

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Wednesday, March 07, 2012

TIME: 3:00 P.M.

PLACE: Room WW54

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

**ABSENT/
EXCUSED:**

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: **Chairman Lodge** called the meeting to order at 3:20 p.m., welcoming guests and noting the late start was due to the Judiciary and Rules Committee meeting running long.

MINUTES APPROVAL **Senator Vick** moved, seconded by **Senator Schmidt**, that the minutes of the January 26, 2012, meeting be approved. The motion carried by **voice vote**.

MINUTES APPROVAL **Senator Smyser** moved, seconded by **Senator Bock**, that the minutes of the January 30, 2012, meeting be approved. The motion carried by **voice vote**.

MINUTES APPROVAL **Senator Schmidt** moved, seconded by **Senator Vick**, that the minutes of the February 8, 2012, meeting be approved. The motion carried by **voice vote**.

UNANIMOUS DECISION REQUEST **RS 21494 - SCR Encouraging Department of Health & Welfare to Schedule Town Hall Meetings to Gather Feedback on Recruiting and Retaining Volunteer EMS Personnel.** **Chairman Lodge** indicated difficulty has been experienced in retaining EMS personnel in rural areas, and this resolution states Wayne Denny with the Department of Health and Welfare will be scheduling town hall meetings throughout rural Idaho to discuss the recruitment and retention of volunteer EMS personnel. **Chairman Lodge** noted that **Senator Nuxoll**, **Representative Roberts** and **Representative Shepherd** have also been involved in bringing forth this issue.

Vice Chairman Broadsword asked for unanimous consent to send **RS 21494** to the State Affairs Committee for printing, seconded by **Senator Nuxoll**. There was no objection.

H 541 **Relating to Health Care Organizations.** **Ken McClure**, Idaho Medical Association, explained this legislation is an effort to deal with economic credentialing. It clarifies that hospitals can establish their own criteria for medical staff membership but cannot deny medical staff membership to someone merely because that doctor also practices elsewhere, has an ownership interest in another facility such as an ambulatory surgical center or specialty hospital, or because that doctor is a competitor of other doctors on the hospital medical staff. **Mr. McClure** indicated this legislation had been discussed with all concerned parties and they were unaware of any opposition.

Senator Vick asked about lines 13-15 which concerns rules, regulations, standards and qualifications for medical staff, and asked if those are available for those trying to get credentialed. **Mr. McClure** indicated those standards are published in hospital bylaws and accessible to those applying for credentialing.

Senator Darrington asked if this problem and solution was reminiscent of an issue with podiatrists and surgeons privileges that occurred in previous session. **Mr. McClure** indicated that, yes, it is a similar issue.

Senator Heider stated the issue in his area seemed to be the doctors not being given privileges by hospitals, and asked if this legislation resolves that issue.

Mr. McClure stated that he could not address specifics of the question, but that changes are coming rapidly, creating a number of anxieties with hospitals and physicians. There is also concern about limitation of practices based on things like economics rather than quality of care. This legislation simply prevents hospitals from denying privileges for the specific reasons outlined. **Senator Heider** stated this is a step in the right direction, and thanked **Mr. McClure** for his efforts.

TESTIMONY: **Toni Lawson**, Idaho Hospital Association, stated the association is **not opposed** to the legislation, and thanked the Idaho Medical Association for working with the Idaho Hospital Association to include language they had requested.

TESTIMONY: **Jeff Cilek**, St. Luke's Health Systems, indicated their **support** of the legislation.

TESTIMONY: **Larry Benton**, Benton Ellis and Associates, representing Specialty Hospitals, spoke **in support** of **H 541** stating this would be a patient access improvement and thanked those who worked on the legislation.

Senator Vick indicated it was frustrating that the Senate has to get involved in how hospitals do their hiring, and indicated his full support of the bill.

MOTION: **Senator Smyser** moved, seconded by **Senator Bock**, that the Committee send **H 541** to the floor with a do pass recommendation. The motion carried by **voice vote**. **Senator Smyser** will sponsor the bill on the floor.

H 522,aa **Relating to Public Assistance Benefit Cards.** **Representative Perry** advised that currently a large number of Idahoans receive monetary benefits from the Temporary Assistance for Needy Families (TANF) program. The money is issued as a monthly cash allowance and is generally distributed via public assistance benefit (EBT) cards. She stated that **H 522,aa**, puts restrictions on use of EBT cards, or the cash obtained with EBT cards, from being expended for inappropriate purchases or venues. **Representative Perry** reviewed the legislation, indicating that currently there are no restrictions as to how these funds can be used. She then pointed out the notification process and consequences of violation. This legislation is similar to federal legislation that has recently been passed regarding funds for these programs.

Vice Chairman Broadword asked for an explanation of the amendment.

