, edited them and added some additional sections for clarification and in response to statute changes. The Division of Family and Community services will be deleting the sections pertaining to Children's Mental Health in their **Docket 16-0601-0801** at a later time.

In response to questioning, **Mr. Halligan** stated there are two places for eligibility requirements. Under the current statute "Child" is defined as under 18, this will not change. The 14 hours stated is for continuing education. Mr. Halligan stated that the foster care program is still in the development stage, and Children's Mental Health believes it can use the budget that is in place for residential care for this program.

MOTION: **Rep. Boyle** moved to have the subcommittee recommend to the full committee that **Docket #16-0737-0801** be approved. **Motion passed by voice vote.**

DOCKET # 16-0717-0801 **Bethany Gadzinski**, Substance Use Disorder Bureau Chief, Department of Health and Welfare, Division of Behavioral Health, presented **Docket #16-0717-0801**, Alcohol and Substance Use Disorders Services, a pending rule and an amendment to the temporary rule that was approved during last year's legislative session. The first change is a definition for "child" so that private providers may treat those children under the age of 14.

The second change is to the definition of Federal Poverty Guidelines to reflect how the department determines family income for purposes of determining financial eligibility. This change will allow the agency to mirror how mental health determines financial eligibility and allows more flexibility.

The final change is to delete a definition as the agency does not use functional impairment within the treatment of substance use disorders.

MOTION: **Rep. Boyle** moved to have the subcommittee recommend to the full committee that **Docket #16-0717-0801** be approved. **Motion passed by voice vote.**

DOCKET # 16-0725-0801 **Terry Pappin**, Substance Abuse Program Specialist in the Division of Behavioral Health, presented **Docket #16-0725-0801.** This is a pending rule and an amendment to the temporary rule that was approved during last year's legislative session. The Revisions are to the temporary rule the legislature approved last year and were made to the definition section based on comments to the rule.

MOTION: **Rep. Rusche** moved to have the subcommittee recommend to the full committee that **Docket #16-0725-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0614-0801

Terry Pappin, Substance Abuse Program Specialist in the Division of Behavioral Health presented **Docket #16-0614-0801.** This chapter is being repealed and rewritten to align it with the other new chapters in the new Division of Behavioral Health. Amendments to this rule are also being made in the rewrite of this chapter. This rule will have no fiscal impact on the state general fund.

The first purpose of the change is to update the rules to recognize they are now the responsibility of the Division of Behavioral Health. This change is found throughout the rules replacing the phrase Division of Family and Community Services with the Division of Behavioral Health. The second change to the rules was undertaken to clearly define when a permit may be opened, closed and revoked. These definitions are needed to ensure that all tobacco permittees are treated fairly. By defining when a new permit is issued, when a permit may be closed and when a permit may be revoked, the Department will be able prevent permittees with multiple citations from closing their current permit and applying for a new permit solely for the purpose of evading the penalty system created in The Prevention of Minors' Access to Tobacco statute.

MOTION: **Rep. Rusche** moved to have the subcommittee recommend to the full committee that **Docket #16-0614-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0314-0801

Debra Ransom, Bureau Chief of the Facility Standards Bureau in the Medicaid Division, presented **Docket #16-0314-0801,** a new section of rule being added to the current IDAPA Code in 16-03-14 "rules and minimum standards for Hospitals in Idaho". These new rules are designed to protect the health and safety of Idaho citizens. The Department is seeking legislative approval of these pending rules. The 35 mile limitation is a basic rule in Medicaid required by the federal government.

MOTION: **Rep. Rusche** moved to have the subcommittee recommend to the full committee that **Docket #16-0314-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0701-0801

Scott Tiffany, Bureau Chief of Mental Health and Behavioral Health, presented **Docket #16-0701-0801.** This is a pending rule that provides the Division of Behavioral Health a sliding fee scale for adult mental health, children's mental health, and substance use disorders. These rules consolidate the process for determining fees for consumers of behavioral health services into one new chapter.

Fee rules existed for years in three separate chapters which were rewritten and updated for the Division of Behavioral Health. The sections pertaining to fees from the separate chapters were combined into one docket. The fees are based upon the cost of the service and the ability of the consumer to pay based upon their income. Considerations include: the family household income, allowable deductions and the current federal poverty rate to determine a financial obligation the consumer will incur for behavioral health

services.

Mr. Tiffany responded to questioning that there is a finite pot of money for the program. This money is allocated for this purpose and it cannot be used for other purposes. Once a client has used up their allocated amount, treatment is stopped. Any extra money not spent by the program was taken out by JFAC.

Kathie Garrett, IADDA, testified they were against this rule last year as it was written at that time in relation to the sliding fee scale. This rule corrects the portion that was objected to and they support this rule as it now stands. The IADDA appreciated working with the Division of Behavioral Health to get this accomplished.

MOTION: **Rep. Rusche** moved to have the subcommittee recommend to the full committee that **Docket # 16-0701-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0403-0801 **Scott Tiffany**, Bureau Chief for Mental Health in the Division of Behavioral Health, Department of Health and Welfare, presented **Docket #16-0403-0801**. The Bureau is requesting the old fee rule be repealed in light of the fact that **Docket #16-0403-0810** has passed.

MOTION: **Rep. Rusche** moved to have the subcommittee recommend to the full committee that **Docket #16-0403-0801** be approved. **Motion passed by voice vote.**

DOCKET # 16-0710-0801 **Scott Tiffany,** Bureau Chief for Mental Health in the Division of Behavioral Health, Department of Health and Welfare**,** presented **Docket #16-0710-0801.** This is a pending rule that provides the Division of Behavioral Health a standard process for announcing, scoring, and awarding of Development grants according to Idaho Code, Section 39-3134A. Development grant funding assists to increase the availability of mental health and substance use disorder services.

MOTION: **Rep. Boyle** moved to have the subcommittee recommend to the full committee that **Docket #16-0710-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0733-0801 **Scott Tiffany**, Bureau Chief for Mental Health in the Division of Behavioral Health, Department of Health and Welfare, presented **Docket #16-0733-0801.** This is a pending rule that provides the framework for eligibility and provides an appeal process for adult consumers for the Division of Behavioral Health. This chapter only applies to services provided by or contracted through the Division of Behavioral Health. The purpose of this chapter is to provide an appeal process for adult consumers who have been denied eligibility for voluntary mental health services. Prior to the drafting of this chapter, no formal appeal process existed. This chapter gives individuals who have been denied eligibility a formal process to appeal this decision.

Two changes have been proposed since these rules were presented last year. First, the definition of "Sliding Fee Scale" has been modified by

replacing “cost” with “financial obligation”. The remaining change, replaces “amount charged” with “financial responsibility”.

MOTION: **Rep. Boyle** moved to have the subcommittee recommend to the full committee that **Docket #16-0733-0801** be approved. **Motion passed by voice vote**.

DOCKET # 16-0601-0801 **Shirley Alexander**, Child Welfare Program Manager in Central Office, Department of Health and Welfare, the Division of Family and Community Services, presented **Docket #16-0601-0801.** The most substantive changes in these proposed rules are changes that were made to sections 560 through 566. These changes deal with dispositioning reports of child abuse, neglect, and abandonment as well as the Child Protection Central Registry. Although during the 2008 legislative session rules were passed that revamped our Child Protection Central Registry process, the DHW Senate Committee expressed some concerns and asked that these concerns be addressed with revisions during this session. In good faith, the Child Welfare Program has addressed those concerns in the rule changes in this docket.

In response to questioning, **Ms. Alexander** stated that the department keeps all unsubstantiated records as well as substantiated records for five years. This is so the department can have a history. The unsubstantiated reports are not on the central registry, but are kept in case another report comes in.

In response to questioning, **Ms. Alexander** stated that federal and state law require the first permanency hearing to occur prior to 12 months. This can occur very early if the case warrants that it is necessary. The agency will lose federal funding if the hearing does not occur by 12 months.

Ms. Alexander further stated that keeping children in foster care for 24 months is not a good goal and is not the agency’s aim. The purpose of this foster care goal is a federal requirement. The agency did not have this in its rules before. The Child Welfare Program selected this low goal to protect its funding, but truly desires to have children reunified within 12 months, in a guardianship within 12 months and adopted out within 24 months.

Ms. Alexander stated that the new language which states that children in out of state placements must be contacted face to face no less than every 6 months is the minimum requirement taken out of the Safe and Timely Adoption Act of 2008. It is not the only requirement that the agency has. With every interstate compact that the agency has, that state will have monthly contact with that child. If that state is not willing to do this, Child Welfare agents will contact the child by phone every month and then to travel there every six months rather than every 12 months.

MOTION: **Rep. Loertscher** moved to have the subcommittee recommend to the full committee that **Docket #16-0601-0801** be approved. Rep. Loertscher stated that he thinks the best thing and worst thing is to put a child in foster care. This is so devastating on several levels. Kids do not know how to handle being ripped away from their parents, sometimes unnecessarily. This is a difficult area for case workers to determine what the right action is. **Rep. Nielsen** requested that the department take a look at their rules and ascertain how their rules can be better if possible, based on how difficult this process is to the children and to the family. **Rep. Wood** also agreed on how difficult these situations are. In his experience, he has agonized over the decision that if you call the child protection agency, you destroy the family. If you don't, you risk hurting the child. There are no good answers to these heartbreaking situations. **Motion passed by voice vote**.

DOCKET # 22-0101-0801 **Nancy Kerr,** RN, MA Ed, Executive Director, Idaho State Board of Medicine**,** presented **Docket #22-0101-0801.** The pending rule defines a monetary amount for the disclosure of malpractice payments on application.

In response to questioning, **Ms. Kerr** stated that the physician panel does meet regularly for prelitigation claims and Idaho Code established this requirement that all claims must go before the panel.

MOTION: **Rep. Loertscher** moved to have the subcommittee recommend to the full committee that **Docket #22-0101-0801** be approved . **Motion passed by voice vote**.

DOCKET # 22-0103-0801 **Nancy Kerr,** RN, MA Ed, Executive Director, Idaho State Board of Medicine, presented **Docket #22-0103-0801.** The rule more clearly defines the application requirements and clarifies the alternate supervising physician role and responsibility. The rule adds the requirement for a criminal background check consistent with Idaho Code §54-1810. It provides more consistent language with other Board of Medicine rules and clarifies requirements for licensure and renewal of license. The rule expands the fee schedule for issue and renewal of licensure with no fee increase imposed at this time, but does increase the penalty fee for failing to renew a license in a timely manner from twenty-five dollars to fifty dollars. Most importantly, the rules provides for a volunteer license that allows non-compensated service in accordance with Idaho Code§54-1841.

Rep. Nielsen requested that **Rep. Rusche** and **Rep. Wood** take a look at this rule and give their opinion. Rep. Rusche and Rep. Wood stated they are both fine with this rule. **Ms. Kerr** stated that the physician fees have not been raised in 11 years. The agency does not anticipate any fees in the near future but this does increase the amount they can ask for should they decide to do so. They are a self regulating agency and are dependent on fees.

MOTION: **Rep. Loertscher** moved to have the subcommittee recommend to the full committee that **Docket #22-0103-0801** be approved. **Motion passed by voice vote**.

DOCKET # 23-0101-0801

Sandra Evans, Executive Director for Idaho Board of Nursing, presented **Docket #23-0101-0801.** Rule Docket 23-0101-0801 accomplishes a single significant objective: it permits the Board of Nursing discretion in granting Idaho licensure by interstate endorsement to applicants who do not meet strictly defined academic and examination requirements but who demonstrate professional competence through alternative measures.

MOTION: **Rep. Rusche** moved to have the subcommittee recommend to the full committee that **Docket #23-0101-0801** be approved . **Motion passed by voice vote**.

MOTION: **Rep. Rusche** moved to have the minutes from January 20, 2009 approved. **Motion passed by voice vote**.

ADJOURN: There being no further business, the committee adjourned at 4:57 p.m.

Representative Pete Nielsen
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
Shepherd Subcommittee

DATE: January 22, 2009

TIME: 3:10 p.m.

PLACE: Room 316

MEMBERS: Chairman Shepherd(8), Representatives Marriott, Gibbs, Chew, Durst,

ABSENT/ EXCUSED: Representative Chew

GUESTS: Roger Hales, Attorney, Idaho Bureau of Occupational Rules Licenses; Tana Cory, Bureau Chief, Idaho Bureau of Occupational Rules Licenses

Meeting was called to order at 3:10 p.m. by **Chairman Shepherd**. He excused Representative Chew and stated that Representative Marriott would be late. The Committee agreed to postpone approval of Minutes until the full committee is in attendance.

DOCKET #: 24-1101-0801

Mr. Hales explained this Pending Fee Rule will increase the original license fee and annual renewal fee from $300 to $400 for the 75 licensees and approximately 5 new licenses per year. The statute caps annual renewal fees at $400. The fee increase would have a positive impact on dedicated funds of approximately $8,000 based on 75 licensees and approximately 5 original licenses per year.

The Board of Podiatry operates on fees paid by its licensees. The Board's expenses have been exceeding its revenues. This increase will help address the Board's negative balance.

Mr. Hales further explained there has been an ongoing investigation since 2001 that has cost the Board of Podiatry approximately $80,000 and it is hard to absorb this amount.

In response to questions **Mr. Hales** stated the only background of the case he can discuss is that hearings have been ongoing for a number of years but the Board hasn't had a chance to review the allegations, but once it goes to the Board it can determine whether there was a violation. If there was a violation, they can require a violator to pay for costs of litigation and thus recoup their costs. He also stated a letter had been sent to licensees regarding the fee increase.

MOTION: **Rep. Gibb** moved that the subcommittee recommend to the full committee to approve **Docket No. 24-1101-0801**. **Motion passed on a voice vote.**

DOCKET #: 24-1201-0801

Mr. Hales stated there are a number of changes being made to rules. These changes establish a deadline for applications and responsibility for updating files. They also clarify who sets the time and date of exams. These changes will help avoid confusion and also bring rules up to date.

Changes are being made to senior psychologist qualifications to coincide with the law. The change to the code of ethics is being made since these are now available on the website. The continuing education rule is being changed to include 4 hours of ethics in a three-year cycle. Language is being corrected and clarified in 450 to avoid confusion. The changes to the educational requirements are to bring the rules more in line with the American Psychology Association (APA) standards. The psychologist in training and psychologist under supervision rules are being clarified. Finally, a rule is being added providing a guideline for employment of unlicensed individuals.

In response to questions, **Mr Hales** stated the following: Board does mail a copy of ethical rules to licensees. The change in continuing education which requires a certain number of hours in ethics courses does not change the total number of continuing education credits required. Mr. Hales stated he was in agreement with the proposed rule changes. The rule changes do not change any of the credentials required to practice as a psychologist, only clarifies the requirements. If a psychologist receives a doctorate from a program approved by the APA then applicant for a license meets the education requirements. A psychologist in training is one who has met the education requirements but has not taken the EPPP examination. They can work under the supervision of a licensed psychologist.

MOTION: **Rep. Gibbs** moved that the subcommittee recommend to the full committee to approve **Docket No. 24-1201-0801. Motion passed on a voice vote.**

DOCKET #: 24-1301-0801 **Mr. Hales** stated this change will reduce the license and annual renewal for Physical Therapist from $65 to $40 and Physical Therapist Assistant from $45 to $35. It will also reduce the reinstatement fee from $35 to $25, which is the set amount for the majority of our boards. The Board of Physical Therapy operates on fees paid by its licensees. This change would decrease the initial license fee, renewal fee and reinstatement in an attempt to reduce the Board's cash balance. This fee would reduce the cash balance in dedicated funds for this Board by approximately $32,000 per year based on 1518 licensees.

In response to questions **Mr. Hales** stated the following: The Bureau of Occupational Licenses provides administrative support (phones, walk-in traffic, legal and investigative support, collection of funds and payment of expenses) and the Bureau is accountable to the State Auditor. All fees paid to a particular Board goes into a separate account for that Board. If a Board has a negative cash flow, they request an increase in license fees, or, as in this case, a decrease in fees due to a positive cash balance The Bureau receives no funds from the general fund for their operating expenses. The individual Boards reimburse the Bureau for the services provided.

MOTION: **Rep. Durst** moved that the subcommittee recommend to the full committee to approve **Docket No. 24-1301-0801**. **Motion passed on a voice vote.**

DOCKET #: **Mr. Hales** presented the docket for the Social Work Examiners. Section

24-1401-0801 225 adds an inactive status as allowed by passage of H361 in the 2008 session. Section 300 increases fees for application, original license and renewal fees by $10; increases endorsement fee by $5; and finally, establishes renewal fees for inactive status for Licensed Social Workers and Licensed Master's Social Worker at $30 and Licensed Clinical Social Worker at $35.

This fee would have a positive impact on dedicated funds of approximately $33,970 based on 2,997 licensees and approximately 400 applications per year. The fiscal impact to dedicated funds for inactive status would be dependent on how may people choose an inactive status or do not renew a license.

In response to questions **Mr. Hales** stated the following: This Board has had a lot of disciplinary and legal action which has depleted their funds and the requested increase will keep them from having a negative cash flow. Their cash flow history is:

Year	Revenue	Expenses	Cash Balance
2005	$170,000	$140,000	$98,000
2006	$169,000	$196,000	$71,000
2007	$165,000	$180,000	$56,000
2008	$170,000	$189,000	$37,000

The Board of Social Work Examiners is the only Board asking for an increase in fees. Overall, there is a $47,000 decrease in requested fee changes.

MOTION: **Rep. Marriott** moved that the subcommittee recommend to the full committee to approve **Docket No. 24-1401-0801 except for Sec. 300.04**.

SUBSTITUTE MOTION: **Rep. Durst** moved that the subcommittee send **Docket No. 24-1401-0801** to the full committee with **no recommendation**. **Motion passed on a voice vote.**

DOCKET #: 24-1501-0801 **Mr. Hales** stated that the 2008 Legislature approved HB376 which establishes an associate marriage and family therapist license. Rules 230 and 232 are new sections outlining the qualifications and limits on practice. Rule 240 adds language for the examination requirement. Rule 245 adds associate marriage and family therapist (AMFT) licensure to the section for interns. Rule 250 adds the AMFT application and licensure fees to the fee schedule. Finally, Rule 425 adds the requirement for continuing education for this new license. This license will be held while gaining the supervised work experience required for the marriage and family therapist license.

In response to questions **Mr. Hales** stated the associate license enabled a graduate to obtain the necessary work experience needed for the advanced licensing status.

MOTION: **Rep. Marriott** moved that the subcommittee recommend to the full committee to approve **Docket No. 24-1501-0801**. **Motion passed on a voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:55 p.m.

Representative Paul Shepherd Chairman	Doreen Bowden Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 26, 2009

TIME: 1:30 p.m.

PLACE: Supreme Court Building, Lincoln Room

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: None

GUESTS: Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid; Jerry Lyle; Shelley Barhit; Shawn Thurber, Family Treatment Center; Matthew Smith, Family Treatment Center; Paul Leary, DHW; Barbara Ball; Jonathan Ball; Tony Smith; Michelle Atkins, SL Start; Tracy Re, SL Start; Julie Lacky, SL Start; Kathie Garrett, IADDA; Nikki Smith, Rocky Mountain Behavioral Health; Dwight Whittaker, Access Idaho; Kenny Davis; Marilyn Hemker; Rick Katucki, Affinity, Inc.; Dr. Will Rainford, Roman Catholic Diocese of Boise; Cindy Hamlin; Greg Dickerson, Mental Health Providers Association of Idaho; Jodi Smith, USPRA; Kelly Keele, Children's Supportive Services; April Crandall, Rehabilitative and Health Services; Tami Jones, Mental Health Providers Association of Idaho; Michelle Weaver, IADDA; Katherine Hanson, Community Partnership; Jan Malone; Nicole Sherwood, Developmental Concepts; Debbie Lyle; Shawn Jensen, Affinity, Inc.; Bill Spree, Lewiston Tribune; Brian Blender, Affinity, Inc.; Richelle Tierney; Kurt Steinbridge, GSK; Lori Stiles, DHW; Ashley Bruning, Community Partnerships of Idaho; Kelly Buckland, IILC; Paul Tierney; Scott Tiffany, DHW; Rebecca Wilson; Anna Johnson Whitehead, CPI; Michael Wilson, Inclusion, Inc.; Steve Millard, IHA; Jason Lowry, IADDA; Carrie Mori, Secure Beginnings; Annette Tierney; Larry Benton, Mental Health Association; Marilyn Sword, DD Council; Monica Peterson; Kris Ellis, Mental Health Providers Association of Idaho; Amber Grant; Lena Stearns; Monty Thomson; Ed Hawley.

MOTION: A motion was made by **Rep. Rusche** to approve the minutes of January 20, 2009. **Motion passed by voice vote.**

MOTION: A motion was made by **Rep. Durst** that the Shepherd Subcommittee minutes of January 20, 2009 be approved. **Motion passed by voice vote**.

Rep. Block read over the Legislative Rules of Decorum for Legislative hearings. Questions may be asked by Representatives after each person has testified. Rep. Block introduced Pat Guidry, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid.

DOCKET #16-0309-0803: **Pat Guidry**, Program Manager of the Office of Mental Health and Substance Abuse in the Division of Medicaid, presented **Docket #16-0309-0803.** Ms. Guidry stated that following the direction of 2006 House Concurrent Resolution 48 the Department has explored modifications of mental health

benefits and has embarked upon year one of a three-year planning process to incorporate best clinical practices and enhancements that support the matching of mental health benefits to participants needs through a phased systems improvement approach ensuring that the resources are directed to those individuals who most need Medicaid mental health services. Based upon audits, credentialing processes, quality assurance reviews and complaints from stakeholders the division identified many aspects that need to be reformed.

These rules effectively close many of the current loopholes that allowed departure from best practice and increased the department's costs. These rules contain professional and safety requirements that for some providers, will represent new costs if they are not already consistently operating at a clinically sound, safe and ethical level.

Ms. Guidry responded to questioning stating that this rule is for the basic plan and the companion docket is for the enhanced plan. CAFAS is the tool used to measure a child's functional skills and behaviors. The current Medicaid entrance level requirement is 80 but the instrument designer states the entrance level requirement should be 40. This rule will allow the department to lower the level requirement.

Ms. Guidry replied in response to questioning that this docket is budget neutral. **Leslie Clement,** Administrator, Division of Medicaid, responded that there are two reductions in this docket: the PSR reduction from 20 to 10 hours and the partial care from 36 to 12 hours. Both of these benefits are matched 70% of total funds by federal funds. The PSR fiscal impact was significantly less.

Ms. Guidry responded to questioning stating that the department fully supports having the family be part of the treatment process. This change steers the rule towards what is best practice. There are many opportunities for family involvement and the family would be an instrumental part of the team.

In response to questioning, **Ms. Guidry** stated that anytime there is a reduction in utilization, this clearly results in cost savings. The docket in its entirety is clinically sound in that it provides a clinician to offer services that are medically necessary**. Ms. Clement** stated in response to questioning that all the individuals who receive services between 10 and 20 hours are looked at. These individuals will no longer use these services after 10 hours which saves costs. For PSR benefits, there are 166 adults that Medicaid currently pays for hours in excess of the proposed 10 hours, 363 children in excess of the 10 hour limit, partial care has over 500 adults in excess of 12 hours and there are 961 children in excess of 12 hours. A person would not normally get the maximum number of hours; the need for the hours must be shown.

Ms. Guidry stated that this docket allows the department to change its operations. Medicaid will now be able to manage individually every participant who has been impacted by this holdback. Medicaid has a limited staff that spends 40 hours a week authorizing PSR services. This rule will allow a certain number of hours to be available without authorization by a staff member, which frees up staff to take on the caseloads of the individuals

who may be impacted by the holdback. Many people don't access other services offered by the program, and Medicaid can now link these individuals to these other services.

Ms. Guidry further stated that PSR services are intended to help individuals who have a serious and persistent mental illness. Many of them are not able to function in their communities in a way that keeps them from being in hospitals or jails. PSR services are to help them gain skills that will enable them to participate in their community and gain more independence.

Greg Dickerson, Mental Health Providers of Idaho, spoke in opposition to the docket, saying the department did not negotiate this rule with a large group of service providers. Mr. Dickerson stated that he has spent hours working with the department on mental health reforms and only three meetings were held that addressed these rules.

Kelly Keele of Children's Supportive Services, testified that this rule is intended to minimize repetitions and this docket does not accomplish this purpose. Mr. Keele gave several examples that are repetitive, inefficient and contradictory.

Mr. Keele responded to questions that one inconsistency in the rule is the requirement of one-to-one for children under four - no group work allowed. This means one child to one worker. His concern is that the literal interpretation is one-to-one for children under four. The current rule does not require a parent being on the premises which could affect the trust being developed by the child.

April Crandall, Legislative Committee Member of the Mental Health Providers Association of Idaho, testified in opposition to these rules. Ms. Crandall stated that the Wiche report found that Idaho spent 43% on state psychiatric hospitals compared to the national median of 29%. It is more costly to take care of persons in a hospital setting than through the community.

Ms. Crandall stated in response to questioning that group PSR services are an inexpensive way to provide a service. During the group session, an individual's peers can assist him or her. This service is now due to go away. Their agency utilizes groups quite a bit and it is extremely effective. The most seriously ill population does benefit by a combination of group sessions and individual sessions.

Tami Jones, Vice President of the Mental Health Providers Association and Clinical Social Worker, stated that the problem with the rules is that the former tool of a comprehensive assessment has been split into three different processes, all of which are considered separate "services" and the new structure places restrictions on who can complete the different parts of the assessment. This requirement duplicates a previously provided and paid for service causing an increased cost to an already overburdened system of care. This is a hardship because of the lack of qualified providers throughout the state, especially in the more rural regions of the state. The Mental Health Providers Association ask that this rule to be rejected in its entirety.

Ms. Jones stated in response to questioning that previously, a diagnosis that was already in place had only to be confirmed and cited in the assessment. Now a completely new diagnosis must be completed by someone with a Master's degree even when a good diagnosis exists.

Rep. Block asked **Pat Guidry** to respond. Ms. Guidry stated that the agency has worked closely with psychiatrists and mental health providers so the rules would not be redundant. If persons were thoroughly diagnosed at the beginning of the process, they would have the correct treatment from the start. Medicaid does not have this in process right now. An overwhelming majority of assessments upon review, do not give a proper medical diagnosis.

Ms. Guidry further testified that there is an existing rule that no support person can be engaged in the treatment process. The proposed rule will involve more people as opposed to less. Of the three assessments available, the department has worked to identify specifically that the person must be qualified to do them. An agency could choose to have three different persons do one of the three different assessments or choose to have one person do all three. Medicaid has found through the auditing and quality assurance reviews, this diagnosis is a label that qualifies the person for the program. Medicaid needs a better diagnostic assessment. This rule is an upgrade in standards because it will better match the participant to the appropriate services.

Ms. Jones stated that it is still a duplication of services. Their agency rarely has a client come to them who has not seen a psychiatrist and gotten a diagnosis, yet their agency is required to do another diagnostic work up.

Dr. Sean Thurber, a licensed marriage and family counselor who works with family and children in medicaid funded services, testified that he has assisted the Department of Health and Welfare in crafting the new rules by providing feedback as a clinician and provider. Dr. Thurber stated that the group tried to find better ways to assist Idahoans. These proposed rules are the first step towards this goal.

Dr. Thurber stated in response to questioning the family can be present at therapy sessions and clarified that the one-to-one rule is one patient, one clinician. The intent of this rule is not to exclude the family in the treatment process. There is some research that suggests over the course of time, there will be a decrease in costs as a result of the rule change. Dr. Thurber practices in a clinic for those with Medicaid as well as those without. Dr. Thurber stated that he has not seen any recovery time difference between those individuals with Medicaid and those without. The contributing factor in a quicker recovery time is how much family involvement is present.

Ms. Guidry responded to questioning stating that the way the rule is written refers to a one-to-one requirement for children under four in terms of group therapy. There are instances where it is appropriate for the therapist to work with the child without the family being present. The rule that speaks to whether or not a parent is present includes the possibility that a parent should not be in the building. In some instances, this is appropriate due to fear on the part of the child.

Matthew Smith, Family Treatment Center, testified in favor of these rules. Mr. Smith is a provider actively involved in the process of developing these rules as well as a provider of children's mental health services.

Rick Katucki, CFO for Affinity, Inc., testified in opposition of these rules. Affinity, Inc. is a Medicaid provider for mental health services. From a financial point of view, this budgetary situation came up suddenly. All the programs slated for cuts have matching federal funds with them. As a CFO, Mr. Katucki does not understand why the federal fund programs are being cut and asked that the programs be left intact.

Shawn Jensen, Director of Affinity, Inc., testified in opposition to the rule as the old rules allowed more coverage. Ms. Jensen is a registered clinical supervisor and stated that mental illness is a treatable disorder of the brain. She said the economic cost of untreated illness is huge, and the reduction of services is not a savings but a cost shift to hospitals, prisons and other agencies.

Lori Stiles, Department of Health and Welfare, testified in favor of the rule. Medicaid in the past has paid for naps, playing cards, camping trips, swimming, skiing, lifting weights, helping clients move, babysitting, attending funerals and many other such items as part of PSR treatment. Ms. Stiles stated that these rules are needed for more efficiency and oversight.

Ms. Guidry responded to questioning that the mental health reform project is a three-year vision and includes other benefits that will be added to the program in subsequent years. The reform project did not anticipate a holdback at the beginning of the project.

Ms. Clement responded to questioning that there is an issue of excessive use of benefits that are not therapy. Medicaid has taken a hard look at the benefits and looked for best practice. Most providers that the department discussed these issues with agreed that 10 hours is an appropriate amount of hours for services.

Ms. Stiles responded to questioning that the new rules will be more effective than the old rules in stopping PSR service abuses. The area with the most problems has been in Eastern Idaho.

Ashley Bruning of Community Partnerships of Idaho, testified against the rule.

Larry Benton, Idaho Mental Health Providers Group, testified in opposition to the rule. Mr. Benton stated the majority of providers were not consulted in the process of developing these rules and did not feel that recommendations in the Wiche report were implemented by the department.

Kelly Buckland, Executive Director of the Idaho Independent Living Council, testified in opposition to the rule. Mr. Buckland stated that two members of the Idaho Independent Living Council have been participating in the mental health reform process with Medicaid and there are still concerns. One concern is the impact the rule would have in rural areas on providers offering these services.

Ms. Guidry clarified in response to questioning that the cuts in services are not in this docket but are in the companion docket, the Enhanced Plan, chapter 10.

Ms. Guidry further responded that the goal of the reform effort was not targeted at decreased utilization, but that Medicaid might more accurately match a person's needs with the services they receive.

Ms. Clement stated in response to questioning that passing one docket without the companion docket would be difficult since this is a system redesign that affects both rules. The committee could certainly approve one and not the other but it would not make sense as these rules together are a package deal.

MOTION: **Rep. Nielsen** moved that the legislature approve **Docket 16-0309-0803.** **Rep. Loertscher** spoke on behalf of changes being needed to the Mental Health Program, specifically with accountability and outcome based services. Rep. Loertscher indicated the difficulty of knowing how to vote on this issue. **Rep. Rusche** stated that these rules are a necessary first step to get to where the department needs to go. Without obtaining a good diagnosis at the beginning, it is hard to know if the outcome is related to the treatment. **Rep. Rusche** encouraged the committee to accept these rules as they are. **Rep. Wood** stated the State of Idaho is headed for 20% of its GNP on health care which is unfeasible. The best health care in the U.S. turns out to be the cheapest health care. Of the current rules in the first two dockets, one of the real issues is medical inflation. The number one driver of costs is utilization. Utilization is the most used and abused portion of the Health Care Industry. The current rules get at three basic elements of utilizations. These are self referral, the most abused element; evidence based medicine and long term outcome. Rep. Wood thanked the Governor and the Governor's office and the Department for bringing Idaho more up to date and bringing quality to the mental health services it provides. On the whole, Rep. Wood encourages approving these rules.

Roll call vote was requested on the motion. **The motion passed, 15-1. Voting in favor** of the motion: Reps. Block, Nielsen, McGeachin, Loertscher, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew and Sayler. **Voting in opposition**: Rep. Durst.

Docket #16-0310-0803

Rep. Block stated that this is a companion docket together with the previous docket. Rep. Block stated that she will limit testimony to those who have not testified previously.

