

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Wednesday, January 15, 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:** None

GUESTS: Doug Loertscher, Starr Family B. Health; Heidi Knittel, Unbefuddled; Greg Dickerson, Mental Health Prov. Assoc.; Curtis Sandy, Idaho EMS PC; Wayne Denny and Chris Stoker, Idaho DHW/EMS; Pat Martelle, David Simnitt, Jeremigh Guidos, Medicaid; Ericka Medalen, Wendy Wonders, Frank Powell, Paul Leary, Lori Wolff, Genie Sue Wepner, Russ Barron, DHW; Russell Westerberg, RMP

Chairman Wood(27) called the meeting to order at 9:02 a.m.

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

DOCKET NO. 16-0202-1301: **Dr. Curtis Sandy**, Chair, Emergency Medical Services (EMS) Physician Commission, presented **Docket No. 16-0202-1301**. Dr. Sandy gave a brief history and described the purpose of the Commission, which was formed in 2006. The changes refine the standards manual to reflect current best practices for the EMS profession. Added were the medical director qualification for an air medical agency, language regarding optional module equipment and reporting, and the word "advanced" to airway devices for clarification. Epinephrine auto injector has been removed from the Medication Formulary at all levels. The Paramedic Medication Formulary has been simplified by removal of the list of drugs. Naloxone (Narcan) has been added to Technique of Medication for IV Push for clarification.

Responding to questions, **Dr. Sandy** stated that the optional modules range in cost from \$20 to \$10,000 or more, depending on the function. Optional modules allow agencies to take on the capital purchase if they choose. Licensure is at EMS agency base levels; however, any agency that wishes to perform additional skills are responsible to have the equipment for their chosen skill level.

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

MOTION: **Rep. Hixon** made a motion to approve **Docket No. 16-0202-1301**. **Motion carried by voice vote.**

DOCKET NO. 16-0309-1301: **Pat Martelle**, Program Manager, DHW Division of Medicaid, presented **Docket No. 16-0309-1301**, Medicaid Rules directing the Department to implement managed care tools to develop an accountable care system to improve health outcomes for behavioral health services. These Rules were implemented September 1, 2013, when the Department's managed care contract went live with United Health's behavioral health platform, Optum Health, doing business in Idaho as Optum Idaho. She described stakeholder meetings that began in 2004 to address needed reforms and the Optum Health managed care contract, which is capitated based on actuarial analysis of the costs of behavioral health from 2011 to 2013. At the same time the state entered into a collaborative process with the Centers for Medicare and Medicaid (CMS) to develop a "Freedom of Choice" waiver that provides the state the authority to switch from a fee-for-service reimbursement model to managed care administration. Members are still able to choose their provider within

the Optum network. The rules are targeted to the managed care contractor, not the provider network, because the network is no longer enrolled directly with Medicaid.

Responding to questions, **Ms. Martelle** stated quality assurance reviews and contract monitoring indicate that the overwhelming majority of requirements of the contract have been met, with some issues with the way services are delivered. Implementation of the clinical authorization process is new to the providers network, who are in a learning curve and are, for the most part, adapting well. She just learned that Optum is providing one-on-one training and guidance to agencies experiencing repeated instances of challenges performing at the required level. Any registered complaint can be appealed to the Department. As of yet, they have received no such appeals.

Rep. Malek invoked Rule 38, stating a possible conflict of interest since the organization he works for works for Optum and he is on the advisory board.

Vice Chairman Perry invited **Dave Simnitt**, Deputy Administrator, to address a question from the Committee. Mr. Simnitt stated that a part of the federal requirement provides for broader screening and enrollment. They expect to mirror Medicare risk levels.

Ms. Martelle explained that 97% of providers enrolled with Medicaid are now enrolled with Optum, so the user impact has been minimal with the waiver. Additionally, the ability to choose among providers is at the same rate that existed prior to contract implementation. The populations served are adults and children of individuals who have full Medicaid benefits, both basic and enhanced plans.

Gregory Dickerson, Mental Health Providers Association of Idaho (MHPAI), testified in support of **Docket No. 16-0309-1301**, stating that they have been providing feedback throughout the transition. He detailed concerns with the Optum contract, especially a possible increase in institutional care and their operational communication and decisions. He stressed the importance of continuing reimbursable telephone management, particularly in rural areas. Stakeholder appeal rights is listed only in one place for participants, not providers. The MHPAI supports managed care services, recognizes the necessity to pass this set of Rules, and asks that the contract be monitored by the Legislature.

