MINUTES

SENATE HEALTH & WELFARE COMMITTEE

DATE:	Monday, March 10, 2014
TIME:	3:00 P.M.
PLACE:	Room WW54
MEMBERS PRESENT:	Chairman Heider, Senators Hagedorn, Guthrie, Martin, Lakey, and Schmidt
ABSENT/ EXCUSED:	Vice Chairman Nuxoll, Senators Lodge, Bock
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.

CONVENED: **Chairman Heider** called the meeting to order at 3:10 p.m.

H 561 **Relating to Hospitals: Steven A. Millard, Idaho Hospital Association**, began by saying this is a very simple bill but would require quite a bit of explanation. Historically, Idaho's Medicaid program has reimbursed hospitals significantly less than Medicare, and prior to the passage of the Hospital Assessment Act in 2008 there were significant cuts in place going back as far as Governor Kempthorne's administration. These cuts were from costs, not charges, and in 2008, hospitals with less than 40 beds were being reimbursed at 96.5 percent of their costs and those hospitals with over 40 beds were being reimbursed at 81.5 percent of their costs.

Mr. Millard went on to explain that the Idaho Hospital Assessment Act (H 443) was introduced in 2008, received federal approval under strict guidelines, unanimously passed both houses and was signed into law on March 14th, effective July 1. The law provided that private hospitals are assessed in the aggregate an amount equal to the "upper payment limit gap" to serve as the approximate 30 percent state match which is necessary to "draw down" additional federal Medicaid funds. In late 2009 and going into the 2010 legislative session, the State's financial situation, including Medicaid funding, continued to suffer due to the downturn in the economy and legislators were searching for financial solutions.

H 656 was introduced, passed and signed into law, effective July 1, 2010. The bill repealed and restated Chapter 14, Title 56, Idaho Code, granting separate authority for the Department of Health and Welfare to collect increased assessments from hospitals through June 30, 2012.

He concluded by saying that **H 561**, if passed, removes the limiting dates in the existing statue so that the assessments will be perpetual as was intended by the sunset of the language in H 656. Minor technical and clarifying amendments to make the language consistent throughout the Chapter are also made in **H 561**.

Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see attachment 1).

Senator Guthrie was curious as to how something so important was missed in the prior legislation. Since it had been missed, were there assessments made or funding returned that could be challenged. **Mr. Millard** responded that was a very good question and the primary reason this legislation is before the Committee.

Senator Guthrie wanted to clarify that the hospitals are assessed to make up the 30 percent that normally would be the State match to maximize the federal dollars coming into the state, and in exchange for that they get (based on different criteria) a rebate back that offsets the assessment to some degree. So with the assessments going out and certain rebates coming back, he wanted to know what the net to the hospitals and providers was. **Mr. Millard** apologized that he may have confused the Committee in his presentation, since the 50 million he had mentioned was only for Fiscal Year (FY) 2012. The other assessments are for the hospitals receiving supplemental payments and is based on the number of Medicaid days the hospitals have in a year, so it's prorated among the hospitals. The federal law requires the assessments to designate "winners" and "losers" and also that they be broad based. The net to the hospitals is getting them closer to covering their costs than they would be without the ability to take part in this, but still not quite there since Medicare pays more in other states than they do here.

Senator Hagedorn stated that he was assuming that with FY 2013 the hospitals were out of luck since the assessment ended in June of 2012. **Mr. Millard** answered that wasn't quite correct since the 2013 assessments were made, they just can't make the 2014 assessments without the legislation in place.

Senator Guthrie asked to confirm that the term "private" did not mean county owned but did mean for profit and not for profit. **Mr. Millard** stated that Senator Guthrie was correct.

MOTION: **Senator Schmidt** moved to send **H 561** to the floor with a **do pass** recommendation. **Senator Martin** seconded the motion. The motion carried by **voice vote**. Senator Schmidt will carry **H 561** to the floor.

HCR 46 **Relating to Telehealth and Telemedicine: Representative John Rusche** began by describing telehealth as the use of telecommunications technologies to deliver health care and behavioral health services distant to the location of the practitioner. Some examples include sending radiologic images to distant radiologists, transmitting skin images to dermatologists, providing two way interaction for mental health patients, or distant monitoring of ICU, labor and delivery, or pharmacy. The use of telehealth services is growing rapidly. And with the advent of 4G services and wireless networks, the technology exists to rapidly expand through most of Idaho. Telehealth can be a force for good—expanding workforce availability, lowering the travel time and costs to patients, and introducing services into more rural areas. Even though it is a good tool and resource it brings up a lot of concerns and questions.