Ms. Guidry stated that she does not have any further presentation but will respond to questions.

Ms. Guidry responded to questions that when the department sees a situation where the treatment plan requires additional hours beyond the limit, the department works with the provider to link that participant to other services, such as skilled therapy and training.

Jodi Smith of the Idaho Psychiatric Association stated that the discrepancies in Idaho's PSR and the National's Standards creates a hardship for many PSR providers to obtain certification. The cost of 45 hours

of continuing education would be around $1000.00 which most providers would find difficult to reach.

Scott Tiffany, Division of Behavioral Health, testified in support of this rule and stated that mental health reform is not an easy process.

Dr. Will Rainford, Roman Catholic Diocese, Boise, stated that even though abuses exist, for the most part, people are using their services properly. Dr. Rainford urged the committee to understand how the cuts affect families and that it has to be about quality of life.

Dr. Rainford responded to questioning that PSR specialists should be certified, but the PSR certification should not be made too difficult to obtain.

April Crandall stated that is difficult to endorse a plan that has been quickly put together without adequate input from agencies.

Kelly Keele stated that after its first year of service, Children's Supportive Services saw a 36.5% reduction in symptoms. He stated the concern is that the rule is hard to understand and hard to comply with.

Tami Jones testified in opposition to the rule and did not feel their concerns were heard. The Mental Health Providers Association has not seen a pay rate increase in 10 years but are still working with people because of the need.

Ms. Clement stated in response to questioning that the department is committed to this three-year process and is continually striving to improve it.

Ms. Guidry stated in response to questioning that a PSR specialist must have a bachelor's degree under the current rule which will be continued. The department is giving people three years to obtain the requirement. The University of Idaho is developing a program of continuing education hours that will match the certification program requirements.

MOTION: **Rep. Wood** moved to approve **Docket # 16-0310-0803.**

SUBSTITUTE MOTION: **Rep. McGeachin** offered a substitute motion to reject **Docket # 16-0310-0803.** Rep. McGeachin stated that cutting these hours would not meet individuals needs. Rep. McGeachin would like to give the private provider time to have their concerns addressed. **Rep. Durst** spoke in favor of the substitute motion stating due to the impact of this rule to providers, jobs, and the mentally ill population. **Rep. Thayn** noted that the senate committee has approved this rule.

Ms. Clement stated in response to questioning that even though these rules have been in place since January 1, 2009**,** it is still too early to know what the effect will be on the budget**.** These rules are not the only cuts to the Medicaid program and it will take longer to see the effects.

Roll call vote was requested on the substitute motion. **The motion failed, 5-11. Voting in favor**: Reps. McGeachin, Loertscher, Shepherd, Chew and Durst. **Voting in opposition** of the substitute motion: Reps. Block, Nielsen,

Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche and Sayler.

Roll call vote was requested on the motion. **The motion passed, 13-3. Voting in favor** of the motion: Reps. Block, Nielsen, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew and Sayler. **Voting in opposition**: Reps. McGeachin, Loertscher and Durst.

Rep. Block moved **Docket # 16-0310-0902** to the next meeting.

ADJOURN: **Rep. Block** adjourned the meeting at 5:30 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 28, 2009

TIME: 1:15 p.m.

PLACE: Borah Building, 2nd Floor Courtroom

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: None

GUESTS: Art Evans, AFI; Larry Benton, Benton, Ellis; Fred Riggers; Amber Grant; Kelly Buckland, IILC; Jason Lowry, CCI/IADDA; Jan Malone; Tracy Re, SL Start; Marc Reinhart; Ed Hault; Marilyn Sword, DD Council; Joy Cameron, A New Leaf; Keri McDermott, A New Leaf; Tana Cory, Bureau Chief, Occupational Licenses; Paul Tierney; Amy Brown, Family Solutions; Rebecca Wilson; Michelle Weaver, IADDA; Cindy Hamlin; Katherine Hansen, Community Partnerships; Kathie Garrett, IADDA; Nicole Sherwood, DCI; Jennifer Burton, Developmental Concepts; Shelley Babbit; Dwight Whittaker, Access Idaho; Roger Hales, Idaho Board of Occupational Licensing; Marilyn Hemker; Charlene Quade; Monty Thomson, RSG; Lena Stearns, RSG; David Simmitt, Department of Health and Welfare; Richelle Tierney; Monica Peterson; Kerry Davis; Leslie Clement, Director, Medicaid Division.

MOTION: **Rep. Luker** moved to approve the minutes from January 22, 2009. **Motion passed on voice vote**.

Rep. Block requested the committee consider **RS18191** first on the agenda.

RS18191: **Roger Hales**, attorney, representing the Idaho Board of Occupational Licensing, presented **RS18191** stating this is an increase in the cap only and does not increase the fee.

MOTION: **Rep. Gibbs** moved to introduce **RS18191**; **motion passed on voice vote**.

DOCKET #16-0310-0902: **Paul Leary,** Deputy Administrator - Medicaid, presented **Docket #16-0310-0902**. The rules in this docket reduce the maximum service hours that a provider can bill for Medicaid participants in the Enhanced plan receiving Developmental Disability Services. This change represents a part of the department's response to meet the governor's executive order. The service limit for Developmental Disability Services is being reduced from 30 hours per week to 22 hours per week with no services being eliminated.

In response to questioning, **Mr. Leary** stated for the state fiscal year 2009, the effect of the cuts on the budget would be .8 million in state funds and 1.8 million in matching federal dollars.

Leslie Clement, Administrator, Division of Medicaid, responded to

questioning that of the annualized $3.9 million, the federal share is $2.7 million and the fiscal impact is $1.2 million. **Mr. Leary** responded to questioning that the percentage of the total budget for DDA is 13% with the total budget reduction portion at 9%. Ms. Clement further stated that in 2010, the department is projecting $195 million in total funds. The budget reduction that relates specifically to DDA is 2% of the budget.

Mr. Leary stated in response to questioning that the department is monitoring requests for EPSDT services beginning January 1, 2009. For the first week in January, there were 11 requests for additional hours; week 2 had 4 requests and week 3 had 2 requests. Mr. Leary further stated that the costs per hour for adult daycare cost less than an hour of therapy and the average response time for an EPSDT application review is within a week.

Ms. Clement explained that Medicaid needs to overhaul its current benefit package, particularly in regard to children but this is a long term project and will take at least a year before an improvement in the system will be seen.

Mr. Leary explained that anyone at risk for institutionalization would meet the requirements to qualify for services. The department is willing to sit down case by case and figure out how to get an individual the services they need and keep them from being hospitalized.

Ms. Clement explained there is a perception that the cuts are falling to this one group because people are not seeing the larger picture. The department is making dramatic cuts to many other areas and not just to DDA services. The Medicaid program itself is a $200 million dollar program when talking about the full array of services offered. This DDA agency is having its hours reduced more than 2% but they are just one component of the benefits that the state provides of Disability benefits. Ms. Clement further explained that these cuts are viewed as temporary and Medicaid hopes to open up the full array of children's benefits.

Mr. Leary explained the 22 hours are a soft cap, especially for children. The cap becomes hard for adults. Mr. Leary further explained that Medicaid only controls certain tools in making changes to any programs. The opportunity Medicaid has is to control through maximum caps.

David Simnitt, Department of Health and Welfare, responded to questioning that schools are required by law to provide to their students certain services.

Monica Peterson and her daughter Marlee were welcomed to the committee. Ms. Peterson testified in opposition to the rule. Her daughter has Smith-McGuiness syndrome and needs the therapy to learn to become independent.

Michelle Weaver, President of Idaho Association of Developmental Disabilities Agencies (IADDA), testified in opposition to the rule. Ms. Weaver stated the primary concern is the arbitrary nature of the cap.

Cindy Hamlin is representing her 16 year old son with Downs Syndrome and testified against the rule stating this would adversely effect her son.

Katherine Hansen, Community Partnerships, testified in opposition to the rule. Ms. Hansen emphasized the cuts her agency has had to make in order to survive.

Ms. Hansen responded to questioning that her agency serves a lot of people in small, rural communities. They have seen 142 people that were impacted by this cut with 76 individuals applying for adult daycare. These applications were sent in by Dec. 19 with only 24 plans being approved to date.

Nicole Sherwood, a professional in the Development Disability Community, testified in opposition to the rule.

Jennifer Burton, Development Concepts, testified in opposition of the rule.

Shelly Babbit is representing her 14 year old son who has a disability and testified against the cut from 30 to 22 hours a week.

Marilyn Hemker is representing her son, 22 years old, who has Downs Syndrome and testified against the cut in hours from 30 to 22.

Charlene Quade, an attorney who represents clients throughout Idaho who have disabilities testified against the reduction in hours due to the adverse effects this would have.

Richelle Tierney is representing her autistic son, Nicholas, and testified in opposition of this rule and the cut in hours which has an adverse effect on him.

Kerry Davis is representing her son Toby, 4 years old, who has autism, ADHD and apraxia. Ms. Davis testified in opposition to the cuts in hours.

Marilyn Sword, Executive Director of the DD Council, testified in opposition to this rule and stated these cuts will have a negative impact on individuals.

Ms. Clement responded that they have speeded up and streamlined the EPSDT process in order to make it easier on families that will now need these services.

Paul Tierney is representing his son Nicholas, who is autistic, and spoke in opposition to the rule.

Amy Brown runs a program for persons with disabilities and testified in opposition to the rule.

Amber Grant is representing her two sons, both of whom have disabilities. Ms. Grant testified in opposition to the rule.

Kelly Buckland, Director of the IILC, spoke in opposition to the rule based on concerns that the cuts in hours will result in persons being institutionalized.

Jason Lowry, IADDA/Community Connections, testified in opposition to the rule.

Arthur Evans, AFI, testified in opposition of the rule. Mr. Evans stated the required paperwork that goes along with the application to EPSDT is still a daunting task for parents to fill out as these parents are overwhelmed easily discouraged by the process.

Dwight Whittaker represents Access Idaho and testified against this rule.

Mark Reinhardt testified against the rule and stated how services have helped him to become a successful adult.

Ms. Clement stated in response to questioning that many years back, Medicaid was encouraged to work with school districts throughout the state to increase funds and have the schools participate in Medicaid. Medicaid worked to streamline this process with the school districts and have been very successful with over 100 school districts participating. Children can obtain an IEP through the school system which allows them to obtain many of the services they need. There are some variations throughout the state with some schools districts offering more services than others. **Rep. Loertscher** clarified that the school districts in the past were required to use their own funds to provide these services, but now receive funding from Medicaid.

Mr. Clement stated in response to questioning that the school districts are required by law to provide services to children even through the summer. This is an issue Medicaid is discussing with the school districts which needs to be resolved. Medicaid does not count any service hours a child receives through the school district as part of Medicaid's hours.

Rep. Rusche stated his concerns for the adults that need additional hours and emphasized the tough decision that was before the committee.

Rep. Loertscher spoke on how Medicaid needs to become "needs based" and not "eligibility based". Rep. Loertscher stated that Nebraska has gone to "needs based" and have kept their Medicaid costs down. The state needs to recognize the individual's needs and not just count the costs.

Ms. Clement responded to questioning that Medicaid has moved forward for on the Self Direction Program for adults. This program enables the individual to self direct the services he or she receives and has been up and running for about two years. Medicaid is currently an insurance product model which is the traditional model. The Self Direction Program arrives at a fixed annual budget for each individual who then spend their budget on the programs he or she feels is needed. This is a positive alternative to what we are struggling with today. The program has 50 individuals who have used this program and the department has received very positive feedback. This program allows the individual to have more control over the services that are received. There are eligibility requirements for this program but it is designed for those individuals who are most at risk for institutionalization. Medicaid would like to offer this program to families and their children and staff is available to assist individuals who would like to move into this program.

Ms. Clement responded to questioning that if every rule is approved, it will still leave a $41 million shortfall.

MOTION: **Rep. Loertscher** moved to reject **Docket #16-0310-0902** stating that this decision should not be based solely on budgetary considerations. Rep. Loertscher feels the Department of Health and Welfare should look at other ways to cut costs as well as duplication of efforts.

Rep. Sayler spoke in support of the motion stating that this is perhaps not the best way to reduce costs. Rep. Sayler feels this rule will cause harm to many people.

SUBSTITUTE MOTION: **Rep. Wood** offered a substitute motion to approve **Docket #16-0310-0902**. Rep. Wood reminded the committee that this is a temporary rule and will come before them again in a year. Rep. Wood believes there is an adequate safety valve for the children which may be cumbersome, but at least is there. The Department of Health and Welfare will be monitoring the effects of these rules on both children and adults. If the Department of Health and Welfare sees this rule needs to be changed, it can done with a temporary rule from the Governor. Everything the legislation does this year will be because of the budget shortfall which affects everything. This is not an easy decision but the committee does have to keep in mind the Idaho Constitution requires us to balance the budget.

Rep. Durst spoke in opposition of the substitute motion. There are difficult decisions to be made this year, but Rep. Durst disagrees that this should only be about money. This rule seems to do a lot of harm to a lot of people which is unacceptable.

Rep. Thayn spoke in favor of the substitute motion. The committee has known that the Department of Health and Welfare has needed reform for a long time. Some large strives have been made in this area. Rep. Thayn stated that if these and other budget cuts are not passed, they will be required to increase taxes which will impact more families.

Rep. Luker spoke in favor of the substitute motion. This is an extremely difficult decision and he was moved by the testimony. Despite the budget cuts made to the department, there will still be a $41 million gap. The Department of Health and Welfare has done a remarkable job of making sure there are safety nets in place.

Rep. Nielsen spoke in favor of the substitute motion and how touched he was today by the testimony given. There has to be a better way to do business and to help these folks. This is a tough bullet to fight but he is convinced if these cuts are not passed now, they will be cut later.

Rep. Loertscher stated that he does not want his motion misunderstood. The committee needs to have this discussion on these and other areas. It is so important these are looked at. The Department of Health and Welfare has chosen this direction to go and Rep. Loertscher suggests the committee inform them in writing of ideas of where to cut. The purpose of his motion is that these other areas need to be looked at without decreasing the hours of service people are receiving. Rep. Loertscher is not satisfied that every avenue was explored.

Rep. McGeachin spoke in favor of the original motion stating that she had indicated to some individuals her inclination to support the rule provided it is

a temporary rule and if there were some form of a safety net in place for adults. Rep. McGeachin has appreciated the information from the department to understand all the options available and realizes the department is sincere in looking at how it can deliver services and cuts. However, after listening to testimony, Rep. McGeachin cannot support the docket and would like to look at other ways to reduce the budget.

Rep. Nielsen questioned Rep. Loertscher on whether the committee is allowed to write comments and suggestions to the department as a group. Rep. Loertscher stated that this has been done on many occasions with the department taking our suggestion seriously. The difficulty the committee has is that it is not armed with the knowledge needed of the federal rules which affect Medicaid.

AMENDED SUBSTITUTE MOTION:

Rep. Nielsen offered an amended substitute motion to approve **Docket #16-0310-0902** and have the committee compose and send a letter to the Department of Health and Welfare with suggestions of areas which could be improved as well as areas which could be cut.

Roll call vote was requested on the motion. **The motion passed, 9-7. Voting in favor** of the motion: Reps. Nielsen, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, and Wood. **Voting in opposition**: Reps. Block, McGeachin, Loertscher, Rusche, Chew, Sayler and Durst.

Announcements: No substitute committee meetings today. The committee will meet Friday in Room 228 at a time to be determined.

ADJOURN:

Rep. Block adjourned the meeting at 5:29 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: January 30, 2009

TIME: 11:00 a.m.

PLACE: Room 228

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: Vice Chairman Nielson, Rep. Loertscher, Rep. Chew, Rep. Durst, Rep. Sayler

GUESTS: Scott Tiffany, Bureau Chief for Mental Health, Division of Behavioral Health, Department of Health and Welfare; Roger Hales, Bureau of Occupational Licenses; Tana Cory, Bureau of Occupational Licenses; Bonne Gibbs

DOCKET # 16-0739-0801: **Scott Tiffany**, Bureau Chief for Mental Health, Division of Behavioral Health, Department of Health and Welfare, presented **Docket #16-0739-0801**, a temporary rule that establishes minimum qualifications and appointment process for Designated Examiners.

Mr. Tiffany responded to questioning that statute defines certain parameters for qualifications for designated examiners. Under the new qualifications, 30% of practicing examiners would no longer be qualified. There are approximately 130 examiners currently practicing in the state.

MOTION: **Rep. Rusche** moved to recommend to the full committee that **Docket #16-0739-0801** be approved. **Motion passed by voice vote**.

DOCKET # 41-0101-0801: **Dale Peck**, Environmental Response and Technology Director for Panhandle Health District, presented **Docket #41-0101-0801**. This pending rule was negotiated to address concerns from the development community that the current version of the rule, adopted in 2007, restricted the development and sale of some properties. The current rule only allows for application for a septic permit to be accepted concurrent with a request for a permit to construct the structure to be served by the septic system. In other words, the department would only permit installation of a septic system when the dwelling being served is ready to be constructed.

The negotiated change would allow the installation of a septic system without a permit to construct and would allow subsequent connection and use of the installed septic system under the conditions of the original permit for up to 5 years. The change would allow “speculative drainfields” to be installed to enhance the value of property for sale. Panhandle Health District submits this compromise that both provides for protection of public health without unduly restricting development.

MOTION: **Rep. Wood** moved to recommend to the full committee that **Docket # 41-0101-0801** be approved. **Motion passed by voice vote**.

RS18215: **Roger Hales**, attorney, representing the Bureau of Occupational Licensing, presented **RS18215** stating it eliminates the related qualification and raises the cap on the application fee. This does not raise any fees, only the cap.

MOTION: **Rep. Gibbs** moved to introduce **RS18215**; **motion passed on voice vote**.

RS1822C1: **Roger Hales**, attorney, representing the Bureau of Occupational Licensing, presented **RS1822C1** stating the rule removes board members from PERSI participation requirement and clarifies language.

MOTION: **Rep. Luker** moved to introduce **RS1822C1**; **motion passed on voice vote**.

RS18223: **Roger Hales**, attorney, representing the Bureau of Occupational Licensing, presented **RS18223** stating this rule adds a definition for a temporary permit, changes qualifications slightly for psychologist licensing and increases the cap on applications and renewal of licenses. This rule would allow temporary permits in order to deal with an emergency crisis during which out of state practitioners would be able to work with Idaho citizens.

MOTION: **Rep. Wood** moved to introduce **RS18223**; **motion passed on voice vote**.

There will be no subcommittee meetings today. The next meeting will be February 2, 2009 at 1:30 p.m. in room 240.

ADJOURN: There being no further business before the committee, the meeting adjourned at 11:45 a.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 2, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Durst, Sayler.

ABSENT/ EXCUSED: None

GUESTS: Mark Johnston, Board of Pharmacy; Roger Hales, Bureau of Occupational Licensing; Genie Sue Weppner, DHW; Pat Barclay, ICIE; Sandy Evans, Board of Nursing; Judith Nagel, Board of Nursing; Tana Cory, Bureau of Occupational Licensing; Martin Bilbao, Connolly Smyser; Kathie Garrett, IAFP; Kerry Ellen Elliott, PHD; Shannon Stradan.

MOTION: **Rep. Thompson** moved to approve the minutes of January 26, 2009. **Motion passed by voice vote.**

DOCKET # 27-0101-0803: **Mark Johnston**, Executive Director, Board of Pharmacy presented **Docket #27-0101-0803**. This rule deals with the discipline of pharmacy technicians and allows them to be subject to the same disciplinary actions as pharmacists. Mr. Johnston read the 16 definitions of unprofessional conduct and stated there has been no opposition to this rule.

MOTION: **Rep. Luker** moved that the legislature approve **Docket 27-0101-0803. Motion passed on voice vote.**

DOCKET # 24-1401-0801: **Roger Hales**, attorney, representing the Idaho Bureau of Occupational Licensing, presented **24-1401-0801,** a pending fee rule for the Board of Social Work Examiners. This rule establishes an inactive status for social work examiners and increases the licensing fee. The increase in disciplinary actions the board oversees is one of the major contributors for increases in costs. The board is responsible for generating its own revenue.

MOTION: **Rep. Gibbs** moved that the legislature approve **Docket 24-1401-0801. Motion passed on voice vote. Rep. Marriott** voted in opposition.

DOCKET # 16-0612-0802: **Genie Sue Weppner**, Program Manager with the Division of Welfare presented **Docket #16-0612-0802**. This proposed rule would require ICCP providers to obtain and pass a background check. This requirement would be for all individuals, ages 13 and over, who have direct contact with the children in their care. A change in the Criminal History Unit rules last year now allows us to include background checks as a requirement of ICCP. Ms. Wepper stated there are no providers under 18 as they are ineligible. In 2008, there were 342 relative providers who received ICCP payment and 1571 licensed facilities in Idaho.

MOTION: **Rep. Rusche** moved that the legislature approve **Docket 16-0612-0802.** Rep. Rusche spoke to his motion stating that child abuse happens more often than thought and background checks are necessary to protect children. **Rep. Shepherd** spoke in opposition to the motion stating that too much state intervention would not be good for rural areas since the providers must already abide by city licensing requirements. **Rep. Marriott** pointed out a numbering issue in the rule with **Ms. Weppner** acknowledging it. **Rep. Block** stated that the technical problem can be addressed without rejecting the rule. **Dennis Stevenson,** Administrative Rules Coordinator also stated the numbering issue is a minor problem which can be addressed without rejection of the entire rule. **Rep. Luker** expressed his concerns on subjecting 13 year olds to background checks as well as the self disclosure requirement.

SUBSTITUTE MOTION: **Rep. Luker** offered a Substitute Motion to accept **Docket #16-0612-0802** with the exception of 009.03, 009.05(c)(d), 803.03 referring to self disclosure and 805. **Rep. Wood** spoke in opposition to the substitute motion stating the point at issue is if a person is left in charge of children at any point in time alone, a background check should be done even if they are 13. **Rep. Rusche** spoke in opposition to the substitute motion because the teen years are when predatory behavior begins and this rule would help ensure the safety of children. Striking these sections would remove background checks on everyone, not just minor teenagers. **Rep. Boyle** spoke in opposition to the substitute motion stating that in 4H Clubs, all leaders including the 14 year old leaders are required to have a background check which is not seen as intrusive. **Rep. Sayler** spoke in opposition to the substitute motion stating the committee needs to do everything it can to protect our children**. Rep. Loertscher** asked **Rep. Wood** if a background check is done and the abuse starts at a later point, how has this background checked helped to protect the children? **Rep. Wood** responded that no system can be absolutely foolproof unless you start psychological profiles, but this allows a starting point and weeds out those offenders who are known. Fingerprinting someone does not have an adverse effect on those who are required to obtain them and he would rather err on the side of caution.

AMENDED SUBSTITUTE MOTION: **Rep. McGeachin** offered an amended substitute motion to accept **Docket #16-0612-0802** with the exception of **009.03**. This area of the rule causes the most concern stating "any individual 13 and older must complete a criminal history application..." This seems to indicate they do not necessarily have to have contact with the children, but that anyone that lives there would be subject to fingerprinting just because they live there. It also solves the numbering problem in the rule if that section is left out. **Rep. Luker** spoke in support of the amended substitute motion. The examples of abuse which were given were all adults and not minor children. **Rep. Nielsen** spoke in support of the amended substitute motion since the definition in the proposed excluded section is very broad and does not state these individuals must have contact with the children in order to be subjected to a background check. **Rep. Thayn** spoke in support of the amended substitute motion and also stated the reasons why the predatory behavior starts to happen and how it can be prevented should be looked into. **Rep. Sayler** spoke in support of the amended substitute motion and stated that the most common form of abuse is to family and friends.

Roll call vote was requested on the amended substitute motion. **The amended substitute motion passed, 16-0. Voting in favor** of the amended substitute motion: Reps. Block, Nielson, McGeachin, Loertscher, Shepherd, Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Durst, and Sayler. **Voting in opposition**: none.

RS18213 **Sandra Evans**, Executive Director, Idaho Board of Nursing presented **RS18191** stating this RS amends existing statute by striking confusing language used to describe LPN educational programs and inserts language that correlates with administrative rule requirements for licensure by interstate endorsement that is contingent on issuance of licensure by another jurisdiction which was based on criteria acceptable to the Idaho Board.

MOTION: **Rep. Loertscher** moved to introduce **RS18213**. **Motion passed on voice vote.**

Rep. Block informed the committee that each committee chairman will present to JFAC their budget recommendations on February 19, 2009. Rep. Block has appointed a budget subcommittee consisting of: Reps. Nielsen, Luker, Thayn, Wood, Boyle, Gibbs, Rusche and Chew with Rep. Block chairing. The Nielsen subcommittee will report to the full committee on Wednesday, February 4, 2009. Please plan schedules for a longer meeting on Friday than what is normally held since this is the administrative rules deadline.

ADJOURN: There being no further business before the committee, the meeting adjourned at 3:10 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HEALTH & WELFARE COMMITTEE
McGEACHIN SUB-COMMITTEE

DATE: February 2, 2009

TIME: 3:15 P.M.

PLACE: Room 240

MEMBERS: Chairman McGeachin, Representatives Luker, Thayn, Thompson, Sayler

ABSENT/ EXCUSED: None

GUESTS: Kandee Yearsley, DHW; Cheryl Bowers, DHW; Kathy McGill, DHW; Matt Clark, DHW.

DOCKET # 16-0306-0801

Kathy McGill, Specialist for the Department of Health and Welfare, Division of Welfare, presented **Docket #16-0306-0801**. The rule changes in this docket align Idaho Refugee Medical Assistance with new federal regulations pertaining to Iraqi and Afghani Special Immigrants. This rule allows those who do not have children, are not disabled and do not fit into any other catergory to obtain assistance.

MOTION: **Representative Sayler** moved to recommend to the full committee that **Docket No. 16-0306-0801** be approved. **Reps. McGeachin and Thompson** voted in opposition to the motion. **Motion passed on a voice vote.**

DOCKET # 16-0303-0802

Kandace Yearsley, Child Support Bureau Chief for the Department of Health and Welfare Division of Welfare, presented **Docket #16-0303-0802,** rules governing Children Support Services. The Federal Deficit Reduction Act of 2005 contains a provision that requires each state's Child Support Enforcement Program to conduct reviews at least every 36 months on all child support cases in which recipients also receive Title IV-A (TANF or in Idaho TAFI) benefits.

Idaho initiated the 36 month review criteria as part of the Personal Responsibility and Work Opportunity Act of 1996. At that time Idaho recognized the need to ensure a child support recipient who receives TANF or TAFI benefits has a child support order that reflects the current incomes of both parents. There is a trigger set in the system for every 36 months, at which time, forms go out to both parents requesting information. The income of both parents are looked at to ensure the child support payments are correct. The department is currently seeing more non-custodial parents requesting modifications due to the economic situation.

MOTION: **Representative Luker** moved to recommend to the full committee **Docket 16-0303-0802** for approval. **The motion passed on a voice vote**.

DOCKET # 16-0612-0801

Cheryl Bowers, Program Specialist with the Division of Welfare, presented **Docket #16-0612-0801.** This rule states that a self-employed family can

choose to either have the 50% deduction applied to their income, or, in situations where expenses exceed 50%, the family may opt to use their actual self employed gross minus their actual expenses incurred in the operation of that business in the calculation of their child care. The actual number of hours that the parent is working determines how many activity hours are received plus reasonable travel time. If seasonal self employment income is reported for part of the year, the amount would be averaged over the season instead of a 12 month period. Whether an income is deemed seasonal is determined on a case by case basis.

MOTION: **Representative Thayn** moved to recommend to the full committee **Docket 16-0612-0801** for approval. **The motion passed on a voice vote**.

DOCKET NO. 16-0612-0803 **Cheryl Bowers,** Program Specialist with the Division of Welfare, presented **Docket #16-0612-0803.** These rule changes will help protect child care providers from false allegations of fraud and provide assurance that state and federal funds are not paying for fraudulent activities. They will also align ICCP rules with the Fraud Investigation Statute changes made last legislative session so that investigation of alleged fraud may be conducted effectively.

MOTION: **Representative Thompson** moved to recommend to the full committee **Docket # 16-0612-0803** for approval. **The motion passed on a voice vote**.

ADJOURN: There being no further business before the Committee, **Chairman McGeachin** adjourned the meeting at 3:55 p.m.

Representative Chairman McGeachin	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
SHEPHERD (8) SUB-COMMITTEE

DATE: February 2, 2009

TIME: 3:35 P.M.

PLACE: Room 316

MEMBERS: Chairman Shepherd (8), Representatives Marriott, Gibbs, Chew, Durst

ABSENT: Representative Durst

Chairman Shepherd called the meeting to order and welcomed the guests.

GUESTS: Mark Johnston, Executive Director, Idaho State Board of Pharmacy, Dane Kaster, Intern, Idaho State Board of Pharmacy, Pam Eaton, Idaho Retailers Association, Martin Bilbao, Connolly & Smyser, Ctd

DOCKET NO. 27-0101-0801

Mark Johnston, Executive Director, Idaho State Board of Pharmacy presented **Docket No. 27-0101-0801**, Statutory Changes/Wholesale Drug Distribution Act. The pending **Rules 134, 156, 323, 356, 357, 404, 405, and 469** changes are necessary to comply with recent statutory changes to the Wholesale Drug Distribution Act.

Rule 134 is being amended to change the organization's name to **Accreditation Council for Pharmacy Education (ACPE).** Additionally, it would clarify that pharmacists must complete CE created for pharmacists and not technicians.

Rule 156 is entitled "pharmacies," has several pending changes, mostly housekeeping in nature.

Rule 323, Minimum Requirements for Licensure, is being amended to harmonize last year's changes in statute.

Rule 356,Veterinary Drug Orders, and **Rule 357,** Drug Orders, are read in conjunction. **Rule 356** would clarify the numbered form is used for written prescriptions. **Rule 357** would clarify the unnumbered form that is used for oral prescriptions and would allow delivery of the completed numbered form via fax and e-mail, in addition to hand delivery and mail.

Rule 404 and **Rule 405**, fee tables, would allow a pharmacy, required to register by June 30, of each year, to register as a preceptor site simultaneously and would harmonize the rules to read July 15.

Rule 469, prescription reporting are required by statute and rule to submit to the Board information on filled controlled substance prescription in Schedules II, III, and IV. The pending rule would add Schedule V to the list.

MOTION: **Representative Chew** made a motion to recommend **Docket No. 27-0101-0801** to the full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0802 **Mark Johnston** presented **Docket No. 27-0101-0802**. The proposed rule changes are necessary to further define pharmaceutical care in keeping with recent developments in the practice of pharmacy and allow the Board the flexibility to address future changes in the profession regarding pharmaceutical care services.

MOTION: **Representative Chew** made a motion to recommend **Docket No. 27-010-0802** to the full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0804 **Mark Johnston** presented **Docket No. 27-0101-0804**, entitled Time for Filing. The proposed rules are necessary to comply with changes in federal statute. The proposed rule change would strike the language of the existing rule and substitute language requiring that no Schedule II order shall be filled more than ninety (90) days after the date the order was written.

MOTION: **Representative Marriott** made a motion to recommend **Docket No. 27-0101-0804** to the full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0805 **Mark Johnston** presented **Docket No. 27-0101-0805**, **Rules 010 through 114.** The proposed rules can be read together. Many of these rules overlap, so they were condensed, creating the appearance of many changes, but in essence they are simply rearrangements.

MOTION: **Representative Chew** made a motion to recommend **Docket No. 27-0101-0805** to the full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0806 **Mark Johnston** presented **Docket No. 27-0101-0806, Rule 460,** currently named "possession of greater or lesser amount of controlled substance than shown by records-evidence of guilt." The proposed rulemaking amends the rule to limit the evidentiary presumption of the occurrence of a violation warranting discipline to a rebuttal presumption in proceedings to suspend or revoke the controlled substance registration for violation where there is evidence of an amount of a controlled substance unaccounted for by any record or inventory required by law.

MOTION: **Representative Gibbs** made a motion to recommend **Docket No. 27-0101-0806** to the full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0807 **Mark Johnston** presented **Docket No. 27-0101-0807,** The Remote Dispensing Pilot Program. **Rule 265-269** contains rules that have been approved as temporary since 2006. These rules are designed to serve rural communities lacking pharmacy services. Approval would make this simple change permanent.

