

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, February 28, 2012

TIME: 3:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Vice Chairman Broadsword, Senators Darrington, Smyser, Heider, Vick, Nuxoll, Bock, and Schmidt

ABSENT/ EXCUSED: Chairman Lodge

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

MINUTES: **Vice Chairman Broadsword** called the meeting to order at 3:05 p.m. She indicated that **Chairman Lodge** was presenting a bill in another Committee.

S 1293 **Relating to Federal Food Stamps. Steve Bellomy**, Bureau Chief of Audits and Investigations, Department of Health and Welfare (Department), advised that the Bureau conducts all investigations on suspected public assistance waste, fraud, and abuse for all programs managed by the Department, which includes the Food Stamp program. He introduced his colleagues, **Dave Taylor**, Deputy Director of Support Services, **Rosie Andueza**, Food Stamp Program Manager for the Department and **Ben Johnson**, Investigation Supervisor for the unit that investigates food stamp fraud.

Mr. Bellomy indicated this legislation reduces the felony threshold for food stamp trafficking from \$150 to \$100. He defined food stamp trafficking as the illegal buying, selling, giving away, disposing, or exchanging of the Food Stamp Benefit. He said with this bill, food stamp trafficking for less than \$100 would be a misdemeanor and a felony if \$100 or greater. This change was recommended to align with federal law and improve the ability to identify, investigate, and prosecute those who participate in the trafficking of food stamps for profit and gain.

Mr. Bellomy said food stamp trafficking usually includes two cooperating parties: a client who has a food stamp benefit card, and a retailer who is willing to split cash for those benefits. He explained trafficking can also occur between two individuals and not a retailer. For example, food stamp benefits can sometimes be exchanged for drugs, weapons, or bartered with other non-authorized individuals who turn around and use the benefits. He stated it is hoped this bill will pave the way for state and federal investigators to collaborate on some of the suspected cases known to exist today.

Mr. Bellomy commended **Chairman Lodge** for suggesting changes in the law that, in his opinion, will strengthen this statute. He said stated food stamps are also known as the Supplemental Nutrition Assistance Program (SNAP), and this designation has been added to the bill. The bill further prohibits anyone from purchasing food with SNAP benefits and then turning around and bartering, selling, or giving away the food. This change will provide more consistency with the federal rules.

Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see Attachment #1).

Senator Nuxoll asked why changing the amount from \$150 to \$100 would do any good. **Mr. Bellomy** indicated this will align with federal rules and allow state and federal resources to collaborate on investigations.

Vice Chairman Broadword asked if this was only designed to find the retailers who are violating this statute or would it be against those people who were actually trafficking. **Mr. Bellomy** said this would affect the client as well, so if the client trafficked more than \$100, they would fall under the same provision.

Senator Smyser asked if the retailer was required to train employees regarding food stamp fraud. **Mr. Bellomy** deferred the question to **Ms. Andueza** who said they did provide training for the retailers, but beyond that they do not monitor them.

Senator Vick said he planned on supporting the bill. He said he understood why they were doing this due to trafficking, but he thought the threshold was very low for a felony. **Mr. Bellomy** indicated there was not a standard amount for the threshold among other states, and he is excited about the opportunity for assistance from the federal government.

MOTION: **Senator Smyser** moved, **seconded** by **Senator Heider**, that the Committee send **S 1293** to the floor with a do pass recommendation.

Senator Bock said he agreed with **Senator Vick** and said we need to prevent fraud in this area but he thought both the federal and state thresholds needed to be revisited. **Senator Heider** said he realized the threshold was low, but if we were looking for people who abuse this habitually those individuals would be caught, regardless of whether it was a high amount or a low amount.

VOTE: The motion carried by **voice vote**.

A discussion ensued between **Vice Chairman Broadword** and **Mr. Bellomy** regarding identifying overpayments of Medicaid program benefits. **Mr. Bellomy** said the overpayments were very difficult and slow to collect. He said the federal government gives them a 25-35% incentive when they do collect the overpayments.