Representative Rusche went on to point out that there is a need for a collaborative council to get those involved in Telehealth together to discuss and reach consensus. This will support several ongoing projects such as Time Sensitive Emergency care, the Statewide Healthcare Innovation Plan (SHIP) and the Patient-Centered Medical Home Initiative. It will help prevent an expensive "Tower of Babel" of different standards (which will be inefficient and expensive for IT to support). It will promote greater availability and access to providers to our rural citizens. And it will help us get ready for the upcoming wireless revolution in services.

He concluded by stating that the council is made up of volunteers from various players in the industry and convened and facilitated by the Department of Health and Welfare (Department). The estimated cost (from the Department) is $30,000. This capability is part of the SHIP grant, but if the grant is not successful (or perhaps even if it is) there is additional grant money (up to $65,00) available through LinkIdaho for telehealth planning. This bill has the support of the Department, the IHA, the IMA, the Licensing Boards, and numerous players in the Idaho telemedicine arena. There was no opposition.

Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see attachment 2).

Chairman Heider wanted to know why a separate council is being developed for this when it already seems to fit into the SHIP that's been worked on over the past year. He recognized that the areas of telehealth and telemedicine are both an important part of the statewide plan concept, so why is it not being implemented there as opposed to a new council. **Representative Rusche** responded that there are a couple of reasons. Some of the issues around telehealth would involve people or groups outside of the SHIP group such as technical and IT people. The bigger issue is that, regardless of whether Idaho gets the SHIP grant or not, telehealth and telemedicine will expand in the State and there should be nothing to prevent pursuing funding and grants elsewhere.

Chairman Heider confirmed that they have looked into the possibility of grants and have opportunities to apply for those. He also noted that the State has spent a lot on broadband to go throughout the State for the education system and wanted to know if there was a way to tie into that for the telehealth and telemedicine needs. **Representative Rusche** answered that certainly that was an option to consider, and many of the hospitals already have the telecommunication equipment in place, but there is still the need to tie them all together to be supported. He also mentioned advances in the use of robotics in smaller hospitals and nursing homes.

Chairman Heider asked how the senior citizens in nursing homes liked being visited by a robot in place of a doctor or nurse. **Representative Rusche** stated that the majority of the patients were either bed bound or suffered from dementia, and this technology was more convenient for the setting that it served.

Senator Schmidt wanted to know if there has been consideration to whether the Health Quality Planning Commission would have a subcommittee on this issue or not. **Representative Rusche** said that no, there has not been a consideration for that since the planning commission is doing what they can with the limited staff they have right now. He said there is a workgroup that was pulled together outside of government that first met in spring of 2013 that has grown in its membership and group participation.

MOTION: **Senator Martin** moved to send **HCR 46** to the floor with a **do pass** recommendation. **Senator Hagedorn** seconded the motion. The motion carried by **voice vote**. Senator Martin will carry **HCR 46** to the floor.

PRESENTATION: **Idaho Behavioral Health Plan Update: Becky DiVittorio**, Executive Director, Optum Idaho, began by thanking the Committee for the opportunity to be in front of them again to discuss Optum's work. They appreciate the interest shown and are honored to continue to play a role in the transformation of Idaho's outpatient behavioral health program. She was before the Committee to share an update on the care management telephone line and the positive changes that have led to sustainable performance, and then she would highlight the current initiatives that are in place.

Supporting documents related to this testimony have been archived and can be accessed in the office of the Committee Secretary (see attachment 3).

DISCUSSION: **Senator Martin** stated that no news is good news and he has not had any complaints since Optum presented before the Committee on January 30th. He purposely went out to question those who had complaints previously to get an update on how things have been going and reported they were much more positive. He did want to ask about the slide in the presentation that showed the amount of calls and their duration that had a dramatic spike and then went down again. He said this does not make sense and wondered what the explanation might be for that.

Ms. DiVittorio responded that the increase shown on the chart for January was a result of multiple factors which basically came down to more calls and more time needed on calls than had been anticipated to be able to handle them, but that problem was addressed as needed.

Senator Guthrie wanted to know if the efforts that have been put into place since their last meeting with Optum can be sustained in the long run without sacrificing the quality of service. **Ms. DiVittorio** answered that Optum is committed to meeting their contractual requirements for access to the care management line and they will sustain the effort that is needed to do that.