MOTION: **Representative Chew** made a motion to recommend **Docket No.**

27-0101-0807 to the full committee. **The motion passed on a voice vote.**

ADJOURN: There being no further business before the committee, Chairman Shepherd adjourned the meeting at 4:25 p.m.

Representative Chairman Shepherd (8)	Shirley Scott Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 4, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Rep. McGeachin; Rep. Shepherd

GUESTS: David Simnitt, Program Manager, Division of Medicaid, Department of Health & Welfare; Randy May, Deputy Administrator, Medicaid Division, Department of Health and Welfare; Mark Johnston, Executive Director, Board of Pharmacy; Melissa Bilyeu, A New Leaf; Keri McDermott, A New Leaf; Erica Compton, Service Coordinator, Developmental Concepts; Paul Leary, Deputy Administrator, Department of Health and Welfare; Ann Phillips, Co-owner, Unbefuddled; Toni Belknap-Brinegar, Lloyd, Brinegar, Short & Associates; Paul Johnson, Co-owner, Unbefuddled; Art Evans, Advocates for Inclusion; Paola Lamberti, Advocates for Inclusion; Katherine Hansen, Executive Director, Community Partnerships; Mary Jones, Department of Health and Welfare; Larraine Clayton, Department of Health and Welfare; Kathie Garrett, IADDA; Ike Kimball, Department of Health and Welfare; Isela Gamez, Unbefuddled; Mark Johnston, Board of Pharmacy; Tony Smith; Badyi Richel; Sharon Saul, Aspire Services; Ed Hawley; Laura McCash, A New Leaf; Joy Cameron, A New Leaf; Benjamin Davenport, Risch Pisca.

DOCKET #16-0309-0802: **Randy May**, Deputy Administrator, Medicaid Division, Department of Health and Welfare, presented **Docket #16-0309-0802.** The purpose of this rule is to protect the health and safety of medicaid clients accessing mental health service with medicaid providers. It outlines and clarifes the process for credentialing medicaid mental health providers throughout the state by ensuring: they have the right individual qualifications to provide services; have the proper agency or clinic policies and procedures defined to competently deliver those services; and have the proper quality control measures in place to ensure quality services and meet medicaid requirements. The adoption of this rule does not affect any federal funds, and will not have an impact greater than $10,000 on the state general fund.

Mr. May stated in response to questioning that the department now performs its own onsite assessments of providers instead of using an Independent third party. Since this took place in July, only one agency has failed to receive credentialing by the department. The failure rate for credentialing when the independent third party performed the assessments was about 22%. **Rep. Wood** stated his concerns that with the department performing the assessments, the same level of scrutiny is not occurring.

MOTION: **Rep. Rusche** moved that the legislature approve **Docket 16-0309-0802.** Rep. Rusche stated that self study is a fairly common practice in accreditation, but does not usually satisfy a continuing education requirement. **Rep. Wood** restated his concerns that if there is an issue, an independent assessor needs to be able to look at it outside of the Department. The rule before the committee tightens up what needs to be done, but the issue of who is performing the assessments still needs to be addressed. This issue can be fixed but not by this specific rule. **Motion passed on voice vote.**

DOCKET #16-0310-0801: **David Simnitt**, Program Manager, Division of Medicaid, Department of Health and Welfare presented **Docket #16-0310-0801.** In December of 2007, the Federal Centers for Medicare and Medicaid Services (also known as CMS) issued new federal regulations for targeted case management. These federal case management regulations set the parameters for the service coordination programs in Idaho. The new federal regulations went into effect in March of 2008 but not without controversy at a national level. Many advocate groups and provider organizations objected to these regulations and Congress eventually put a moratorium on some portions of the regulations. That moratorium is set to expire in April 2009.

The Department of Health and Welfare is continuing to work with CMS to determine the changes the department needs to make to the Service Coordination Program and the required time frames for implementation of these changes. The pending rules will ensure that Idaho maintains ongoing compliance with CMS requirements and federal regulations governing the Medicaid program.

These rules are the result of many months of work and negotiation between the department and stakeholders. In March of 2008, the department conducted negotiated rulemaking to aid in development of the proposed rules. In October 2008, the department published the proposed rules and held public hearings across the state to receive additional feedback and recommendations for improvement. Many of those recommendations were incorporated into the pending rules before the committee.

The changes in these pending service coordination rules fall into three main categories: changes required by CMS; changes recommended by stakeholders and clarification of existing policy requirements.

Mr. Simnitt stated in response to questioning that the federal moratorium only applies to a few sections and had minimal impact.

Mr. Simnitt further stated the terms “Service Coordination Program” and “Support Brokerage” are interchangeably used. The Service Coordination staff’s role is to assist a participant to identify what services are needed as well as accessing these programs.

Mr. Simnitt stated that the department currently pays a flat monthly rate for Children's Service Coordination and Adult Disabilities Coordination. Provider agencies receive a flat monthly rate for each participant regardless of how many hours have actually been worked with the participant. Bundled rates are not deemed economically efficient by the federal government and the department is not being required to pay for services actually received. The intent of this rule was not to affect providers either way, but to move from the bundled rate to paying for services delivered.

Mr. Simnitt stated in response to questioning that parents are part of the treatment process and must agree with and sign the treatment plan. A situation can occur in which the face-to-face meeting is done without the parent or guardian present, but the parents or guardians do have the decision making ability on how the treatment plan is laid out and how visits will be handled.

Mr. Simnitt further stated that the new billing system is done in 15 minute increments, with a billing unit starting at 8 minutes ensuring the majority of the time has been used.

Melissa Bilyeu, Service Coordinator, A New Leaf, testified in opposition to this docket. The compensation changes in this rule would affect her income adversely. Ms. Bilyeu currently receives $75.00 per client but would receive only $46.00 for the maximum allowed time of 4.5 hours.

Mr. Simnitt stated in response to questioning that the current hourly rate for professionals is $108.00 per month per client. Under the new increment rate, when the maximum time of 4.5 hours is used, a professional service coordinator would receive $180.00 and a paraprofessional service coordinator would receive $42.00. This represents a decrease in pay for the paraprofessional.

Mr. Simnitt further stated that the federal requirements and CMS policy in general is mandating that states approve payment methodologies other than bundling. To some extent, the rate methodology must be approved by CMS. The department conducted negotiated rule making and obtained recommendations from the stakeholders but did not specifically receive alternative suggestions in how to meet federal requirements. The holdbacks had no impact on this rule. The department has set limits of up to 4.5 hours per participant based on an analysis of past hourly usage; however, in the event of a crisis situation more hours can be authorized.

Mr. Simnitt stated that because of the federal mandate requiring the department to submit to CMS a new payment methodology, it will make it difficult for the department to obtain approval for its service coordination and receive federal match dollars if the rule is rejected. The department is currently working with CMS but has not yet received approval for the changes.

Keri McDermott, Paraprofessional Service Coordinator for New Leaf, testified in opposition to the rule. This rule would adversely affect paraprofessionals in the scope of their duties, with the result that many paraprofessionals would choose to leave the field.

Ann Phillips, co-owner of the Service Coordination Agency Unbefuddled, testified in opposition of the rule. Ms. Phillips stated the Spanish speaking population would see a drastic reduction in quality service since the majority of the service coordinators who are bilingual are paraprofessionals, and not professionals. The rule also reduces efficiency and effectiveness.

Toni Belknap-Brinegar, co-owner of Lloyd, Brinegar, Short & Associates, testified in opposition to the rule. The current definition for what entails a crisis is very narrow. Ms. Belknap-Brinegar stated that a participant's heat being turned off is not considered a crisis under these rules. Ms. Belknap-Brinegar further stated that their goal as service coordinators is to work their way out of a job, except for those adults with developmental disabilities.

Paul Johnson, co-owner of Unbefuddled testified in opposition to the rule.

Art Evans, Advocates for Inclusion, testified in opposition to the rule.

Joy Cameron, A New Leaf, testified in opposition to the rule. Her agency expects to lose 7 paraprofessionals affecting 137 families if this rule goes into effect.

Katherine Hansen, Community Partnerships, testified in opposition to the rule. Ms. Hansen would like the department to do time studies on paraprofessionals to make sure the rate methodology is captured in the cost of the service.

MOTION: **Rep. Luker** moved that the committee reject **Docket 16-0310-0801.** Speaking to his motion, Rep. Luker stated that the program would be greatly impacted if it were to lose these paraprofessionals**.** Rep. Luker feels the department needs to receive more input from the community regarding this rule.

Rep. Durst spoke in favor of the motion stating the rule needs to be reevaluated. This does not reflect a lack of confidence in the department but in having the confidence that the department can improve this rule.

Rep. Rusche spoke in favor of the motion. Both the definition and the rate of pay for the paraprofessional needs to be looked into more closely.

Rep. Wood spoke in opposition to the motion. Rep. Wood feels the rule addresses several issues that are inherent in the health care industry that need to be changed. The federal government is mandating pay for actual services and this is being avoided in the health care industry.

SUBSTITUTE MOTION **Rep. Wood** offered a substitute motion that the committee approve **Docket #16-0310-0801,** stating this rule accomplishes some needed changes.

Rep. Marriott spoke in opposition to the motion stating the rule does not allow for efficiency.

Rep. Nielsen spoke in opposition to the motion. Rep. Nielsen is concerned that the paraprofessionals would be prevented from performing their current duties. **Mr. Simnitt** responded to Rep. Nielsen's concerns stating the definition and approved qualifications for a paraprofessional are not

changing under these proposed rules except for one category being added in. The paraprofessional role is to assist the professional. Mr. Simnitt clarified that the major change in this rule is the change in payment for services delivered.

Rep. Rusche spoke in opposition to the motion. The change of the role of paraprofessionals is a significant change. A paraprofessional is different than an office clerk or secretary and should have a certain level of training and professionalism. This is a major change in how the industry is structured and would be detrimental to Medicaid.

Mr. Simnitt stated in response to questioning that in the current rules, a paraprofessional is the person who can assist in the plan. The paraprofessional may only assist and not carry out the duties of the plan. Under this rule, the paraprofessional role is more limited.

CALL FOR THE PREVIOUS QUESTION

Rep. Marriott called for the previous question. Roll call vote was taken on the Call for the Previous Question. **The Call for the Previous Question failed, 9-5-2. Voting in favor** of the Call for the Previous Question: Reps. Luker, Marriott, Thayn, Gibbs, Thompson, Wood, Rusche, Durst and Sayler. **Voting in opposition**: Reps. Block, Nielsen, Loertscher, Boyle and Chew.

AMENDED SUBSTITUTE MOTION

Rep. Rusche offered an amended substitute motion to approve **Docket #16-0310-0801,** with the exception of sections 721.08 and 729.05. Rep. Rusche stated the rest of the rule seems to be fairly sound.

Ms. Phillips stated in response to questioning that they are more concerned with the scope of the paraprofessional work rather than the definition of what a paraprofessional is. This is section 729.06.

Rep. Luker spoke in opposition to the amended substitute motion, stating that eliminating those sections does not bring resolution and lead to a meeting with the department to fully discuss these issues.

Rep. Wood spoke in favor of the amended substitute motion.

Rep. Thompson asked **Rep. Rusche** if he would add section 729.06 to his amended substitute motion. Rep. Rusche stated that it is a moot point since the paraprofessional is not defined in this rule.

Roll call vote was requested on the amended substitute motion. **The motion failed, 6-8-2. Voting in favor** of the motion: Reps. Block, Boyle, Gibbs, Wood, Rusche and Sayler. **Voting in opposition**: Reps. Nielsen, Loertscher, Luker, Marriott, Thayn, Thompson, Chew and Durst.

Roll call vote was requested on the substitute motion. **The motion failed, 4-10-2. Voting in favor** of the motion: Reps. Block, Boyle, Gibbs, Wood. **Voting in opposition**: Reps. Nielsen, Loertscher, Luker, Marriott, Thayn, Thompson, Rusche, Chew, Durst and Sayler

ORIGINAL MOTION VOTE

Original Motion was **carried on voice vote** that the committee reject **Docket 16-0310-0801**.

Rep. Block stated **Docket #27-0101-0811** will be heard at another time,

due to the lateness of the hour.

MOTION: **Rep. Nielsen** presented the Nielsen Subcommittee report recommending approval of the dockets heard before it. **Rep. Durst** moved that the full committee approve all the pending, temporary and fee rules submitted to the Nielsen Subcommittee. **Motion carried on voice vote**. Rep. Block thanked Rep. Nielsen and the Subcommittee members for their hard work.

Rep. Block announced the McGeachin Subcommittee will meet shortly hereafter but the Shepherd Subcommittee will not be meeting today.

ADJOURN: There being no further business before the committee, the meeting adjourned at 4:38 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

McGeachin Subcommittee

DATE: February 4, 2009

TIME: 3:00 p.m.

PLACE: Room 240

MEMBERS: Chairman McGeachin, Representatives Luker, Thayn, Thompson, Sayler

ABSENT/ EXCUSED: Chairman McGeachin

GUESTS: Larraine Clayton, Division of Family and Community Services; Scott Burlingame, Program Specialist, Division of Family and Community Services—Navigation Services and Service Integration; Ike Kimball,Chief of Financial Services, Division of Health and Welfare; Nanna Hanchett, Idaho Rehabilitation Chief, Idaho Commission for the Blind.

DOCKET # 16-0602-0802 : **Larraine Clayton**, Project Coordinator, Division of Family and Community Services, presented **Docket #16-0602-0802.** These changes in the child care licensing rules will provide consistency between division rules by increasing the fee for criminal history and background check through the Department of Health and Welfare from $45.00 to $55.00 for employees, volunteers, household members and others who have unsupervised direct contact with children in a day care setting. Ms. Clayton stated the $45.00 has been in place for about 20 years. This request is to align the rules with the Criminal History and Background unit which has increased the fee for everyone else. This rule applies to daycare settings that have 7 to 12 children.

MOTION: **Representative Thayn** moved to recommend to the full committee **Docket 16-0602-0802** for approval. **The motion passed on a voice vote**.

DOCKET # 16-0613-0801 : **Scott Burlingame**, Program Specialist, Division of Family and Community Services—Navigation Services and Service Integration, presented **Docket #16-0613-0801**, which proposes amendments to IDAPA 16.06.13, and Rules Governing Emergency Assistance for Families and Children**.** The proposed changes are recommendations of a workgroup convened within Health and Welfare and are intended to clarify language, make the rules congruent with practice and state TANF plans, and eliminate obsolete language.

Mr. Burlingame stated in response to questioning that these funds are passed through TANF. There are a large number of people in the State of Idaho who are one to two paychecks away from needing assistance in an emergency. These individuals could apply to Navigation Services who would help them receive assistance.

MOTION: **Representative Thompson** moved to recommend to the full committee **Docket 16-0613-0801** for approval. **The motion passed on a voice vote.**

DOCKET # **Ike Kimball**, Chief of Financial Services for the Department of Health and

16-0320-0801 : Welfare, presented **Docket #16-0320-0801.** There are law changes at the federal level, with the enactment of the 2007 Farm Bill, which extend the number of days a food stamp participant can access their benefit. Due to this change in Federal Code, the Department is increasing the period in which participants may access their benefits from 270 days to 365 days. This change will benefit both participants receiving cash assistance and food stamps, with an effective date of October 1, 2008.

Mr. Kimball further stated that the Department is changing the way that electronic payments are made to child support recipients. Currently, some child support payments are provided through an electronic payment card, known as the Idaho Quest Card. The Department will now remit these child support payments to a VISA debit card. This will provide more convenience, as a VISA card is accepted at more locations than the current electronic benefit card. The fiscal impact of this change is an annual savings of approximately $200,000, which has already been adjusted in the Department's budget. The effective date of this change is December 1, 2008. The Idaho Quest card had a per member per month fee to JP Morgan to handle the transactions on the card. JP Morgan has offered to handle the VISA card free of charge since JP Morgan receives a percentage from VISA.

MOTION: **Representative Thayn** moved to recommend to the full committee **Docket 16-0320-0801** for approval. **The motion passed on a voice vote.**

DOCKET # 15-0202-0801 : **Nanna Hanchett**, Idaho Rehabilitation Chief, Idaho Commission for the Blind presented **Docket #15-0202-0801.** This rule changes the education expenses reimbursement from a fixed fee to 90% of actual expenses for the fiscal year with any grants and scholarships applied first. The books and supplies reimbursement is changed from a fixed rate to the actual costs. The upper limit for transportation costs has been raised and the costs for bioptics raised from $700 to $900 dollars. Ms. Hanchett stated these costs are federally funded.

MOTION: **Representative Sayler** moved to recommend to the full committee **Docket 15-0202-0801** for approval. **The motion passed on a voice vote.**

ADJOURN: There being no further business before the Committee, **Rep. Luker** adjourned the meeting at 5:10 p.m.

Representative Lynn Luker Acting Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 6, 2009

TIME: 11:00 a.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott,Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Representatives Loertscher and Durst

GUESTS: Leslie Clement, Administrator, Division of Medicaid; Bethany Gadzinski, Bureau Chief for the Bureau of Substance Use Disorders in the Division of Behavioral Health; Kathie Garrett, IADDA; Toni Lawson, IHA; Corey Surber, Saint Alphonsus; Rachel Johnstone, SILC; Stephanie Jensen, SILC; Skip Smyser, ISDA; Ed Hawley; Administrative Rules; Zach Hauser; Benjamin Davenport, Risch Pisca.

MOTION: **Rep. Rusche** moved to approve the minutes from January 28, 2009 and **Motion passed on voice vote.**

MOTION: **Rep. Thompson** moved to approve the minutes from January 30, 2009. **Motion passed on voice vote.**

RS18565: **Leslie Clement**, Administrator, Division of Medicaid presented **RS18565**. The proposed changes are to contain Medicaid costs and reduce reimbursement and benefits to align with Medicaid budget constraints. The changes include: reductions in skilled nursing home rates, a freeze on intermediate care facility rates, a freeze on physician and dental reimbursement, the removal of the non-emergency medical transportation benefit from the Basic Plan, and the addition of disproportionate share payments to the hospital assessment calculation. These reductions reflect a significant share of the overall reductions needed in the Medicaid program.

Ms. Clement stated in response to questioning that the intended freezes are to hold the providers at 2009 rates for one year. The "sunset clause" used in RS18565 is an indication of how long the changes would stay in effect.

MOTION: **Rep. Nielsen** moved to introduce **RS18565 with corrections as needed**; **motion passed on voice vote.**

DOCKET #16-0750-0901 **Bethany Gadzinski**, Bureau Chief for the Bureau of Substance Use Disorders in the Division of Behavioral Health, presented **Docket #16-0750-0901.** This new chapter was written as a need has been identified for medically monitored detoxification/mental health facilities in the state. One will be constructed in Boise on Allumbaugh across from Intermountain Hospital.

There are currently no facility standards in Administrative Code for approving

this type of facility. This rule defines the minimum design and construction requirements for such a new facility. New rules are needed to ensure that this type of facility is regulated in order to protect the health, safety and welfare of both the public and the client. These rules have been reviewed by Health and Welfare Facility Standards. This rule is for facility standards only. Program related rules such as staff ratio and staff qualification will be brought during next year's legislative session. This new rule will allow for the start of construction of the Boise facility and was requested by the partners working together to build the Boise facility.

Ms. Gadzinkski stated in response to questioning that there is not a medically monitored detox center in the State of Idaho. This rule does not apply to social detox centers.

Ms. Gadzinski further stated that there is still funding available for the operations portion for the detox facility. Other entities will be putting in monies (with a small part contributed by the state) towards the funding of the building itself. This will have no impact on the current funding crisis. The program rules for the facility will come before the legislature next year.

MOTION **Rep. Rusche** moved that the committee approve **Docket 16-0750-0901. Motion passed on voice vote.**

DOCKET #16-0414-0801 **Genie Sue Weppner**, Program Manager, Division of Welfare, presented **Docket #16-0414-0801.** The Low Income Home Energy Assistance Program (LIHEAP) provides federal subsidies to assist low-income families with their energy needs during the winter months. The proposed changes to LIHEAP will help more families who are struggling during these difficult economic times receive much needed heating assistance.

This year Idaho received $25.6 million in federal funds for LIHEAP energy programs this winter. This is a 54% increase in home heating assistance over last year's funding. In order to utilize these funds to reach as many financially strapped Idaho families as possible, the department is asking an increase to the eligibility limits.

Eligibility for LIHEAP has traditionally been based on 150% of Federal Poverty Level. This temporary rule change will increase the eligibility limit to 160% of FPL. With the expanded income guidelines, a family of four can earn up to $2,827 a month to be eligible, which is an increase of $177 per month over former eligibility guidelines. With this increased amount of income allowed, Community Action Agency representatives believe a greater number of Idaho seniors who are on fixed incomes may be eligible for assistance this year. This program uses federal funds and the State of Idaho is not liable for any funding. This is a temporary rule.

MOTION **Rep. Sayler** moved that the committee approve **Docket 16-0414-0801.** Rep. Sayler spoke to his motion stating this would assist many new families who are applying for assistance. **Motion passed on voice vote.**

MOTION: **Rep. McGeachin** presented the McGeachin Subcommittee report recommending approval of the dockets heard before it. **Rep. McGeachin** moved that the full committee approve all the pending, temporary and fee rules submitted to the McGeachin Subcommittee. **Motion carried on voice**

vote. **Rep. Block** thanked Rep. McGeachin and the Subcommittee members for their hard work.

The Shepherd Subcommittee will meet February 10, 2009 after the main committee meeting. The Budget Subcommittee will meet immediately after this meeting in room 316. The next regular meeting will be on February 10, 2009 at 1:30 p.m.

ADJOURN: There being no further business before the committee, the meeting adjourned at 11:52 a.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
BUDGET SUBCOMMITTEE

DATE: February 6, 2009

TIME: Upon Adjournment of Standing Committee

PLACE: Room 316

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives, Luker, Thayn, Boyle, Gibbs, Wood, Rusche, Chew

ABSENT/ EXCUSED: Rep. Wood

GUESTS: Amy Castro, Legislative Services Office

Chairman Block invited **Amy Castro** from the Legislative Services Office to speak the House Health and Welfare budget. **Ms. Castro** provided the members of the committee with an overview of the budget and went through the Legislative Budget Book online showing the members how to access and understand the information.

Ms. Castro answered questions by various members of the committee who sought clarification on certain budget line items.

ADJOURN: There being no further business before the committee, the meeting adjourned at 12:12p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 10, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Rep. McGeachin

GUESTS: Mark Johnston, Executive Director, Board of Pharmacy; Dieuwke Spencer, Bureau Chief of Clinical and Preventive Services in the Division of Health; Steve Bellomy, Bureau Chief of Audits and Investigations for the Department of Health and Welfare; Cameron Gilliland, Bureau Chief in the Division of Family and Community Services; Janet Stewart; Holly Webster; Skeeter Lynch; Kellina James; Mike Dickens, President of Idaho Society of Health Systems Pharmacy; Jane S. Smith, Administrator, Division of Health; Mitch Scoggins, Department of Health and Welfare; Dennis Stevenson, Administrative Rules Coordinator; Brent Porges, Department of Health and Welfare; Sara Stover, Governor's Office

MOTION: **Rep. Thompson** moved to approve the minutes from February 2, 2009. **Motion passed on voice vote**.

MOTION: **Rep. Luker** moved to approve the minutes from February 4, 2009. **Motion passed on voice vote**.

MOTION: **Rep. Sayler** moved that the McGeachin Subcommittee minutes of January 22, 2009 be approved with the correction of Rep. Sayler's name. **Motion passed by voice vote**.

MOTION: **Rep. Luker moved** that the McGeachin Subcommittee minutes of February 2, 2009 be approved. **Motion passed by voice vote**.

MOTION: **Rep. Thompson** moved that the McGeachin Subcommittee minutes of February 4, 2009 be approved. **Motion passed by voice vote**.

DOCKET #27-0101-0811: **Mark Johnston**, Executive Director, Board of Pharmacy, presented **Docket #27-0101-0811.** This rule would require pharmacy technicians to be certified, and clarifies who may work within the secured area of the pharmacy. The rule also changes the pharmacist to pharmacy technicians ratio in any practice setting from 3 to 1 to 6 to 1; and provides protection for a pharmacist in charge from being coerced or otherwise compelled by a pharmacy employer from using the new ratio where the pharmacist felt there was a risk of harm to the public health and safety.

Mr. Johnston stated in response to questioning that there are approximately 240 pharmacy interns employed in the state with the most concentration of interns in the Pocatello area. The board felt it important to have a new ratio and that a pharmacist could handle six technicians if necessary. The current ratio is 3 technicians per pharmacist.

Mr. Johnston further stated that some states have quality assurance programs but Idaho does not so the actual error rate is unknown. The board identifies unsafe conditions by complaints from the public and the annual inspection of a pharmacy.

Mr. Johnston emphasized the ratio is a ceiling, but there are very few pharmacies in Idaho that would generate enough business to reach the ceiling. Current board policy allows clerks to stock medicine, including controlled substances. Under this rule, the clerks would not be allowed in the secured area without being grandfathered in as a registrant or later becoming a registrant.

Mr. Johnston stated in response to questioning that the Board of Pharmacy has not increased its staff in the last decade but have rearranged their workflow and streamlined their processes in order to handle questions and problems that come before them. The board is unable to perform some activities due to lack of personnel at this time.

Janet Stewart, pharmacist, testified in opposition to the rule. A pharmacist is responsible for every action of the technicians on a shift and is ultimately responsible for any errors made. Ms. Stewart feels this rule does not protect the public health. Ms. Stewart is in favor of everyone working behind the secured area being registered.

Holly Webster, pharmacist, testified in opposition to the rule due to the ratio of 6-1. The ratio would be very difficult to monitor and there is no room for error.

Kellina James, pharmacy technician, testified in favor of certification of technicians but feels the ratio would be overwhelming to a pharmacist.

Mike Dickens, President of Idaho Society of Health Systems Pharmacy and a pharmacist, testified that although they had concerns with the technician to pharmacist ratio, they were in support of the rule.

Cassandra Carper, pharmacist, testified that she welcomed the ratio but is opposed to the certification process for technicians.

Larry Munkelt, Director of Pharmacy at St. Alphonsus, testified in opposition to the rule. The ratio applies more to a retail setting than a hospital setting, but Mr. Munkelt is concerned that increasing the ratio would have a negative effect to the safety of the public health.

Pam Eaton, President of Idaho Retailers Association, testified in support of the rule.

MOTION: **Rep. Chew** moved that the committee reject **Docket 27-0101-0811. Rep. Luker** spoke in favor of the motion stating he is concerned about the public safety and some language changes needed in this rule. **Rep. Thayn** spoke in favor of the motion and that the certification process for technicians should also require some on-the-job training. **Motion is carried on voice vote**. **Reps. Shepherd and Gibbs** voted in opposition to the motion.

DOCKET #16-0226-0801: **Dieuwke Spencer**, Bureau Chief of Clinical and Preventive Services in the Division of Health, presented **Docket #16-0226-0801.** This rule would allow CSHP (Children's Special Health Program) to require prepayment for the formula required by adults with PKU, since CSHP has not been able to recover any costs using a post-service billing service. Another proposed change would make medical foods available to PKU clients through the state program. The rule also proposes several minor changes to reflect current program practice and to bring the rules in line with the latest format guidance form the Idaho Department of Administration.

Ms. Spencer stated in response to questioning that this rule pertains only to adults. The critical time period for someone with PKU is as an infant/young child. PKU levels vary in adults, but generally adults do not require the formula as much and the consequences of not taking the formula are generally not as severe. The average cost per month per patient was $500.00 per month. The amount of formula that someone takes is not prescribed. In Idaho, PKU is a condition that insurance is not required to cover the costs unless it's congenital or metabolic.

Jane Smith, Administrator with the Division of Health, testified in support of the rule. Ms. Smith emphasized that this rule does not leave patients without resources. A sliding fee scale was considered but was not feasible due to the required holdbacks.

MOTION: **Rep. Rusche** moved that the committee approve **Docket 16-0226-0801.** Rep. Rusche spoke to his motion stating that people should pay for the food they use. **Motion passed on voice vote. Rep. Durst** voted in opposition to the motion.

DOCKET #16-0506-0801: **Steve Bellomy**, Bureau Chief of Audits and Investigations for the Department of Health and Welfare, presented **Docket #16-0506-0801.** This rule adds two disqualifying crimes and increases the fee for obtaining a criminal history check.

MOTION: **Rep. Luker** moved that the committee approve **Docket 16-0506-0801. Motion passed on voice vote.**

DOCKET #16-0602-0801 **Cameron Gilliland**, Bureau Chief in the Division of Family and Community Services, presented **Docket #16-0602-0801.** The changes in the Child Care Licensing Rules will make Child Residential Care Facilities and Therapeutic Outdoor Education Programs more effective, clarify what is expected of providers, and assure the safety of children.

Mr. Gilliland stated in response to questioning that this rule applies only to residential treatment facilities.

MOTION: **Rep. Wood** moved that the committee approve **Docket 16-0602-0801. Motion passed on voice vote.**

Both the Shepherd Subcommittee and the Budget Subcommittee will be meeting immediately upon adjournment of this meeting. The next regular meeting will be Thursday, February 12, 2009 at 1:30 p.m. in Room 240.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 4:20 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
BUDGET SUBCOMMITTEE

DATE: February 10, 2009

TIME: Upon Adjournment of Standing Committee

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives, Luker, Thayn, Boyle, Gibbs, Wood, Rusche, Chew

ABSENT/ EXCUSED: None

GUESTS: Amy Castro, Legislative Services Office; Dick Schultz, Director, Department of Health and Welfare; Sara Stover, Governor's Office; Richard Armstrong, Director, Department of Health and Welfare

Amy Castro, Legislative Services Analyst presented an overview of the Governor's recommendations for the Department of Health and Welfare. The line items are decision items within the budget and where the committee recommendations have the most influence. The $41 million gap previously discussed is now estimated to be about $36 million and is not covered by any legislation at this time. There are options that are available to deal with the gap. The supplemental process is designed for emergencies or unanticipated costs.

Ms. Castro stated that line item 12 is the universal select vaccine policy shift, which will save $2,143,000 in the general fund. **Rep. Rusche** spoke against this line item stating it will increase the cost of vaccines for private providers with the effect that private providers will no longer give out vaccines. **Director Dick Schultz** stated the department is working with insurers to develop a plan to access the lower rate for the vaccine from the federal government for the providers. Director Schultz further stated in response to questioning that the changes to the vaccine policy would require the provider to determine if a family is under-insured.

Ms. Castro went through the Decision Units in the State Treasurer Millennium Fund Budget and the Decision Units in the Office of Drug Policy budgets which impact the Department of Health and Welfare. This year the department requested $9.2 million and the Governor recommended reductions to $7.5 million. The endowment funds are not allowed be touched by the constitution.

Rep. Wood pointed out to the committee that the two most critical line items are one and two, the EPICS and MMIS programs. These programs must stay as the top priorities. The most problematic line items are the vaccine program and the substance abuse program. Rep. Wood emphasized that even more money will need to be taken out of the budget than what is listed here and JFAC will have to reduce the budget for Health and Welfare even

further than the Governor's recommendations. The JFAC committee will be

looking to what crucial line items the germane committee supports.

ADJOURN: There being no further business before the committee, the meeting adjourned at 5:44 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
SHEPHERD (8) SUBCOMMITTEE

DATE: February 10, 2009

TIME: 4:33 p.m.

PLACE: Room 316

MEMBERS: Chairman Shepherd (8), Representatives Marriott, Gibbs (Thompson), Chew (Sayler), Durst

ABSENT/ EXCUSED Representatives Gibbs, Chew, Durst

GUESTS: Ed Hawley, Department of Administration, Roger Hales, Bureau of Occupational Licenses, Tana Cory, Bureau of Occupational Licenses, Mark Johnston, Idaho State Board of Pharmacy

Chairman Shepherd called the meeting to order at 4:33 p.m. A silent roll call was taken.

Chairman Shepherd asked for approval on the subcommittee minutes from Monday, February 2, 2009. **Representative Marriott** moved to approve the minutes of **Shepherd's** Subcommittee. **The motion passed on a voice vote.**

DOCKET NO. 24-1601-0801 **Roger Hales, Bureau of Occupational Licenses**, presented **Docket No. 24-1601-0801**, Rules of the State Board of Denturitry. This change will increase the annual renewal fee from $450 to $600. The statute caps the annual renewal fee at $600. This increase will help balance the Board's annual budget.

