

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, February 01, 2017
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Keough, Bair, Mortimer, Martin, Souza, Lee, Agenbroad, Crabtree, Ward-Engelking, Nye

Representatives Co-chairman Bell, Youngblood, Miller, Burtenshaw, Horman, Malek, Anderson, Dixon, King, Wintrow

**ABSENT/
EXCUSED:** None

LSO STAFF PRESENT: Cathy Holland-Smith, Janet Jessup, Jared Tatro

CONVENED: **Chairman Bell** called the meeting to order at 8:00 am.
State Independent Living Council (SILC)

PRESENTER: **Mel Leviton, Executive Director**

Ms. Leviton began by introducing **Lyn Moore**, Financial Specialist for SILC. She reviewed SILC's sole mission which is to serve Idahoans with disabilities from birth to death in efforts of independent living and full community inclusion. Next, she reviewed the organizational structure of SILC outlining staff positions and how and what kind of members sit on the Council as well as the SILC's statutorail duties to help Idahoans with disabilities. Ms. Leviton reviewed certain projects and programs giving examples how SILC is fulfilling its duties, and mentioned how Council members are involved in community leadership and industry to educate industry and community leaders about people with disabilities.

In response to committee questions, **Ms. Leviton** outlined the largest challenges SILC faces which include working on policy and having the Idahoans with disabilities understand they have a voice in their communities in regard to Medicaid practices and how they can access services.

Janet Jessup, Budget and Policy Analyst, reviewed SILC's FY 2016 actual expenditures and discussed funds being transferred from the General Fund to dedicated funds as well as some being reverted to dedicated and federal funds. Next, she reviewed the analysis of fund balances for SILC's two funds, the SILC Dedicated and Federal Funds. Ms. Jessup then reviewed the agency's FY 2017 appropriation which totaled \$649,200 and contained one line item. **Ms. Leviton** discussed and provided an update on that line item.

Ms. Jessup reviewed the agency's FY 2018 budget request which totaled \$737,800 while the Governor recommended \$741,100 with one line item. The difference in the amount being due to the Governor's recommendation for a 3% Change in Employee Compensation (CEC). The agency did not request any replacement items, noncognizable transfers, or requests for inflation adjustments. Ms. Jessup discussed the fiscal impact of the line item request while **Ms. Leviton** discussed the agency's reasoning for the request.

In response to committee questions, **Ms. Leviton** explained the program specialist/planner position requested in SILC's FY 2018 line item is different from the Developmental Disabled (DD) Services requested position because DD's position is primarily responsible for research and data analysis while SILC's position primary responsibility is outreach. The two positions will coordinate and work with each other.

In response to committee questions, **Ms. Jessup** clarified the fiscal numbers of the agency's line item request for a program specialist position where \$71,500 is personnel costs and \$18,500 is operating costs to allow that individual to travel as the position will require.

Ms. Leviton provided closing remarks expressing her gratitude to the committee in helping SILC fulfill its duties.

To listen to this presentation please [click here](#)

Commission on Aging

PRESENTER: Jeff Weller, Interim Administrator

Mr. Weller began by recognizing the leadership and accomplishments of the recently retired administrator, **Sam Haws**. He then introduced some staff members present at the meeting, **Kevin Bittner**, Administrative Services Manager, and **Brian Warner**, Senior Financial Specialist. Mr. Weller stated the purpose of the Commission which is to provide care and support to Idaho seniors and vulnerable adults. He also reviewed how the Commission goes about fulfilling its purpose as related to the Older Americans Act by offering services that help seniors live full and dignified within their community. The Commission reaches out to agencies such as AAA to offer services. Mr. Weller reviewed the services the agencies and the Commission offer as well as an update on the implementation of them.

Ms. Jessup reviewed the Commission's FY 2016 actual expenditures highlighting some net object transfers and reversions back to the General Fund and federal funds. Next, she reviewed the analysis of fund balances for the Federal Fund in the Commission's budget. For FY 2017, the Commission was appropriated a total of \$12,570,600, and while there were no line items, there was legislative intent language. Ms. Jessup outlined the details of that intent language. For FY 2018, the Commission did not request any replacement items, inflationary adjustments, or line items.

To listen to this presentation please [click here](#)

Public Health Districts

PRESENTER: Lora Whalen, District 1 Director, and Glen Bailey, Bonner County Commissioner

Ms. Whalen began by introducing the Public Health District Commissioners present at the meeting, **Bill Lake**, District 7 Board Member and Chair of the Board of Trustees; **Carol Moehrle**, District 2 Director; **Nicole Zogg**, District 3 Director; **Russell Duke**, District 4 Director; **Rene LaBlanc**, District 5 Director; **Meggie Mann**, District 6 Director; and **Geri Rackow**, District 7 Director. Ms. Whalen then described the history behind the foundation of the Public Health Districts and the purpose for them, which is to ensure all Idahoans have equal access to public health services no matter the size of the county. She described the role of the Public Health Districts in working with the Department of Health and Welfare and Department of Environmental Quality as separate governmental entities to provide public health services. She then reviewed the types of public health services the districts provide at the local level in order to assess, protect, and improve local health. Ms. Whalen concluded her remarks by expressing gratitude for the state funding, and the Districts' approval with the Governor's FY 2018 funding recommendation.

