

MINUTES
SENATE COMMERCE & HUMAN RESOURCES COMMITTEE

DATE: Tuesday, February 28, 2017

TIME: 1:30 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chairman Patrick, Vice Chairman Guthrie, Senators Martin, Lakey, Thayne, Souza, Ward-Engelking, and Burgoyne

**ABSENT/
EXCUSED:** Senator Anthon

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 Patrick** called the meeting of the Senate Commerce and Human Resources Committee (Committee) to order at 1:33 p.m.

S 1058 **Relating to Telehealth Access (Continuation).** **Senator Keough** said the purpose of this bill was to expand telehealth in order to innovate health care access in Idaho, but especially in the rural areas. She said this bill was less restrictive than H 583 (2016). She said that all stakeholders were to spend the interim to find out how to make the bill better, but due to a breakdown in communication, nothing happened. **Senator Keough** said she hoped all parties could use telehealth.

TESTIMONY: **Chairman Patrick** asked for those who were unable to testify at the last meeting, to please come forward.

Toni Lawson, Idaho Hospital Association, said she was testifying on behalf of Brian Whitlock, in order to answer some questions from the last meeting. **Ms. Lawson** said that under the existing Telehealth Access Act, the definition of "telehealth services" include "clinical care, health education, home health and facilitation of self-managed care, and caregiver support." If the patient already has an established relationship with the provider, they can communicate via two-way audio communications. If the patient does not have an established relationship with the provider, the provider must take appropriate steps to establish a provider/patient relationship by use of audio and visual communications. **Ms. Lawson** said it was important to note that the applicable Idaho community standard of care must be met. Treatment recommendations provided through the telehealth services shall be held to the applicable Idaho community standard of care that applies in an in-person setting. All providers must practice within the scope of practice in the provider's license.

Ms. Lawson said that if insurance companies say they are already paying for these services, then what may or may not be happening with the Affordable Care Act is irrelevant.

Senator Souza asked for clarification on the patient/provider relationship and the requirement for two-way audio and/or visual communications. **Ms. Lawson** said the applicable Idaho community standard of care must be met. **Senator Souza** commented that one of the goals of telemedicine is to have a needy person in Idaho speak to a specialist, which is considered out-of-network in rural Idaho, since there are no specialists in small towns.

She remarked that by going out-of-network could put a deductible up to as much as \$200,000. **Ms. Lawson** said going out-of-network or not was not affected by telehealth. These same types of issues can occur in urban settings as well.

Neva Santos, Idaho Academy of Family Physicians (IAFP), testified in support of the bill. **Ms. Santos** gave a brief overview of the Statewide Healthcare Innovation Plan (SHIP). She reported that in 2010 Governor Otter created the Idaho Medical Home Collaborative, which was designed to form a multi-payer medical home pilot project which eventually ran from 2013 to 2014. The results of the pilot formulated the foundation of the SHIP Project which is now transforming healthcare in Idaho to achieve a better personal experience and improve health outcomes at a lower cost. One of the major pieces of the SHIP Project is payment reform and lower costs. This bill helps the SHIP Project achieve that goal by incorporating telehealth as a tool that physicians can use to improve health outcomes. The inability to be paid an adequate fee for telehealth, hinders physicians from using this means to better treat their patients.

Ms. Santos pointed out cooperation from payers is needed to help address costs. Parity provides equal payment for equal work and has equal expectations and responsibilities. A virtual telehealth visit is the modern equivalent of a home visit and can be particularly appropriate for patients who live a considerable distance from medical care or who are chronically debilitated by illness. Being paid the same for a visit with a patient face-to-face or through telehealth is important to expanding and developing telehealth services in Idaho.

Vice Chairman Guthrie remarked he was concerned about the costs. He said out-of-network costs will increase. **Ms. Santos** said the IAFP was in support of price parity when it came to seeing a physician whether in office or via telehealth.

Senator Burgoyne said there are too many Idaho citizens who cannot afford health care. **Ms. Santos** said that Idaho is 49th in the nation for primary care physicians. If telehealth was made more convenient for doctors, they may be able to see more patients.

