

MINUTES  
**JOINT FINANCE-APPROPRIATIONS COMMITTEE**

**DATE:** Wednesday, January 20, 2016  
**TIME:** 8:00 A.M.  
**PLACE:** Room C310  
**MEMBERS:** Senators Co-chairman Keough, Bair, Mortimer, Brackett, Nuxoll, Johnson, Thayn, Guthrie, Schmidt, Lacey  
Representatives Co-chairman Bell, Gibbs, Miller, Youngblood, Horman, Malek, Monks, Burtenshaw, King, Gannon  
**ABSENT/  
EXCUSED:** None  
**CONVENED:** Chairman Keough convened the meeting at 8:00 A.M.  
**STAFF  
PRESENT:** Tatro  
**PRESENTATION:** **DEPARTMENT OF HEALTH AND WELFARE**  
**Psychiatric Hospitalization, Division of Behavioral Health**  
**PRESENTER:** **Ross Edmunds, Division Administrator**

To view the presentation, please click on the following link: [Psychiatric Hospitalization](#)

Psychiatric Hospitalization is organized into three budgeted groups: State Hospital South (SHS), State Hospital North (SHN) and Community Hospitalization. Of the \$96.9 million budgeted for the Division of Behavioral Health, 39.2% or \$38.1 million is for Psychiatric Hospitalization. By fund source 55.3% or \$21 million is General Funds, 16.2% or \$6.2 million is Federal Funds, 15.9% or \$6.1 million is Dedicated Funds, and 12.6% or \$4.8 million are receipts. The average daily psychiatric hospital rates are \$883 for Community Hospitalization, \$509 for SHN and \$600 for SHS.

The following three groups are served by psychiatric hospitalization services: those with a mental health crisis (usually short term), individuals with chronic, severe mental illness (typically lifelong and debilitating), and individuals with serious mental illness who need ongoing maintenance (medication, etc.). The core functions of state hospitals are to stabilize a psychiatric condition; reduce the risk of self-harm or harm to others; assess, diagnose and treat presenting conditions; restore competency for standing trial, and to coordinate with regional mental health clinics for transition of patients.

SHS has been operating in Blackfoot since 1886, has 90 adult psychiatric beds, 16 adolescent beds, and is accredited by the Joint Commission. Adult admissions have been slowly increasing; however, there was a slight drop last year. Length of hospital stay has been decreasing. **Edmunds** discussed the following budget items: 1) a supplemental for \$511,600 to cover a personnel funding shortfall, 2) \$321,900 to increase staffing for life safety issues, 3) \$37,600 to increase psychologist pay, 4) convert 12 temporary benefitted positions to 8.65 permanent positions, and 5) \$875,200 for repair and replacement items.

SHN has been operating since 1905 in Orofino, has 60 adult psychiatric beds, and is licensed by the State of Idaho. Admission rates are trending down while length of stay is trending up. The following budget items were discussed: 1) \$300,000 for staffing for life safety issues due to higher acuity levels requiring more one-on-one care, 2) \$26,500 to increase psychologist pay, and 3) \$116,800 for repair and replacement items.

Community Hospitalization contracts with ten private psychiatric hospitals statewide and there is central management of contracts. Funds are used to pay for patient care once an individual has been committed to state custody before a bed is available in one of the two state institutions. **Edmunds** briefly commented about the change in workforce stating that 63% of those interviewed at separation identified pay as the reason for leaving. He complimented the dedicated staff in the Division of Behavioral Health.

**Substance Use Disorders Treatment and Prevention**  
**Division of Behavioral Health**

**PRESENTER: Ross Edmunds, Division Administrator**

To view the presentation, please click on the following: [Substance Use Disorders Treatment and Prevention](#)

The Substance Abuse FY 2017 budget is 17.5% or \$16.9 million of the Behavioral Health appropriation of \$96.9 million. Substance Use Disorders (SUD) services include treatment and recovery support, facility approval, prevention (partners with the Office of Drug Policy), and permits and inspections for tobacco retail sales. Treatment is necessary for alcohol and drug addiction. In FY 2016 the appropriation was \$8.9 million. A pilot outcomes study representing several Idaho agencies has been implemented and they are collecting outcome data in the voluntary treatment population at admission, discharge, 30 days, 180 days, and 12 months post-discharge. The study will provide information on the long-term impact SUD treatment has on clients and the community. Information received during the pilot will be used to expand follow-up data collection to all clients funded through the Department of Health and Welfare. Voluntary population outcomes to date include: 1) the primary substance of use at the time of treatment: 57% alcohol; 22% amphetamines(meth); 10% opiates, 7% cannabis—marijuana; and 4% other; 2) co-occurring incidents: 62% of clients seeking treatment had significant psychiatric problems; 3) 44% completed treatment or transferred to another level of care, and 4) at the time of discharge, 92% of clients that completed treatment reported no substance use in the previous 30 days. Substance use disorders prevention is required by the federal block grant through a maintenance of effort; 20% of the grant or \$1.8 million must be spent on prevention; that funding is transferred to the Office of Drug Policy for administration. There were six voluntary separations representing 36% of the workforce mostly due to structural changes and retirement. **Edmunds** expressed gratitude to the 16 FTP for their dedication and supports the Governor’s 3% CEC recommendation.