Mr. Bailey began his presentation by stating how the Board of Trustees is in charge of developing and administering a formula for the allocation of legislative appropriations for the Public Health Districts to ensure funds are distributed in a fair and equitable manner to all the counties. Mr. Bailey reviewed the organizational structure of the Districts to ensure a level of transparency between the Health Districts and the counties.

Jared Tatro, Principal Budget and Policy Analyst, reviewed the FY 2016 actual expenditures of the Public Health Districts for the General Fund only, which they spent their total General Fund appropriation. Mr. Tatro outlined the fund sources of the Public Health Districts which are the General Fund, fees, contracts, and county taxes. The Legislature appropriates only the General Fund while the other three sources are continuously appropriated. Mr. Tatro reviewed the analysis of fund balances for two funds of the Public Health Districts with fund codes 0290 and 0625. The rest of the funds were shown but not reviewed. For FY 2017, there were no line items or replacement items, but the Districts were appropriated, from the General Fund, a total of \$9,289,500 with an additional \$750,000 from the Idaho Millennium Fund. For FY 2018, the Governor recommends a total of \$9,342,800 from the General Fund. Mr. Tatro reviewed the total funds for the Public Health Districts from all sources for FY 2016 and requested for FY 2018. He then outlined the funding summary and funding formula for all the Public Health Districts.

In response to committee questions, **Mr. Tatro** explained how the funding formula for the Health Districts, for FY 2017, was based on a weighted funding formula between county contribution (67%), population (18%), and poverty (15%).

In response to committee questions, **Ms. Whalen** explained the Legislature does not appropriate federal funds to the Health Districts because federal funds are appropriated through the Department of Health and Welfare whereupon Health and Welfare contracts the funds out to the Health Districts. In the poverty portion of the Health Districts' funding formula, the poverty line is based off of the assessment by the U.S. Census Bureau. In regard to the Millennium Fund money, that money is used for tobacco cessation services, and if it is not used the remaining amount is reverted back. Without the Millennium Fund money, there would be uncertainty on the implementation of those tobacco cessation services.

In response to committee questions, **Mr. Tatro** explained the funding formula and General Fund Allocation, for FY 2018, for the Health Districts is the same as FY 2017 except that any funding provided in addition to what was appropriated for the current fiscal year will be allocated 67% on county contributions and 33% on population.

Mr. Tatro reviewed the FY 2018 budget request for the Public Health Districts highlighting no requests for replacement items or line items. He did highlight the request relating to inflationary adjustments and benefit costs.

Ms. Whalen gave her closing remarks expressing her gratitude to JFAC for considering their budget requests.

To listen to this presentation please [click here](#)

Catastrophic Health Care Program

PRESENTER: Roger Christensen, Board Chairman

Mr. Christensen reviewed the organizational structure of the Catastrophic (CAT) Health Care Fund Board listing what positions are on the Board including county commissioners, a Governor appointee, legislators, and agency directors. Those present in the meeting were **Richard Armstrong**, Director of Department of Health and Welfare, and **Paul Christiansen**, County Commissioner. Mr. Christensen reviewed a report the CAT Board created and gave to committee members. The report outlined CAT Fund programs and budget information.

Mr. Tatro reviewed the CAT Fund's FY 2016 actual expenditures highlighting the fact the agency is appropriated from the General Fund only. They do receive additional funds through dedicated revenue as well. These additional funds are to be used in lieu of General Fund money down to a cushion of \$2.5 million. The total spent in FY 2016 for the CAT Fund was \$16,677,200 where it was appropriated as a lump sum but continuously appropriated. Mr. Tatro then reviewed the analysis of fund balances for the CAT Fund. Next, Mr. Tatro reviewed the FY 2017 budget where the CAT Program was appropriated \$18 million, and for FY 2018 they request \$17,999,500 million. Mr. Tatro reviewed a revenue and payment summary for the CAT Fund which outlined fund details in response to the number of indigent cases taken on by the CAT Program.

Mr. Christensen gave his closing remarks where he introduced a staff member present in the meeting, **Kathryn Mooney**, the Program Director for the CAT Program.

To listen to this presentation please [click here](#)

Chairman Bell recessed the committee meeting at 9:22 am.

Chairman Bell resumed the committee meeting at 9:38 am.

Department of Health and Welfare: Licensing and Certification

PRESENTER: Tamara Prisock, Administrator

Ms. Prisock began by outlining the purpose of the Licensing and Certification Division in the Department of Health and Welfare, which is to ensure health care facilities in Idaho are complying with licensing and certification standards as outlined in state and federal code. She gave some statistics relating to the number of licenses they have granted, as well as the number of health care facilities they monitor. She outlined how the Division's services fall into two main categories: inspect health care facilities that require a state license or certificate, and act as a contractor for the Center of Medicare and Medicaid Services (CMS) to conduct surveys for federal certification for facilities that choose to receive medicare or medicaid as a source of payment. Ms. Prisock outlined what type of facilities require state, federal, or both certification. Next, she discussed the Division's work to address two main concerns over the past year which were eliminating the backlog of surveys and complaint investigations and fully staffing the Division particularly the long-term care team which is the team that provides regulatory oversight for nursing facilities.

