

MINUTES  
**HOUSE HEALTH & WELFARE COMMITTEE**

**DATE:** Tuesday, February 18, 2014

**TIME:** 9:00 A.M.

**PLACE:** Room EW20

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

**ABSENT/  
EXCUSED:** None

**GUESTS:** Elizabeth Criner and Elli Brown, NWFPA; Pam Eaton, Idaho Retailers Assn.; Woody Richards, Insurance Companies; Molly Steckel, Idaho Medical Assoc.; Marnie Packard, Pacific Source; Julie Taylor, P.C.I.; Lindsey Hall, LCSC; Jane Wittmeyer, Wittmeyer & Assoc.; Sam Johnson, Citizen

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

**MOTION:** **Rep. Malek** made a motion to approve the minutes of the February 6, 2014, meeting. **Motion carried by voice vote.**

**HJM 6:** **Rep. Thomas Dayley**, District 21, presented **HJM 6**, a Joint Memorial requesting the Secretary of the United States Department of Health and Human Services (HHS) suspend the imposition of all Patient Protection and Affordable Care Act (PPACA) taxes and conduct a national review which will provide a clear understanding of the impact of the various healthcare industry taxes. The ambiguous definitions impacts over 2,000 employees in Idaho's medical industry and could mean 100 jobs lost at a cost of \$11.5 million dollars. Other states have passed similar resolutions.

Responding to questions, **Rep. Dayley** said PPACA stipulates tax payments cannot be directly transferred to any purchaser, although they can be enumerated. Medical device manufacturers have seen a five percent sales increase over the last three years, which is expected to continue with our aging population. This request would have an impact on the federal cost of PPACA, which falls under the duties of the Secretary. The medical device definition is from the Federal Drug Administration and is the PPACA standard. Language in the Memorial was intended to be broad by referring to the medical device excise and health care industry taxes.

**MOTION:** **Rep. Hixon** made a motion to send **HJM 006** to the floor with a **DO PASS** recommendation.

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

**Rep. Rusche** stated, **in opposition** to the motion, there are serious implications to this legislation, including a significant federal deficit increase.

**Rep. Hixon** commented **in support** of the motion, saying there are other ways to relieve the national debt beyond raising taxes.

**Chairman Wood(27)** said, **in support** of the motion, whether a person likes PPACA or not, at least Congress initiated funding for a new program before enactment. HHS should review and report whether or not these are appropriate and the right quantity of taxes to support the new program.

**Rep. Vander Woude** stated, **in support** of the motion, PPACA was legislated to keep health care costs down and then developed a financing method of taxing the industry providing the service, which just passes the tax back to providers, raising health care costs out of necessity. This is a good time to look at this circular taxing method.

**VOTE ON MOTION:**

**Chairman Wood(27)** called for a vote on the motion to send **HJM 006** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Rusche** and **Chew** asked to be recorded as voting **NAY.** **Rep. Dayley** will sponsor the bill on the floor.

**RS 22894C1:**

**Rep. Morse**, District 2, presented **RS 22894C1**, proposed legislation concerning Northwest fresh water aquifers that discharge and interact with the Spokane River. He explained the aquifer recharge in Idaho, use in Washington, and project to transport water from Lake Pend Oreille for discharge into the Washington aquifer. **Rep. Morse** said the project identified a discrepancy in the Director of the Department of Water Resources permit review ability. This proposed legislation protects Idaho water and resources by deleting the words "transportation" and leaving all other aspects of the Code the same.

**MOTION:**

**Rep. Malek** made a motion to introduce **RS 22894C1.** **Motion carried by voice vote.**

**RS 22909:**

**Rep. Morse** presented **RS 22909**, proposed legislation that replaces **H 439**, which was discovered to have ambiguous language that has been eliminated. All other elements of **H 439** remain intact.

**MOTION:**

**Rep. Hixon** made a motion to introduce **RS 22909.** **Motion carried by voice vote.**

**RS 22807C1:**

**Rep. Romrell**, District 35, presented **RS 22807C1**, which brings attention to the effect of oral health on general health. The proposed Resolution supports increased overall health efforts, consistent state and local policies that consider oral health on overall health benefit, and community health initiatives to improve oral health outcomes. It also promotes the use of available resources to monitor oral health.

Dental decay is more common than asthma and obesity, especially in our younger population. Untreated, it can lead to serious health outcomes. Recent legislation has highlighted the serious health side effects from poor dental prevention.

**MOTION:**

**Vice Chairman Perry** made a motion to introduce **RS 22807C1.** **Motion carried by voice vote.**

**SJM 105:**

**Rep. Christy Perry**, District 11, presented **SJM 105**, a Joint Memorial requesting Congress allow Idaho flexibility of the Supplemental Nutritional Assistance (Food Stamp) Program, to place focus on Idaho programs, citizens, products, and state expenses. This flexibility would not determine which foods are in the program. Instead it would provide the ability to explore and pursue a variety of programs and methods to improve and enhance the current system, including more aggressive public education about healthier food options. Through this memorial we open the conversation and join other states making the same request.

**MOTION:**

**Rep. Rusche** made a motion to send **SJM 105** to the floor with a **DO PASS** recommendation. He said food assistance programs need to function at the highest and best levels possible for our citizens. Pursuit of ways to introduce better resources to our citizens is important.

Responding to questions, **Rep. Perry** stated the programs in other states that have this type of flexibility are funded separately by their states and are not subject to the Food Stamp Program regulation.

**Rep. Hixon, in support** of the motion, commented that it is a big issue for Idaho and, because of the economic impact, we deserve a say in the program.

**Elizabeth Criner**, Northwest Food Processors Association (NWFPA), testified **in opposition to SJM 105**, expressing concern about the reference to "foods authorized for purchase," which indicates a food list would be produced. The food processors manufacture foods which may be omitted from the list, although they are healthy. NWFPA would support educational programs.

**Pam Eaton**, President, CEO, Idaho Retailers Association, testified **in opposition to SJM 105**. She said they support healthy programs and ideas, but do not support a state food list. Grocery stores and distributors would face logistical nightmares trying to keep track of items on a list. She gave an example of another program's product list and the issues it cause small retailers who had to stock specific products. Also of concern are the additional labeling, signing, and checkout congestion. The Association is supportive of education and health ideas and wants to work as a partner in those efforts.

**Molly Steckel**, Idaho Medical Association (IMA), testified **in support of SJM 105**, stating that it sends a message to the federal government that we would like flexibility. She said this is likely all it does, since it would take an act of Congress to go further. This would give the DHW authority to gather stakeholders to discuss the best way to make changes to benefit Idaho citizens.

Answering questions, **Ms. Steckel** explained the DHW would have the authority to seek any budget increase necessary, if it was determined worthy of further pursuit. No waivers or flexibility have been granted to other states making the same request.

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

**VOTE ON MOTION:**

**Chairman Wood(27)** called for a vote on the motion to send **SJM 105** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Vander Woude** asked to be recorded as voting **NAY. Rep. Perry** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 10:03 a.m.

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Representative Wood(27)  
Chair

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Irene Moore  
Secretary