Senator Hagedorn asked since the phone call issue seems to have been taken care of since the last meeting with Optum, and the focus is now on educating and bringing all of the providers up to date, how is that progressing and what is the plan to make that effort better. **Ms. DiVittorio** stated that there is a system transformation ahead and it will require significant work. Optum is collaborating with providers to begin education efforts, they presented provider forums throughout the State, and will continue to build on these efforts. Through Optum's Care Coordination they do a lot of work in the communities that allows them to work with providers directly. Optum also has a quality process in place that allows them to perform audits and help support providers in their efforts to improve the quality of services they deliver.

Senator Hagedorn was curious if Optum had metrics in place and are they able to measure their success rates and where they should focus their training efforts. **Ms. DiVittorio** said this point had just been addressed earlier in the day. Optum uses a lot of the information they have to drive the priorities for provider training, based on what's going on in the system. In the end, she noted, the biggest measure they have is the wellness assessments, member reported outcome data. As they serve in Idaho longer, they will be able to gather more robust information about the outcomes of the services that are provided for the members in the State.

Senator Schmidt wanted a clearer picture of what a "peer support specialist" looks like; do they have credentials, are they paid, etc... **Ms. DiVittorio** responded that a "peer support specialist" is someone with a lived experience who is in recovery themselves. These people are certified and go through an intensive training program, then have to pass a test before being certified. Those peers are then hired by a provider who is credentialed in Optum's system, and then are able to provide service and support to members as determined by the provider.

Senator Schmidt was curious as to how and where the peer specialist is credentialed since he was not aware that we do that here in Idaho. **Ms. DiVittorio** answered that this is not a part of what is happening now in the State, there is a certification process and that is what the specialists go through at this time. The certification process is managed by the Office of Consumer and Family Affairs.

Senator Schmidt asked if the Office of Consumer and Family Affairs was a federal or state office. **Ms. DiVittorio** stated that it was her understanding it is a state office.

Chairman Heider wanted to know what the funding source was for the peer support specialists to be paid. **Ms. DiVittorio** said that the payment comes from Optum to the provider.

Senator Lakey wanted to confirm Optum's commitment to maintaining the recent positive course that's been going on. He wanted to pointed out that Optum has some confidence rebuilding to do and it will take a little longer to rebuild than the session will last. It was his hope that once the session ends, they won't begin to hear negative comments again regarding Optum's performance. He would hope the Committee could hear from Optum at the beginning of the next session to make sure they are staying the course.

Chairman Heider assured Ms. DiVittorio that he felt Optum was staying the course, but asked for confirmation. **Ms. DiVittorio** responded that they would be delighted to come back before the Committee. **Chairman Heider** thanked Ms. DiVittorio for being before the Committee and asked her not to be surprised or offended if the Committee members reach out to Optum over the summer with any questions or concerns as voiced by their constituents.

TESTIMONY: **Ross Edmunds**, Administrator, Department of Health and Welfare, wanted to comment on the issue of the certified peer support specialist. He said the training that is used in Idaho is based off of what's called the Ozark Model, which is the national best practice in terms of training these individuals. It was brought to the State through the Department of Health and Welfare and contracted through Mountain States Group, which is the office that houses the Office of Consumer and Family Affairs. They have been contracted to deliver and recruit people that have the needed lived experiences to train them and build the pool of certified peer specialists.

Chairman Heider commented that it seems like a good concept, but it would also be hard to find people who've had the experiences and then can turn around and counsel others. **Mr. Edmunds** responded that nationally it is the best practice available since it builds immediate credibility when the member has someone before them who has gone through their same experience.

MINUTES APPROVAL: **Senator Guthrie** moved to approve the February 5, 2014 Minutes as written. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Guthrie** moved to approve the February 6, 2014 Minutes as written. **Senator Hagedorn** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Guthrie** moved to approve the February 13, 2014 Minutes as written. **Senator Hagedorn** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Schmidt** moved to approve the February 24, 2014 Minutes as written. **Senator Martin** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Hagedorn** moved to approve the February 25, 2014 Minutes as written. **Chairman Heider** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business before the Committee, **Chairman Heider** adjourned the meeting at 4:12 p.m.

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Senator Heider
Chair

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Linda Hamlet
Secretary

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Linda Harrison
Assistant Secretary