MOTION:

Senator Martin moved that **S 1058** be referred to the 14th Order for amendment. The motion failed due to lack of a second.

TESTIMONY:

Molly Steckel, Policy Director, Idaho Medical Association (IMA), said the reimbursement for telehealth is not quite right or equal. Comparable and equitable language would be supported and it is appropriate to have a distinction in those costs. Physicians believe the main impediment is how they are going to get paid. The IMA would support sending this bill to the amending order.

Senator Souza questioned that if the bill was sent to the amending order, would there be enough time to make the amendments or would it be better to work on the bill for next year. **Ms. Steckel** said that she believed an amendment would require negotiated rulemaking.

Francoise Cleveland, American Association of Retired Persons (AARP) Idaho, testified in support of the bill. Securing cost coverage would support the promotion of health coverage. **Senator Martin** said this bill would not go forward until coverage and costs are settled.

Senator Burgoyne remarked he was prepared to send the bill to the amending order. He said he did not think the amendment could be done this year. All stakeholders need to proceed very carefully in the health care area. He said it is extraordinarily difficult to find out prices, and insurance contracts should not be overridden.

MOTION:

Senator Martin moved that **S 1058** be referred to the 14th Order for amendment. **Senator Burgoyne** seconded the motion.

Senator Martin said he was not supportive of the same rate of payment for telehealth as a site conference. He said the rates should be different. He said the reference to workers' compensation should be removed from the bill. He stated he was in support of amending the bill.

Senator Lakey remarked he had some conceptual discomfort with some aspects of the bill as to mandates of coverage and cost. He stated he was supportive of the motion and the effort, but was concerned about the time left before the end of the session.

The motion carried by **voice vote**.

**GUBERNATORIAL
APPOINTMENT
VOTE:**

Vote on the Gubernatorial Appointment of Senator Todd Lakey to the State Insurance Fund Board. **Senator Thayne** commented he knew Senator Lakey quite well and he said he was ready to make a motion.

Senator Thayne moved to send the gubernatorial appointment of Senator Todd Lakey to the State Insurance Fund Board to the floor with the recommendation that he be confirmed by the Senate. **Senator Ward-Engelking** seconded the motion. The motion carried by **voice vote**.

SCR 104

Relating to the Department of Administration (DOA) Medical Diversion Program. **Senator Thayne** stated the resolution directs the DOA to either provide a transparency tool for State employees on a State website or work with a vendor to establish a medical diversion program. A key to reducing medical costs is for consumers to have price information. **Senator Thayne** said a website transparency tool would cost approximately \$100,000. A medical diversion program would cost approximately \$1.8 million annually, which would be offset by up to a 15 percent reduction in the State employee health insurance product. The total 2018 cost is estimated to be \$241 million. A 15 percent reduction would be a savings of \$36 million.

TESTIMONY:

Eric Wright, Senior Vice President, Health Smart, Oklahoma, said variance and pricing exists throughout the country. The free market system is not utilized as often as it should. The concept of transparency is a free-market principle. There is no meaningful way to get prices from the medical community. He remarked that a seller is someone who is willing to be transparent with quality of care. **Mr. Wright** said that cost around the country costs for facilities varies. He said his company finds facilities that will work with patients at a transparent price. In Oklahoma there were 178 members who were redirected or diverted, worth \$1.7 million in savings for the client, with very little disruption. He mentioned there were over 60 facilities that wanted to enter into a contract with the State of Oklahoma. Services provided by his company were to intervene and provide options for health care. Patients are advised of their benefits where they can go to another facility where costs are cheaper.

Senator Burgoyne said that a program like this holds a lot of promise. **Mr. Wright** said his company has always worked in the best interest of the insurance company to not disclose prices. They aggregate data and come up with a composite number so as to not violate a contract.

Senator Souza remarked that Mr. Wright has established something that is unique so an individual has more control over health care. **Mr. Wright** said the next step is to launch this concept nationwide. Outpatient services are growing but costs can be cut in half. The State of Oklahoma has been a test model. **Senator Souza** asked if the database included surgical infection rates. **Mr. Wright** said quality is important and his company has adopted Medicare quality standards. There have been no incidents in this program. A provider has to meet quality standards.