Mr. Tatro reviewed the Division's FY 2016 budget and actual expenditures. The Division was appropriated a total of \$6,306,200 with \$1,663,900 coming from the General Fund. The total spent for FY 2016 was \$6,186,200. Mr. Tatro reviewed a revenue summary of the Division's federal and dedicated funds. Mr. Tatro then discussed the Division's FY 2017 budget where they were appropriated two line items and a total of \$7,518,900. **Ms. Prisock** provided an update on the implementation or status of those line items.

In response to committee questions, **Ms. Prisock** confirmed the Division does not plan to request for another certified family home fee increase. The Division desires registered nurses and possibly one nurse dietician to fill the vacancies in the long-term care team. Their qualifications to conduct surveys require, not only their occupational certification, but CMS qualification as well. Those surveys take approximately a week for a three member team.

Mr. Tatro introduced and discussed the details of legislative intent language for the Licensing and Certification Division. Mr. Tatro then discussed the agency's request and Governor's recommendation for the Division's FY 2018 budget. In the FY 2018 budget, the Divisions requested two line items, and Mr. Tatro reviewed both of those with **Ms. Prisock** providing an explanation for each one.

In response to committee questions, **Ms. Prisock** clarified the Division has been using private contractors to fill the vacant positions to conduct surveys. Each private surveyor was contracted at \$89 per hour. The funds to pay for these contractors are funds saved in personnel costs as a result of those positions being vacant. The private contractors are being used to supplemental a team of surveyors hence the ability to pay for their service despite the savings in personnel costs to hire surveyors at approximately \$30 per hour.

In response to committee questions, **Sara Stover**, Division of Financial Management (DFM), explained the reason for the Governor not recommending the second line item because the first line item, as evidenced in Ms. Prisock's explanation, is of more critical need. DFM did confirm with the Division that they do have alternatives for this line item if it is not approved.

Ms. Prisock explained the alternative the Division would use for fulfilling the need in the second line item, then she provided her closing remarks expressing her gratitude to present before the committee.

To listen to this presentation please [click here](#)

Department of Health and Welfare: Services for the Developmentally Disabled

PRESENTER: Gary Moore, Administrator

Mr. Moore began by introducing Deputy Division Administrator, **Cameron Gilliman**. He then outlined the different services and programs the Division oversees and gave a brief description of each one.

Mr. Tatro outlined the Division's FY 2016 actual expenditures where they were appropriated a total of \$30,316,400 with \$12,463,400 of that coming from the General Fund. He discussed transfers of funds between object classes as well as reversions of funds. Mr. Tatro then reviewed the revenue summaries for two programs, the Community Developmental Disabilities and Southwest Idaho Treatment Center. Mr. Tatro discussed the FY 2017 budget for the Divisions highlighting the approval of one line item. **Mr. Moore** provided an update on the status of that line item.

In response to committee questions, **Mr. Moore** explained sometimes when clients come to the Southwest Idaho Treatment Center (SWITC) personnel costs increase due to the fact that a client may require more than one staff member.

Mr. Tatro reviewed the FY 2017 total appropriation for the two programs along with the total appropriation for the Division, and the Governor's FY 2018 recommendation. In the FY 2018 budget, Mr. Tatro reviewed the Division's request for replacement items and nondiscretionary adjustments. **Mr. Moore** discussed the reasoning behind the request for the replacement items. Mr. Tatro also introduced the two line item requests with Mr. Moore stating the reasons for one of those requests and **Sara Stover**, from DFM, discussing the other line item since the Governor recommended it without the agency requesting it.

Senator Souza wanted to express her gratitude in the Governor recommending the second line item as it will help school districts with Medicaid claims and reimbursement forms since that will reduce the number of inaccurate claims and fines to the districts.

In response to committee questions, **Mr. Moore** clarified the second line item in the FY 2018 budget would be a new function for the Division and not additional resources already in existence.

Lisa Hettinger, Deputy Director, Medicaid, Behavioral Health, and Managed Care Services, stated further clarification regarding the second line item. She said the Division will take on monitoring and managing functions while the contractor will be the sole entity to help with school districts Medicaid claims and reimbursement forms if districts should ask.

In response to committee questions, **Richard Armstrong**, Director of Department of Health and Welfare, discussed the Department's decision to withdraw their zoning application on the property around SWITC in order to further assess the details of selling the property. If someone does seek to purchase the property, they may approach Mr. Armstrong to discuss details.

Mr. Moore gave his closing remarks expressing his gratitude to present before JFAC, and remind the committee the kind of work the employees do for the Division.

To listen to this presentation please [click here](#)

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 10:31 am.

Representative Bell
Chair

Cody Jessup
Secretary