MOTION: **Representative Thompson** made a motion to recommend that **Docket No. 24-1601-0801** be approved by full committee. **The motion passed on a voice vote.**

DOCKET NO. 24-1901-0801 **Roger Hales** presented **Docket No. 24-1901-0801**, Rules of the Board of Examiners of Residential Care Facility Administrators. **Rule No. 300** reflects this law change and allows the Board to approve exams other than the National Association of Board of Examiners of Long Term Care Administrators (NAB) exam. It also addresses that an open book exam to test on Idaho law and rules, in accordance with current law, will be given. It updates the reference to the association under **Rule No. 400.**

MOTION: **Representative Marriott** made a motion to recommend that **Docket No. 24-1901-0801** be approved by full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0808 **Mark Johnston, Idaho State Board of Pharmacy**, presented **Docket No. 27-0101-0808**, Statutory Changes in the Wholesale Drug Distribution Act. The National Association of Boards of Pharmacy (NABP) partnered with the American Society of Consultant Pharmacists (ASCP) to address areas of pharmaceutical care in the context of long-term care facilities. In March

2007, the NABP and ASCP issued a Joint Report: Model Rules for Long-Term Care Pharmacy Practice. The joint report recommends that states update their pharmacy practice rules to keep pace with the evolution of the practice of long-term care pharmacy in order to better serve the interests of and protect the health, safety, and welfare of the residents in long-term care.

MOTION: **Representative Thompson** made a motion to recommend that **Docket No. 27-0101-0808** be approved by full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0809 **Mark Johnston** presented **Docket No. 27-0101-0809**, changes regarding Pharmaceutical Care Services. The existing wholesale distributor licensing fee of $100 is insufficient to cover the costs charged to the Board of Pharmacy by law enforcement agencies to conduct such criminal background checks, so an increase in the license fee is needed to cover these costs. The proposed rulemaking would increase the annual license fee from $100 to $130.

MOTION: **Representative Marriott** made a motion to recommend that **Docket No. 27-0101-0809** be approved by full committee. **The motion passed on a voice vote.**

DOCKET NO. 27-0101-0810 **Mark Johnston** presented **Docket No. 27-0101-0810,** Pharmacies. Existing rules require that each pharmacy designate a pharmacist-in-charge who is responsible for the management of that pharmacy. The proposed rulemaking amends rule to require that a pharmacy's pharmacist-in-charge work at that pharmacy a certain amount of time during a work week and/or work month. Change in existing rules extend from five days to 10 days, the time allowed for pharmacy employment changes to be reported by the Pharmacist-in-Charge to the Board of Pharmacy.

MOTION: **Representative Sayler** made a motion to recommend that **Docket No. 27-0101-0810** be approved by full committee. **The motion passed on a voice vote.**

ADJOURN: There being no further business before the committee, **Chairman Shepherd** adjourned the meeting at 4:53 p.m.

Representative Chairman Shepherd (8)	Shirley Scott Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 12, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Reps. Nielsen, Thayn, Durst

GUESTS: Roger Hales, Attorney; Fred Riggers; Kathie Garrett, Idaho Association of Developmental Disabilities Agencies; Leslie Clement, Administrator, Division of Medicaid; Toni Lawson; Heidi Law; Erin Armstrong, Risch Pisca; Jim Baugh, Co-Ad, Idaho Protection and Advocacy

MOTION: **Rep. Rusche** moved to approve the minutes of February 6, 2009. **Motion passed by voice vote.**

RS 18674: **Leslie Clement**, Administrator, Division of Medicaid presented **RS18674**. The proposed changes are to contain Medicaid costs and reduce reimbursement and benefits to align with Medicaid budget constraints. Changes include both short-term and on-going reductions. The on-going reductions intend to provide for sustainable cost controls. This is a slight modification of **RS18565** with a change being made to the hospital assessment calculation after discussions with the Idaho Hospital Association.

MOTION: **Rep. Wood** moved to introduce **RS18674**. **Motion passed on voice vote.**

H 45: **Roger Hales**, attorney, representing the Board of Psychological Examiners, presented **H 45,** the Board of Psychologist Examiners requirement update and cap increase. Mr. Hales stated that the purpose of the temporary permit is to allow out of state workers to deal with Idaho citizens in the event of an emergency or disaster.

Mr. Hales stated further in response to questioning that the language used in this bill in reference to discipline is commonplace among various boards. This bill would allow older psychologist practitioners to move into the state and practice without having to meet the current requirements for new practitioners. These practitioners would still be required to meet ongoing education requirements.

MOTION: **Rep. Wood** moved to send **H 45** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Boyle** will sponsor the bill.

MOTION: **Rep. Shepherd** presented the Shepherd Subcommittee report recommending approval of the dockets heard before it. **Rep. Shepherd** moved that the full committee approve all the pending, temporary and fee rules approved by the Shepherd Subcommittee. **Motion carried on voice vote**. **Chairman Block** thanked Rep. Shepherd and the Subcommittee members for their hard work.

The next regular meeting will be Monday, February 16, 2009 at 1:30 p.m.

ADJOURN: There being no further business before the committee, the meeting adjourned at 2:00 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE
BUDGET SUBCOMMITTEE

DATE: February 12, 2009

TIME: Upon Adjournment of Standing Committee

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives, Luker, Thayn, Boyle, Gibbs, Wood, Rusche, Chew

ABSENT/ EXCUSED: None

GUESTS: Marilyn Sword, Development Disabilities Council; Katherine Hanson, Community Partnership; Bill Benkula, Wdb Inc; Jim Baugh, CoAd; Toni Lawson; Heidi Law; Erin Armstrong, Risch Pisca

MOTION: **Rep. Rusche** moved to approve the minutes of February 6, 2009. **Motion passed by voice vote.**

Rep. Block stated that it has been recommended to the chair that in light of the budget situation, the committee select four priorities to recommend to JFAC**. Rep. Wood** speaking on behalf of JFAC, stated that the decision the committee needs to make is to pick the top four priorities on the Governor's Budget Recommendations. Rep. Wood further stated that due to the funding crisis, JFAC may not even be able to approve those four priorities.

Marilyn Sword, Executive Director, Council on Disabilities, testified to the budget priority line items, encouraging the subcommittee to include decision unit #3, the provider rate adjustments.

The committee discussed methodology and the impact of voting for line items that have a potential of increases or decreases to the budget.

Jim Baugh, Executive Director of CoAd, testified to the priority line items, encouraging the subcommittee to include Decision Unit #3, the provider rate adjustments. This is the council's priority as the provider reimbursement rates have not kept pace with actual costs and would have a negative effect on the provider community.

Katherine Hanson, Community Partnership, testified in support of Decision Unit #3 as being a priority to the committee.

Bill Benkula, Governmental Affairs Officer, testified in support of Decision Unit #3 as being a priority to the committee.

Discussion was held among the committee as to which Decision Units should be considered as one of the top four priorities.

Rep. Rusche stated that changes to the vaccine program could cost the parents and insurers of Idaho 2-3 times what the state saves and is sure to cause problems in physician's offices.

MOTION **Rep. Luker** moved that the subcommittee recommend to the full committee the top four priorities as Decision Units #1, #2, #3, and #4 of the Governor's Recommendations for the Department and Health and Welfare and also recommend that Decision Unit #1 of the Office and Drug Policy be considered a priority and leave to the discretion of JFAC the decision on the remainder of the budget line items. **Motion passed by voice vote.**

ADJOURN: There being no further business before the committee, the meeting adjourned at 2:59 p.m.

Representative Sharon Block	Jennifer Coggins
Chairman	Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 16, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Justin Devinspore, BSU Department of Nursing; Art Evans, Advocates for Inclusion; Paul Johnson, Unbefuddled; Corey Surber, Saint Alphonsus; Robert Vande Merwe, Idaho Health Care Association; Joy Cameron, A New Leaf; Ann Phillips, Unbefuddled; Kathie Garrett, Idaho Association of Developmental Disabilities Agencies; Lou Perine, AARP; Dede Shelton; AARP; Mark Johnston, Board of Pharmacy; Toni Lawson, Idaho Hospital Association, Inc.; Marilyn Sword, Developmental Disabilities Council; Katherine Hansen, Community Partnerships; Leslie Clement, Administrator, Medicaid Division; Tony Poinelli, Idaho Association of Counties; Steve Millard, Idaho Hospital Association, Inc.

RS 18678: **Rep. Nielsen** presented **RS 18678.** This concurrent resolution would reject a pending rule docket of the Department of Health and Welfare relating to Medicaid Enhanced Plan Benefits. The Senate has approved the rule. The effect of this resolution, if adopted by both houses, would be to prevent the agency rule changes contained in the docket from going into effect. The problem with the rule that the House committee previously rejected is with the definition and duties of the paraprofessionals. This rule would result in many paraprofessionals quitting the field and leaving clients without service.

MOTION: **Rep. Loertscher** moved to introduce **RS 18678** and send to the second reading calendar with a **Do Pass** recommendation. **Motion carried on voice vote.**

RS 18624: **Rep. Loertscher** presented **RS 18624.** This legislation will clarify that counties will be responsible for payment of hospitalization of the mentally ill at the Medicaid rate. It was never the intent of the legislature that the counties reimburse the providers at the full rate.

MOTION: **Rep. Durst** moved to introduce **RS 18624**. **Motion carried on voice vote.**

RS 18689: **Kris Ellis**, Benton Ellis & Associates, on behalf of the Idaho Health Care Association, presented **RS 18689.** The purpose of this legislation is to clarify that private pay clients in assisted living facilities shall be assessed for their needs and the assessment and the negotiated service agreement shall determine the rate that is charged. There shall be a 30-day notice required prior to a facility changing its billing practices or policies. If the client has a change in condition, a seven-day notice shall be required to have the rate

reflect the current condition. This legislation also allows for facilities to bill for the use of furnishings and supplies as per the admission agreement for private pay clients. This currently is not allowed in rule.

Ms. Ellis stated in response to questioning that there are many basic services provided regardless of whether the client is private pay or Medicaid. There could be some reductions going from a private pay to Medicaid depending on what a person in private had negotiated for.

MOTION: **Rep. McGeachin** moved to introduce **RS18689**. **Motion carried on voice vote.**

RS 18679: **Rep. Luker** presented **RS 18679.** This concurrent resolution would reject a pending rule docket of the Board of Pharmacy relating to Rules of the Idaho Board of Pharmacy. The effect of this resolution, if adopted by both houses, would be to prevent the agency rule changes contained in the docket from going into effect. The House committee had previously rejected the rule due to concerns over the technician to pharmacist ratio, but the Senate approved it.

MOTION: **Rep. Rusche** moved to introduce **RS 18679** and send to the second reading calendar with a **Do Pass** recommendation. **Motion carried on voice vote.**

RS 18598: **Rep. Rusche** presented **RS 18598**. When this section was amended in 2003, the language in sub-section 39-3902(6) was modeled after a Hawaii statute. The Hawaii statute uses the word "person" in this section. As some point in the development of the bill the word was changed to "adult". Recent cases have occured involving involuntary sterilization of children with disabilities, making the change in wording significant. The purpose of this bill is to restore the language to its original intent, and to provide statutory protections for people under the age of 18 who are subjected to involuntary sterilization, based on constitutional and common law principles.

MOTION: **Rep. Wood** moved to introduce **RS 18598**. **Motion passed on voice vote.**

Chairman Block reported on the Budget Subcommittee's recommendations. The Budget Subcommittee recommends to the full committee that the top four priorities be Decision Units #1, #2, #3, and #4 of the Governor's Recommendations for the Department and Health and Welfare and also recommends that Decision Unit #1 of the Office and Drug Policy be considered a priority and leave to the discretion of JFAC the decision on the remainder of the budget line items.

MOTION: **Rep. Nielsen** moved that the subcommittee recommendations be approved by the full committee. **Motion carried by voice vote**.

MOTION: **Rep. Nielsen** moved that the committee authorize **Chairman Block** to report to the JFAC committee the recommendations of the committee. **Motion carried by voice vote.**

ADJOURN: There being no further business before the committee, the meeting

adjourned at 2:10 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 18, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Steve Millard, Idaho Hospital Association; Leslie Clement, Administrator, Division of Medicaid; Amy Condron, Governor's Office; Jack Barraclough, Board of Naturopaths; Roy Eiguren, Idaho Association of Naturopathic Physicians; Toni Lawson, Idaho Hospital Association; Kelly Buckland, SILC; Kathie Garrett, Idaho Association of Developmental Disabilities Agencies; Joie McGarvin, Westerberg & Associates; Gay Doman; Bill Grover,Lewiston Tribune; Martin Bilbao, Connolly & Smyser; Colby Cameron, Sullivan and Reberger; Sara Stover, Governor's office; Dick Schultz, Department of Health and Welfare; Brad Hunt, Office of Administrative Rules; Erin Armstrong, Risch Pisca; Kris Benton, Benton, Ellis & Associates; Larry Benton, Benton, Ellis & Associates; Katherine Hansen, Community Partnerships

Meeting was called to order at 1:30 p.m. by Chairman Block.

MOTION: **Rep. Rusche** moved to approve the minutes from February 10, 2009. **Motion carried on voice vote**.

MOTION: **Rep. Rusche** moved to approve the Budget Subcommittee minutes from February 10, 2009. **Motion carried on voice vote**.

MOTION: **Rep. Thompson** moved that the Shepherd Subcommittee minutes of February 10, 2009 be approved. **Motion carried by voice vote**.

DOCKET #24-2401-0801: **Jack Barraclough**, presented **Docket #24-2401-0801.** The proposed rule would provide contact information, definitions, an application process, requirements for license, fees, examination, renewal process, scope of practice, certification, and set standards for continuing education for Naturopathic Medical Examiners.

Mr. Barraclough stated in response to questioning that in essence, this is a progress report to the committee and the rules still need more effort among the interested parties. The rule as it now stands does not accomplish much at this point.

Roy Eguiren, attorney representing the Idaho Association of Naturopathic Physicians (IANP), testified. Mr. Eguiren stated that the Senate has rejected this rule and that the association recommends that the rule be rejected due

to the accreditation and examination issues. The IANP will be working with the other associations to resolve the differences among them. Mr. Eguiren stated that a temporary rule may be possible later but it is still too premature to know.

Kris Ellis, Benton & Ellis, representing the Idaho Chapter of the American Association of Naturopathic Physicians, testified in opposition to the rules since they do not resolve the accreditation and examination issues. Ms. Ellis stated there are more than two groups involved in the rule discussions but all groups are hoping to reach a solution soon.

Mr. Eguiren stated in response to questioning that at this point, the association he represents has not determined if the statute needs to be repealed. The statute would be repealed by Senate Bill 114 which will be heard later in the session by this committee.

MOTION: **Rep. Marriott** moved that the committee reject **Docket 24-2401-0801. Motion is carried on voice vote**.

H 123 **Leslie Clement,** Administrator, Division of Medicaid, presented **H 123**. The proposed statute changes are to contain Medicaid costs and reduce reimbursement and benefits to align with Medicaid budget constraints. Changes include both short-term and ongoing reductions. The ongoing reductions intend to provide for sustainable cost controls. This is a slight modification of **RS18565** with a change being made to the hospital assessment calculation after discussions with the Idaho Hospital Association.

Ms. Clement stated in response to questioning that there are no state general funds that will be used for the hospital reimbursement and that private hospitals will pay for this fee up front.

Ms. Clement further stated that the increase to Federal Medical Assistance Percentage (FMAP) is a 6.26 increase as part of the adjustment. The numbers are still being studied to ascertain what the final amount from the stimulus package will be from the federal government. The federal dollars coming in would not alleviate the $41 million gap in the budget but would stop further cuts to the budget.

Ms. Clement said that Medicaid offers a very robust medical package and some of these benefits need to be reined in. Medicaid needs to be conservative and continue to make reductions despite the stimulus package. The federal dollars are match dollars to what the state spends, but the state needs to have the dollars in hand first.

Steve Millard, President of the Idaho Hospital Association, testified in support of the bill. He stated this is a difficult time and the association recognizes that reductions do have to be made. The Association has been working with Medicaid to achieve good results despite reduction cuts. Mr. Millard discussed the various ways that the hospitals have been hard hit in this economy.

Ms. Clement stated that public hospitals are exempted from the federal requirement of paying the Disproportionate Share (DSH). The state would

need to pay it according to the stimulus package.

Robert Vande Merwe, Idaho Health Care Association, testified. Mr. Vande Merwe stated that a bill will be coming through the Revenue and Tax Committee that will authorize provider assessments that will offset the costs to nursing homes by enabling nursing home facilities to obtain matching federal dollars. Two-thirds of the patients in nursing home facilities are Medicaid patients so they are unable to shift the costs.

MOTION: **Rep. Gibbs** moved to send **H 123** to the floor with a **DO PASS** recommendation.

Rep. Wood spoke in favor of the motion, stating the stimulus package will not solve all the problems. There is still a $41 million hole in the budget that has not been filled. The state will be lucky to not have a gap at the end of the year even with the federal dollars coming in from the stimulus package.

Rep. Durst spoke in opposition to the motion, stating it does not seem wise or fiscally responsible to cut funds that have a federal match return on them.

Rep. Nielsen spoke in favor of the motion, stating the stimulus package is increasing the huge federal deficit for which everyone will pay for down the line. This debt will only continue to increase due to interest. This bill is painful but it is the only fiscally responsible action.

Rep. Rusche spoke in favor of the motion. Although he has concerns, these cuts been made to allow the smallest impact possible and will allow the state to recover cash.

Sara Stover, Governor's Budget Office responded to questions about the stimulus package. The Governor's Office does not yet know what holes the stimulus package will fill since they are still analyzing the amount that will be coming into the state. The stimulus package would only assist on a short-term basis since it would only fund until 2010.

VOTE ON THE MOTION Roll Call Vote was requested on the motion. **The motion passed, 15-1. Voting in favor** of the motion: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Wood, Boyle, Gibbs, Thompson, Rusche, Chew, Sayler. **Voting in opposition**: Rep. Durst. **Rep. Wood** will sponsor the bill on the floor.

Chairman Block announced there will be a short meeting Friday, February 20, 2009 upon adjournment of the session in room 240.

ADJOURN: There being no further business before the committee, the meeting was adjourned at 3:30 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE:	February 20, 2009
TIME:	8:40 a.m.
PLACE:	Room 240
MEMBERS:	Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst
ABSENT/ EXCUSED:	Reps. McGeachin, Loertscher, Durst
GUESTS:	None
MOTION:	**Rep. Rusche** moved to approve the minutes from February 12, 2009. **Motion carried on voice vote**.
MOTION:	**Rep. Rusche** moved to approve the Budget Subcommittee minutes from February 12, 2009. **Motion carried on voice vote**.
MOTION:	**Rep. Luker** moved to approve the minutes from February 16, 2009. **Motion carried by voice vote**.
	Chairman Block thanked the committee pages Todd Beck and Danielle Schmidt for their hard work and diligence.
ADJOURN	There being no further business before the committee, the meeting adjourned at 8:52 a.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: February 24, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler

ABSENT/ EXCUSED: Rep. Boyle

GUESTS: Roger Hales, Idaho Bureau of Occupational Licensing; Leslie Clement, Medicaid Division, Department of Health & Welfare; Mckinsey Miller, Gallatin Group; Kathleen Allyn, Behavioral Health Division, Department of Health & Welfare; Dick Schultz, Department of Health & Welfare; Katherine Hansen, Community Partnerships of Idaho; Marilyn Sword, Developmental Disabilities Council

Meeting was called to order at 1:33 p.m. by Chairman Block.

MOTION: **Rep. Luker** moved to approve the minutes of February 18 as written; **motion carried on voice vote.**

Leslie Clement, Medicaid Division Administrator for the Department of Health & Welfare, presented information to the committee about her division and its operations. She said that in Idaho the Department of Health & Welfare is designated as the single Medicaid agency, and she presented a chart illustrating the organization of the department and its personnel. Part of the department's responsibilities is the regulation of hospitals and nursing homes, as well as assisted living facilities, mental health agencies, and developmental disability agencies.

Ms. Clement laid out the components of the Medicaid Division's budget and spending categories and noted the administrative reductions that are being made. She also provided figures on the benefit costs per participant per month for basic, enhanced, and coordinated (both Medicare and Medicaid) benefit recipients. Figures detailing the 2010 budget requests compared to the 2009 original appropriation amounts were also supplied.

Responding to committee questions, Ms. Clement said the funding for the Blue Cross and Blue Shield Medicare advantage plans comes from both state and federal funds. She said rates had been negotiated with the providers after the Governor directed all state agencies to reduce costs. Ms. Clement said the personnel cost reductions are the result of reducing state temporary positions by almost half.

Asked about the seeming disparity between the per-participant costs and the overall fiscal year costs as illustrated on page 6 of her handout, Ms. Clement said the figures are a fair representation of the actual costs. She explained

that the figures in the upper chart are based on spending authority, while the per-participant costs in the lower chart are forecasts of what spending will be. Some of the discrepancy also results from the difference in timing between the federal budget year and the state budget year. She said when money is left over, it reverts to the general fund.

Asked how the department has effected cost reductions, Ms. Clement said there has been an emphasis on wellness, including encouraging well-child checkups. The department has also outsourced dental plan services. She said part of the reduction has resulted from fewer sick people, due to a good economy. Overall, enrollee numbers are growing at about 3 percent per year. The number of CHIPS kids has increased, but many of them are healthy children for whom health care costs are relatively low.

Other efforts that have helped reduce costs have been to utilize new management strategies and to begin reviewing some MRI and CAT scans to identify unnecessary duplicate procedures. Ms. Clement said increasing layoffs from Idaho businesses such as Micron will often not result in increasing Medicaid enrollees because those people won't qualify for Medicaid coverage. She said the department has not yet seen an increase in CHIP enrollments due to the increase in unemployed wage earners.

Kathleen Allyn, Department of Health & Welfare, presented information about the Division of Behavioral Health, which was created in 2006 to call greater attention to mental health and substance abuse disorder services, as well as the state's two psychiatric hospitals. Ms. Allyn explained mental health services for both children and adults, which are funded by a combination of state general funds and federal mental health block grants.

Ms. Allyn said that in any given month the adult mental health program will have over 4,000 open cases. She said the department has been successful in bringing together the mental health and criminal justice systems. Illustrative of this success, she said that in Janury 2007 the mental health courts were at 49% of capacity, and at present they are at over 90% of capacity. One of the negative consequences of the Division's resources serving more of the court-ordered population is that it has reduced their capacity to treat people who are outside the criminal justice system.

In the area of children's mental health, Ms. Allyn said the number of clients averages a little over 3,000 annually. As with adults, the courts can order mental health assessments and provide treatment for juveniles. The number of clients served through this system has greatly increased, from 21 in 2007 to nearly 200 projected for 2009. Expenditures have likewise increased, largely due to an increase in the use of residential treatment instead of outpatient care.

Ms Allyn presented information about services for clients who are involuntarily committed by the courts for mental health treatment and those who are treated in community hospitals. She said hospitals are making efforts to make more beds available, and over the past nine months there has been a dramatic decrease in waiting list time. The length of hospital stays is also being reduced.

Substance use disorders are also treated under the Division of Behavioral Health. Services offered include education of youth and parents, mentoring

and after-school programs, life skills programs, and community coalition building. Ms. Allyn said a relatively new program that is being initiated is a six-month and a 12-month follow-up on substance abuse clients discharged from treatment. This follow-up includes both those who successfully completed treatment and those who failed to complete.

Ms. Allyn said the division, with the help of a federal grant, has developed a tele-medicine service that allows people in more remote parts of the state to have access to psychiatric services without traveling to areas where those services are available. Another cost-saving measure is that the division holds its monthly management team meetings by teleconference, thus avoiding the cost of travel. Finally, the division has been successful in enrolling clients in free or discounted prescription assistance programs offered by the pharmaceutical industry. The annual value of prescriptions is estimated to be about $10.5 million.

In committee discussion, Ms. Allyn said the movement away from inpatient treatment for mental health patients, although well intentioned, was not particularly effective because the necessary community-based services were not readily available. Many people who were de-institutionalized ended up either on the streets or in the criminal justice system. She said there will probably not be a move back toward more institutional care; rather, there needs to be further improvement in mental health services. Ms. Allyn also noted that until recently the criteria used to collect data on school-age children has used such benchmarks as attendance and goal performance rather than mental-health-specific markers.

H 38: **Roger Hales** presented **H 38** on behalf of the Bureau of Occupational Licenses and the State Board of Podiatry. Mr. Hales said the board is requesting an increase in the fee cap that can be charged for licenses, although they are not immediately raising fees as a result of this legislation. The increase in the cap will allow the board to raise fees as necessary in the future.

MOTION: **Rep. Wood** moved to send **H 38** to the floor with a **DO PASS** recommendation; **motion carried on voice vote. Rep. Chew** will sponsor the bill on the floor.

H 44: **Mr. Hales** presented **H 44**, on behalf of the Board of Physical Therapy. Mr. Hales explained that the $50-per-day payment given to board members will now be referred to as "compensation" rather than "honorarium" so it does not adversely affect their private retirement plans by obliging them to participate in the Public Employees Retirement System. Additionally, the bill clarifies the education requirements of foreign-educated physical therapists in order to qualify for licensure by the state of Idaho. It stipulates that if a physical therapist has been educated at a school recognized in another country and if he or she qualified for licensure in that country, he or she is likewise qualified to be licensed in Idaho.

MOTION: **Rep. Gibbs** moved to send **H 44** to the floor with a **DO PASS** recommendation; **motion carried on voice vote**. **Rep. Gibbs** will sponsor the bill on the floor.

H 46: **Mr. Hales** then presented **H 46**, on behalf of the Board of Social Work

Examiners. This bill clarified the education requirements for foreign-trained physical therapists and raises the cap for license fees. Mr. Hales said the fee was just raised this year by $10, so no immediate fee increase is anticipated. Raising the cap will allow future fee increases to be implemented. He said the change to the education requirements is being made because social work degrees are now much more readily available at many universities and colleges.

Responding to questions from the committee, Mr. Hales said the legislation will not affect currently-licensed social workers, but will apply only to future licensees. He said the intent is not to deny any current licensees of their licenses based upon this change, either now or at the time their licenses are renewed. In the case of a lapsed license, Mr. Hales said the former licensee has five years in which to reactivate the license without meeting new requirements. Beyond the five-year time period, however, the licensee would have to reapply as a new applicant, and this could include passing a test and meeting the new education requirements.

During further committee discussion, Mr. Hales said a licensed social worker who moves to Idaho will not be required to meet the new educational requirement as long as his or her license remains current. He said there are more than 3,000 licensed social workers in the state of Idaho, but he does not have any information about how many of those were licensed based on a "related fields" degree. Because of the apparent confusion arising from the language in the bill, Mr. Hales said he is willing to work on amendments to clarify the intent, which is that the social work degree requirement will apply only to newly-licensed social workers.

MOTION: **Rep. Durst** moved to send **H 46** to **General Orders; Rep. Rusche** seconded the motion. In support of his motion, Rep. Durst said he would like to collaborate with Mr. Hales in crafting some amendments that would alleviate the concerns he had expressed about the bill.

It was noted that a bill can be sent to General Orders either without recommendation or with committee amendments. Since no amendments to H 46 have been prepared or proposed at this time, the motion to send it to General Orders is not in order.

Rep. Durst requested that his motion to send H 46 to General Orders be withdrawn. **Without objection, the motion was withdrawn**.

MOTION: **Rep. Durst** moved to **HOLD H 46** to **time certain**, awaiting the development of amendments. **Motion carried on voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:20 p.m.

Representative Sharon Block
Chairman

MaryLou Molitor
Secretary

MINUTES

HOUSE HEALTH AND WELFARE COMMITTEE

DATE: February 26, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielsen, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Chairman Block

GUESTS: Loa Perin, AARP; Dede Shelton, AARP; Robert Vande Merwe, Idaho Health Care Association (IHCA); Kris Ellis, IHCA; Mark Maxfield, IHCA; Linda Simon, IHCA; Russ Barron, Department of Health and Welfare (DHW); Genie Weppner, DHW; Kandie Yearsley, DHW; Kathi Brink, IHCA; Cynthia Peterson, IHCA; Michelle Creech, Area Agency on Aging; Lorraine Franstrum, Spring Creek Manor; Dale Eaton, Area Agency on Aging; Tracy Warren, Idaho Council on Developmental Disabilities; Jared Tatro, Office of Performance Evaluation; Judith Nagel, Board of Nursing (BON); Cathy Hart, Commission on Aging; Jane Smith, DHW; Sandy Evans, BON; Drew Hail, DHW; Kim Toryanski, Idaho Commission on Aging; Dick Schultz, DHW

The meeting was called to order at 1:33 p.m. by **Vice Chairman Nielsen**.

Vice Chairman Nielsen asked the Committee to remember Jennifer Coggins and her family in their prayers, and asked that anyone who is planning to donate to the fund do so before tomorrow. He announced that Scott Coggins' memorial service will be held tonight at the First Baptist Church of Notus at 7:00 p.m.

Vice Chairman Nielsen changed the order of business to hear bills before presentations.

H 55: **Sandra Evans**, Executive Director of the Board of Nursing, was welcomed to the Committee by Vice Chairman Nielsen to present **H 55**.

H 55 brings consistency by adding provisions for LPNs to receive an Idaho nursing license by equivalence, and strikes reference to an 11 month education requirement. There are currently eight LPN programs in Idaho that take from 12 to 22 months to complete. H 55 also allows for RNs to receive an Idaho nursing license by equavilence as determined by the Board of Nursing. The Board believes assessing competence for an initial license is different from assessing competence for renewals and interstate licensing. H 55 does not alter current licensing requirements for new graduates. The goal of licensing is to determine skills, knowledge and abilities. H 55 assures that the Board may determine that goals of licensure have been adequately demonstrated by nurses who received a license in other states and who have experience in their field.

In response to questions, Ms. Evans stated that the $200.00 fee listed in the statute is the ceiling. There is a $100.00 fee for a 2-year license for both RNs and LPNs. There are about 20,000 licensed nurses in the state, about 25% of those are LPNs. Due to the increased acuity of patients in institutional settings, the value of LPNs has probably decreased somewhat. The primary employers of LPNs in the state are nursing homes and physicians' offices.

The Board is asking for this change in order to provide a law that is easy to understand and not redundant. H0055 also seeks to give the Board the ability to license by equivalence based on practice and competence rather than initial testing. The Board intends to clarify its parameters by policy decisions, beginning on a case by case basis. Adequate showing of competence would be reflected by the nurse's ongoing licensure in another state without disciplinary action and with a clean criminal background check. The Board believes that the number of nurses coming into Idaho needing to be considered under this change will be limited.

MOTION: **Rep. Chew** moved to send **H 55** to the floor with a **do pass** recommendation. **Motion passed on a voice vote**.

H 146: **Kris Ellis** presented **H 146**. After the print hearing for H 146, members suggested changes, and Health and Welfare has approved a proposed amendment to H0146, which will need to be addressed in rule.

Currently there are no guidelines, statutory authority, or framework for how private pay patients are charged in an assisted living facility. H 146 sets up framework but does not require a certain billing system. It does give guidelines as to how billing systems should be set up. A negotiated service agreement is set up but changes as a patient's medical condition changes. That, along with assessment, determines rates. Under current rule, ala carte billing is not allowed. H 146 does not require or allow ala carte billing, but is simply a framework for rules that will still be developed. In response to a question, Ms. Ellis stated that a framework will be developed to determine what billing will look like, whether a facility uses ala carte billing or not. Stating that the billing practice "shall be transparent and understandable" allows flexibility in the industry.

In assisted living, it is estimated that 99% of people bring their own furniture. H 146 seeks to prevent residents from being charged for the use of facility provided furnishings when they bring their own. In response to a question, Ms. Ellis stated that facilities that provide different rates for furnished vs. unfurnished rooms are not following the law, which states that furnishing should be provided at no additional cost.

In the proposed amendment, the reference to a seven day limit was eliminated as it was found to be in violation of a different statute. Intent was that if a patient's condition changed, billing could not go back more than seven days. Ms. Ellis believes that will be addressed in rule. She thinks 30 day notice is common policy and it is in rule. H 146 is trying to delineate rules into private pay and Medicaid. Residents in assisted living facilities and nursing homes are a vulnerable population, but usually there is an advocate/guardian or family member who can keep track of a billing system.