**Independent Councils**  
**Domestic Violence Council**

**PRESENTER: Luann Dettman, Executive Director**

To view the presentation, please click here: [Independent Councils — Domestic Violence Council](#)

The Domestic Violence Council was established to ensure the availability of assistance for victims of crime with a focus on programs assisting victims of domestic violence, sexual assault or child abuse. The Council administers federal and state funding to victims, develops standards, monitors victim service programs and offender intervention programs, and provides education and training. The Council has 35 victim service programs and 23 offender intervention programs in 32 locations throughout Idaho. In FY 2015, 18,903 victims were served (14,098 adults and 4,805 children) and 131,490 services were provided. The presentation was mainly focused on intent language regarding additional funds appropriated in FY 2016.

The presentation was mainly focused on intent language regarding additional FY 2016 VOCA funds. By way of background the Council received the following: in federal FY 2012, \$2.2 million; in FY 2013, \$2.4 million; in FY 2014, 2.6 million; in FY 2015, \$10 million; and an estimated \$10 million in FY 2016. In anticipation of the increase in FY 2015 the Council requested an increase in spending authority for FY 2016. (Several years ago the Council elected to utilize each annual award over a three-year period so if federal funding were to end, the Council could continue to fund programs for three additional years without interrupting services in order to provide time for programs to seek other funding sources.) In FY 2016, utilizing the three-year formula, the Council granted \$3.9 million in VOCA funding to 35 programs. The additional \$1.5 million made a large impact in services provided.

In the past the same programs applied and were funded at a consistent level. With increased funding it was necessary for the Council to insure that a framework was in place to provide enhanced/additional services for those programs receiving funds. At the same time, federal criteria required reporting quarterly rather than annually. Reporting and monitoring tools were updated and the Council took the following steps: 1) conducted a statewide needs and services assessment through Boise State University, 2) held a one-day meeting with funded programs to discuss needs, 3) contacted programs providing services by email and telephone, 4) compared victimization types from 2014 and 2015 and found child sexual abuse and elder abuse were two areas that increased considerably, and 5) compared services provided from 2014 and 2015 and found all services had increased with significant increases in advocacy and counseling. The Council then determined its highest priorities were: 1) legal services, 2) transitional housing, 3) children advocacy services, and 4) elder abuse. The Council has received 10 letters of intent from programs not previously funded that fit into their highest-priority categories.

The Council has awarded \$5 million of the appropriated \$8 million and **Dettman** is confident the Council will utilize the full \$8 million requested in the appropriation for FY 2017.

### **Division of Welfare**

**PRESENTER:** **Lori Wolff, Administrator**

To view the presentation, please click on the following link: [Division of Welfare](#)

**Wolff** gave an overview of the Division of Welfare including budget details, a review of current open audit findings and program participation. She presented additional information on Self Reliance Services including employment and training, child care, child support, nutrition education and healthcare.

The Division of Welfare makes up 6.8% or \$188.4 million of the Department of Health and Welfare's overall budget. Almost 23% of the Division's funding supports personnel, another 23% covers operating expenditures, and 55% is for Trustee and Benefits (not including SNAP or Child Support). Funding supports 645.55 full-time positions, 19 field offices, 3 processing centers and 75 contracts providing a variety of services. Two-thirds of the Division's funding comes from federal funds, 23% from state general funds, 10% from dedicated funds, and just under 3% from receipts. If the proposed Primary Care Access Program (PCAP) is approved, it would create a third appropriation for the Division of Welfare. Receipt funds are used in Child Support and also allow Your Health Idaho to pay for eligibility services for Idaho's Insurance Marketplace. Dedicated funds would be used exclusively for PCAP.

There are three currently open audit findings in the Division of Welfare. One relates to TANF eligibility verifications and two findings relate to the Low Income Heating and Energy Assistance program. The Division has implemented corrective action on all three findings and they are in final review by Legislative Audits.

Self Reliance programs are intended to help low-income individuals and families. In FY 15 one in three Idahoans was served through a combination of programs. The largest programs served 290,000 individuals in SNAP (food stamps), 414,000 people with Child Support Services, and almost 350,000 with Medicaid services. The Division also determined eligibility for Advanced Payment of tax credit for more than 77,000 Idahoans which helps families pay for private insurance administered by Your Health Idaho. In 2015 over \$178 million in tax credit was available to Idahoans to help buy health insurance.

Almost 15% of Idahoans live below the poverty line struggling with disabilities, low wages, minimal education, transportation, employment and/or health issues. The question is how to help these families and individuals become more self-reliant. There are some critical interventions that improve the effectiveness of these self-reliance programs. The average length of stay on SNAP in Idaho is 13 months. The reality for individuals who have continuously received SNAP services over the past six years is that their income is constantly below 130% of the federal poverty limit and despite being employed, it is not enough to create economic security for the individuals. The Division of Welfare invests about \$8 million annually in the Employment and Training program to help people develop job skills and find or train for employment. Idaho is considered a mandatory work state; therefore, any able bodied adult who can work must be working or participating in work activities as a condition of eligibility for SNAP and cash assistance.

