

MINUTES  
**HOUSE HEALTH & WELFARE COMMITTEE**

**DATE:** Friday, March 02, 2012

**TIME:** 8:30 A.M.

**PLACE:** Room EW05

**MEMBERS:** Chairman McGeachin, Vice Chairman Bilbao, Representative(s) Loertscher, Shepherd, Thayn, Wood(27), Guthrie, Roberts, Rusche, Chew

**ABSENT/  
EXCUSED:** Rep. Loertscher

**GUESTS:** Jed Osborn, Department of Health & Welfare (DHW); Elizabeth Criner, Pfizer; Heidi Low, American Cancer Society Cancer Action Network; Suzanne Budge, National Federation of Independent Business (NFIB); Joie McGarvin, America's Health Insurance Plans; Max Greenlee, Risch Pisca.

**Chairman McGeachin** called the meeting to order at 8:35 a.m.

**MOTION:** **Rep. Bilbao** made a motion to approve the minutes of February 22, 2010. **Motion carried by voice vote.**

**H 566:** **Chairman McGeachin** stated that although tax bills are required to start in the House, there is no specific committee delineation. **H 566**, which was referred out of the Committee on February 28, 2012, was returned because it is related to health care policy.

**Rep. Nonini** presented **H 566**, which increases the Medical Savings Account (MSA) and Health Savings Account (HSA) annual pretax maximum contribution amounts. He said that the fiscal note has been corrected to reflect calendar year 2010. Rep. Nonini explained that the \$14,042,851 is a pretax annual total contribution amount. He said that an additional amendment will clarify that the funds deducted on a federal tax return will not be included on the state reported funds, since they are already a part of the adjusted income on the state return.

**Dan John**, State Tax Commission, was invited to speak before the committee. He said that the language on page six allows the deduction of all qualified amounts paid into MSA's and HSA's, including those already reported on a federal tax return. Subsection 63-3022m states, "...if such cost has not been deducted in arriving at taxable income" removes duplication of claim and also needs to be in subsection 63-3022q.

Responding to questions, **Rep. Nonini** said that any insurance choice is an accountant-taxpayer decision, and the Patient Protection and Affordable Care Act (PPACA) does have deductible qualifying limits.

**MOTION:** **Rep. Roberts** made a motion to send **H 566** to General Orders. **Rep. Thayn** seconded the motion.

**Suzanne Budge** National Federation of Independent Business, testified in **support** of **H 566**, stating that since their members are in a unique insurance subset and are always looking for tools like these to control costs.

**VOTE ON  
MOTION:** **Chairman McGeachin** called for a vote on the motion to send **H 566** to General Orders. **Motion carried by voice vote.** **Rep. Nonini** will sponsor the bill on the floor.

**H 440:** **Paul Leary**, Administrator, Division of Medicaid, presented **H 440**, which amends Title 41, Chapter 4, by modifying current code to allow funding to be used to cover program expenditures for the Children Health Insurance Program (CHIP B), Children's Access Card, and the Small Business Health Insurance Pilot Program. Current statute specifies a percentage for each of the three programs, which can result in a shortage in one or more programs while there are idle funds in another program. The change eliminates the annual review of the allocation formula and provides for the full funding of each program.

In response to questions, **Mr. Leary** said that the CHIP program will have increased federal participation up to 100% beginning October 1, 2015. **H 440** allows discretionary distribution of the funds, while the allocation formula remains the same.

**MOTION:** **Rep. Roberts** made a motion to send **H 440** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Rusche** will sponsor the bill on the floor.

**Chairman McGeachin** turned the gavel over to **Vice Chairman Bilbao**.

**HCR 44:** **Rep. McGeachin** presented **HCR 44**, a resolution encouraging the DHW and Medicaid to promulgate a rule that takes into consideration the guidelines contained in the "Treating Tobacco Use and Dependence: 2008 Update: A Clinical Practice Guideline," published by the Public Health Service in May 2008 (PHS Guideline). She said that this legislation is in response to a rejected temporary rule that needs to be addressed so that the Medicaid program is not put at risk. **Rep. McGeachin** relayed that the PHS Guideline does not recommend pharmacotherapy for pregnant women because there is insufficient evidence of the specific safety and effectiveness of pharmacotherapy in pregnant women. However, such use may be evaluated on a case-by-case basis as determined by the woman and her physician.

**Heidi Low**, Idaho Director, American Cancer Society Cancer Action Network, testified in **support** of **HCR 44** stating that tobacco cessation is an important Medicaid service and they are okay with guidelines that include allowance for special circumstances.

**MOTION:** **Rep. Rusche** made a motion to send **HCR 44** to the floor with a **DO PASS** recommendation.

**Rep. Rusche** commented that this is a good example of adopting best practice, referring to the PHS Guidelines, and including room for appropriate use, with the decision between the physician and patient, on a case-by-case basis.

**VOTE ON MOTION:** **Vice Chairman Bilbao** called for a vote on the motion to send **HCR 44** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. McGeachin** will sponsor the bill on the floor.

**Vice Chairman Bilbao** returned the gavel to **Chairman McGeachin**.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned 9:07 a.m.

---

Representative McGeachin  
Chair

---

Irene Moore  
Secretary