

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

- DATE:** Monday, February 26, 2018
- TIME:** 8:30 A.M.
- PLACE:** Room EW20
- MEMBERS:** Chairman Wood, Vice Chairman Packer, Representatives Perry, Vander Woude, Redman, Blanksma, Hanks, Kingsley, Zollinger, Wagoner, Chew, Rubel
- ABSENT/
EXCUSED:** None
- GUESTS:** The sign-in sheet will be retained with the minutes in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.
- Chairman Wood** called the meeting to order at 8:30 a.m.
- MOTION:** **Vice Chairman Packer** made a motion to approve the minutes of the February 19, 2018, meeting. **Motion carried by voice vote.**
- H 615:** **Rep. Bryan Zollinger**, District 33, presented **H 615**. This legislation codifies the Executive Order to provide non-Affordable Care Act (ACA) compliant plans. It also allows the Department of Health and Welfare (DHW) direct primary care system use for current Medicaid participants through an 1115 Medicaid Waiver, with allowance for physician non-participation. A second waiver 1115 Medicaid Waiver allows the DHW to impose work requirements and lifetime limits, as specified. All drafted waivers will need legislative authorization during the next session. This legislation provides specific exemptions and notations to maintain disabled persons on Medicaid.
- Testifying **in opposition** to **H 615** were **Muriel Roberts**, League of Women Voters of Idaho, on behalf of **Susan Ripley**, League President; **Kathy Garrett**, National Alliance on Mental Illness (NAMI), Idaho Chapter; **Ian Bott**, Self; **Cece Thunes**, Idaho Behavioral Health Alliance; **Brian Whitlock**, Idaho Hospital Association; **Jim Baugh**, Disability Rights Idaho; **Christine Pisani**, Executive Director, Idaho Council on Developmental Disabilities; **Susie Pouliot**, Chief Executive Officer, Idaho Medical Association.
- Allowing insurance coverage outside the ACA will not be helpful to uninsured Idahoans. The five-year limitation does not clearly exclude Idahoans with disabilities. Individuals with disabilities want and do work at minimum or lower wages through employers who may not offer health coverage. The Direct Primary Care (DPC) model coverage is unclear. Medicaid dual eligible participation helps persons be community members, college graduates, and live on their own. Codification does not help any legal challenge. Waiver approval can take up to two years. The lifetime requirement will lead to a managed care plan mass exodus. Persons with disabilities are not universally eligible for disability programs. Many uncertainties exist with the new Centers for Medicare and Medicaid Services (CMS) Director. DPC is a funding mechanism for implementing the Patient Centered Medical Home (PCMH).
- Charles Katebi**, State Manager, Heartland Institute, testified **in support** of **H 615**, which expands affordable health care access and introduces cost-reducing health care reforms. Studies are indicating a DPC positive cost impact on patients and programs. Answering a question, Mr. Katebi said non-compliant plans would entice younger, healthier people back to the market and stabilize the ACA single risk pool.

Fred Birnbaum, Idaho Freedom Foundation, testified in support of **H 615**, explaining the role of productive employment in reform and improving outcomes. This legislation will help the GAP population without Medicaid enrollment. Improved employment has dropped the number of individuals within the GAP. With cost sharing reductions, insurance is very affordable. Answering a question, he said individuals within the GAP need encouragement to work and lift themselves out of the situation.

Russ Barron, Director, DHW, was invited to comment on **H 615**. The 300,000 current Medicaid participants could be given the choice to move to the DPC pilot program with an approved waiver and more legislation to assure the medical community participation and accountability controls. There have been 700 individuals identified who may meet the work requirements. The lifetime limits would impact 11,000 able-bodied individuals, 56% of whom have been on Medicaid for one year or less. CMS has not approved any waivers adding Medicaid time limits. A conservative fiscal estimate is \$1.3M. He expressed concern with a possible Medicaid cost reduction, a large price tag, and a barely noticeable cost curve impact.

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

In closing, **Rep. Zollinger** stated this plan is not intended to cover the GAP population, although there is a benefit to drawing the healthy young persons into the insurance pool. Lifetime limit exclusions are provided. No one with a disability will have a lifetime limit. The statement "where practicably possible" provides DPC allowances. Running the DPC pilot program through Medicaid and the DHW efficiently saves money, sets rules, governs the program, and evaluates its success. The waiver must comply with CMS guidelines, which is a safety net for any exclusions. The five-year limit allows time to set and achieve goals.

MOTION: **Rep. Vander Woude** made a motion to send **H 615** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION: **Rep. Rubel** made a substitute motion to **HOLD H 615** in committee.

AMENDED SUBSTITUTE MOTION: **Rep. Kingsley** made an amended substitute motion to send **H 615** to General Orders.

ROLL CALL VOTE: **Amended substitute motion failed by a vote of 4 AYE, 8 NAY. Voting in favor** of the amended substitute motion: **Reps. Vander Woude, Hanks, Kingsley, Zollinger. Voting in opposition** to the amended substitute motion: **Reps. Wood, Packer, Perry, Redman, Blanksma, Wagoner, Chew, Rubel.**

ROLL CALL VOTE: **Substitute motion carried by a vote of 8 AYE, 4 NAY. Voting in favor** of the substitute motion: **Reps. Wood, Packer, Perry, Redman, Blanksma, Wagoner, Chew, Rubel. Voting in opposition** to the substitute motion: **Reps. Vander Woude, Hanks, Kingsley, Zollinger.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 11:01 a.m.

Representative Wood
Chair

Irene Moore
Secretary