

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, January 14, 2014
TIME: 9:00 A.M.
PLACE: Room EW20
MEMBERS: Chairman Wood(27), Vice Chairman Perry, Representatives Hancey, Henderson (Chambers), Hixon, Malek, Morse, Romrell, Vander Woude, Rusche, Chew
**ABSENT/
EXCUSED:** Representative Vander Woude
GUESTS: Samuel Johnson, Idaho Hunger Relief Task Force; Malinda Jones, Bev Barr, Genie Sue Weppner, Sue Herring, Kristin Matthews, Callie Harrold, Ericka Medalen, Heidi Graham, Lori Wolff, Cheri Bourn, Russ Barron, Greg Kunz, H&W; Brad Hunt, O.A.R.C.; Alberto Gonzalez, Your Health Idaho

Chairman Wood(27) called the meeting to order at 9:00 a.m.

Chairman Wood(27) turned the gavel over to **Vice Chairman Perry**.

**DOCKET NO.
16-0301-1302:** **Lori Wolff**, Deputy Administrator, Department of Health & Welfare (DHW) Division of Welfare, presented **Docket No. 16-0301-1302**, which is a rewrite of IDAPA 16.03.01 Medicaid Eligibility Rules for the family Medicaid program. These rules, effective January 1, 2014, coincide with the federal legislative eligibility calculation called Modified Adjusted Gross Income (MAGI). Current income limits and coverage groups remain the same. With MAGI, the current expense deduction is modified to a standard five percent for paid expenses.

The new coverage categories are: children under 19 years of age who could be eligible for Medicaid or the Children's Health Insurance Program (CHIP); pregnant women; and adults with children living in their home. These rules state that all taxable income is counted toward a family's eligibility and nontaxable income is not counted. Types of income that would not be counted include child support, educational, veteran's, worker's compensation, tribal excluded by federal law, and social security. The resource test for pregnant women and adults with children applying for Medicaid has been eliminated. Tax filing status, rather than physical residence in the home, will determine household composition.

Ms. Wolff stated that qualified Idaho hospitals will be able to make presumptive Medicaid eligibility decisions for anyone who falls under the MAGI categories. Medicaid coverage is provided during the period of the presumptive eligibility decision to the time the full determination is made by the Department. A business design has been completed to allow full compliance and minimize risks to the integrity of the eligibility process.

An application must still be completed and all information must be verified prior to an eligibility decision. The applicant must be a citizen or meet legal residency requirements, be an Idaho resident, and meet income limits in their specific coverage category.

Responding to committee questions, **Ms. Wolff** stated the Rule changes are mandatory under the Affordable Care Act (ACA). Preliminary analysis indicates two hundred current Medicaid individuals will no longer be qualified and a small percentage of individuals will now be eligible. Those no longer eligible would qualify for the subsidized credit. Any disqualifications will not occur until the next certification review is due. Upon disqualification, household information will be transferred to the insurance marketplace. In Idaho there are no children within the zero to 100 percent poverty limit because we cover 135 percent of poverty levels. There could be adults within that range who have not applied and are not covered; however, they are not finding adults falling off the current coverage.

In answer to further questions, **Ms. Wolff** said co-habiting adults who file joint federal taxes would have their entire income computed as if they were married. If not filing jointly, the related individual's income would be used for the children's budget units.

Ms. Wolff responded that there is no residency waiting period, so someone moving from another state, upon address verification, would be immediately eligible.

She stated that a qualified hospital assessment that is wrong would not impact an individual. Services would continue until the Department completes a full eligibility determination. The current process allows little to no time between the hospital and Department determination since the hospitals use a small call center established by the Department for real-time determinations and quick reimbursements.

Citizenship or legal status can be verified immediately through the Social Security Administration and Homeland Security. A 90-day eligibility period is provided when an immediate determination cannot be made, allowing documentation follow up time. If subsequently found to be ineligible, there is no pursuit of overpayments made during that period of reasonable opportunity. **Ms. Wolff** agreed to provide more information to the representative on this topic.

MAGI counts all taxable earned and unearned income, including interest or dividends that may be considered part of that taxable income. Contrary to other programs, a resource test and spend down is not allowed by the MAGI.

Non-notarized affidavits are signed under penalty of perjury by someone who can attest to the accuracy of the information and their use is rare since a birth certificate or something else is always requested first.

MOTION: **Rep. Malek** made a motion to approve **Docket No. 16-0301-1302**.

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

Rep. Hixon stated he will support the motion, but disagrees with several of the new federal government mandates.

VOTE ON MOTION: **Motion carried by voice vote.**

DOCKET NO. 16-0301-1301: **Lori Wolff** presented **Docket No. 16-0301-1301**, which repeals the old chapter of rules governing the Family Medicaid Program.