Responding to questions, **Mr. Dickerson** said they had met with Optum and have had good dialogues over issues. They may be at the point where a conversation with the Department is in order. He agreed that the transition will continue the rest of the year, causing some providers concern for their future. He said that Optum needs some latitude; but, they seem to change models without communication to providers. He expressed concern that copies of Optum's contract are unavailable. He would ask that Optum be more in tune with the providers.

Doug Loertscher, Idaho Resident, Agency Owner, testified in opposition to **Docket No. 16-0309-1301**, stating that one of his businesses is a link for the managed care model. He shared his experiences and frustration with Optum's operations, stating his concern that he will not be able to sustain the agency because of the new structure. Mr. Loertscher shared concerns expressed by **Mr. Dickerson** and the increasing mental health holds. He said that repeated efforts to secure Optum's contract have been futile. He was surprised to learn that there was a DHW appeals process and described his efforts to utilize the complaint system. Mr. Loertscher said that the Rules state that whatever Optum decides is what exists. He would like to see clear guidelines and expectations.

Heidi Knittel, Idaho Resident, testified that a successful transition period requires room for all parties. She shared examples of communication issues and inconsistent policy responses. She was surprised to learn of one-on-one training, since her training requests have been ignored. Optum's Rule adherence would address some of her concerns.

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

Responding to Committee questions, **Pat Martelle** said they are monitoring all aspects of Optum's contract.

MOTION: **Rep. Morse** made a motion to approve **Docket No. 16-0309-1301**.

Rep. Hancey commented to the motion that he supports the Rules, but would like to have a presentation from the DHW and Optum. This is of particular concern since they have contracts with other states, which should minimize transitional issues.

SUBSTITUTE MOTION: **Rep. Rusche** made a substitute motion to **HOLD Docket No. 16-0309-1301** for a time certain. He commented that this would allow time to confer with Optum and obtain assurance that the messages are getting through.

ROLL CALL VOTE: A roll call vote was requested on the substitute motion to **HOLD Docket No. 16-0309-1301** for time certain. **Motion carried by a vote of 6 AYE, 4 NAY, and 1 absent/excused. Voting in favor of the motion: Reps. Hancey, Chambers, Romrell, Vander Woude, Rusche, Chew. Voting in opposition to the motion: Reps. Perry, Hixon, Malek, Morse. Chairman Wood(27) was absent/excused.**

DOCKET NO. 16-0310-1301: **Pat Martelle** presented **Docket No. 16-0310-1301**, which is the companion to **Docket No. 16-0309-1301**, Rules governing Medicaid behavioral health services.

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

MOTION **Rep. Hixon** made a motion to **HOLD Docket No. 16-0310-1301** to a time certain. **Motion carried by voice vote.**

DOCKET NO. 16-0612-1301: **Erika Medalen**, Program Manager, DHW, Division of Welfare, presented **Docket No. 16-0612-1301**. She gave a brief overview of the Idaho Child Care Program (ICCP). This Rule provides clarification for in-home child care criteria. Changes to a current rule that ICCP providers must have a health and safety inspection will exempt in-home settings and assure a safe environment through health and safety training. This reflects the Department's commitment to ensure that the health and safety standards are communicated and practiced while caring for children when they are away from their parents.

Responding to questions, **Ms. Medalen** stated that state health department contracts provide administration under federal child care development funds.

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

MOTION: **Rep. Hancey** made a motion to approve **Docket No. 16-0612-1301**. **Motion carried by voice vote.**

DOCKET NO. 16-0612-1302: **Erika Medalen** presented **Docket No. 16-0612-1302**, which relates to policy for households with shared custody of a minor child and will align the ICCP with Food Stamps. This will provide families who are working or going to school a consistent message and expectation for program eligibility. The current first-come-first-served approach in joint custody situations has allowed a parent to receive ICCP benefits when they had minimal custody of the child. The proposed Rules state that household membership is where the child lives 51% or more of the time, based on where the child spends the majority of nights during the month.

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

MOTION: Rep. Hixon made a motion to approve **Docket No. 16-0612-1302. Motion carried by voice vote.**

DOCKET NO. 16-0612-1401: Erika Medalen presented **Docket No. 16-0612-1401**, relating to the ICCP parental co-pay calculation policy that aligns the student co-pay requirements with current operational practices, in compliance with federal regulations. This change stipulates that child care co-pays for families must be based on income, not cost of care. Students who are not working at least ten hours a week will now have a flat-rate co-pay based on part-time or full-time school status. ICCP's goal is to help families return to work or pursue education that leads to sustainable and meaningful employment.

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

MOTION: Rep. Romrell made a motion to approve **Docket No. 16-0612-1401. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:40 a.m.

Representative Perry
Chair

Irene Moore
Secretary