In response to questions, Ms. Ellis stated the language “transparent and understandable” was run by the Attorney General and will include application of a common form used by all facilities, and will be defined in the rules. There is a contract between each patient and facility. Currently, Medicaid and private pay patients are included in one rule, and that is part of the problem. The emergency clause is there to halt the charges private pay patients are receiving for furnishings they are not using. The statute would supercede the current rule that furnishings should be included in the patient’s rate, however, existing rules for most of the rest of that section would still exist. Passing this law would nullify part of the rules but others would remain consistent. Bundled vs. unbundled (ala carte) services has been the impetus behind the bill. Facilities in Idaho have been cited for billing practices, although ala carte billing makes up about 50% of the beds in the state. Under H 146 facilities would be required to give 30 day notice when changing billing practices. Flexibility is given to facilities to accept or not have furnishings in admission agreements. The negotiated service agreement deals more with care. The term ‘basic services’ is totally encompassing because it is geared toward Medicaid clients and includes toothbrushes, toilet paper, and other personal care items, whereas many private pay patients bring personal care items for themselves.

Loa Perin testified in **opposition** to H 146. Ms. Perin is a volunteer for Capital City Task Force, AARP, and is also an RN and former surveyor for the Department of Health and Welfare. She advocates for choice and control for retired people. She stated that seniors with limited income have to choose between buying groceries and medicine, and paying bills. Many have worked hard and saved money in case they have to go into an assisted living facility. Additional costs would deplete their resources that much sooner. She stated that this legislation allows facilities to charge on a point scale basis and increase fees quickly. Once resources are depleted, residents will have to either leave the facility or go on Medicaid. Most facilities only care for two to three Medicaid patients. If those beds are full and someone who has been living at the facility has depleted resources, he can be forced to leave and will have to find a new facility that will accept him on Medicaid. Some facilities do agree to maintain their patients on Medicaid after funds are depleted, but not all. Ala carte for some is a means to an end. She stated that rule making should have been completed before this legislation was proposed. AARP opposes H 146, but would support legislative changes.

In response to questions, Ms. Perin stated that she can see an elderly person benefitting from not having to pay for furnishings they are not using. AARP would like to see patients receive a credit, and Ms. Perin would like to see a revision of language. Ms. Perin believes that if this is adopted, it is possible that the State of Idaho would see an increase in residents at facilities needing Medicaid services sooner than they would have if rates were not allowed to increase. This would cause a rise in cost to the state. Ms. Perin believes that some elderly persons who enter facilities are under duress and do not completely understand what they are signing. She would guess 80% of people entering facilities do not want to enter them.

Robert Vande Merwe, of the Idaho Healthcare Association, is **in favor of** H 146. He is a former nursing home and assisted living home administrator. He found that most patients enjoyed being in assisted living situations

because it was better than being in a nursing home. The bottom line for any business is the dollar. There are only about a dozen non-profit assisted living facilities in the state and they are exempt from these rules. For all others, they have to follow these rules. When he ran a nursing home there was not a single statute dictating what a bill for a private pay patient had to look like, although there was a great deal of statue applied to billing for Medicaid patients. The facility is responsible for everything that happens on its property. Even when a patient is self medicating or using her own oxygen, the facility is charged with ensuring safety and competency, and so does incur cost. Prior to the introduction of H 146, negotiated rule making did take place, but everyone who attended the final hearing was opposed. The Committee is being asked to settle differences. The Department wants the language "transparent and understandable" and he is willing to trust the Department.

The offering of seven days is a consumer protection. There are approximately 300 assisted living facilities in Idaho and not one is the same. Each bill will be different. There is a market of choices, a range of care billed at $1500.00 a month to $6000.00 a month. He would prefer that we do not over regulate charges between a private facility and a private patient, but agrees we need new rules. He does not think this section of rules was changed the last time the rules were redone. Current rules do not allow for one patient to be charged more than another for basic care, even though one patient might require a great deal more assistance with basic care than another. He believes patients will actually spend their private money more quickly if the bar is set higher and patients with less need are charged more to compensate for another patient with greater need.

In response to questions, Mr. Vande Merwe says he believes that patients needing less care could spend less, although patients needing more could be charged more. There are pros and cons to every system. He believes that if specific services are billed for, there could be a tendency for family members to be tempted to provide on their own to save money, whereas bundled care might not invite that as much. If costs rise, some patients will be able to afford it and some will not. He wishes there was a guarantee that patients' care would not have to raise rates, but inflation happens and patients' needs change. It is up to consumers to make good choices and understand billing practices. This statement of requiring "transparent and understandable" billing practices is important. He only knows of one Idaho facility that charges one rate for every patient. It is a small home, only for women, filling a small niche. Everyone else charges in levels, which is okay under current rules, but current rules do not allow facilities to pinpoint charges. As a patient's status changes, levels of care must change, and as inflation changes, so does financial requirement.

Those facilities operating on an ala carte basis are currently noncompliant, and there are a number of them. Government involvement in this matter is a question better posed to providers. Patients in assisted living situations are vulnerable, but private pay residents and private pay facilities are generally happy. If the government is saying no you can't have it this way, it has to be that way, residents and facilities do not like the change.

Mark Maxfield testified **in support** of H 146. Mr. Maxfield is an assisted living provider operating in rural communities. He was present during attempted rule making, and said they ended up with a document nobody

liked. He stated that this bill will allow an opportunity to come up with rules that make sense to providers and to a vulnerable population. He believes this legislation will address making rules that everyone can live with. As a member of rural communities, he said he knows people; the gentleman coming in with his mom is the same gentleman who shoes his horses or runs the feed store. It does not behoove him to have unfair or unclear business practices. He would like definition and wants to have things be clear. He does take private pay, and allows patients to roll onto Medicaid if their funds are depleted, although Medicaid pays substantially less. Furnishings are not a large expense, it is the care that costs. The many hours of staffing and personal individual care are the major factors in billing. He believes H 146 will help costs go down. If he has to come up with a rate that will meet demands of all residents, that is unpredictable. Charging individuals based on individual needs is clear and able to be explained to families.

In response to questions, Mr. Maxfield said ala carte billing is already being done because it is the best and fairest way, but the facilities using this system are operating outside the rules. Costs will go up if facilities have to have one cost for everybody. The difference between Medicaid reimbursement and private pay reimbursement is large. A typical private pay resident pays $2800.00 a month based on level of care. Medicaid rates would be anywhere from 50% to 60% of that, so approx $1400.00 to $1500.00 He primarily does not admit Medicaid patients because he could fill up a facility quickly with Medicaid patients and would then have to close it down again the next month because he would not have the funding to meet his patients' needs.

Dick Schultz, of the Department of Health and Welfare, stated in response to a question that he believes this is a step in the right direction. For those sections of rule directly affected by statute, statute will supercede rules. Rules become null and void at the point the statute takes effect. The State would have to promulgate emergency rules. The three level rule would become null and void to private pay patients. In a bundled approach, patients do not know what they're paying for, or what they're being charged for. It goes against the concept of insurance where risk is spread across the population, and is more like paying for a service in that you pay for what you receive. This rule applies to the non-Medicaid piece of the puzzle.

Kathi Brink, from the Idaho Health Care Association, stated she **supports** the legislation.

Cynthia Peterson, also from the Idaho Health Care Association, stated that she **supports** the legislation as well.

Tracy Warren, of the Idaho Council on Developmental Disabilities, has remaining concerns. Even with new language, residents may have a difficult time auditing additional charges that may come with ala carte billing. Residents might be afraid to ask for what they need due to fear of incurring additional costs.

In response to questions, Ms. Warren stated that she was not part of the attempted rule making process, but the bill was brought to her attention. She is concerned that if any individual's resources are spent down faster

than anticipated due to changing service agreements or ala carte billing, a patient may have to seek Medicaid eligibility sooner. She does not have solutions to offer today.

Kathy Hart, State Ombudsman for the Commission on Aging, testified in **opposition**. She has a mother and sister in assisted living. She advocates for older residents in assisted living facilities and nursing homes statewide. She stated that she is not here to say that facilities should not be paid for services and supplies they provide. She is more concerned about methods. Patients and residents are sicker than before, there has been a large increase in patients with Alzheimer's and dementia. They are not able to negotiate and understand charges, some have family members to help but some do not. Facilities do charge now for increased services. It might look different but it does happen. She is in favor of the proposed amendment. She stated that in 2008, the Department did conduct negotiated rule making, and the Commission on Aging was part of that. One of the reasons there was not an agreement is that testimony was given stating that there was not a need for change.

There is currently no consumer recourse. If a resident disagrees with charges on a bill, the only thing he can do is move to a different facility and would have to give a 30 day notice in order to do that. Has seen a case where fees were increased based on how many times residents had to sit on a bench in the hallway on their way to meals. There are facilities that take advantage. Her big concern is that if there is a change in a patient's condition, there would likely be more care needed and provided, but also the reverse could happen. There is a wide variety of needs in assisted living facilities. Some patients improve. She stated there is no provision for reevaluation of for a lesser amount of need, and then a deduction or a reduction in rates. Basic supply rates could be a fiscal nightmare, with facilities having to track each patient's use of things like toilet paper and toothpaste. Ultimately this could place more patients on Medicaid due to spending down private funds at a faster rate. She does see situations where residents are hesitant to ask for help, or where they might hide their needs to save money just a little bit longer. There were over 2000 complaints last year not specific to this issue. She does see unethical and illegal practices and believes there is a need for monitoring.

Kim Toryanski, from the Idaho Commission on Aging, stood up and stated that she **supports** the legislation.

Dale Eaton, an Area Agency on Aging Ombudsman, spoke in **opposition**. He said has heard a lot of testimony today, both pro and con, and thinks we may be missing the mark. He said that things got to this point because an ombudsman received complaint from a resident at an assisted living facility about a year and a half ago. An ombudsman looked at the charges on the resident's bill and felt the facility may have overcharged the resident, and forwarded the concern to the licensing agency. The facility was audited and there was not a determination made as to how the facility reached the charges on the resident's bill. The facility used ala carte billing. At that point a rule change was proposed, and for close to a year a rewrite was attempted. At the public hearing no one supported the proposed change, providers and advocates alike. He does not believe this current proposed legislation makes the chance of successfully writing the rule any better than

it was written the first time. He said that as an advocate for seniors, he must try to remember that people entering facilities have suffered a trauma, maybe adult protection was involved, maybe they have fallen, maybe a family member discovered a safety issue that brings on a decision to limit that senior's independence. There is a plethora of things happening, lots of paperwork, filling prescriptions, and many individuals do not have a family member involved in helping them navigate the process. It can take months for a new resident to acclimate. He is opposed because if facilities are allowed to bill ala carte, there is not a standard way to bill. One facility will bill one way and another will bill a different way. This will be confusing to the senior citizen and there is nothing written about allowing any kind of appeal process. It also does not allow charges to be rescinded due to a change of condition.

In response to questions, Mr. Eaton stated that he does believe the issues that exist can be addressed and a process clarified through rule making. He does not believe we need more statutes.

Linda Simon testified **in support of** H 146. She is an administrator of a local assisted living facility and was previously a nursing home administrator. She was involved in the original discussions about making changes to rules and attempted to come up with terminology everyone could live with. She stated that in December there was a routine survey of her facility, during which she looked at charts with negotiated service agreements. At the end of the survey, her facility was cited due to ala carte billing. If H 146 had been in effect, her facility's billing practices would not have been in violation of current statute. She believes bundling will lead to overcharging of patients who receive less care. Costs go up and also down. She stated that in the negotiated service agreement it does state that there can be an adjustment for "change of condition" which does not just indicate a change for the worse, it could also mean that a patient has improved.

In response to questions, she stated that when potential patients come to tour a facility, they want to know what the facility's rates are. Usually family members initiate the search and then residents get involved. The beginning of the admission process involves conducting an assessment, and negotiating a service agreement. An ombudsman comes in unannounced quarterly, visits with residents, asks questions, reports back to the facility what is needed, and each facility is also surveyed by the state. The big issue is that people on Medicaid often do not have family members, and therefore they have no personal advocates. Patients' levels of care and pricing are not to be looked at by ombudsmen or the state unless a complaint is received.

Kris Ellis clarified that the official position of the Department is that they do not oppose the legislation. This was taken to the Department and advocates in December, and there have been no complaints or suggested language changes, as have been presented in testimony today. She stated that a domino effect began years ago. Probably 2000 patients are currently in facilities using an ala carte billing system. Allowing the system will not change Medicaid reimbursement and will simply provide framework for rules.

MOTION: **Rep. McGeachin** moved to **send H 146 to general orders with**

amendment attached and to change the SOP as recommended. She spoke to her motion, stating that she believes that this legislation clarifies a problem that is out there. She believes government should have minimal interference in private business and would prefer that we don't have to deal with this in statute, but there is a problem that needs to be clarified and this language does clarify the issue.

Rep Gibbs supports the motion.

Rep Durst supports the motion but **opposes the amendment** and would provide alternative amendments in general orders. His concern is that we're putting advocates that didn't come to an agreement at a disadvantage in the future.

Rep Marriott reminded the Committee of a point of procedure. If the Committee passes H 146 today, it will be resolved on the floor.

Rep Luker said it is odd that Medicare unbundled services and the private sector shouldn't do the same. There are problems with either bundled or unbundles services. He had a concern about rule authority, but **supports the motion**.

Rep Sayler supports the motion. He stated that concerns remain. This gives license to those who are bad actors and that is a concern. He said he believes 99% of providers are good and ethical but looks forward to good rules next year.

Rep. Loertscher seconded motion.

Kathy Hart from the Commission on Aging stated in response to a question that she dislikes this bill because it will be difficult for residents to understand and manage an unbundled bill. Ombudsmen and advocates are there to help but only respond to complaints. If someone does not complain or ask a question, they will not be able to receive assistance. Some residents might not complain because of fear that their services will be affected. AARP reps concur.

The motion passed on voice vote, with one no to be recorded, Rep Durst.

Russ Barron, Administrator for the **Division of Welfare** for the Department of Health and Welfare, gave a presentation to the Committee on the Division of Welfare.

Mr. Barron provided an overview of the following: Benefits and Services, Service Delivery Model, Current Challenges, Accomplishments and Outcomes, Self Reliance programs including Child Support, Food Stamps, Cash Assistance, Medicaid Eligibility, Child Care, and Community Services (heat and phone,) which are all offered to Idaho families during periods of unemployment, or for individuals who require supplemental income due to low wages.

Food Stamps: This program does not actually provide stamps, individuals are given their benefit on a debit card. The program provides food for low

income families, and is 100% federally funded. Last year $109.3 million in food stamps were given to Idahoans. The average allotment is $233.00 per month per household receiving services. Over 157,000 Idahoans receive food stamps benefits each year.

In response to a question, Mr. Barron stated that federal funding for food stamps is part of the farm bill.

Medicaid Eligibility: The difference between the Division of Medicaid and Division of Welfare in the area of Medicaid is that the Division of Welfare only deals with eligibility. The Division of Medicaid deals with distribution. The Division of Welfare determines eligibility for about 188,000 Idahoans per month; 137,500 are children. There is a premium assistance program and there are different levels of services are available to different groups.

In response to questions, Mr. Barron stated that to receive services, work search is required, and pre-employment drug screening exists when applicants are offered employment. Drug testing all Welfare applicants would create a large cost to the State. He does not know of any specific federal statute banning drug testing of Welfare applicants. Also in response to questions, Mr. Barron stated that there are some restrictions on what a food stamps recipient can purchase. Up until February, child support funds went on the same card as food stamps and cash assistance, so it would not be possible for a casual observer to determine whether or not food stamps funds were being used when a state issued debit card was swiped.

The Idaho Child Care Subsidy (ICCP): This program subsidizes childcare expenses for low income families so they can maintain employment, and for students. Many families earning minimum wage cannot afford childcare. Payments are issued directly to childcare providers. About 7,300 Idaho children were served by ICCP in 2008. Funds in ICCP also provide professional development and referral services for Idaho child care providers.

In response to questions, Mr. Barron stated that stimulus money might be used for ICCP. If money from the stimulus was put into the ICCP fund, and it was not all used, it might be allowed to carry over, but might have to be used within a certain time period.

Cash Assistance: There are two cash assistance programs offered through the Department of Welfare. TAFI (Temporary Cash Assistance to Families in Idaho) provides temporary cash assistance to needy families with children. Idaho has a 24 month lifetime limit. Recipients have to participate in work preparation activities. There is a maximum monthly benefit of $309.00 per family. TAFI serves about 2,100 Idahoans a year. 91% are child only, meaning funds go to a child who is living with someone other than his or her parents. If the child does not live with his or her parents, only that child's income is considered.

In response to questions, Mr. Barron stated that very few intact families are receiving TAFI benefits. Most TAFI benefits are going to children not living with parents. Foster children are not included in the 2,100 count. The 24 month lifetime limit only applies to individuals over the age of 18. The amount spent last year was $5.7 million.

Aid to the Aged Blind and Disabled (AABD) program: This program provides cash assistance to disabled or elderly persons. It serves about 13,000 Idahoans per year. AABD spent $9.2 million last year from the general fund, with no Medicaid match. The average monthly payment is $57.00 per person.

Child Support: Title IV-D of the Social Security Act establishes and enforces court ordered support (financial and medical). This program is bigger than Idaho, it is interjurisdictional, because families move. Last year Idaho saw 143,000 child support cases, and collected over $190 million.

In response to questions, Mr. Barron stated that the $25.00 fee that is charged when child support is collected is to be assessed to the non-custodial parent. The fee is split between federal and state government 66%/34%. Procedurally all new court ordered child support obligations go through the state and are enforced through the IV-D program. Families who did not receive a court order for enforcement through IV-D will receive assistance with enforcement by direct request for assistance, or by application for other welfare benefits. He stated it is very difficult to collect child support. The state can deduct child support from paychecks, unemployment benefits, and tax refunds, but the parent owing support must be located, and funds located as well. Handling child support directly between parents is risky because payment must be able to be proved later if a question arises. Medicaid birth costs are collected, and support orders can be reevaluated based on changing life situations. The child support program desires to work with both parents.

Child support assistance also includes paternity testing, locating non-custodial parents, establishing support orders, and modifying orders. Incoming phone calls, legal activities, and genetic testing are contracted out.

Service Delivery Design: A central office directs seven district offices. There are 621 employees statewide. About 73% are assigned to benefit program, and 27% are assigned to the child support program.

Service Delivery: Applicants receive a determination of eligibility for benefits and can receive a redetermination based on household changes or time limits. Services are coordinated and many families may receive multiple benefits. Some services are contracted out, such as work search. Community agencies help with weatherization, heating, and phone assistance. Field offices provide face-to-face services, and the central office provides program support. They strive to provide same-day service when possible, so service managers are up front and can answer questions. Interviews are done as soon as applications are turned in, and verifications can be done through interfaces. People can come in and leave the same day knowing whether they're eligible, and will receive referrals if they are not.

Challenges: A new Benefits Automated System is being implemented and will be starting a three month pilot in July, with a plan to go statewide in October of 2009. The challenge involves changing the business processes, to streamline and increase efficiency. The current economic crisis has brought a two-fold challenge - greater unemployment has caused growth in caseloads, but funding is an issue. Federal requirements exist that place

time limits on the agency's decisions and distribution of services. Need for services has increased except for the childcare program, which makes sense since more people are losing jobs and don't need childcare. The food stamps program caseload is growing at an astonishing rate - a 28% increase in the last year. December's growth was the largest the Department has ever seen.

Although demand is high, the Department is performing at a high level. Most customers appreciate same day service despite long waits.

In response to questions, Mr. Barron stated that the stimulus package might help ICCP, the child support program, community action agencies, federal funds for weatherization, increasing food stamp allotment beginning in April. All is still being assessed, and allotments are being worked through JFAC. There is a document that is about 500 pages that is being sorted through.

If a citizen is determined to be ineligible for services, he/she can appeal. Referrals are also given through a Department service called "Navigation Services" which works with community services to find resources.

Jane Smith, Administrator for the **Division of Public Health** for the Department of Health and Welfare, was welcomed to give a presentation to the Committee on the Division of Public Health.

The role of Public Health is population based, not client based. The Division of Public Health prevents epidemics and the spread of disease, protects against environmental hazards, prevents injuries, promotes and encourages healthy behaviors, responds to disasters and assists communities in recovery, and assures the quality and accessibility of health services. They constantly assess, develop policy, and assure. They monitor health, diagnose and investigate, inform and empower, mobilize community partners, develop policies, enforce laws, link to and provide care through referrals and coordination, and assure competent workforce.

The bulk of public health work , 88%, is done through physicians, with the rest being done by Emergency Medical Services and labs. 64% of funding is federal.

The Office of Epidemiology and Food Protection tracks and responds to outbreaks, provides consultation, provides medical direction to the Division of Public Health, and establishes rules and standards for the food safety licensure and inspection of food establishments.

The Bureau of Health Planning and Resource Development handles rural health, primary care, and public health preparedness.

The Bureau of Clinical and Preventive Services handles WIC, the Idaho Immunization Program, Family Planning, STDs and AIDS, Women's Health Checks, and Children's Special Health Program

The Bureau of Community and Environmental Health is federally funded for the most part, receiving a little bit from the general fund. It provides for education, health promotion, awareness, and media campaigns.

The Bureau of Vital Records and Health Statistics provides certificates of birth, death, marriage, and assists with paternity actions.

The Bureau of Emergency Medical Services (EMS) does testing and genotyping. Genotyping allows the Bureau to trace strains, so if, for example, there is a patient with E. Coli, genotyping would allow the Bureau to determine the exact strain of E. Coli, which is necessary in determining and handling outbreaks. The Bureau of EMS also has a Microbiology Section, Bioterrorism Section, and a Biochemistry Section.

The Division of Public Health has other functions as well. It dispatches for the Idaho Transportation Department, follows low flying aircraft, provides public health threat notifications, serious weather notifications, and coordinates hazardous materials.

In response to questions, Ms. Smith said that the majority of programs receiving general funds are laboratory, except Bioterrorism. A small amount of general funds are in the Ryan White and AIDS programs. Some is given to injury, epidemiology, and a small amount for the Bureau Chief's salary, because it has to come from one source, and can't be taken in pieces from federal grants. Most of the Division of Public Health's funding is federal. Ms. Smith meets with Directors at least every other month, sometimes every month.

There are two areas where the stimulus plan might offer assistance. The Division of Public Health is looking at $3 million in vaccine money to provide a year of transition, and might also receive stimulus funds for WIC, which would be divided into two parts, one part for systems and one for food. The Department has not been given an amount that would go toward WIC , but Ms. Smith believes possibly $500 million for food and $100 million for computer systems will be handed out, but those amounts have not yet been broken down by state. She has asked for $3 million for food for Idaho's WIC program, and $1.8 million for computer systems.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 5:16 p.m.

Representative Pete Nielsen
Acting Chairman

Mary Tipps
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 2, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Jim Baugh, Comprehensive Advocacy, Inc.; Hannah Crumrine, Office of Performance Evaluations; Maureen Shea, Office of Performance Evaluations; Fairy Hitchcock; Hitchcock Family Advocates; Loa Perin, AARP; Maribeth Connell, AARP; Kelly Buckland, State Independent Living Council; Marilyn Sword, Developmental Disabilities Council; Michelle Britton, Department of Health and Welfare; Toni Lawson, Idaho Hospital Association; Megan Olmstead, Governor's Office; LaDonna Larson, Idaho Health Data Exchange

H 145: **Jim Baugh**, Comprehensive Advocacy, Inc. presented **H 145,** an amendment to Idaho's Involuntary Sterilization Statute. When this section was amended in 2003, the language in sub-section 39-3902(6) was modeled after a Hawaii statute. The Hawaii statute uses the word "person" in this section. At some point in the development of the bill the word was changed to "adult". Recent cases have occurred involving involuntary sterilization of children with disabilities, making the change in wording significant. The purpose of this bill is to restore the language to its original intent, and to provide statutory protections for people under the age of 18 who are subjected to involuntary sterilization, based on constitutional and common law principles.

Mr. Baugh responded to questioning that an eight-year-old girl in Idaho had a developmental disability and the parents wanted to sterilize her before the onset of puberty. The bill requires an evaluation committee and a court decision in order to determine whether sterilization is a necessary procedure.

Mr. Baugh indicated that there would be individuals under the age of 18 who might choose to have sterilization done, such as those persons taking life sustaining medications in which a pregnancy would be dangerous.

MOTION: **Rep. Luker** moved to send **H 145 to General Orders** with the following changes: change the first reference to "adults" in line 29 to "persons" and restore the second reference to "adults" so it continues to state "adults". **Motion passed on voice vote.**

Michelle Britton, from the Division of Family and Community Services presented on the Family and Community Services (FACS) Division. FACS

has five divisions of responsibility. These are child welfare services, including adoptions; foster care and assistance; community developmental disabilities program including infant and toddler program; Idaho State School and Hospital, and the 2-1-1 Idaho Careline and Service Integration.

Ms. Britton spoke on Child Welfare Services which provides risk assessment for children who may be abused or neglected; in-home services and safety planning; safety and well-being of children in foster care; and permanency, including re-unification and adoption services. Ms. Britton stated that 80% of the parents of foster children have some kind of substance abuse issues. Nearly 100% of adoptions occur when the parent(s) have such serious substance abuse issues that they cannot recover from them. The department works closely with families to try to keep children with a relative. Family members do provide foster care for children who are relatives and these family members are paid by the state. The state average of children in the program who are taken care of by relatives is 18%.

Ms. Britton went over the causes and effects of a high staff turnover rate. The department has reduced the turnover rate to 12.5% in 2008 using a variety of methods to encourage retention. They have found the higher the case load, the higher the turnover rate. There has been a steady increase in the number of children needing care and the department has emphasized moving more children into permanency more quickly.

Ms. Britton stated that as the economy sours, the food stamp usage trends upward, resulting in a corresponding upward trend with children needing protection a year later. The department is being very diligent in watching this information and managing the caseloads so the employee turnover rate does not soar.

The foster care and assistance program provides for foster parent recruitment, training and licensing; therapeutic foster care; residential treatment and contracted services for in-home support.

Ms. Britton stated in response to questioning that the payments made to foster care children who are adopted are sometimes continued if the child has many disabilities. Foster families who adopt multiple children do not necessarily receive a subsidy for each child, it depends upon the needs of the child.

Ms. Britton stated in response to questioning that the department is always hopeful that the foster parents will become the solution for adoption because of the attachments that have been formed. It is very challenging to find families who are willing to adopt. The goal of the first 12 months of foster care is reunification of the children with the family or with a family member. From 15 months to 24 months the department strives to complete adoption. The time goal for adoption is 24 months from first date of placement to adoption. Sometimes these are delayed by the courts and prosecutors due to scheduling.

Ms. Britton stated that some of the children in foster homes do receive SSI which goes to the foster parents and offsets the payment from the State. When there are relatives who are foster parents, they tend to take care of all

the relative children there might be. The department can license foster parents for up to six children but this is not done very often.

Community Developmental Disabilities provides for the oversight of Intensive Behavioral Intervention (IBI), crisis response for individuals with disabilities; and services to infants and toddlers with developmental delays.

Ms. Britton stated the Idaho State School and Hospital (ISSH) is a treatment facility for people with a developmental disability, many of whom are a danger to themselves or others. The ISSH provides medical care and medication monitoring; therapeutic services; intensive supervision; vocational services; behavior management and community support and crisis response.

The effort in recent years has been to downsize the campus as the number of clients has decreased. The number of clients was 110 in 2001 and in 2008 was down to 78 clients. With today's medical knowledge, they do their best to prevent any new children from coming in to the state hospital. The department would prefer to keep them in their homes or in the community, living on their own.

Ms. Britton stated that the goals of the ISSH are to continue to reduce census; enhance crisis capacity; enhance resource development capacity for placement of individual clients; follow progress of services to the dually diagnosed and pursue opportunities to build behavior management, psychiatric and mental health services; research and assess needs of children and develop a database of client profiles for those in crisis.

The 2-1-1 Careline provides information and referrals from a resource database of 3,400 contacts; it also provides disaster response communication and a fraud hotline. The service integration provides emergency assistance to prevent crisis as well as kinship caregiver support. The emergency assistance money can be used to help families on a one-time basis. There is $700,000 available each year for the Kinship Caregiver Support program. In 2008 the careline received 159,970 calls.

Ms. Britton responded to questioning that they are anticipating more referrals and more children ending up in foster care due to the downturn in the economy. They are also seeing more families coming in for one-time assistance. They are seeing the benefits of FMAP through the stimulus package at the Idaho State School and Hospital; in child welfare there will be a better FMAP rate. There will be money from the stimulus package for the infant/toddler program which will be used to buy hearing aids for children, develop an automated system for the infant and toddler and create electronic files. They would also like to use some of the funds for additional training for staff.

There is nothing in the stimulus package for personnel. At this point, the department does not have a clear personnel resolution in child welfare, and there are currently 22 vacancies. The department is trying to minimize the vacancy rate but the department is in a hiring freeze. The department is aware that child welfare work is very demanding with a lot of standards in terms of performance and quite a bit of conflict involved. It is also a legal process where the workers can get beat up in court if the parents have

differing opinions. The workload is very tough with a lot of documentation involved. The department has been working to reduce the case load and improve salaries. They have also improved the system to lighten the work load for the workers as well as have good supervisors available to assist the workers. The staff does seem to feel that they are being heard but due to the lack of money, changes are being accomplished very slowly.

LaDonna Larson, from the Idaho Health Data Exchange presented information on the current status of the Idaho Health Data Exchange. The Health Data Exchange was created by the Health Quality Planning Commission as a nonprofit organization to develop a health information exchange.

The Idaho Health Data Exchange is in phase one of the roll out. They are in the process of enrolling St. Alphonsus, St. Luke's and Kootenai Hospital and have a goal of connecting at least 100 physicians in this first phase.

The benefits of connecting to the exchange are that medication history and information on medication allergies are made available to participating physicians. Knowing what other drugs a patient is on or may be allergic to can reduce the incidence of adverse drug events. Having convenient, timely access to lab or radiology reports for tests ordered by other physicians in the community can reduce the number of duplicate tests ordered; and clinical results, such as lab and radiology reports, transcribed reports and admission, discharge and transfer notifications, will be delivered electronically to participating physicians. This provides up-to-date information at the point of care.

The funding for the exchange comes from the participation fee that the three hospitals are paying. The hospital connection fees are based on the bed size. For St. Luke's, the cost was $254,000 for the first year. For St. Alphonsus, the cost was $190,000. This is an annual fee but the cost will go down after the first five years.

Ms. Larson stated that the doctors who are using the exchange do have a lot of confidence in it but she is unaware if joining the exchange reduces liability insurance**. Rep. Rusche** stated his agreement that it would prevent duplication of tests which will lower the cost of care. It could also have the effect of lowering the cost of malpractice insurance as well as preventing medication interactions that might be adverse to a patient. Rep. Rusche stated that 80% of diagnosing is having the right history, and the exchange would allow a physician to have the entire history available.

Ms. Larson stated in response to questioning that there will be money from the stimulus package which they would like to use to accelerate the connecting of hospitals throughout Idaho. Using this money could reduce the cost to hospitals, encouraging more hospitals throughout the state to participate in the exchange. Ms. Larson is working with the Department of Health and Welfare to obtain a grant for medical technology.

Ms. Larson stated that they would like to connect the Health Districts who are very interested in participating. The Health Data Exchange is enabled under HIPAA. Patients can choose to opt out of having the medical

information transferred to medical personnel other than their own. There is no patient portal available right now that would allow someone to access his/her medical records.

ADJOURN There being no further business to come before the committee, the meeting was adjourned at 3:15 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 4, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Larry Callicutt, Director, Idaho Department of Juvenile Corrections; Kathie Garrett, State Planning Council; Kathleen Allyn, Idaho Department of Health and Welfare, Behavioral Health; Roger Hales, Department of Occupational Licensing; Erin Armstrong, Risch Pisca

MOTION: **Rep. Thompson** moved to approve the minutes of February 20, 2009. **Motion passed by voice vote.**

MOTION: **Rep. Luker** moved to approve the minutes of February 24, 2009. **Motion passed by voice vote.**

H 46: **Roger Hales** presented H 46, on behalf of the Board of Social Work Examiners. This bill clarifies the education requirements for foreign-trained physical therapists and raises the cap for license fees. Raising the cap will allow future fee increases to be implemented. This bill was before the committee previously and Mr. Hales is now bringing back amendments to the bill which clarify the intent that the social work degree requirement will apply only to newly-licensed social workers.