Idaho's Child Support Program is another critical service that can provide economic security. When child support becomes a dependable source of income, people are less likely to need government assistance. The Division administers an effective Child Support program to over 400,000 Idahoans annually. One of the Governor's budget recommendations is funding a three-year project to modernize the Child Support automated system. Another of the most important supports for working parents is to ensure they have reliable and affordable child care for children. Idaho's Child Care program known as ICCP pays a portion of a family's child care costs so parents can work or attend school; in 2015 over \$25 million in child care subsidies were paid to Idaho child care providers. ICCP also provides access to early childhood education opportunities by encouraging and licensing child care providers who provide pre-K education. One of the budget recommendations is an increase in federal fund authority to increase the market rate reimbursement for ICCP providers.

Promoting healthy lifestyles is also a critical component in helping families find stability and self reliance. The Division is committed to investing in education, incentives and programs that encourage healthy behaviors, healthy eating and wise purchasing choices. Healthy lifestyles also include access to healthcare and Idaho has implemented one of the lowest cost state-based exchanges; 85,000 Idahoans have enrolled in health insurance and about 90% (77,000 individuals) qualify for tax credits. The proposed Primary Care Access Program (PCAP) is designed for those who fall below the poverty line but are not eligible for assistance through Medicaid or a tax credit. It is estimated that another 75,000 uninsured individuals would have access to primary care services. PCAP is not health insurance but it would be an important first step in helping treat chronic illness and other health issues. Under the proposed program, individuals would be assigned medical home that would provide primary care services. It is estimated the annual cost would be about \$30 million.

The Governor's FY 17 budget recommendations for the Division of Welfare include: 1) \$30 million annualized for the Primary Care Access Program totally funded with dedicated funds to become operational on January 1, 2017, 2) \$3,571,600 (90/10 match) to support and maintain eligibility technology systems (IBES maintenance and modernization) which requires CMS approval for enhanced funding, 3) a supplemental for \$2,114,300 for ongoing federal spending authority for increased payments in the Child Care program, 4) \$2,400,000 one-time operating in federal fund authority to move the Child Care program automated system from the State Controller's mainframe system to the Department's eligibility system (IBES), 5) a total of \$8 million to modernize Idaho's Child Support Enforcement System, and 6) \$330,400 in nondiscretionary adjustments to provide cash payments to certain low-income participants who are blind, disabled, or over the age of 65.

### **Division of Licensing and Certification**

**PRESENTER: Tamara Prisock, Division Administrator**

To view this presentation, please click on the following link: [Division of Licensing and Certification](#)

**Prisock** thanked the Committee for adding four Health Facility Surveyor positions to her division. She provided an update on staffing and the Division's workload and presented two budget recommendations. The purpose of the Division of Licensing and Certification is to ensure Idaho health facilities comply with federal and state statutes and rules; they exist to promote individuals' rights, well being, safety, dignity and the highest possible level of functional independence. The Division licenses and certifies 17 types of facilities, 3,400 health care and residential facilities with over 23,000 treatment beds throughout Idaho. The Division's work falls into two main categories: 1) health care facilities that require a state license or certificate to operate within the state, and 2) contractor for the Centers for Medicare and Medicaid Services (CMS) that conducts surveys for federal certification for facilities that receive Medicare and Medicaid as a source of payment.

The Division of Licensing and Certification has proposed a budget of \$6.9 million which represents 0.3% of the total Department of Health and Welfare's budget of \$2.78 billion. Funding comes from three sources: 61% in federal funds, 26.1% in general funds, and 12.9% in receipts; 86.6% of the budget is for Personnel Costs and 13.4% is for operating expenses.

The two biggest challenges facing the Division are retaining trained and experienced surveyors and successfully managing the workload. There are seven teams and each team works with specific facility types. Each facility type has specific state and/or federal licensing and certification requirements; therefore, managing staff is more complicated. In some cases it takes six to nine months to train a surveyor to conduct federal certification surveys. Some staffing strategies include: conducting surveys in order to improve working conditions and increase retention, getting staff feedback on how to offer support, and collaborating with ISU for recruitment of temporary surveyors.

In calendar year 2015 the Division completed 3,619 surveys and complaint investigations; complaints increased from 375 in 2014 to 444 in 2015 which created challenges in work scheduling because other work must be postponed or rescheduled in order to focus on complaints. As of December, 2015 there were a total of 227 overdue surveys and 143 overdue complaint investigations. The long-term care team is falling further behind due to employee turnover. The residential assisted living team still has a large backlog of work and receives the highest number of complaints; this team is implementing a new automated system that should increase efficiency.

The Governor's two budget recommendations include a certified family home fee increase and some transfers from Child Welfare to this division to align the Children's Licensing Unit (CLU) with other licensing and regulatory functions.

**ADJOURNED:** There being no further business, Chairman Keough adjourned the meeting at 10:37 A.M.

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Senator Keough  
Chair

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Peggy Moyer  
Secretary