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

MOTION: **Rep. Chew** made a motion to approve **Docket No. 16-0301-1301**. **Motion carried by voice vote.**

**DOCKET NO.
16-0304-1301:**

Kristen Matthews, Program Manager, DHW Division of Welfare, presented **Docket No. 16-0304-1301**, relating to food stamp policies. The Idaho Food Stamp program (SNAP) provides food assistance to needy families, with benefits funded one hundred percent by the United States Department of Agriculture (USDA) Food and Nutrition Services (FNS). The state must follow strict guidelines, with limited flexibility. The Rule changes align state policies with SNAP requirements and Department processing standards.

Ms. Matthews stated that **Docket No. 16-0304-1301** excludes federal tax refunds and earned income tax credits from counting as a resource when determining food stamp benefits. This is a twelve-month exclusion from the date the refund or credit is received. The changes also allow a flat rate, or standard deduction, for medical expenses for elderly and disabled individuals, which helps the Department improve customer service by streamlining the application process. Under the approved FNS standard medical expense deduction waiver, an individual who can show \$35 out-of-pocket qualifying expenses will receive a standard medical expense deduction of \$144 to help calculate the total amount of food stamp benefits.

Additional changes streamline and align IDAPA with Food Stamp regulations in the Code of Federal Regulations (CFR) that outlines how a state must act on reported changes in an open food stamp case. This allows the Department to implement practices that align with any online changes made to the CFR without legislation. All of the changes will comply with FNS regulations, streamline work efficiencies, and improve customer service to families in need of benefits.

Responding to questions, **Ms. Matthews** stated that noncompliance would mean possible penalties.

MOTION:

Rep. Rusche made a motion to approve **Docket 16-0304-1301**. He commented that since this is one hundred percent federal funding, they have the opportunity to dictate the rules.

Rep. Hixon asked to be recorded as supporting the motion, but disagreeing with how federal tax refunds are promulgated, reminding everyone that this is taxpayer money whether or not a USDA Department.

**VOTE ON
MOTION:**

Motion carried by voice vote.

**DOCKET NO.
16-0305-1301:**

Callie Harrold, Program Specialist, DHW Division of Welfare, Medicaid Eligibility, presented **Docket No. 16-0305-1301**, Rule changes for the Aid to the Aged, Blind, and Disabled (AABD) Medicaid eligibility in alignment with other programs. She described "share of cost" and how it impacts reimbursements to nursing homes, residences, or community-based services. Participants are required to report financial changes that may change their share of cost. Although typically done within the required ten-day time frame, it is occasionally neglected and the Department may need to retroactively adjust the share of cost. This change allows direct collection from the participant, which is more appropriate and assures they are paying the correct share of cost.

Also included in **Docket No. 16-0305-1301** is a change in the service animal definition to broaden the definition to state that the service animal must be trained.

Responding to questions, **Ms. Harrold** will investigate the number of state exchange referrals. **Vice Chairman Perry** invited **Greg Kunz**, Deputy Administrator, Automation, Division of Welfare, to respond to questions. Mr. Kunz stated that there are no eligibility determinations made by the state through the federal marketplace. They work directly with individuals who have applied on the federally-facilitated marketplace.

Ms. Harrold then stated that there is a share of costs amount determined and discussed upon application approval and individuals must report income or expense changes in a timely fashion.

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

MOTION: **Rep. Hixon** made a motion to approve **Docket No. 16-0305-1301. Motion carried by voice vote.**

DOCKET NO. 16-0306-1301: **Callie Harrold** presented **Docket No. 16-0306-1301**, Rules governing refugee medical eligibility. She described the refugees participating in this program and what they have experienced before coming to Idaho. The Rule changes align language with family Medicaid and MAGI by removing reference to a resource limit, such as bank accounts, vehicles, and real property. Ms. Harrold noted that eligible refugees have been in the country less than eight months and have left all resources behind, exhausted resources trying to get out of their country, or have never had any resources of value. These changes improve both participant and staff efficiencies.

Responding to questions, **Ms. Harrold** said any refugee status is determined by the federal government, which also provides the funding. She will provide information to the committee on the federal/state funding split.

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

MOTION: **Rep. Romrell** made a motion to approve **Docket No. 16-0306-1301. Motion carried by voice vote.**

DOCKET NO. 16-0402-1301: **Sara Herring**, Program Specialist, Division of Welfare, presented **Docket No. 16-0402-1301**, relating to the Idaho Telecommunication Service Assistance Program, (ITSAP). She gave a brief overview of the program, which began in 1987 and helps low income households have reduced phone service charges through "Lifeline." The cost reductions are subsidized by services and costs paid by all phone subscribers as part of their monthly bill. This Rule aligns the monthly benefit amount with that listed in Statute and updates language to reflect the contribution reduction and clarify that only one ITSAP benefit is provided per household.

Ms. Herring, answering questions, stated that cell phone companies can be ITSAP providers; however, two-thirds of the program's recipients have land line coverage.

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

MOTION: **Rep. Morse** made a motion to approve **Docket No. 16-0402-1301. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:09 a.m.

Representative Perry
Chair

Irene Moore
Secretary