MOTION:

Vice Chairman Guthrie moved to send **SCR 104** to the floor of the Senate with a **do pass** recommendation. **Senator Martin** seconded the motion. The motion carried by **voice vote**.

H 46

Relating to Sign Language Interpreters. Representative Packer said this legislation creates a licensing system and licensing requirements for sign language interpreters. She said that at least 13 percent of the general population has a variety of types of hearing loss, which affects 203,785 Idaho citizens. Out that total, 2.42 percent of the population with hearing loss (34,486) experience severe to profound hearing loss. They are unable to readily understand speech due to the extent of their hearing loss, but instead rely on a visual mode of communication. These deaf people are at a distinct disadvantage with incomplete, incorrect, and unethically-delivered information, often by the hands of non-qualified interpreters. A professional and qualified interpreter is required to facilitate the communication and information, ensuring that it is fully accessible and understandable by the customers and the service providers. It is a quality control measure to ensure that deaf and hearing consumers receive appropriate interpreting services, which may reduce general threats to the health and safety of deaf people statewide. Licensing professional interpreters also minimize the liability of hiring entities in providing services to deaf consumers. It also ensures equal access to education, employment opportunities, and health care for deaf children and adults.

Representative Packer said that using sign language interpreters can profoundly affect the lives of people of the State of Idaho, it is the purpose of this bill to set standards of qualifications for those who engage in the practice of sign language interpreting and protect the public from unprofessional conduct in the practice of sign language interpreting.

Representative Packer reported there will be no impact to State or local funds. Entities that employ sign language interpreters may elect or decline to assume license fees for their employees. Sign language interpreters have several credentialing examinations available and do not need the State to administer a licensing exam. Based on an estimated 100 licensees being added to the existing Speech and Hearing Services Licensure Board (Board), the impact on the Bureau of Occupational Licenses dedicated fund would be approximately \$12,500 in additional revenue. These fees would cover the additional costs to the Board for the ongoing costs associated with licensure of sign language interpreters.

DISCUSSION: **Senator Souza** commented that in order to qualify for licensure, an interpreter must be 21 years old. **Representative Packer** pointed out that was an error that will be corrected and the age should be 18. **Senator Souza** stated that there are many people who are not licensed and who may not qualify and now they are being told they cannot call themselves a sign language interpreter. She asked why the rule was so strict. **Representative Packer** said because of the critical nature of the very serious consequences of poor interpretation when not done correctly.

TESTIMONY: **Steven Snow**, Executive Director, Deaf and Hard of Hearing, said that video-conferencing and telehealth services would be available.

April Nelson, representing herself, talked about not having a qualified interpreter and only receiving bits and pieces of information. She said this bill gives the deaf and hard of hearing equal access.

Alan Wilding, President, Idaho Association for the Deaf, commented that there is an enormous problem in Idaho not to have qualified interpreters. He cited many examples of issues caused by poor interpretation. This bill will help deaf Idahoans. **Senator Thayne** asked if there was an availability of qualified interpreters in Idaho to fill the need. **Mr. Wilding** said there was a good number of interpreters who would qualify and there would not be a shortage. There could be a brief time lapse in order for interpreters to become qualified and that is why the deadline is not until 2018.

Brian Darcy, Idaho Education Services for the Deaf and Blind, testified in support of the bill. He stated employees should be supported and have equal access.

MOTION: **Vice Chairman Guthrie** moved to send **H 46** to the floor of the Senate with a **do pass** recommendation. **Senator Burgoyne** seconded the motion.

Senator Souza explained she was not convinced another State license was needed. There is a real problem with the general public understanding the need to have good sign language interpreters, which could cause havoc. She said she was not in support of this bill.

The motion carried by **voice vote**. **Senators Souza** and **Lakey** asked to be recorded as voting nay.

ADJOURNED: There being no further business at this time, **Chairman Patrick** adjourned the meeting at 3:05 p.m.

Senator Patrick
Chair

Linda Kambeitz
Secretary