MOTION: **Rep. Durst** moved to send **H 46** to **General Orders**; **Rep. Thayn** seconded the motion. **Motion passed on voice vote.**

S 1073 : **Roger Hales** presented **S 1073**, on behalf of the Bureau of Occupational Licensing. The purpose of this legislation is to simplify the procedures for obtaining a temporary permit to practice, demonstrate or teach cosmetology services outside a licensed establishment. This is to facilitate providing charitable cosmetology services at no charge, teach demonstrations at schools or other facilities in order to give cosmetology students a broader experience and to benefit the general public.

Mr. Hales stated in response to questioning that the board issues licenses to individuals. Permits are usually temporary in nature and the nature of the language indicates this.

MOTION: **Rep. Chew** moved to send **S 1073** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Chew** will sponsor the bill on the floor.

S 1065 :

Kathleen Allyn, the Department of Health and Welfare, presented **S 1065.** This legislation increases children's mental health representation on regional mental health boards and clarifies statutory language about representation for adults with mental illness. Specifically, the legislation provides for representation by 2 parents of children with serious emotional disturbances, a representative of juvenile justice in the region, and a representative of public education in the region and eliminates references to children's mental health regional councils. This will increase the board from 14 to 17 members. The statutory language is being clarified to specify that the consumer representatives are adults with mental illness. The fiscal impact will be less than $2500 per year with the funds coming out of the state general fund. This estimated cost is for travel costs of the board members to the regional meeting.

Ms. Allyn stated in response to questioning that the changes being made are consistent with the WICHE report which strengthens the mental health boards. It was felt that a broad representation on the board was needed to ensure adequate representation.

Ms. Allyn stated that the funding came from a six year federal grant with a state match involved. The state's portion of the grant increased every year during the six years while the federal portion declined. The state's portion for last year was more than $2500.00.

Ms. Allyn stated in response to questioning that the powers and duties of the board are not to identify the source of mental problems but to review the mental health services in a region. Prevention programs are within the scope of the board's duties, but investigating the source of the problems is not. There is a lot of research to be done on the causes of mental illness, and understanding how genetics plays a part.

Ms. Allyn stated that the agency has just started teleconferencing for state meetings so each regional office is hooked up, but teleconferencing is not available for the regional board meeting. Each regional board member would need to have an individual receiver and the equipment is expensive. Outside meeting areas such as schools have been considered, but the state has a fairly significant firewall that makes it difficult for outside communications to come in. Each region is protected by this firewall which makes it more challenging to overcome with the right equipment. The technology must also be compatible with the technology the state uses which schools may not necessarily have.

Ms. Allyn stated that the powers and duties of the board is advisory and they do not set policy for treatment. The board does work to identify gaps in service. She further stated that the state services for mental health budget is approximately $14 million for children's mental health and $22 million for adult mental health which includes federal funds.

Kathie Garrett, testified in support of the bill on behalf of the State Planning Council on Mental Health, of which she has been a member of since 2002. The council is in strong support of this bill. A regional community mental health system was recommended by the WICHE report. This legislation consolidates two councils, the children's mental health council and the adult mental health council, with the regional mental health board.

MOTION: **Rep. Rusche** moved to send **S 1065** to the floor with a **DO PASS** recommendation. Rep. Rusche spoke to his motion stating that the mental health boards do more than just advise. The board develops and obtains proposals for a service plan. They have an important role in understanding and supporting the regions mental health services. This bill is fiscally responsible and should be passed.

Ms. Garrett stated in response to questioning that there was no representation from the county commissioners on the board when the original statute was passed. There is an approval process as to whom is appointed to the board, ensuring proper qualifications.

SUBSTITUTE MOTION: **Rep. Wood** moved to **postpone S 1065** to **time certain**, upon the discretion of the Chairman. Rep. Wood spoke to his motion stating that the county commissioners need to be the centerpiece of the board. He is concerned with the expansion of the board to include 3 more members.

Rep. Luker spoke in favor of the substitute motion, stating his desire to re-look at the number of board members being added.

Rep. Rusche spoke against the substitute motion. He emphasized the importance of getting a broad perspective with representation from the various counties in a region.

Roll call vote was requested on the motion. **The motion passed, 12-3-1. Voting in favor** of the motion: Reps. Block, Nielsen, McGeachin, Loertscher, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, and Wood. **Voting in opposition**: Reps. Rusche, Chew, Sayler.

Larry Callicutt, Director of the Department of Juvenile Corrections gave a presentation on the Juvenile Justice System. In 2008, there were 9,100 youth involved in the justice system.

Mr. Callicutt discussed the holdbacks in the department which amounted to $2.4 million and stated that 94% of the work is done at the county level.

Last August the agency created a Co-Occurring Disorders Unit. The program is now full with 12 boys and 12 girls between the ages of 12 and 15 from the around the state in the program.

A clinician is now in all 12 juvenile detention centers who performs assessments on determining if there are any substance abuse or mental health issues. 68.4% of screened juveniles appeared to have a mental health problem, and 54.5% of screened juveniles appeared to have a substance abuse problem.

The Interstate Compact for Juveniles was ratified last August. Idaho was the 12th state to become part of it and is the first state to develop an active council. This compact deals with juveniles who escape justice or runaway from one state and end up in another.

Mr. Callicutt stated that for juveniles, there is a recommit rate of 12.4%, and a recidivism rate of 24.6%. Every juvenile goes through a comprehensive assessment to determine their risk and the environment they are best suited

for. Level 1 is lowest with level 5 being the most severe. Level 4 is state institutions. Level 5 juveniles are treatment resistant and the highest risk offenders in custody. There are currently 35 juveniles in Level 1, 63 in Level 2, 114 in Level 3, 144 in Level 4 and 21 in Level 5.

The agency did submit a stimulus request which encompasses $1.5 million to try to remain whole as to the contract provider dollars. They also applied for $1 million in order to pass the monies through to the county probation departments.

Mr. Callicutt further stated in response to questioning that 68% coming in to the detention centers have mental health issues. Many who leave custody continue to need some type of service. The agency does not have any say in the delivery of the mental health and substance abuse services being provided.

Mr. Callicutt stated that about 80% on average of the kids who come into custody are two grade levels behind. There is no question that those youths who stay in school and receive adequate nutrition build a good foundation. The drop out rate is the highest predictor of who will end up in the system. The family structure is a major contributor of the journey that a particular child takes, with 40% of the children in custody having a relative they first used drugs with.

ADJOURN There being no further business to come before the committee, the meeting was adjourned at 3:02 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 10, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Kathie Garrett, Idaho Academy of Family Physicians; Richard Armstrong, Director, Department of Health and Welfare (DHW); Suzanne Budge, Healthcare Distribution Management Association (HDMA); Mary Sheridan, DHW; Susan Pilch, HDMA; Fred Riggers; April Renfro, Legislative Services; Erin Armstrong, Risch Pisca; Angela Wickman, DHW; Jane Smith, DHW; Denise Chuckovich, Idaho Primary Care Association; Larry Benton, Benton, Ellis and Associates

MOTION: **Rep. Rusche** moved to approve the minutes of February 26, 2009. **Motion passed by voice vote.**

S 1117: **Rep. Sharon Block** presented **S 1117**. This legislation reduces the number of mandated Board of Health and Welfare meetings from once every two (2) months to once every quarter. The majority of information provided to the board occurs through electronic and postal mail. The volume of formal business conducted by the board has not been such to warrant its frequency in meeting. This will have no effect on the ability of the board to conduct special meetings, and will not interfere with the performance of its duties. This will result in a savings of $4,320 to the general fund.

MOTION: **Rep. Durst** moved to send **S 1117** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Block** will sponsor the bill on the floor.

S 1066: **Suzanne Budge,** on behalf of the Healthcare Distribution Management Association, presented on **S 1006.** This legislation would amend S 1184 passed during the 2007 legislation session. The original "pedigree legislation" of 2007 put into place provisions designed to secure the safety and integrity of Idaho's prescription drug supply chain and to bring Idaho into alignment with the other states. This "clean up" legislation makes a minor change to current law to recognize the business model of prescription drug distributors and facilitate the timely delivery of vital medicines to Idaho hospitals and pharmacies without compromising drug safety. Specifically, this bill adds on specific type of transaction (when a drug goes directly from a manufacturer to an FDA registered repackager and then to a wholesaler) to the list of routes included in the definition of "normal distribution" which then would not require a separate written record of transaction or "pedigree".

MOTION: **Rep. Chew** moved to send **S 1066** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Chew** will sponsor the bill on the floor.

S 1076: **Mary Sheridan**, Department of Health and Welfare, presented on **S 1076.** The purpose of this bill is to modify Idaho Code Title 39, Chapter 61, Idaho Conrad J-1 Visa Waiver Program, to allow adequate time for communities to hire a J-1 physician, which is a foreign educated physician. Senate Bill 1076 also amends the statute to establish National Interest Waiver criteria. These programs improve access to healthcare services by requiring participating physicians to see Medicare and Medicaid patients, obliging them to serve for a 3-5 year period in a designated shortage area, and requiring a sliding fee scale for the low-income population.

Ms. Sheridan stated in response to questioning that the number of J-1 physicians is fairly limited in Idaho with about 1 J-1 physician per year in Idaho. These two programs are options of last resort for under-served communities until there are enough U.S. educated physicians available. The statute defines what an under-served area is. 96.76% of the state is considered under-served. A community health center would qualify in being able to receive a J-1 physician.

Ms. Sheridan further stated that there are quite a few physicians enquiring about the program but the applications must come from the health care facility. These physicians are under scrutiny and must pass security clearance to come into the country. The rate for the physician staying on in the rural area is unknown at this time since the program is so new. There have been only three physicians in the program so far. Of these three, one has left the rural area and the other two are still serving the three year service period.

MOTION: **Rep. Rusche** moved to send **S 1076** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Marriott** will sponsor the bill on the floor.

Richard Armstrong, Director of the Department of Health and Welfare, presented on the Stimulus Package and its effects on the Department of Health and Welfare programs.

All states received a 6.2% increase in the FMAP rate from the federal government. The quarterly unemployment rate is used in a formula which also affects the amount received. Idaho's matching rate will change from 69.79% to 79.17%, which represents a large and unexpected increase.

The following figures are based on forecasts. The reduction of general funds in Medicaid is $52 million in SFY 2009 and $73 million in SFY 2010. This is temporary relief and the money will be gone after 2010. Even with holdbacks, Medicaid estimates it will need an additional $15 million for SFY 2011, and $124 million for SFY 2012. This is assuming the economy has rebounded. As the economy continues to falter, more people are going to be needing Medicaid.

Mr. Richard Humiston, Department of Health and Welfare stated in response to questioning that there is a 10% budget increase request. This

increase was estimated based on past years, historically there has been an 8% -10% increase each year.

Director Armstrong discussed the weatherization program. Idaho in 2008 was granted $4.7 million for weatherization. There is a part time employee that oversees the program and works with the local community action agencies. This program will receive an increase of $30 million over the next two years. The grant will increase from $2,500 to $6,500 per house which could triple the number of homes being weatherized. There is a list of 45,000 people who applied for Low Income Home Energy Assistance (LIHEAP) as candidates. By assisting these people, the carbon imprint will be reduced as well as future costs.

In the immunization program, there is now $2.9 million available to purchase vaccines for children not covered by the federal government. The holdback of $2.7 million for SFY 2010 had eliminated funding for state vaccine purchases. The stimulus act will allow the purchase of vaccines for 2010. By accepting the stimulus funding, the program can explore other funding sources to maintain free vaccines, while developing a transition plan to reduce impact on providers and minimize the effect on immunization rates. The vaccination rate of 3-year olds has dropped in the State of Idaho.

The Idaho Child Support Program receives a $3 million incentive for high performance. The stimulus funding will now allow the performance bonus to leverage federal funds, which will free up $3 million in general funds. Child Support has requested $1.3 million of $3 million one-time expense to convert over 100,000 paper case files to electronic files. **David Taylor** of the Department of Health and Welfare discussed that the case files have to be kept open until a child is 18 so these files can be quite lengthy. Converting to electronic files will result in a savings cost. The converting of the files will probably be done by outside contracts. If approved, the remaining $1.7 million will revert to state general funds. Digital case files saves staff time, and reduces customer service delays caused by copying and shipping files. With the growing caseloads, efficiency is necessary to maintain program performance incentives.

The Infant Toddler Program served 3,700 of Idaho's youngest citizens in 2008. Early intervention helps Idaho children from birth to age 3 with developmental delays or disabilities. $2.4 million of the stimulus finding will provide a one-time opportunity to accomplish much-needed improvements to system, staff training, and equipment. This will position the program to better service children in the future.

The Infant Toddler Program has requested funding for the following projects: a new data system which will free up the therapists time to provide more therapy; training staff in proven and effective techniques which will lead to improved outcomes; new equipment to test newborn, infant and toddler hearing to replace outdated systems; loaner hearing aids for the Idaho School for the Deaf and Blind; and to expand existing video conferencing sites which will allow therapists to coach families in rural areas.

The Idaho Child Care Program subsidizes child care expenses for low-income households. The program currently spends $24 million on 7,300 children, of which one-third is TANF. $11.5 million is available from the stimulus funding. $8.7 million of the stimulus funding could replace TANF funding for child care, freeing up more versatile TANF funds. TANF funds can be carried forward for future expenses or used for critical family preservation activities. TANF funds give the state flexibility to meet emergency situations. The stimulus bill may increase employment and demand for child care. If that occurs, stimulus funding will be needed to pay for services. Idaho currently ranks low in child care standards and part of the stimulus funding is designated for quality improvement activities.

128,809 Idahoans received food stamps in January of this year, a 5,600 increase from December. Over the last year, food stamps increased at a record breaking 32%. Double digit growth is expected for the next year. A 13.6% increase in food stamp benefits will begin April 1, 2009. This will provide each enrolled Idaho recipient an average of $125 per month, up from $110. This increase requires no new rules or legislation. There is $1.1 million available from the stimulus funds which will be used to address record breaking increases in case loads. The funding can also be used for data systems, workplace enhancements and temporary workers. For the first time, the food banks are expressing concerns on their ability to meet the current and future needs of citizens.

The Women, Infants and Children's program (WIC) provides prescription food vouchers for pregnant and nursing women and their children, based on nutritional risks. The average voucher is $55 a month. There are 47,000 women and children enrolled. A 12% caseload increase requires an additional $3 million in funds. Without the stimulus funding, women and children would be placed on a waiting list. There is $2.4 million available to replace the 1994 WIC data management system. The stimulus funding is specifically appropriated to replace aging systems.

Director Armstrong discussed Health Information Technology (HIT). A number of opportunities are available for state and medical providers. Two of the most important are to convert Medicaid providers to electronic health records and to connect Idaho hospitals, healthcare providers, imaging centers and labs to the Idaho Health Data Exchange.

Under federal regulation, Medicaid providers must convert to electronic records. Few Idaho providers use electronic health records. Small clinics, especially in rural areas, are not pursuing this course due to costs. The stimulus package funding provides a means to recapture the investment made to set up electronic systems and some of the maintenance costs for following years. The funding from the stimulus package may be the only hope to convert many small providers to electronic health records.

The Idaho Health Data Exchange is a five year project connecting hospitals, health care providers, imaging centers and labs. Each entity pays a fee to connect to the system. Phase one is underway, connecting the first three hospitals and two labs. $15 million can be applied for to pay one-time system connection costs. The funding from the stimulus package will also accelerate completion of the project to connect to the Idaho Health Data Exchange hospitals, healthcare providers, imaging centers and labs by covering the set

up costs for these facilities. The annual fee charged to the facilities is to maintain the servers and the program. This system was designed to be self sustaining.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:07 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 12, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Rep. Sayler

GUESTS: Richard Mollerup, Attorney for Idaho Land Title Association; Larry Tisdale, Department of Health and Welfare; Robert L. Aldridge, Robert L. Aldridge Trust & Estate Professional of Idaho, Inc. (TEPI); Cole Pepper, Connolly & Smyser; Larry Benton, Benton, Ellis & Associates; Dr. Randy Andregg

MOTION: **Rep. Thompson** moved to approve the minutes of March 2, 2009. **Motion passed by voice vote.**

MOTION: **Rep. Thompson** moved to approve the minutes of March 4, 2009. **Motion passed by voice vote.**

S 1115: **Larry Benton**, representing the Idaho Optometric Association, presented **S 1115**. This legislation amends the existing Optometry Practice Act to allow optometrists to utilize diagnostic laser technology in the practice of optometry. It also removes outdated language and clarifies the Idaho State Board of Optometry's authority to regulate the practice of optometry. There has been no opposition to this bill.

Mr. Benton introduced **Dr. Randy Andregg**, who spoke in support of the bill. In the past, the Board of Optometry has not had much authority to act in ways that protect the general public. This bill will give the board more authority.

Mr. Benton stated in response to questioning that obtaining injunctive relief against persons practicing without a license is a procedure that the Bureau of Occupational Licensing also uses and which has not been a problem in the past. The Board of Optometry has the option if a person is convicted to impose a fine, county jail time or both.

Mr. Andregg stated in response to questioning that fitting cosmetic contact lenses requires adequate education and training in order to fit them correctly and safely. Some individuals have been selling these products without a license or training and this section was added to ensure the public safety.

MOTION: **Rep. Thompson** moved to send **S 1115** to the floor with a **DO PASS** recommendation. **Rep. Wood** spoke to the committee stating this bill was done correctly and thanked Mr. Benton and the groups involved in crafting

the bill. **Motion passed on voice vote. Rep. Thompson** will sponsor the bill on the floor.

S 1113:

Robert L. Aldridge, attorney, representing the Robert L. Aldridge Trust & Estate Professional of Idaho, Inc. (TEPI), presented **S 1113**. This legislation permits the Department of Health and Welfare to record "a request for notice" relating to the real property of a Medicaid recipient to assure that the Department receives notice if the real property is sold or encumbered. This will permit the department to be aware of the transfer and advise the seller of the potential consequences of the transaction, or to prevent the seller from diverting the proceeds of the sale in a manner contrary to Medicaid recovery laws. It is not, itself, a lien or encumbrance on the real property, but only provides for notice to the department. The legislation also provides for a termination of such request for notice. The duty to the title company is light.

Mr. Aldridge stated in response to questioning that the U.S. Congress set 55 as the minimum age of a person on Medicaid that the state can recover assets from. The countable assets are divided into two parts and there is a spouse resource allowance of $14,000. If the asset is community property, it would be considered part of the recovery process. The state will not go after separate property of the spouse.

The lien that Medicaid files is a general lien on all assets, not just real estate and it may not be filed in all cases. It would be difficult to file a lien in each county. Having Medicaid try to track all the real estate in which they have an interest in 44 counties would be a huge cost to the public.

This problem is not unique to Idaho and every state has to deal with it. The language was taken from a statute in Oregon that has seemed to work well. Mr. Aldridge is not aware of any other alternative than doing what this bill proposes. The state is very limited on what it can do.

Larry Tisdale from the Department of Health and Welfare stated in response to questioning that Medicaid would be required to do research in every county in order to find properties Medicaid has an interest in. Oregon was the only state which was outperforming Idaho due to this statute which has worked well for them. There is not a good and efficient process in place.

Mr. Aldridge stated that TEPI has about 30 members with a broader base of interested parties who are sent materials on many of the bills TEPI is interested in. TEPI tries to get everyone who has an interest in a particular bill on board to discuss and resolve any potential issues.

Mr. Tisdale stated the problems in the negotiated rule making were eligibility issues. There emerged from the rule making discussions a need for some type of notice from Medicaid that would keep people out of trouble through their ignorance of Medicaid requirements.

Mr. Aldridge stated that in general, there is no statute of limitations that hinder Medicaid from recovering their interest in a property. Existing liens on the property receive the money first. This is usually the county, which is paid first. If any funds are recovered, in most cases the money stays in Idaho.

Richard Mollerup, attorney, representing the Idaho Land Title Association

spoke in opposition to bill. If the state is entitled to a lien, filing one with the Secretary of State should give constructive notice of the lien. This is a title issue before the committee. The purpose of the title insurance industry is to report the status of real property titles that it is willing to insure. This bill would require the title insurance companies to participate in rule enforcement that has nothing to do with real property titles. This could make the title company liable if they failed to find and report an interest of Medicaid even though the statute states " a title company or agent that discovers...".

MOTION: **Rep. Durst** moved to send **S 1113** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION: **Rep. Thayn** moved that **S 1113** be held in Committee. Rep. Thayn spoke to his motion stating this seems to be a title issue and does not seem to be relevant to the Health and Welfare Committee.

Rep. Luker spoke in favor of the substitute motion.

AMENDED SUBSTITUTE MOTION: **Rep. Nielsen** moved to postpone **S 1113** until time certain so the Chairman could ascertain if the Health and Welfare Committee is the appropriate committee to hear this bill. If the bill returns before this committee, Mr. Mollerup would be asked to bring in information from the Oregon title companies on how it was working there.

Rep. Thayn spoke in support of the substitute motion.

Rep. Marriott spoke in opposition to the amended substitute motion and spoke in support of the substitute motion.

VOTE ON AMENDED SUBSTITUTE MOTION: Roll call vote was requested on the amended substitute motion. **The motion failed, 3-12-1. Voting in favor** of the motion: Reps. Block, Nielsen, Chew. **Voting in opposition**: Reps. McGeachin, Loertscher, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche and Durst.

Rep. Luker spoke in support of the substitute motion.

VOTE ON SUBSTITUTE MOTION: Roll call vote was requested on the substitute motion. **The motion passed, 13-2-1. Voting in favor** of the motion: Reps. Block, Nielson, McGeachin, Loertscher, Shepherd, Marriott, Luker, Thayn, Boyle, Thompson, Wood, Rusche, and Chew. **Voting in opposition**: Reps. Gibbs and Durst.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:30 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 16, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Kathie Garrett, Partners in Crisis; Kathleen Allyn, Department of Health and Welfare; Mark Johnston, Board of Pharmacy; Pat Lazare, Idaho Nurses; Erin Armstrong, Risch Pisca; Cole Pepper, Connolly & Smyser; Mary Sheridan, Department of Health and Welfare; Elizabeth Criner, Pfizer; Susie Pouliet, Idaho Medical Association; Denise Chuckovich, Primary Care Association

MOTION: **Rep. Rusche** moved to approve the minutes of March 10, 2009. **Motion passed by voice vote.**

MOTION: **Rep. Thompson** moved to approve the minutes of March 12, 2009. **Motion passed by voice vote.**

S 1065: **Kathleen Allyn,** Department of Health and Welfare, presented **S 1065.** This bill previously came before this committee on March 4 and was postponed to a time certain at the discretion of the chair. This legislation increases children's mental health representation on regional mental health boards and clarifies statutory language about representation for adults with mental illness. Specifically, the legislation provides for representation by two parents of children with serious emotional disturbances, a representative of juvenile justice in the region, and a representative of public education in the region and eliminates references to children's mental health regional councils. This will increase the board from 14 to 17 members. The statutory language is being clarified to specify that the consumer representatives are adults with mental illness. The fiscal impact will be less than $2500 per year for travel costs of the board members to the regional meeting, with the funds coming out of the state general fund.

Ms. Allyn stated in response to questioning that the board does have the power to vote on issues. The by-laws of each regional board would address what percentage of votes is required for passage of an issue. **Rep. Rusche** stated that these boards are regional and not statewide. The county commissioners are an important component of the board since the county pays for the majority of the costs. The Department of Health and Welfare members on the board are also important since they know what programs are available and how best to offer services through the department.

MOTION: **Rep. Chew** moved to send **S 1065** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION: **Rep. Nielsen** spoke in opposition to the motion. Rep. Nielsen moved to amend the bill to disallow the members of the Department of Health and Welfare from voting. **Motion failed due to lack of a second**.

Motion passed on voice vote. Rep. Rusche will sponsor the bill on the floor.

SJM 101 : **Sen. John Goedde** presented **SJM 101**. This memorial urges Congress to increase funding of medical residency programs, which appears to be the prime restriction to increasing physician capacity in the states.

Sen. Goedde stated in response to questioning that the hope is the memorial would stimulate the government to provide more funding for residency programs across the country, particularly for Idaho.

Sen Goedde further stated that funding for the medical residency programs is needed and is separate from the movement to bring a medical school to Idaho. This is the most effective way to obtain doctors for the State of Idaho.

MOTION: **Rep. Rusche** moved to send **SJM 101** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Sayler** will sponsor the bill on the floor.

S 1127 : **Mary Sheridan,** Department of Health and Welfare**,** presented **S 1127**.
The purpose of Senate Bill 1127 is to modify the application schedule of the Idaho Rural Health Care Access Program so it is aligned with the Idaho Community Health Center grant program. Both programs are defined by statute, administered by the State Office of Rural Health, and grant decisions are made by the same board. These grant programs are established to improve access to primary medical care and dental health services in underserved areas of Idaho.

The Idaho Rural Health Care Access Program, defined in Title 39, Chapter 59, requires the department to make grant applications available each year to governmental and non-profit organizations on January 15, with a due date of April 15. Idaho Code Title 39, Chapter 32, Idaho Community Health Center Grant Program, requires the department to make grant applications available to health centers each year on July 1, with a due date of August 30.

The Health Care Access Program Board must meet in May (for the health care access program) and again in September (for the health center program) to review and award the grants.

The department is proposing to align these programs by modifying the application period dates of the Rural Health Care Access Program so they are the same as the Community Health Center grant program (an application release date of July 1, a due date of August 30, and one board meeting in September). This will gain efficiencies since staff can prepare materials and generate contracts during the same time frame. This will result in a cost savings of approximately $1500 per year in general funds by eliminating one board meeting each year.

Ms. Sheridan stated in response to questioning that the two programs and

respective applications will still be separate. Just the applications will be released on the same date. The state is the source of funds for the granting programs. There are approximately 15-18 applications for the rural health care access program and about 12 applications for the community health center program.

The grant funds are encumbered for three years and are not actually returned. Progress reports are required from every grantee and the board reviews how the grantee spends the money.

MOTION: **Rep. Nielsen** moved to send **S 1127** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Nielsen** will sponsor the bill on the floor.

S 1109a : **Margaret Henbest** presented **S 1109a.** The Idaho Legend Drug Donation Act would establish a program under the Board of Pharmacy pursuant to which pharmacies, hospitals, nursing homes, and drug manufacturers and distributors could donate legend drugs to qualifying community health centers and free clinics. The community health centers and free clinics that elect to participate in this program would, in turn, be allowed to dispense those drugs, pursuant to valid prescriptions, to medically indigent patients. There are 37 states that have enacted similar bills. This bill has no general fund fiscal impact.

Ms. Henbest stated in response to questioning that all dispensing would be done under a pharmacist. The donated drugs are medications that have been prescribed but the patient either dies or does not need them after all. These drugs are then taken out of circulation and donated to the clinic. Only drugs in the original, sealed and tamper evident packaging are accepted.

Mark Johnston, Director of the Board of Pharmacy, spoke in support of **S 1109a**. The Board of Pharmacy believes that the indigent population needs to have access to health care. If approved, the board would be promulgating the rules of the program which could be a strain on its resources.

Mr. Johnston stated in response to questioning that he is unclear on how much work this would be to the Board of Pharmacy. The physician at the clinic would be the person overseeing the dispensing of the drug with technicians who would assist. Since the board would be the agency to write the rules on this, the areas of his concern would most likely be taken care by these rules.

Pat Lazare, Nurses Association, spoke in support of **S 1109a**. The state of Idaho has 73 certified nursing homes. Drugs dispensed at these homes to persons who later die would be able to be donated, which could generate $2.6 million worth of drugs and assist a large population in need.

Susie Pouliet, CEO of the Idaho Medical Association, spoke in support of **S 1109a**. Prescription drugs given to the indigent population could reduce health care costs at emergency rooms and doctor costs as they obtain the drugs they need.

Denise Chuckovich, Primary Care Association, spoke in support of **S 1109a**. This bill identifies community health centers as being eligible to receive the donated drugs. Close to 50% of the population coming into the centers are lower income. With the downturn in the economy and loss of health care coverage, this population is increasing. Low income patients do not always have the funds to obtain the drugs they need, which can result in increased visits to emergency rooms and increased costs.

Ms. Henbest stated that the Board of Pharmacy may take as long as it likes in rule making to ensure the rules are as safe and effective as possible.

MOTION: **Rep. Thompson** moved to send **S 1109a** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Chew** will sponsor the bill on the floor.

Rep. Durst spoke in support of the motion. The legislature needs to be able to support these clinics in providing care to the indigent population.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:54 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 18, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Reps. Loertscher, Luker, Boyle, Rusche, and Durst

GUESTS: Kathie Garrett, Idaho State Planning Council on Mental Health; Annie Henna, Catholic Charities; Erin Armstrong, Risch Pisca; Fred Riggles; Jim Baugh; Sen. John Goedde; Ken Cain; Katy Walker

Kathie Garrett, Idaho State Planning Council member, gave a presentation on the State Planning Council for Mental Health. The Idaho State Planning Council on Mental Health serves as an advocate for children and youth diagnosed with a serious emotional disturbance and adults with serious mental illness by providing a voice for change, problem solving, policies, and programs to the State Mental Health Authority. The Council strives to assure access to Idaho's public mental health system so that proper care and treatment are available to Idaho citizens.

The membership of the State Planning Council is established based on the requirements of federal and state law. The Council's membership allows input from a variety of groups, organizations, agencies and citizenry. The majority (51%) of membership within the Planning Council must be made up of individuals affected by mental illness and their families. Consumers and family members offer the needed insight for the Council to provide input and direction in addressing the needs of Idaho citizens impacted by mental illness. The Council currently has 32 members and 10 ex-officio members from the Department of Health and Welfare.

The Planning Council is committed to developing a public mental health system in Idaho in which recovery from mental illness is expected and programs to prevent mental illness are available in all parts of the state. The Council's goal is for everyone in Idaho to be offered effective treatment so persons and families affected by mental illness can participate fully in their community.

One of the troubling trends in the state is the increased involvement of individuals affected by mental illness and their families within the court system and over-reliance on institutional care such as emergency rooms, state hospitals and jails. For Idahoans without mental health insurance who do not qualify for Medicaid, their ability to access mental health services is very limited. Hence, court involvement is often their entry point into Idaho's publicly funded mental health system.

The WICHE Report shows Idaho 49th in the nation on spending for community mental health services.

The 2009 Federal Block Grant Money is broken down as follows: Adult, $1,405,774; children, $312,121; Grant Administration, $90,415 (5% with $20,000 for Council expenses); for a total of $1,808,310.

Ms. Garrett stated that some of the priorities for the council would be having community services available prior to needing emergency services for a crisis. The Council would also like to see more effort given to preventative options before commitment to a state hospital. The block grant requires data that we are currently unable to provide. Another need is to provide more access to transitional and regular housing.

Among the challenges in Idaho are access to substance abuse and mental health treatments, access to psychiatric beds that are not always available, and lowering the suicide rate in Idaho.

Ms. Garrett gave a presentation on the Idaho Council on Suicide Prevention. The Council was established by executive order in 2006 and Ms. Garrett has served as Co-Chair along with Dr. Peter Wilheim. The Council has no direct funding and is made up of about 16 members. The Idaho Suicide Plan was developed to address the problem of suicide in Idaho as a guide for agencies, organizations and individuals.

Suicide represents a major public health issue in Idaho and has a devastating effect on Idaho's families, schools, churches, businesses and communities.

The latest data from the Center for Disease Control ranks Idaho 7th highest in the nation for the number of completed suicides per capita and the second leading cause of death among adolescents and young adults. Idaho has consistently ranked in the top ten in the nation, with its suicide rate 51% higher than the national average.

Ms. Garrett went over highlights of the Idaho Suicide Prevention Plan report. The focus of last year's report was the high rate of suicide among Idaho's veterans. Veterans are at a two-fold higher risk for suicide than their non-military counterparts. A round table discussion was held in November to help increase awareness and to help coordinate activities for Idaho's veterans.