PRESENTATION: Behavioral Health Transformation. **Ross Edmunds**, Administrator, Behavioral Health Division, Department of Health & Welfare (Department) provided the Committee with an overview of the organizational structure of the Behavioral Health Division. He talked about the history of the efforts to transform Idaho's behavioral health system and noted that the Behavioral Health Interagency Cooperative was formed in 2011. He indicated that budget cuts have been a challenge, but they are focused on key targets and have identified the following five primary priority areas: 1) to take care of those that are in immediate crisis and what he referred to as psychiatric emergencies; 2) deals with those individuals that are committed to the state. He stated there are different laws that allow judges to commit an individual either through a criminal process, for competency restoration, or through a civil process; 3) court ordered participants; 4), mental health support and; 5) to share with those individuals what services are available to them through other programs, thereby making Behavioral Health services available to those individuals who do not have any other access to benefits.

Mr. Edmunds indicated the hallmarks of a transformed Behavioral Health system include: local input/local influence; integrated treatment; clearly defined roles and responsibilities; eliminating gaps in services; maximum efficiency with maximum effectiveness; and consumer driven/recovery oriented.

Mr. Edmunds explained the three waves of transformation, including: 1) Medicaid's implementation of managed care; 2) The potential expansion of Medicaid with the Affordable Care Act, which expands to include all adults who are at 133 percent of the federal poverty level or less. Nearly all individuals served through his division, fall in this category; and 3) Idaho's plan for transformation - what we can do to influence these three ways of transformation that will occur over the next several years.

Mr. Edmunds provided the Committee with a copy of the Idaho Behavioral Health System of Care Pyramid (see Attachment # 2). He explained this chart has three parts. The first is the State Behavioral Health Authority, which is the safety net. The second is the Medicaid/Private Behavioral Health Treatment Services, where the majority of clinical health treatment services occur. The third part is the Regional Behavioral Health Community Development Boards, the foundation. He indicated there needs to be community consultation and education including anti-stigma and community inclusion; housing to promote and sustain independent living in communities; employment to promote and sustain independence in communities; prevention with evidence-based activities to prevent the burden of behavioral health disorders; services to support recovery and resiliency; and transportation with the development of sustainable and reliable transportation options.

Mr. Edmunds stated it is important that standards are established statewide so that if someone goes to a psychiatrist in Salmon, Idaho or Boise or anywhere else in the state, there would be the same foundation for those treatments. Housing and transportation should be the same from area-to-area, but right now it is not the same. He indicated there is a concern by some individuals to not move too quickly on making changes, and agreed they would probably be best served by not making any changes until next year. However, information needs to get out to the community to help them understand fully what they are trying to do.

Supporting documents related to this presentation have been archived and can be accessed in the office of the Committee Secretary (see Attachment #3).

In response to questions of the Committee, **Mr. Edmunds** said, when it comes to more supportive services like housing and employment, they were really trying to make those decisions on a local level. The state pays some security deposits and first month's rent and that is dictated by the federal fund source. It is their hope that the local group will maximize the money. He said that when it came to treatment, they were not really looking at allowing local entities to control what standards would be for treatment. He indicated under prevention, he is including preventing someone from having to be hospitalized because they can't get community treatment that meets their needs. Prevention can be parenting courses that help provide a foundation for children. He stated he is looking at what kind of education can we provide in the community that will reduce the stigma associated with mental illness, which will allow someone to come forward and access treatment.

Senator Darrington said he was pretty sure this is not a model that applied to the children's mental health program, especially since the Idaho Council on Children's Mental Health (ICCMH) was folded into the Mental Health Planning Council. **Mr. Edmunds** indicated the regional councils that were created within ICCMH became subcommittees of the current Regional Mental Health Planning Council. They are trying to achieve giving a portion of responsibility to the local groups. **Senator Darrington** said this model accomplished the same or more than the ICCMH model according to the 50 objectives that were pursued. **Mr. Edmunds** replied that the ICCMH recommendations were outdated and old, and that systems have evolved both in Idaho and across the country. He indicated they are trying to bring standardization and he feels the climate is ready and there is energy on the local level.

Vice Chairman Broadsword asked what the goal was and the status of the RFP for mental health managed care. **Mr. Edmunds** replied the RFP is being constructed now and the intention is that it will be a single contract and the goal for release is sometime during the second quarter of this calendar year. He said the contract would be in place hopefully by late summer, it is a challenge but they are progressing.

Senator Smyser said she appreciated how compassionate **Mr. Edmunds** was about this project and thanked him for his time.

ADJOURNMENT: Vice Chairman Broadsword adjourned the meeting at 4:02 p.m.

Senator Lodge
Chairman

Lois Bencken
Secretary