Representative Perry explained that the Retailers Association had a problem with special distributorships, also called contract stores, for which this did not make an exemption. These stores may carry other items beyond liquor, and it is not yet possible to determine goods being bought to exempt just liquor. The federal legislation gives a specific definition of liquor store, and the amendment puts this in line with federal regulations. **Senator Broadword** continued by asking about Section 1, Line 18, which refers to cash from TANF benefits and how that would be regulated. **Representative Perry** stated that if cash is obtained using the benefit card at a prohibited place of business, it can be tracked; however, if cash is obtained at a permissible business it would not be possible to track it.

Senator Bock asked if cash was ever distributed directly from the agency to participants in the program. **Representative Perry** indicated most of the time money is distributed via the EBT card, or it can be directly deposited into an individual's checking account, but it is not distributed as cash. **Senator Bock** asked why they include cash in the legislation. **Representative Perry** indicated it is because cash can be withdrawn using the EBT card.

Senator Darrington asked about enforcement, if there were criminal sanctions involved, and if the Department had authority to write a rule to determine how far sanctions would extend. **Representative Perry** indicated violations were considered a misdemeanor. She deferred the remainder of the question to **Russ Barron**, Administrator, Division of Welfare, Department of Health and Welfare (Department). **Mr. Barron** indicated if the Department found an intentional program violation, it could result in legal proceedings and forfeiture of all cash public assistance. He also noted the TANF program benefits extend only for two years.

Senator Smyser asked how many cases in the last year have been dealt with regarding abuses. **Mr. Barron** indicated he does not have specific numbers, but the Department is aware that violations are occurring. **Senator Smyser** asked if the Department would conduct an investigation and then turn it over for prosecution. **Mr. Barron** stated that was the case.

Vice Chairman Broadsword asked if the EBT card was different from the TANF card, or if they were the same, just loaded with different monies. **Mr. Barron** stated they were the same, and could also be loaded with food stamp dollars. **Vice Chairman Broadsword** asked how the Department would be able to tell the difference between the benefits if they are all on the same card. **Mr. Barron** stated the systems are able to distinguish the difference and whether the purchase is allowed. **Senator Broadsword** asked how this legislation would interact with the legislation previously passed which stated the threshold for felony fraud is \$100. **Mr. Barron** indicated the previous legislation was for food stamps, not TANF funds. **Vice Chairman Broadsword** also asked about processing fees on the card, and if that was drawn from the benefits. **Mr. Barron** indicated it is. **Arie Garcia**, EBT Manager for the Department added that the fee is charged by the ATM owner; the client can also go to a point of sell machine to obtain cash without a charge.

Senator Bock stated he has a major problem with the bill and that certain transactions involving the same card and same behaviors can be treated as both a felony and a misdemeanor. **Rosie Anduzia**, TANF Program Manager, stated the felony is related to trafficking of benefits, which makes the offenses different.

Senator Smyser asked about enforcement when money is withdrawn for cash. **Mr. Barron** indicated that in many cases enforcement was not possible, or was very difficult. **Senator Smyser** commented the idea was good, but without the enforcement ability it is difficult to understand how it is beneficial.

Senator Darrington asked if the fraud investigators working on Medicare fraud would be the same individuals investigating this type of fraud. **Mr. Barron** indicated they would not, there are individuals who handle welfare fraud. **Senator Darrington** stated that fraud investigation seems to have dwindled, that people want fraud investigated, and he would like to enforce this. **Mr. Barron** indicated there are cash withdrawals they cannot track, but they are beginning to control those prohibited transactions that can be tracked.

Vice Chairman Broadsword stated she shares **Senator Bock's** concern regarding conflict with the previously passed legislation. She suggested getting a legal opinion on the issue. **Senator Bock** commented that consistency in the legislation would be what should be looked at, and taking out the word cash would be necessary because fraud in that case would be impossible to prove.

Senator Vick noted that taking the term cash out may send the wrong message as to certain things being legal if they are done with cash, and was not comfortable taking that out. **Senator Bock** stated that cash has a specific meaning in code, and he agrees with **Senator Vick**, but feels the legislation could be better.

Senator Smyser suggested better education for EBT card users so they make appropriate purchases.

Vice Chairman Broadsword asked if an informational letter is included for EBT cardholders when new cards go out. **Mr. Barron** indicated that was the case.

MOTION: **Vice Chairman Broadsword** moved, seconded by **Senator Nuxoll**, that the Committee hold **H 522,aa**, to allow time for the issue to be worked out. The motion carried by **voice vote**.

ADJOURNMENT: **Chairman Lodge** adjourned the meeting at 4:15 p.m.

Senator Lodge
Chairman

Lois Bencken
Secretary

Erin Bennett
Assistant Secretary