Suicide is a serious, but preventable public health threat that requires high profile recognition at the state level and a high priority on the state health agenda. In 2007, there were 220 people who completed suicide in Idaho. Prevention of suicide should be treated with the same urgency as other public health issues. Currently, no state agency has suicide prevention as part of their mission.

The focus of this year's report is that no one agency or group can do all that it will take to reduce Idaho's high rate of suicide. A wide range of groups and stakeholders must work in collaboration. The goal is to identify partners, stakeholders and resources.

Emergency departments are frequently utilized as a first response intervention and treatment site by individuals who have attempted suicide. Brief, intensive interventions for at-risk patients while in the emergency room and improved follow up care could significantly reduce the toll of suicide. The report recommends convening a group of stakeholders to review existing information and protocols for emergency rooms dealing with attempted suicides and developing a strategy to disseminate the information to emergency rooms throughout the state.

Idaho is one of three states that does not have a suicide prevention hotline. ISU and the Region IV Mental Health Board applied for and received approval for funding under the Community Collaboration Grant. Because of the budget crisis, the grant was rescinded and at this time the future of a crisis hotline is uncertain.

Ms. Garrett gave an overview of the 2008 Substance Abuse and Mental Health Issues (SAMHSA). The rates of alcohol abuse or dependence in Idaho for individuals age 12-17 have consistently ranked among the highest in the country. The Idaho rate for unmet treatment need among individuals age 12-17 has remained consistently at or above the rate of the country as a whole. Idaho rates of major depressive episodes have also remained higher than the national rates, particularly among age groups 12-17 and 18-25. For these two groups, the rates have been among the highest in the country since 2004.

The Division of Behavioral Health has contracted with Benchmark Research and Safety to design an Idaho Suicide Prevention Research Project. The grant is intending to support Idahoans working in suicide prevention by providing current data surrounding suicides in Idaho, reports on special populations at higher risk, research summaries and links available, and review of modern evidence-based suicide prevention and intervention programs. They have a new web page, www.idahosuicide.info.

Ms. Garrett stated in response to questioning that of emergency room visits resulting from an attempted suicide, 52% die within two months after the first attempt. Ms. Garrett stated that the emergency room staff probably do not know where to refer these people for help. Partnerships need to be made with the Department of Health and Welfare in order provide assistance. Suicide attempt data is not collected by the hospitals as there is no funding and it is just one more cost to the hospital to collect it. This data is really needed in order to obtain grants and to measure if a program is succeeding.

Doug Farquhar, of the National Conference of State Legislatures (NCSL) and **Barbara Ross**, Environmental Protection Agency, gave a presentation on Healthy Housing.

Inadequate housing has been linked to adverse human health effects. Millions of children live in home environments that are unhealthy.

Hazards found in housing are indoor air pollutants, such as chemicals, allergens, smoke and ventilation; lead hazards; carbon monoxide; pesticides; chemical hazards; rat infestations; radon and mold.

In 2007, the Consumer Product Safety Commission (CPSC) announced 106

recalls of lead contaminated products totaling 17,126,810 individual items. This represents a 500% increase from 2006. Of the 193 recalls due to lead since 2001, only 14 products were recalled before 2005. It is estimated that 70-80% of toys containing lead come from China. Only one in every 100 cargo pallets are inspected.

The Food and Drug Administration (FDA) regulates lead in consumer products if lead is in foods (apples) or in cosmetics. The Consumer Product Safety Commission regulates lead for all consumer products.

Idaho has legislation on the books that deals with radon. This is a naturally occurring gas. Radon is the second leading cause of lung cancer in the United States. Idaho does have laws that track radon throughout the state and is not a high radon zone.

The purpose of the law enacted in 1990, Title 10, was to limit the hazards of lead based paint during remodeling. 40% of higher lead levels in children are a result of remodeling. The EPA is going to ask firms that do remodeling to have one person trained on lead-based paint remediation and proper handling of the dust.

Ms. Ross discussed the new Lead Renovation and Repair Painting Rule. The purpose of the rule is to protect children in daycare centers and in housing. Homes and daycare centers being remodeled requiring more than 6 square feet in a home or 20 square feet of outside of the home would come under this rule. This rule requires that contractors be trained and certified. Certification is obtained by taking one 8-hour training class or a 4-hour refresher class if previously trained. This program is starting in April 2009 in all states. By April, 2010 all renovations must be performed by trained and certified contractors. It is up to each individual state whether to have the program run by the state or by EPA. The state can charge the fees to support the program and qualify the states for federal grants. This program should be self sufficient. The program can also be tailored to meet each state's individual needs.

Ms. Ross stated that this program is a federal requirement whether states want to implement it or not. This was enacted by Congress back in 1990 and promulgated by the EPA last June.

Ms. Ross stated this is for all houses and daycare centers built before 1978. If a building was tested and shown to be lead free, this rule would not apply. Do-it-yourselfers are not under this regulation. Only paid contractors are regulated under this law.

Mr. Farquhar stated that it took 18 years to promulgate the rule because it was a very difficult process. There were many questions throughout the years on what to do and how to do it. One trained person onsite and efficient cleanup afterwards were the key points that were determined.

Mr. Farquhar further stated in response to questioning that 3.9 million children have been affected by lead poisoning. This represents about 2% of children who are screened. This level has decreased over the years due to the removal of lead from gasoline in the 1970's.

The effect of lead poisoning is a 2-3 point drop in I.Q. in children. There was a death two years ago in Minnesota due to a child sucking on a bracelet which had lead underneath the paint.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:30 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 24, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Dia Gainor, Department of Health and Welfare; Murry Sturkie, Idaho Medical Association; Rick Holloway, Idaho Health Care Association (IHCA); Brady Sibbett; Ken McClure, attorney, Idaho Medical Association; Robert Vande Merwe, IHCA; Jill Rice, IHCA; Lyn Farrington, City of Boise; Teresa Baker, Ada County; Troy Hagen, Ada County Paramedics; Mike Walker, Professional Fire Fighters of Idaho

The meeting was called to order at 2:20 p.m. after adjournment of the session.

MOTION: **Rep. Thompson** moved to approve the minutes of March 16, 2009. **Motion passed by voice vote.**

MOTION: **Rep. Thompson** moved to approve the minutes of March 18, 2009. **Motion passed by voice vote.**

H260: **Kris Ellis,** Benton, Ellis & Associates, representing the Idaho Health Care Association**,** presented **H260.** This legislation would establish a nursing home assessment which will be used to further leverage the federal Medicaid dollars. The monies generated from the assessment shall be used primarily to increase payments to nursing homes in order to offset cuts in reimbursement to nursing homes as a result of H123.

Ms. Ellis stated that there is no Sunset Clause except for the temporary cuts and the legislation will not need to come back before the committee. The stimulus dollars do not affect this bill and are not taken into account, except in how the FMAP rate will change under the stimulus package. The nursing home facilities provide services to a mix of private pay and Medicaid patients.

Robert Vande Merwe, Executive Director of the Idaho Health Care Association, stated that the nursing home facilities are in favor of this legislation as everyone benefits.

Ms. Ellis stated that the bill will mandate that all nursing home facilities pay into the fund, with the result that all will receive money back. All nursing home facilities would pay the same amount, but the amount of money received back would be weighted more heavily to those who provide services to more Medicaid patients.

Rick Holloway, President of Western Health Care Association, testified in support of the bill. Due to the budget cuts, some facilities are struggling to maintain proper staffing and quality of care. This bill would allow them to leverage federal matching dollars and recoup some of the funds that have been cut this year.

Robert Vande Merwe, Executive Director of the Idaho Health Care Association, testified in support of the bill. The majority of patients in nursing home facilities are on Medicaid. This bill is a solution to the budget cuts that have taken place and which has had an adverse effect on all facilities. This bill will help the smaller county facilities, who comprise a third of his clients. The bill places an assessment limit of 2% on the nursing home facilities and requires the returning matching dollars be used by the nursing homes to replace the funds that have been cut.

Jill Rice, Idaho Health Care Association, testified in support of this bill. This is an important bill that will help maintain the quality of care in nursing home facilities.

Rep. Fred Wood stated in response to questioning that this bill is in effect only for the two years of the stimulus package benefits. What the FMAP rate will be after the stimulus package benefits expire is unknown. Rep. Wood stated that he understands there is work underway to redo the FMAP system, but the future is uncertain at this time.

Mr. Vande Merwe responded to questioning that this bill does not have an automatic feature in place to go back to the way it used to be before the stimulus package. A facility pays the assessment based on all patients, whether private or Medicaid. A facility may not list this assessment as a line item on a private pay patient's bill.

Mr. Holloway stated in response to questioning that the private pay rate differs from each facility, but facilities are prohibited by federal law to allow a private pay patient to pay less than what a Medicaid patient is charged.

Ms. Ellis stated in response to questioning that the fund will continue to receive funds as well as sending out payments after July 1, 2011. After 2011, there will be rules to dictate these funds, and allow the IGT to be created, since new IGT's are prohibited under the stimulus package.

MOTION: **Rep. Wood** moved to send **H260** to the floor with a **DO PASS** recommendation. **Rep. Nielsen** spoke in support of the bill; however, he has reservations about accepting more federal dollars. Welfare should not come from the government, but from family and religious organizations. **The motion passed on voice vote. Rep. Wood** will sponsor the bill on the floor.

S1129: **Ken McClure**, Idaho Medical Association, presented **S1129**. This bill amends a section of the Uniform Anatomical Gift Act. The area of concern is with an attempt by the act to harmonize a patient's expressed wishes to be an organ donor, which might require life support in order to preserve organs for donation; with the patient's expressed wishes in a living will that unnecessary life supporting measures, excluding pain relief, not be administered merely to prolong life. The initial language of the Act, however, could have been interpreted to suggest that the organ donation would trump the living will. The original drafter of the Act, the National Conference of Commissioners on Uniform State Laws, was made aware of this interpretation and took appropriate steps to craft an amendment clarifying the Act's intention. This legislation contains that clarifying amendment. It provides that if a patient who is an organ donor also has a document directing the withholding or withdrawal of life support systems which conflicts with organ donation, the patient (or the patient's designated decision maker) and the patient's attending physician must confer and resolve the conflict. This amendment reflects the principle that the wishes and needs of the patient are paramount.

Mr. McClure stated in response to questioning that a person authorized by law might be someone who holds a power of attorney or a guardian appointed by the court to take care of a person. A person authorized under section 39-3409 would be a spouse, children, grandchildren, and so on down the line. Under Idaho Code, section 39-3409, there is a provision that deals with disputes among children and provides a mechanism for majority rule. The person who is receiving the donated organ pays for the extra time that a patient is kept alive until the transplant can take place.

MOTION: **Rep. Rusche** moved to send **S1129** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Rusche** will sponsor the bill on the floor. **Rep. Loertscher** voted in opposition to the bill.

S1108a: **Dia Gainor**, Department of Health and Welfare, presented **S1108a**. Since the original Emergency Medical Services (EMS) Act in the early 1970s, the Idaho Legislature has recognized the importance of reasonable regulation of the EMS system in Idaho. This regulation largely takes the form of licensing the individual personnel who care for patients in ambulances and other emergency settings through a process similar to other health care professions and licensing the entities that operate local EMS agencies. This legislation refines content in the current EMS code to include contemporary terms. Currently, all language about investigations and discipline is in rule and is outdated. The legislation also introduces provisions clarifying the EMS bureau's authority to investigate and act against those licenses when violations of laws or rules occur, thereby protecting the public. Eight state associations weighed in on the legislation and their suggestions have been incorporated into the bill. There is no opposition to this legislation.

Ms. Gainor stated that the EMS bureau will continue to be a unit of the Department of Health and Welfare. Licensure is a permission to practice which can be withdrawn. Certification is issued by the National Registry of Emergency Medical Technicians, which does have not any authority to stop anyone from practicing. The laws currently in place are from 1976 which do not adequately address some issues of today.

Murry Sturkie, Idaho Medical Association EMS committee, testified in support of the bill. This bill will allow Idaho to keep pace with the changes that are taking place nationally. The association will be closely involved with the rule making process. He stated that there is a perception that certified persons are licensed when in fact they may not be. The proposed changes will clarify these terms and clear any confusion.

Troy Hagen, Director for Ada County Paramedics and Idaho Association of Counties, testified in support of this bill. They believe this is a step in the right direction to coordinating all the systems together and having sound decisions made by the EMS bureau. This bill will have no effect on current providers and services that are being offered.

Ms. Gainor stated their rulemaking is geared to not put any rural EMS service out of business. The bureau recognizes how important the rural EMS service providers are and they try to balance regulations along with the support and service the bureau can provide to achieve quality programs throughout Idaho.

MOTION: **Rep. Chew** moved to send **S1108a** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Chew** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 4:05 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 26, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: None

GUESTS: Rep. Brian Cronin; Kimberly Hoffman; Brandi Whaley; Ellen Radcliffe; Karen Mason; Bonnie Noonan; Donna Wade; Taryn Magrini, Kristin Friend, Ada County Prosecutor; Jodi Giem; Catherine Marquaft; Barbara Taylor, Eagle Early Learning Center; Ron Marquand; Will Rainford, Roman Catholic Diocese of Boise; Charlotte Mallett, American Association of University Women (AAUW); Genie Sue Wepner, Department of Health and Welfare; Mary Slaughter, AAUW; Rosio Gonzalez, Catholic Charities of Idaho; Christine Smith, Catholic Charities of Idaho; Mark Larson, State Fire Marshal; Phil Bandy, Mayor, City of Eagle; Mike Kane, Health Districts; Bryan Fisher, Idaho Values Alliance

The meeting was called to order at 2:45 p.m. after session was adjourned.

S1112a: **Senator Tim Corder** presented **S1112a**. This legislation amends Title 39, Chapter 11 of Idaho Code to revise and extend the State's licensing requirements for child care providers. The current code provides minimum health and safety standards for day care centers with thirteen or more children, but does not provide licensure for providers with fewer than thirteen. This legislation would extend licensing to all providers who receive compensation and care for four or more children, with specific exceptions maintained. Basic requirements include: criminal history background checks, health, safety and fire inspections, and restrictions on firearms, alcohol and tobacco use. Minimum standards for infant CPR and first aid training are specified. This act establishes staff-child ratio recommendations consistent with nationally accepted standards and provides for fees to be established based upon the number of children.

The Department of Health and Welfare will serve as the portal or administrator for the program. The department will contract for the inspection services, receive and compile complaints and provide for a one-step application process.

There is no impact to the general fund. There will be additional oversight from the Department of Health and Welfare but this legislation provides for the actual costs of administration to be passed to the providers. Fees to the providers are on a sliding scale based upon the number of children. The cost to a small provider would be about $1.25 per month per child. This license would be for two years. Providers who are reimbursed through ICCP would have part of these fees paid by ICCP and would also be calculated in for the food program. The license fee is also tax deductible for all businesses.

Sen. Corder stated that this legislation would ensure the safety of our children by putting in minimum safety standards. This will ensure that all providers have the same minimum requirements. This bill does not define how a person conducts his or her business. If nothing is done, there will continue to be children in this state abused and harmed in facilities that are not licensed. This bill licenses businesses, places that are in the business every day. There is currently no tracking of violations taking place in facilities that are not licensed. This will allow complaints that are reported to the Department of Health and Welfare to be logged onto a website, with parents able to look and see what complaints there are.

Rep. George Sayler stated that everyone with an interest in childcare was involved in the drafting of this bill. He feels that the state has a responsibility to provide minimum safety standards throughout the state of Idaho. Parents would still have the right and be involved in choosing the daycare provider they use, knowing there is a minimum safety standard in place. There has been overwhelming support for this bill by parents throughout the state.

Rep. Sayler further stated that currently, both cities and counties are allowed to create their own ordinances in regards to daycare facility safety standards. A problem has been that if a person has violated the city's code, most violators then move out into the county where there are usually not any requirements. A minimum standard throughout the state will stop violators from using this loophole. Rep. Sayler continued by giving an additional overview of **S1112a**.

Rep. Sayler stated in response to questioning, the upper age limit of the definition of a child would be changed from eleven to twelve.

Genie Sue Weppner, Department of Health and Welfare, stated in response to questioning that there are approximately 500 providers that are not licensed, with some of these being relative providers.

Rep. Sayler stated some relative care givers would be exempted out of the requirements of this bill. If there are a certain number of outside children being taken care of, then they would not be exempted out.

Larraine Clayton, Department of Health and Welfare, stated there are family home care providers who choose to become licensed voluntarily which allows them to become eligible for the food program.

Rep. Sayler stated that this legislation will cover daycare facilities in municipalities as well as counties. A city's ordinances will supercede the state's minimum standards as long as the city's standards meet the minimum standards of this bill.

Rep. Brian Cronin testified in support of this bill. He and his wife have a licensed daycare and stated they are more than happy to pay the costs for the minimum standards. It also provides for fair competition in that everyone is held to the same costs and minimum safety standards. These are reasonable requirements and not onerous.

Rep. Cronin stated in response to questioning that he feels that most providers would not obtain a background check if it was not compelled by the state.

Kimberly Hoffman testified in opposition to the bill. She was a voluntary licensed daycare provider and does not object to the majority of this bill. She does object to the section requiring compliance with the International Fire Code, which could require a lot of changes that would be difficult for a home daycare provider to comply with. Any older home that might need windows and doors replaced could cost the provider thousands of dollars. Sprinkler systems and wired smoke detectors would also be cost prohibitive. She stated it is not a good idea to treat home daycare providers the same as a daycare facility. This will eliminate good home daycare facilities.

Brandi Whaley testified in support of the bill. She has a daughter who was violently shaken by a daycare provider. She interviewed multiple daycare providers previous to hiring her in order to find a provider that she trusted. It turned out the provider was not certified as she had stated, had embezzled money in the past and had lied about many other issues. If this daycare provider had been required to have a background check done, Ms. Whaley would not have chosen her as her daycare provider. This daycare provider is still able to watch children but this bill would help prevent any further children from being hurt by her. This provider watched between four and eight children at any given time.

Rep. Sayler stated in response to questioning that if a person fails the background checks, he or she would not be granted a license.

Ellen Radcliffe, director of three large childcare facilities, testified in support of the bill. Her concern is the ratio for two year olds. She feels that the ratio of twelve two-year olds to one adult is too many. Her facilities choose to use a 1-6 ratio because it is the safest ratio. The home daycare and daycare facilities should both have the same safety standard.

Ms. Radcliffe stated in response to questioning that her facilities take in infants beginning at six weeks old. Their employees talk and sing to the children all day long, without the interruptions of cell phones, or outside distractions that a home daycare would have.

Karen Mason, Idaho Association of the Education of Young Children, testified in support of the bill. They feel strongly that bare minimum safety standards must be established for the safety of the children. Their agency has received about 90 complaints so far this year on daycare providers. Their agency is unable to do anything other than offer support and programs on a voluntary basis.

Bonnie Noonan, Early Childhood Educator at BSU, testified in support of the bill. She was required to have a background check in order to be an adoptive parent. With the passage of this bill, no longer will parents have to be concerned about safety issues of providers and try to do comprehensive research to choose the best quality care for their children.

Donna Wade, Idaho Women's Network, testified in support of the bill. She stated that this bill increases the chances of a parent's search for quality child care.

Kristin Friend, Ada County Prosecutor, testified in support of the bill. She is the victim witness coordinator and deals with juvenile victims. She sees all too often that it is usually juveniles hurting other juveniles. Background checks done on juveniles in the provider home are necessary as the amount of sexual and other abuse is staggering. Ms. Friend read a statement that an eight-year-old victim wrote to a judge.

Ms. Friend stated in response to questioning that the cases she sees are in the City of Meridian, the City of Kuna, in county areas and mostly outside the City of Boise. She sees inter-family abuse and in-home childcare sexual abuse. They see these types of cases all across the board and not just in the home or in a larger daycare facility. It is much more frequent in smaller providers where there are more opportunities for it to take place. Ms. Friend estimated that 65-70% of abusive persons would have shown up on a background check of juveniles in a facility.

Sen. Corder stated that the department will refuse licensure or revoke a license to anyone who fails to pass a background check.

Genie Sue Weppner stated in response to questioning that in the rules that came before this committee previously, there was language for background checks to be done for children over the age of 13 but this was for ICCP providers.

Ms. Friend stated in response to questioning that she deals with victims of violent or sexual crimes only. Juvenile perpetrators who commit violent crimes or sexual crimes usually do have other types of crimes in their background. Most of the time, the perpetrator is a child of the daycare provider.

Jodi Giem testified in support of the bill. This bill will require basic safety standards that are badly needed in this state.

Barbara Taylor, Director, Eagle Early Learning Center, testified in support of the bill. She considers the fees appropriate and this legislation needed.

Will Rainford, Roman Catholic Diocese of Boise, testified in support of this bill. As a former police officer and trauma counselor, he has seen the results of abuse and neglect. Mr. Rainford strongly believes in background checks as a preventative and necessary tool in order to protect children.

Charlotte Mallet, Idaho American Association of University Women and Treasure Valley Association of Family and Consumer Services, testified in support of the bill. In Idaho three out of five children are in a childcare setting, approximately 70,000 children. This is a much needed statute for the safety of our children.

Mark Larson, State Fire Manager, stated in response to questioning that the inspectors look for certain safety standards. They look for a battery or wired smoke alarm, although some city statutes require it to be wired. There are specifics provisions in the fire code that deal with different usage of buildings. In both the building and fire codes, an inspector can accept a modification of some issues, but not all. This legislation would clarify the fact that the fire code requirements would apply, instead of perhaps the building code requirements. There are different jurisdictions throughout Idaho and it can be unclear sometimes which applies. These requirements are for the fire code and are for licensing only, enforced by the licensing agency.

Phil Bandy, Mayor, City of Eagle, testified in support of the bill. The state of Idaho is at the bottom of the list in regards to child care licensing in the United States. Ensuring children's rights to daycare settings that protect them from harm is vital.

Mr. Bandy stated that the City of Eagle has not yet issued stricter standards. They are hoping to have a statewide base law in place so that some providers would not move out to the county. His position is that every child in the state should have the same level of protection no matter where they live. This bill is for the health and safety of the children, which is where the focus should be.

Mike Kane, attorney representing Health Districts, testified in support of the bill. The District Directors are unanimously in support of this bill and are the people who have been performing the inspections. The bill proposes to pull these inspections from the Health Districts and give the responsibility to the Department of Health and Welfare. The Health Districts are very limited in what they can charge for the inspections and it has cost them more to inspect than what they could charge. Mr. Kane also stated that the differences in the types of complaints between rural and urban areas is minimal. Some of the issues that Health Districts looks at are how food is being prepared, served and stored, diaper changing facilities, the water quality, sleeping areas and other such concerns.

Mr. Kane stated in response to questioning that approximately 635 of the current facilities are ICCP out of a total of 900. The Health Districts believe that it would add another 500 non-ICCP facilities requiring inspections if the bill is passed. The Health Districts can do spot checks if they receive a complaint. Normally, they do not do any spot checks. They check a facility once every two years.

Lorraine Clayton stated in response to questioning that the Department of Health and Welfare feels they can support the inspections for the fees stated in the bill with the subsidized dollars through ICCP.

Mr. Kane stated in response to questioning that the cost of traveling to the site, keeping the records, fuel costs, and hourly costs add up to about $230 per inspection. The inspection takes approximately one hour. The complaints they received and violations they found were of a variety of types, from food storage temperature, immunization records, hand washing, and smoke detectors not working. The typical complaint comes from a parent.

Bryan Fisher, Idaho Values Alliance, testified in opposition to the bill. Their primary concern is the impact the legislation has on the average family. They are concerned about the increased cost to providers, families, and to the department to inspect and run the program which will all be passed on to the taxpayer. This will limit choices for families and cause some providers to go out of business. He feels this bill is unnecessary and does not see a need. The best thing the state could do is provide a pamphlet to parents instructing them on what to look for in daycare facilities.

Mr. Fisher stated in response to questioning that the irresponsible parents are few in number and he has confidence in the majority of parents. He believes that educating parents to ask the right questions and look for certain things is the best way to handle this. Parents should be driving the standards for daycare.

Ms. Weppner stated that the ICCP provides pamphlets on how to choose quality childcare and about the ICCP, and these deal not just with health and safety issues but developmentally correct settings for children.

Mr. Fisher stated this would have a more adverse effect in rural settings and the agency wants to empower parents to have as many choices as possible to make their decision.

Sen. Corder closed by stating they have tried their best to ensure there is no additional bureaucracy to this process. This bill will ensure child care excellence for our children. It is hard to force compliance without licensure and most persons would not voluntarily address these issues. The fire codes are the same codes today as ten years ago. Even if there are changes required, it is for the safety of our children. The point is, some of these changes needed in homes that are using unsafe standards. There has been an outcry by parents asking for safety standards.

Sen. Corder stated in response to questioning that under current Idaho law, there are two agencies that can delegate duties to the Health Districts. The language in the bill counteracts this and requires the Department of Health and Welfare to have responsibility for these duties. This does not mean the department cannot contract these duties to outside providers. This particular language was asked for by the Health Districts.

Rep. Thayn stated that the most important issue is to require background checks for the safety of our children.

Rep. Luker stated his concerns with portions of the bill, including the International Fire Code imposed on all childcare providers. He is in support of background checks being required.

MOTION: **Rep. Luker** moved to postpone **S1112a** to a time certain at the discretion of the chair to continue discussion on the issues.

Rep. Rusche stated that in his pediatrician practice, he has seen a toddler die of brain injury from abuse, a drowning in a family daycare setting, diarrhea and food poisoning due to improper food handling, sexual abuse, and a child who was defaced by dogs in a childcare center. The safety situation in childcare is critical. The safety precautions in this bill are the minimal standards.

SUBSTITUTE MOTION: **Rep. Rusche** moved to send **S1112a** to general orders with an amendment to raise the number of children subject to this bill from four to seven as found in the following sections of the bill: page 3, line 8, “four" to “seven", page 11, line 4, “four" to “seven", line17, “four" to “seven", line 21, “four" to “seven".

AMENDED SUBSTITUTE MOTION: **Rep. Durst** moved to send **S1112a** to the floor with a **DO PASS** recommendation. There is no cost too high to keep our children safe.

Rep. Nielsen spoke in support of the motion to postpone to a time certain.

Rep. Gibbs spoke in support of the motion to postpone to a time certain.

VOTE ON AMENDED SUBSTITUTE MOTION: Roll call vote was requested on the amended substitute motion. **The motion failed, 4-12. Voting in favor** of the motion: Reps. Rusche, Chew, Sayler and Durst **Voting in opposition**: Reps. Block, Nielsen, McGeachin, Loertscher, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, and Wood.

Rep. Rusche spoke to his motion stating that in general orders, anyone can offer changes and the sponsors would be happy to entertain amendments that could improve the bill. His concern is that waiting another week or two will result in the loss of the bill.

Rep. McGeachin spoke in favor of the substitute motion.

Rep. Thompson spoke in opposition to the substitute motion, stating more discussion is needed.

Rep. Loertscher spoke in opposition to the substitute motion, stating more discussion on the issues is needed.

Rep. Sayler stated that this is too important an issue to wait another year for this bill. He feels that the issues can be worked out and encouraged the vote for general orders.

Rep. Nielsen spoke in opposition to the substitute motion. He stated if

discussion was needed on issues besides the childcare number limit, it could not take place in general orders.

VOTE ON SUBSTITUTE MOTION: Roll call vote was requested on the substitute motion. **The motion failed, 7-9. Voting in favor** of the motion: Reps. Block, McGeachin, Wood, Rusche, Chew, Sayler and Durst. **Voting in opposition**: Reps. Nielsen, Loertscher, Shepherd, Luker, Marriott, Thayn, Boyle, Gibbs, and Thompson.

VOTE ON MOTION: **Motion passed on voice vote**. The bill will be postponed to a time certain at the discretion of the chair.

ADJOURN: There being no further business before the committee, the meeting adjourned at 6:30 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: March 30, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Luker, Marriott, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Durst, Sayler (Marano)

ABSENT/ EXCUSED: None

GUESTS: Kathie Garrett, Idaho Association of Family Physicians; Sharon Burke, Idaho Association of Counties; Bill Brown, Southwest District Health; Richard Roberge; Patrick Guzzle, Department of Health and Welfare; Bruce Krosch, Public Health District 3; Erin Armstrong, Risch Pisca; Mike Kane, Health Districts; Russ Duke, Health Districts; Roy Eiguren, Northwest Grocery Association; Dick Rush, Health Districts; Jesus Blanco, Idaho Primary Care Association; John Watts, Idaho Primary Care Association; Tony Poinelli, Idaho Association of Counties; Steven Millard, Idaho Hospital Association

MOTION: **Rep. Rusche** moved to approve the minutes of March 24, 2009. **Motion passed by voice vote.**

S1158: **Sen. Dean Cameron** presented **S1158**. This proposed legislation provides revisions and additions to Chapter 35, Title 31, Idaho Code, relating to the medically indigent. The Idaho Medically Indigent Health Care program provides emergency medical care to uninsured individuals and allows hospitals and medical providers to obtain compensation for services rendered. The bill requires the Department of Health and Welfare to conduct utilization reviews on medical claims, provide for an early determination as to whether individuals are Medicaid eligible, and perform third-party recovery of claims paid by the county and the state. This bill will also increase the county deductible from $10,000 to $11,000. The Medically Indigent Health Care program and the state general fund are responsible for all medical bills in excess of $11,000 in a 12-month period.

The change in the deductible from $10,000 to $11,000 results in a $1,000,000 reduction in state general fund expenditures; however, upon passage of this legislation the state Medically Indigent program will still require $5,200,000 of state funds to continue to pay the same amount of bills in FY 2010 as it did in FY 2009.

The Department of Health and Welfare estimates an initial cost in FY 2010 of 2.0 full-time positions and $381,900 in General Funds. For FY 2010, $161,700 of the total $381,900 is one-time in nature for contract expenditures and capital outlay. This bill also includes a fiscal impact to the Department of Health and Welfare for the utilization management and third-party recovery services. However, until the counties, the hospitals, and the department fully design the process flow and contract requirements as required by this legislation, the state fiscal impact is undetermined. This legislation requires the Department of Health and Welfare to propose rules in the future regarding the county contribution for these services and a fiscal impact to the state for the department's budget will be determined at that time.

Sen. Cameron stated there were many stakeholders involved in putting this bill together. This bill does not solve all the problems but is a step in the right direction. In the current process, the claim is not seen until after the fact and it is too late to do anything about it.

By federal law, every hospital must take care of every person who comes in, regardless of ability to pay. There are over 140 employees at the county level who are needed to investigate each claim. Over time the CAT fund has evolved into taking care of many types of problems and continues to grow to a level where it cannot be sustained. The new step proposed is to involve the Department of Health and Welfare. Many of the patients may be Medicaid eligible and involving the department will streamline the process. The department will be able to notify the county and the hospital and let them know if the patient is eligible or ineligible for Medicaid. If ineligible, the department will let the counties know they need to take care of the claim. This will relieve the counties of the burden of investigating a claim. An outside contractor will be brought in to handle claims review and third party recovery. Just having the claims review done by an outside contractor will save 5% to both the county and the state and using a third-party recovery will result in cost savings. The county still has the right to determine if a person is indigent.

The county will pay an increase of $1000.00 per claim for a total deductible of $11,000. There is still an appeals process and an appellate board that exists under current law to review the claims.

Sen. Cameron stated in response to questioning that this bill does not solve all problems, but is attempting to put into place normal, best practice solutions to a very dysfunctional program. The goal of the bill is to reduce utilization and costs to the state and to the county, and reduce overall expenses that county and hospitals are incurring. It does not address the underinsured problem in the state.

Sen. Cameron further stated that the decision to add two full-time persons to the department was arrived at after working with the Department of Health and Welfare and Ms. Castro.

The processing of claims is currently 30-60 days postcare of treatment. This bill will put the program at the beginning of care, enabling decisions to take place on whether a patient needs to stay at a hospital or be moved to a rehabilitative center. This bill will also set up a medical home for a patient in his or her community, so if a patient needs to stay on medication, he or she could go to the medical home and obtain it instead of going off the medication and ending up in an emergency room.

