MINUTES

HOUSE HEALTH & WELFARE COMMITTEE

DATE: Thursday, February 14, 2013

TIME: 9:30 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson, Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew

ABSENT/ EXCUSED: None.

GUESTS: Mark Johnston, Board of Pharmacy; Tony Poinelli, Idaho Association of Counties; Dennis Stevenson, Department of Administration; Steve Millard, Idaho Hospital Association; Pam Eaton, Idaho Retailers Assn. & Idaho State Pharmacy Assn.; Holly Koole, Idaho Prosecuting Attorneys Assn.; Heidi Low, Ritter.

Chairman Wood(27) called the meeting to order at 9:31 a.m.

Chairman Wood(27) recognized the service of Legislative Page **Rebekah Ritthaler**, who has been assigned to the committee for the first half of the session.

DOCKET NO. 27-0101-1205: **Mark Johnston**, Executive Director, Board of Pharmacy, presented **Docket No. 27-0101-1205**, a fee rule that aligns with **H 17**. The rules for regulating telepharmacy across state lines, impacting two registered facilities, have been combined into a new section that covers information security between facilities. Further changes clarify the parameters for home office pharmacy security, independent practice outside of a pharmacy, the protection of private health information, and cognitive services that occur in public settings. Pharmacy centralized services are updated to reflect services that must be performed from a pharmacy, a central drug outlet, or a remote office location.

For the record, no one indicated their desire to testify.

MOTION: **Rep. Chew** made a motion to approve **Docket No. 27-0101-1205**. **Chairman Wood(27)** invoked Rule 38, stating that his employer owns one of the two mentioned hospitals and this rule may affect one of their subsidiaries. **Motion carried by voice vote.**

RS 22014: **Rep. Rusche** presented **RS 22014**, a concurrent resolution that directs the Department of Health and Welfare (DHW) to develop a trauma plan for time-sensitive emergency conditions. He stated that Idaho's current rates of stroke, trauma, and heart attack are higher than predicted, given our population. There is strong evidence that comprehensive systems for all three types of injury can improve outcome, disabilities, and cost. He described the Health Quality Planning Commission and its previous charge to evaluate stroke systems and make recommendations.

Responding to questions, **Rep. Rusche** explained that this resolution refers to trauma associated with accidents or injury. Depending on the system of care developed, it is expected that all existing or new providers would be included. He stated that urgent care facilities are physician offices that don't require an appointment and are not usually set up to be a part of the emergency response system; however, in some locations they could be the option for best results. The intent is for a broad, inclusive system of care from first responders and emergency medical technicians through intensive care units and operating rooms. The system would cover everything from major hospitals to regional centers, with a communication system for injury inquiries and direction for the best action to improve the timeliness of care in time-sensitive situations. He said that of serious concern are first responder maintenance, delays,

and inefficiencies. The intent of the Commission is to present legislation, if indicated by the plan.

MOTION: **Rep. Hixon** made a motion to introduce **RS 22014. Motion carried by voice vote.**

H 98: **Tony Poinelli**, Deputy Director, Association of Counties, on behalf of the Catastrophic Health Care (CAT) Board, presented **H 98**. This legislation stipulates that an applicant's dependency status aligns with tax return dependency, with responsibility for the medical expenses resting with the tax claimant. Additionally, the time frame for using the current reduced percentage reimbursement rate is extended one year, which has fiscal impact. Finally, the determination of indigency base, when calculating resources, is from the time medical services are first provided. A new thirty-day extension written request for medical records and claims submission, allows flexibility when the ten-day submission requirement cannot be met. Such an extension requires good cause and suspends the application processing until all records are received, or the extension expires. Failure to provide the information within the extended time frame will result in the application being denied, since all information is necessary to make an informed decision. The final change eliminates the current issue of medical bill duplication by allowing only bill modification submission closer to the claim determination.

Mr. Poinelli presented amendments for page six of the printed bill that modify lines 31, 32, 33, and 37 to delete "and upon a showing of good cause," add the presentation of a written suspension request after the ten-day period, change "may" to "shall," add "of the requested documentation" after "Upon receipt," and add "and medical claims" after "medical records." (Complete amendment attached.) These amendments were as agreed by the hospital association.

Responding to committee questions, **Mr. Poinelli** said that Medicaid reviews an application within thirty-one days of provided services to determine eligibility. Only if they deny the claim does it come to the county, which has a forty-five day investigative time frame. If any financial improvement occurs during that time the claim can be denied, and, if it occurred after the claim was approved, immediate repayment would be discussed.

Upon request of the committee, **Dick Armstrong**, Director, DHW, CAT Board Member, stated that there are several types of relational household structures, including non-parental. Anyone in the household, who claims the dependant and is determined to be the responsible party, is held accountable.

Mr. Poinelli stated that asset transfer claw-back protection is part of the reason for a signed reimbursement agreement and lien attachments to all property parcels. Instances of asset transfer to a trust would be considered subrogation, dependent upon when the transfer occurred in relation to the medical services received date, and would be addressed through legal avenues. Notification rests with the individual's honesty or some other form of discovery.

Mr. Poinelli explained that the current law requires the counties and CAT pay at 95% of the interim Medicaid rate. The CAT Board is not able to do retrospective and cost report audits like Medicaid, and so the interim rate is used for hospital payment calculations. Every attempt is made to have the interim rate as close to the cost-based formula as possible, but they are still different.

Mr. Poinelli said, in the event of a bankruptcy, the indigent lien transfers into the bankruptcy; however, other debts to the county must still be collected. Historically, the counties and CAT collect five to six million dollars. Settlements can also be recipient balance reduction requests.

Steve Millard, President and CEO, Idaho Hospital Association, spoke in **support** of **H 98 with amendments**. He stated that the extension and suspension was negotiated because it is not always in the hospital's power to get records completed in a timely manner, since some of the noting medical personnel are not prompt.

Rep. Rusche stated this is not a health plan. It is a compensation program based on the family assets and income, the amount of the medical bills, and whether reasonable payment can occur over a period of time. While there is possible future elimination of this method of handling indigent care, these changes keep the system functioning for a while longer. The amendments do not change the intent of the bill.

MOTION: **Rep. Rusche** made a motion to send **H 98** to General Orders with amendments attached. **Motion carried by voice vote. Rep. Rusche** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:21 a.m.

Representative Wood(27)
Chair

Irene Moore
Secretary