Sen. Cameron further stated in response to questioning that there are no changes to the provisions in the bill that give counties discretion on what claims to pay. The counties continue to have the right to reject or not reject someone as being indigent and it is their determination that matters. The changes to the counties are that they will now participate in a $1000.00 higher deductible, utilization management, participate in the savings this will create, and creation of a medical home.

The $11,000 is based on Medicaid rates and not actual rates. The understanding of the indigent and catastrophic fund is that is was not drafted solely for emergency services, although in the past the bulk was for emergency services. This has changed dramatically over recent years, with other areas such as substance abuse and mental health increasing. The hospitals do not reject seeing patients based on what type of medical need there is. This bill will institute other avenues of treatment based on cost-effective determinations.

There are two ways to reduce costs. One way to reduce costs is by determining who is eligible. Suggestions were brought up to reduce eligiblity requirements but compromises were made. The other way to reduce costs is to implement cost-effective measures using best practices, which is what this bill does. The legislation does require this bill to be looked at in three years to determine how well it is working. This is a win for the county, win for the state and a win for the patient.

The community health centers would play a large role in providing a medical home for patients and these centers were involved in the discussions that took place to craft this bill. The medical homes will be created by rule by the Department of Health and Welfare.

John Watts, Primary Care Association, testified in support of **S1158**. A medical home is where a patient would receive ongoing primary preventative care. Usually, a person ends up in the hospital due to a lack of any type of preventative medical care. Since the county is responsible for the first $11,000, this preventative care is critical. Any willing private physician who wants to participate could be designated as a medical home. Community Health Centers are doing this now in the community and are interested in this as well. This act represents a giant step in the right direction in managing costs in both the catastrophic fund and for counties.

Steven Millard, Idaho Hospital Association, stated in response to questioning that about 10% of patients continue to be “frequent flyers” at hospitals. These are usually the chronic care patients, with conditions such as diabetes where they are not obtaining needed medications.

Tony Poinelli, Idaho Association of Counties, testified in support of **S1158**. This bill will need refinements over time which is why there is a review after three years. There will have to be negotiated rule making. The county indigent directors feel they do a good job with the resources they have. Having the Department of Health and Welfare make a determination if a patient is eligible for Medicaid is an important step. This bill will give more resources to the county in determining whether to accept or deny a claim. Seven to eight counties currently use an outside contractor for individual claim review for the savings in cost. He also considered having legislators on the catastrophic board a good idea.

Mr. Poinelli stated that the largest area of increase is in mental health claims and the review process will help with this. Utilizing an outside contractor for third party recovery will also help increase the dollars received. The utilization management review is to determine whether some treatments are necessary once a person has been stabilized. Currently, everything is after the fact. Once a person is stablized, the third party contractor will review all treatment from that point on.

Rep. Rusche stated that this is an attempt to work with hospitals and physician providers during the course of the care and to expedite to a lower cost level of care. In order to do this, it must be known if the patient is one that needs medical management, which is where the eligibility review comes into place. A medical home is created so the patient may have regular access to preventative care.

Mr. Poinelli stated that a claim may be denied if it is determined that the medical treatment was not necessary. **Sen. Cameron** stated that the determination of whether a procedure is medically necessary is currently not decided until after a claim. Counties do have the right to deny any claim.

Mr. Poinelli stated that at the request of this body, the counties were asked to review preventative measures. The medical home has a good potential of cost savings. Most people who now end up at a hospital would instead go to a medical home. The county commissioners care about their citizens and their indigent committee tries to do their best. The funds paid by the county for the program are funded 100% from property taxes.

Sen. Cameron stated in response to questioning that the review of a claim that has been submitted is the primary function of claims review. This is standard practice in the insurance industry. The providers are the first to admit that items do get billed inappropriately and discounts are not applied by providers. If potential savings are found during the review process, those claims are not paid unless the provider can justify the costs.

Sen. Cameron further stated this is a compromise piece of legislation and does not solve all problems. In discussion with the county commissioners, it was believed this was a reasonable compromise since the counties would save from claims review and utilization management. They tried to fit as many cost containment measures in the bill as possible.

MOTION: **Rep. Thayn** moved to send **S1158** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION:

Rep. Nielsen moved to send **S1158** to General Orders with an amendment to change the county maximum deductible back to $10,000, instead of $11,000, found on page 6, line 14 and page 8, line 28, page 9, line 13, page 13, line 28, page 16, line 1, page 17, line 42 and 43.

Sen. Cameron stated in response to questioning that the Governor's office had requested a county deductible of $15,000 with the compromise ending at the $11,000 figure. Raising the deduction by $1,000 would cost the counties $910,541. There is still a net of $2 million raised by the counties that would cover the cost. The counties will not need to raise property taxes to cover the $1,000 increase in the deductible.

Mr. Poinelli stated that the counties thought the increase of $1,000 was reasonable.

Rep. Wood (27) spoke in favor of the original motion. County expenditures are increasing at a rate slightly less than the state and this was a negotiated settlement with a lot of people involved. The basic underlying premise was that the eligibiity requirement would not be changed with respect to the percentage that the counties and the states put up. There would be no agreement if the portion paid by either the county or by the state were increased. This bill is to slow down the increase of expenditures over time and hopefully hold it instead of having it go up 10% per year. The substitute motion would change this balance.

Rep. Loertscher spoke in opposition to **S1158**. This bill will shift the cost from the broad-based taxes of the state to the narrow property tax which becomes the responsibility of the counties. Rep. Loertscher drew attention to page 10, section 31-3503D of the bill.This will increase expenses to the counties, and not to the Department of Health and Welfare.

VOTE ON SUBSTITUTE MOTION:

Roll call vote was requested on the substitute motion. **The motion failed, 4-11-1. Voting in favor** of the motion: Reps. Nielsen, Luker, Marriott, and Durst. **Voting in opposition**: Reps. Block, McGeachin, Loertscher, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew and Marano.

VOTE ON ORIGINAL MOTION:

Motion passed on voice vote. Rep. Wood and Rep. Rusche will sponsor the bill on the floor. **Rep. Nielsen** and **Rep. Loertscher** voted in opposition.

S1146:

Russell Duke, Director, Central District Health, presented **S1146**. This legislation amends the annual license fee for food establishments in the Food Establishment Act, Idaho Code 39-1607. Fees increase on some, but not all, food establishments phased in over a two-year period. The new fees are based on a four-tiered system between classes of food establishments to provide a more equitable distribution of fees and to provide additional industry funding for the safety program. The fees for food establishments increase from the current $65.00 fee for some establishments over a two year period as follows: (first year) (second year).

1. Temporary, intermittent and mobile - no change ($65)($65)
2. Mobile with commissary - ($75)($85)
3. All others not included in 1, 2, or 4 - ($95)($125)
4. More than two licenses on one premises with common owner - ($107.50)($150)

Further, the legislation amends the definitions for the types of food establishments described in the four-tiered fee system and provides for a cost and efficiency review of the program every three years.

The purpose of the change in fees is to shift a larger share of the cost of the food safety program from the taxpayer to the food establishments and, ultimately, the users of the service.

The local public health districts have cut 54 positions or 8 percent of their work force over the past three years and have another 20-plus positions that will be eliminated on or before July 1 to accommodate the state general fund budget reduction. This has required them to reduce services in some program areas as well as eliminate entire programs. This fee won't offset the FY 2010 budget reduction for the local public health districts, but it will lessen the impact.

This bill is the result of several groups working together and is supported by the Governor's office, the Department of Health and Welfare and the Idaho Association of Counties.

MOTION: **Rep. Thompson** moved to send **S1146** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Block and Rep. Thompson** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 4:20 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: April 2, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler (Marano), Durst

ABSENT/ EXCUSED: None

GUESTS: Erin Rudd, Department of Health and Welfare; Cara Abdo, Department of Health and Welfare; Ken McClure, Idaho Medical Association; Kenneth Krell, M.D., Idaho Medical Association; Ron Hodge, Idaho Medical Association; Kathie Garrett, Idaho Academy of Family Physicians; Mark Larsen, State Fire Marshal; Annie Henna, Catholic Charities of Idaho; Karen Mason, Idaho Association for the Education of Young Children; Sylvia Chariton, American Association of University Women; Sabra McCreedy, American Association of University Women; Michelle Britton, Department of Health and Welfare

The meeting was called to order at 1:55 p.m.

MOTION: **Rep. Nielsen** moved to approve the minutes of March 26, 2009. **Motion passed by voice vote.**

S1129: **Ken McClure**, attorney, representing the Idaho Medical Association, presented **S1129**. This bill amends a section of the Uniform Anatomical Gift Act and was previously heard before the committee on March 24 and returned for reconsideration.

Mr. McClure gave a brief overview of the bill stating that the wishes and needs of the patient are paramount, with the advance directive given priority under this legislation.

Mr. McClure stated in response to questioning, that under current law the advanced directive is irrelevant if the patient is an organ donor. He or she must be kept alive and evaluated for organ donation even if the patient has a directive stating he or she does not wish to be kept alive.

Dr. Kenneth Krell, M.D., Idaho Medical Association, stated in response to questioning that the Uniform Donor Act took away decision-making from the family if a person had signed a donor card. There would be no informed consent by the patient. In order to have a viable organ donation, life support needs to be sustained for a period of time. When there is a conflict between the donor card and the advanced directive, there is currently no means to resolve the conflict. This bill will let the family decide in the case of a conflict. These conflicts arise in cases where the patient has been declared dead.

The hospital Dr. Krell works for believes very strongly in organ donation and the choice of the family is usually for organ donation, which can be a tremendous solace. However, this choice must lie with the family members.

Dr. Krell stated that the language in the bill was recommended by the National Commissioners on Uniform State Law. This was to increase consistency of law from state to state. Organs are shared nationally and if each state uses different language, conflicts can occur. This language has been adopted nationally to resolve the problem when there is a conflict between an advance directive and organ donation.

Dr. Krell further stated that these are patients who have been declared brain dead, and are only kept on life support in order to harvest the organs, which usually takes between 12 and 36 hours. Where it becomes a conflict is if there is an advance directive stating the patient does not want life support under any conditions.

He stated that he has had the experience where a young person's family did not want the patient kept alive in order to harvest the organs which was respected. The law as it is currently worded puts doctors in a very difficult position both legally and morally. He has been put into the position of not following the law depending on the circumstance. The indication he has received is that this language has helped to resolve this problem in other states. He is unaware if it has had a negative impact on organ donations. In surveys, 95% of us would choose to donate organs, given the chance. The language is cumbersome, but it does state clearly who has the responsibility of making the decision for the patient.

MOTION: **Rep. Thompson** moved to send **S1129** to the floor with a **DO PASS** recommendation.

Mr. McClure stated in response to questioning that the patient creates the conflict by having conflicting directives. Mr. McClure would not assume that the advanced directive is indicative of a patient's desires. The best way to ascertain this is to ask the family members. The Idaho Medical Association would not like to see the law dictate an outcome one way or the other but would rather leave it to the family members.

Dr. Krell stated that the time frame for support and harvesting is generally between 12 and 36 hours. This is not a days to weeks period. The process is not so long as to delay the family from making plans for a funeral.

Rep. Luker spoke in favor of the motion, although he feels that the language is confusing and would like the language cleared up if possible.

Rep. Loertscher spoke in favor of the motion, although he too does not like the language used in this legislation.

Rep. Nielsen stated that he would like his advance directive to be the default and is struggling with the language as set forth in the bill.

Mr. McClure stated that if an advance directive states a specific family

member needs to make the decision, it is not clear if it would be legally valid. The living will must be substantially in a standard form. That is why living wills are usually in a preprinted form and deviating too far from the form may make the living will invalid.

VOTE **Motion passed on voice vote. Rep. Rusche** will sponsor the bill on the floor.

S1112a: **Chariman Block** discussed **S1112a**, stating this bill previously came before the committee on March 26 and was postponed to a time certain at the discretion of the chair.

MOTION: **Rep. Luker** stated that he has worked with the sponsors and amendments have been made which address previous concerns. Rep. Luker moved to send **S1112** as amended in the Senate to **General Orders** with the changes as attached in **RS18664E1A5** plus an additional amendment to section 9 as follows: on page 8, line 4, restore the word "All" and delete "Only" ; page 8, line 5, after the period add: "Employees, aged sixteen and seventeen under the supervision of an adult employee, when providing direct supervision to children may be counted as staff for the purposes of computing a child-staff ratio." **Rep. Durst** seconded the motion and stated that he appreciated the efforts made among the parties to reach consensus on this bill.

Chairman Block commended Rep. Luker and other committee members on their hard work. This is win-win legislation.

Motion passed on voice vote. Rep. Sayler will sponsor the bill on the floor.

Rep. McGeachin stated it has been brought to her attention that two providers have shut their doors after the budget cuts to mental health and to developmentally disabled persons that the committee passed.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 3:55 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE:	April 3, 2009
TIME:	1:10 p.m.
PLACE:	Room 240
MEMBERS:	Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler (Marano), Durst
ABSENT/ EXCUSED:	Reps. McGeachin, Loertscher, Wood, Durst
GUESTS:	None
MOTION:	**Rep. Nielsen** moved to approve the minutes from March 30, 2009. **Motion carried on voice vote**.
	Chairman Block thanked the committee page Keisha Hale and the committee secretary Jennifer Coggins for their hard work and diligence.
ADJOURN	There being no further business before the committee, the meeting adjourned at 1:20 a.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: April 6, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Reps. Nielsen, McGeachin, Loertscher, Shepherd, Luker, Thayn, Boyle, Wood, Durst

GUESTS: Kathie Garrett, Advocates for Addiction Counseling and Treatment; Denise Chuckovich, Idaho Primary Care; Jan Sylvester, Idaho PTA; Amber Allen, Student Nurse, BSU; Debbie Field, Office of Drug Policy; Gale Hines, Office of Drug Policy; Suzanne Budge, Boys and Girls Clubs, Inc.; Mark Kuhnhauser, Boys and Girls Clubs, Inc.; Jason Hancock, State Department of Education

Debbie Field, Director of Idaho Office of Drug Policy, spoke on the current status of the Idaho Office of Drug Policy. Ms. Field discussed the Interagency Committee on Substance Abuse Prevention and Treatment, which is under the Office of Drug Policy. This agency was formed in 2007 and coordinates and directs efforts of agencies on strategic budget, policy and outcomes.

Idaho is the first state in the nation to build an infrastructure of agencies collaborating effectively through ICSA for strategic prevention and treatment services. Idaho has also been recognized as the first state in the nation to choose a common assessment for substance abuse disorder treatment. The common assessment which was chosen is “GAIN”.

Idaho has a common database, “WITS” to collect data and track outcomes. This year the agency was able to report outcomes for the first time.

The statistics from the Department of Health and Welfare show that the percentage of clients completing treatment is up 54%. Meth users completing treatment are up 42% with unemployment down 63% among clients. Homelessness has been reduced 85% and recovery support services are accessible by all clients.

In the Department of Corrections, there have been 1000 program completions. There are now 900 fewer people in jail than originally projected. Because of the use of the common assessment tool, people are now getting plugged into the right program and continuing in care when they are out on parole.

In the Idaho Department of Juvenile Corrections, the numbers are down from

431 to 423 in FY 2008. There is a stronger continuum of care between county substance use services and IDJC. The ICSA and community partners are working to increase residential capacity for adolescents. 20-520(I) has provided a mechanism for agencies to collaborate on treatment plans for adolescents.

The Safe and Drug Free Schools program is having an impact, with the numbers of student incidents down despite the increase of student enrollment. Tobacco use was down 8.53%, alcohol use down 6.98%, other drugs down 38.62% and bullying/harassment incidents were down 7.49%.

At the Idaho Courts, there were 34 drug-free babies born to female participants, 425 drug and mental health graduates and 1305 (88%) retention of Adult Offenders in Drug Courts. Idaho judges support efforts to expand community based treatment, strengthen probations supervision and use evidence-based practices.

The agency is continuing to develop a statewide strategic prevention plan; working with the State University system to teach course work with training and certification for GAIN administration; working with the county sheriff's studying GAIN assessment at booking; developing a research council to share and analyze data to report and monitor effective outcome measures, and Idaho will host the national rural state meth summit.

500 pounds of meth comes into our state every month and is the number one drug in Idaho. This is imported from super labs in Mexico, according to the DEA. Ms. Field stated in response to questioning that Idaho is not making meth and sending it out, but is importing it into the state. The Meth Project is targeted at people between the ages of 12 and 24 and towards preventing potential new users from starting to use the drug. There are now over 600 volunteers working with the Meth Project, with many of them former users.

Rep. Marriott congratulated Ms. Field on an outstanding job and on the impact the Meth Project is having.

Ms. Field stated in response to questioning that the governor established the WICHE transformation work groups to fix that bifurcation between mental health and substance abuse services. They will have their first meeting within the next ten days with the goal of having a product out by December 2009. They will be working on marrying the two areas since they are co-occurring. The agency is also working on recovery schools and there are several great opportunities available.

Matt McCarter, Coordinator for Safe & Drug Free Schools (SDFS) presented on the status of the program. The SDFS program exists to identify, address and prevent the root causes of substance abuse and violence in the school setting. Safe and drug free schools are a prerequisite for youth to realize their maximum academic and life skills potential.

The revenue for the program comes from the Cigarette/Tobacco tax with SDFS receiving 5.1746 cents of the 57 cent tax per pack. The SDFS also receives 50% of the taxes on winnings over $600 from the Idaho State Lottery.

The allocation for FY 2008 is composed of the following: 94% formula funding to districts ($1,500 base + ADA); $200,000 to ISP Forensic Lab for drug testing; 4% discretionary / statewide training and 2% for administrative costs.

Flow Through Competitive Grant - $336,334 - competitive grants for alternatives to suspension and expulsion. Ten grantees served 1,204 suspended and expelled students. 776 students successfully completed the program (diploma, GED, transferred).

Statewide Activity and Training are: Idaho Prevention Conference, SDFS Coordinators Kickoff - evaluation TA; Self Harm; Violence / Bullying / Drug Testing policies and procedures; meth and gangs; increasing Hispanic Protective Factors; Engaging children of incarcerated parents; Rachel's Challenge; Anger Management; Student Assistance Program; IDFY Youth Summits; Tar Wars and Helping boys succeed in school.

Revenue/Expenditure Snapshot - LEAs request funds from SDE on a quarterly basis for costs incurred the previous quarter or anticipated for the upcoming quarter. Total distributed in FY 2008 to districts - $7,019,209.

Some of the key program statistics are: 133 District program grants; 1,632,298 participating students involved in one or more of the programs offered at schools; 30,942 parents involved and 7,145 volunteers provided 91,669 volunteer hours.

They now use incident data in every school throughout the state. This is a key component in understanding how the programs are working and identifying signs and symptoms of use.

The program success indicators show a 27.2% decrease in harassment incidents; 11.4% decrease in tobacco incidents on school campus and at school activities, and a 48.9% decrease in incidents of drug use on school campus and activities. These results are for the years 2000-2008.

The next steps for the agency are to compare / contrast this survey data with other surveillance tools (YRBS, Incident Reports, Benchmark Regional Needs Assessment, juvenile crime statistics and other such tools; to identify "hot spots" (risk behaviors, substances, grade levels, geographic areas, etc.) specific to schools; provide increased technical assistance and compliance monitoring around how schools implement the Principles of Effectiveness; and develop LEA prevent program requirements, with community and stakeholder input incorporated into the program design.

Mr. McCarter stated in response to questioning that Centerpoint Alternative Academy is a joint effort by several school districts with the districts using some of their money towards funding this type of school which is targeted towards troubled kids.

John Watts introduced **Denise Chuckovich**, who has been involved in health care planning since the early 1980s and worked with the community health care system in Portland. She is the Executive Director of the Idaho Primary Care Association. Ms. Chuckovich presented an overview of Idaho's Community Health Centers (CHC).

Idaho Community Health Centers serve thirty-three communities in Idaho, With the Stimulus money, there will be a new community health center opening in Lewiston. There are 34 centers that offer dental care.

Idaho CHCs total revenue comes from a variety of funding sources amounting to $52 million for FY 2007.

In 2007, CHC encounters were as follows: 340,983 for medical treatment; 44,606 dental; 44,426 mental health; 10, 302 for professional services, and 2,557 for substance abuse.

The insurance status of these encounters were 52,832 uninsured; 24,687 Medicaid; 24,483 were privately insured and 10,159 Medicare. The health centers are dedicated to providing care to everyone. Almost 60% of the patients seen are adults aged 20-44.

With more people becoming uninsured, they are anticipating more emergency visits, which puts more pressure on the Catastrophic Fund. An estimate of 20% ($4.6 million dollars) of the State Catastrophic Program payments might have been avoided with better prevention and primary care.

Idaho ranks 49th in the nation in the number of resident physicians in training per capita. Recruitment challenges are intensified in rural areas of the state. There are a total of 16 provider vacancies including nine physician vacancies within 12 CHCs (with some vacant as long as three-four years).

Economic stimulus funds are coming to CHCs in Idaho and all will receive a two year grant to address the costs of the rising uninsured and to retain jobs. This will enable the CHCs to serve an additional 14,000 patients during the next two years. Some of the funds will be able to be used to address the physician shortage in the centers.

Two years ago, the legislature passed into law H159, creating an infrastructure grant program for Community Health Centers. Last year the House and Senate overwhelmingly voted to support placing $1,000,000 into the Community Health Center Grant Fund created by H159.

Over the course of this past summer, the Department of Health and Welfare implemented a competition-based grant program. The Department of Health and Welfare issued seven grants to CHCs for dental service expansion along with a wide variety of infrastructure items and equipment being purchased to expand CHC capacity and increase the number of client visits. Successful grantee health centers estimate that an additional 8,178 uninsured patients will benefit from service expansions during calendar year 2009.

The Medical Homes that are being created will have the following core elements: having a personal physician, so that each patient has an ongoing relationship with a personal physician trained to provide continuous and comprehensive care; physician-directed medical practice, with a physician leading a team of health care professionals who collectively take responsibility for ongoing care of patients; whole person orientation, with a physician taking responsibility for directly providing or appropriately arranging for all the patient's health care needs in all stages of life, including acute care, chronic care, preventive care and end of life issues; and having

care coordinated and integrated across all elements of the complex health care system and the patient's community.

The Patient Centered Medical Home (PCMH) is a promising model of care recognized nationally and here in Idaho. The focus of care is at the preventative/primary care end of the care continuum. Individuals preventative and primary care needs are addressed, rather than waiting until they become ill or have to be hospitalized.

It is anticipated that implementation of the PCMH model would result in better patient access to care; improved quality of care; reducing health care costs by shifting care towards prevention and primary care and away from costly ER visits and hospitalizations; cost savings of 20% of state catastrophic payments ($4.6 million); quality and safety; enhanced access to care and payment reimbursement model improvements.

ADJOURN: There being no further business before the committee, the meeting adjourned at 3:30 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: April 10, 2009

TIME: Adjournment of Session

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Reps. McGeachin, Loertscher, Durst

GUESTS: Steve Millard, Idaho Health Association; Taylor Nielson, West Valley Medical Center; Sean Bennett, Cassia Regional Medical Center; Toni Lawson, Idaho Health Association

The meeting was called to order at 11: 38 a.m.

MOTION: **Rep. Thompson** moved to approve the minutes from April 2, 2009. **Motion carried on voice vote**.

MOTION: **Rep. Thompson** moved to approve the minutes from April 3, 2009. **Motion carried on voice vote**.

MOTION: **Rep. Sayler** moved to approve the minutes from April 6, 2009. **Motion carried on voice vote.**

H 306: **Rep. Fred Wood** gave a brief background of **H 306**. He disclosed that he works for a medical facility, but does intend to vote on the legislation. **Toni Lawson** presented an overview of **H 306.** The purpose of this legislation is to provide for the authorization and regulation in Idaho of institutional telepharmacy services in order to provide pharmaceutical care to patients being treated in Idaho. This proposal defines the "practice of telepharmacy across state lines", restricts that concept to institutions and pharmacists outside Idaho providing services to patients within this state, and requires any such institutional drug outlets and its employees engaged in telepharmacy into Idaho to be registered.

The cost of inspection and registration will be borne by the applicants and the process will be defined by Board of Pharmacy rules with successful applicants bound by Board disciplinary and other specific rules as the Board of Pharmacy will determine.

The Board of Pharmacy was planning to address telepharmacy within the next two to three years, but some issues have arisen recently that require addressing the telepharmacy issue sooner. A number of accrediting and federal regulatory agencies have instituted new regulations regarding "first order review" which could result in non-compliance for hospitals in Idaho, especially in Idaho's small rural hospitals where pharmacist shortages are most challenging.

This legislation will provide Idaho hospitals with additional options to provide appropriate care to their patients. Some Idaho hospitals are parts of systems based in other states and since their pharmacists are not licensed in Idaho, they cannot complete first order review from another system facility, taking away important cost saving measures and maximizing the appropriate use of hospital pharmacists.

Telepharmacy is becoming an important tool for health care providers around the country, especially in rural areas. This bill was developed in coordination with the Board of Pharmacy to obtain the correct language. There has been no opposition to this legislation from other stakeholders.

Rep. Chew spoke on how telepharmacy is a new kind of pharmacy and explained her concerns about the national model legislation wherein the language requires just one pharmacist in the non-resident pharmacy to be licensed with the state board in which the services are being provided.

Ms. Lawson responded by stating the national model was looked at, but this is just a model which can be modified and adapted to fit Idaho's needs.

Ms. Lawson stated in response to questioning that the intention of the bill is to limit telepharmacy to hospitals and clinics, and would not apply to retail pharmacies. This would be further defined in rule by the Board of Pharmacy. This is intended to supplement the regular pharmacist who may not be on duty after certain hours and is not intended to replace a pharmacist in the state. The Board of Pharmacy will address these types of issues in rules.

MOTION: **Rep. Rusche** moved to send **H 306** to the floor with a **DO PASS** recommendation.

Rep. Chew spoke in support of the motion.

Rep. Nielsen spoke in support of the motion.

Motion passed on voice vote. Rep. Wood and **Rep. Chew** will co-sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 12:25 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: April 16, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Rep. Nielsen

GUESTS: Dieuwke A. Spencer, Department of Health and Welfare; Christine Hahn, Department of Health and Welfare; Mitch Scoggins, Department of Health and Welfare; Marilyn Sword, Developmental Disabilities Council; Kathie Garrett, Idaho Academy of Family Physicians; Christian Hooper; Kendra Hooper; Sandra Sandford; Penny Brown; Steve Millard, Idaho Hospital Association; Paula Hunt; Jim Baugh, Comprehensive Advocacy; Carol Ann Floyd-Hooper; Dale Hooper

MOTION: **Rep. Thompson** moved to approve the minutes of April 10, 2009. **Motion passed by voice vote.**

SCR 112: **Rep. Fred Wood** presented **SCR 112.** This concurrent resolution directs the Department of Health and Welfare to review the current Adult Cystic Fibrosis program and recommend changes to the Health Care Task Force. The four policy areas included in the concurrent resolution for review and recommendations for change include: individual patient responsibility, uniform financial eligibility, maximization of the state Individual High Risk Re-insurance Pool insurance coverage for adults in the Cystic Fibrosis Program, and aligning the program eligibility and scope of services with other health benefit programs provided by the state of Idaho.

The Children's Cystic Fibrosis program is covered entirely with federal funds and will not be affected by this concurrent resolution nor has it seen reduced federal funding. The Adult Cystic Fibrosis program is funded entirely by General Fund moneys and the costs for fiscal year 2009 were $205,000. Upon passage of this concurrent resolution, $205,000 in one-time General Fund moneys would be required for the Department of Health and Welfare to cover the costs of the Adult Cystic Fibrosis program for fiscal year 2010.

Rep. Wood referred to **Title 56**, Public Assistance and Welfare, Chapter 10, Department of Health and Welfare. **56-1010** states "Services to Victims of Cystic Fibrosis. The Department of Health and Welfare shall establish, through the crippled children's program, a program of services to persons suffering from cystic fibrosis who are twenty-one (21) years or more of age. The department shall establish uniform standards of financial eligibility for services provided under this section."

There were a number of concerns with proposed legislation **S 1082** which

this resolution attempts to resolve. The goal is to not end the cystic fibrosis program abruptly. This legislation is asking that the department report to the Health Care Task Force by September, 2009 bringing ideas on how to improve the cystic fibrosis program.

He further stated that the uniform financial eligibility requirements are a requirement of Title 56 and are currently not in place. The goal is to have patients use their own insurance if available, as much as possible. To the extent that patients can take care of themselves, they should do so.

Rep. Wood stated that the Health Care Task Force along with the Department of Health and Welfare will be recommending whether rules or statutory requirements are needed.

Dieuwke Spencer, Department of Health and Welfare testified in support of **SCR 112.** The department supports **SCR 112** and is prepared to research options for restructuring the Adult Cystic Fibrosis Program. Should this resolution pass, the department will provide a report to the Legislative Health Care Task Force by September of 2009. The report will outline restructuring options that address the four policy areas included in this resolution: individual patient responsibility, uniform financial eligibility, maximization of the State Individual High Risk Re-insurance Pool and alignment of program eligibility and scope of services with other health benefit programs provided by the State of Idaho. Following the presentation of the report, the department will look to the task force for direction on the preferred option.

Ms. Spencer stated in response to questioning that there are several options available in the rule process. The department would look to the task force and what their recommendations would be. Temporary rules are an option that can be used.

Marilyn Sword, Idaho Council on Developmental Disabilities testified in support of **SCR 112.** The Council feels this resolution provides needed review with cost savings and efficiencies proposed and provides an alternative to **S 1082** which would eliminate the adult cystic fibrosis program. Sixteen adults who are being treated for cystic fibrosis at the Boise clinic have no insurance. This will apply the bridge funding for patients to receive services while alternatives are explored.

Ms. Sword also spoke on behalf of **Kelly Buckland** of the State Independent Living Council, who was unable to be here and stated their support of **SCR 112.**

Christian Hooper, a cystic fibrosis patient, testified in support of **SCR 112.** Mr. Hooper stated that he is fortunate to have insurance, but discussed how there are many additional costs that insurance does not cover and the many hardships this has caused.

Sandra Sandford testified in support of **SCR 112.** Ms. Sandford has a 17-year-old son who struggles with cystic fibrosis and shared some of the concerns in dealing with this disease and how it has affected their lives.

Dr. Perry Brown, physician and co-director of Cystic Fibrosis Center of Idaho, testified in support of **SCR 112.** Dr. Brown discussed the history of

cystic fibrosis and the different drugs that are not covered by insurance or any type of drug company program.

Dr. Brown discussed that cystic fibrosis is unique in that the disease is there for a person's lifetime, with a cocktail of 9 or 10 drugs needed every day in order to sustain life. Taking care of cystic fibrosis patients up front is more fiscally responsible than if patients end up in hospitals due to lack of care and drug treatment. There are 19 other states that provide programs similar to the one in Idaho. Putting in residency requirements for the program would be a responsible course of action. A negotiated rule making process could lead to a win-win situation for everyone.

Jim Baugh, Comprehensive Advocacy, testified in support of **SCR 112.** This legislation will provide the opportunities to explore alternatives and options to make the program better and maximize resources.

Carol Ann Floyd-Hooper, mother of Christian Hooper, testified in support of **SCR 112.** Ms. Hooper discussed the effect of living with cystic fibrosis and how vital proper medical treatment is to surviving the disease.

Director Armstrong stated in response to questioning that the department will use the negotiated rule making protocols to make recommendations. The department has lists of interested agencies and will work with them and their suggestions.

MOTION: **Rep. Loertscher** moved to send **SCR 112** to the floor with a **DO PASS** recommendation. **Motion passed on voice vote. Rep. Wood** will sponsor the bill.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:38 p.m.

Representative Sharon Block Chairman	Jennifer Coggins Secretary

MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: April 20, 2009

TIME: 1:30 p.m.

PLACE: Room 240

MEMBERS: Chairman Block, Vice Chairman Nielson, Representatives McGeachin, Loertscher, Shepherd(8), Marriott, Luker, Thayn, Boyle, Gibbs, Thompson, Wood, Rusche, Chew, Sayler, Durst

ABSENT/ EXCUSED: Reps. Nielsen, Luker, Thayn, Boyle, Wood, Durst

GUESTS: None

MOTION: **Rep. Loertscher** moved to approve the minutes of April 16, 2009. **Motion passed by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 1:38 p.m.

Representative Sharon Block
Chairman

Jennifer Coggins
Secretary