

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Wednesday, February 27, 2019
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS PRESENT: Senators Co-chairman Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone
ABSENT/ EXCUSED: None
CONVENED: **Chairman Youngblood** called the meeting to order at 8:00 am.

OFFICE OF THE GOVERNOR
Military Division

LSO STAFF PRESENTATION: **Christine Otto** reviewed the agency request, the Governor's recommendation and JFAC action.

CARRIED: **Original Motion**
Military Division
Appropriation
Moved by **Sen. Burtenshaw**, seconded by **Rep. Syme** for the Military Division, beginning with the FY 2020 Base, an increase of \$53,800 for benefit costs, an increase of \$2,800 for inflationary adjustments, an increase of \$756,700 for replacement items, an increase of \$32,400 for statewide cost allocation, and an increase of \$811,500 for change in employee compensation. Also included are the following line items: \$109,000 for land leases, 1.00 FTP and \$87,700 for a supervisory HR specialist, 1.00 FTP and \$102,900 for a statewide interoperability coordinator (SWIC) position, 1.00 FTP and \$68,600 for a purchasing agent, 1.00 FTP and \$102,900 for a software engineer, 2.00 FTP and \$126,100 for Youth ChalleNGe cadre team leaders, \$650,000 for the armory revenue fund increase, 8.00 FTP and \$551,100 for construction and maintenance, 2.00 FTP and \$175,400 for environmental protection technicians, \$5,545,000 for OCTC equipment, and \$778,600 for the funding of 12 positions. The totals for this motion for FY 2020 are 398.80 FTP, \$7,488,300 from the General Fund, \$7,232,700 from dedicated funds, and \$68,511,600 from federal funds for a grand total of \$83,232,600.

DISCUSSION: **Sen. Burtenshaw** stated his motion includes the JFAC statewide decisions and adds \$2,800 for contract inflation and \$756,700 for replacement items. Additionally, this motion adds 11 line items totaling 16.00 FTP and \$8,297,300. The Governor's Initiative for network equipment replacement can be found in the Office of Information Technology budget. All approved line items include the Governor's recommendation with adjustments for employee health insurance costs.

Ayes: 18

Bair, Johnson, Lee, Agenbroad, Grow, Burtenshaw, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone

Nays: 0

Ab/Ex: 2

Crabtree and Woodward

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

On request by **Sen. Burtenshaw**, for unanimous consent that the language shown, regarding continuous appropriation be accepted as part of the FY 2020 appropriation bill for the Military Division.

**INTENT
LANGUAGE:**

Bill Language for the Military Division

SECTION_. CONTINUOUS APPROPRIATION. The Military Division is hereby granted continuous appropriation authority for the Idaho Office of Emergency Management's Miscellaneous Revenue Fund for the period July 1, 2019, through June 30, 2020, for the purpose of covering incurred costs arising out of hazardous substance incidents.

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

SELF-GOVERNING AGENCIES

Division of Building Safety

**LSO STAFF
PRESENTATION:**

Christine Otto reviewed the agency request, the Governor's recommendation and JFAC action.

CARRIED:

Original Motion

Division of Building Safety

Appropriation

Moved by **Rep. Syme**, seconded by **Sen. Johnson** for the Division of Building Safety, beginning with the FY 2020 Base, an increase of \$27,800 for benefit costs, an increase of \$183,500 in inflationary adjustments, and increase of \$505,400 for replacement items, an increase of \$38,500 for statewide cost allocation, and an increase of \$280,800 for change in employee compensation. Also included are the following line items: \$70,000 onetime for the Northwest Energy Efficiency Alliance Grant, \$80,500 onetime for the STOP Grant, 1.00 FTP and \$175,100 onetime for the School Safety Grant, \$42,700 in onetime personnel costs for the Department of Transportation Grant, and \$15,000 onetime for donations received. Further, I move for a reduction of \$66,500, with \$53,800 from personnel costs and \$12,700 in operating expenditures from federal funds for the I-RIM Grant. Additionally, an increase of \$13,000 for network equipment replacement and a reduction of 4.00 FTP and \$23,000 for consolidation. The totals for this motion for FY 2020 are 144.00 FTP, \$252,300 from the General Fund, \$14,355,800 from dedicated funds, and \$393,500 from federal funds for a grand total of \$15,001,600.

DISCUSSION: **Rep. Syme** stated this motion includes all JFAC statewide decisions and adds \$162,700 for general inflation, \$20,800 for contract inflation, and \$505,400 for replacement items. Line item 1 was funded at \$70,000 as the signed contract with NEEA was in the amount of \$70,000, this includes all of calendar year 2019 but the division expects this contract to be renewed for three years. This was funded onetime and if the contract is renewed the division can request additional funding in FY 2021. The STOP Grant, and the School Safety Grant including the FTP are funded on a onetime basis as the grants only spans through FY 2022. If there is remaining grant money the division can request in FY 2021. The DOT Grant was requested as a supplemental appropriation but the division had sufficient appropriation for FY 2019, but this is funded on a onetime basis for the grant award amount of \$42,700. The donations in line item 6 are funded onetime as there are no commitments for FY 2021 at this time. Line item 7 is a reduction due to a federal grant that ended up not getting awarded.

Ayes: 18

Bair, Johnson, Lee, Agenbroad, Grow, Burtenshaw, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone

Nays: 0

Ab/Ex: 2

Crabtree and Woodward

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was ordered by **Chairman Youngblood**.

**LSO STAFF
PRESENTATION:**

Christine Otto, Budget & Policy Analyst, stated the Division of Building Safety has been working on the Trackit9 software system for about two years and the Division of Building Safety is uncertain if the upgrade will be done in FY 2019. The intent language is to allow for reappropriation of funds through June 2020.

**UNANIMOUS
CONSENT:**

On request by **Rep. Syme**, for unanimous consent that the language shown, regarding re-appropriation be accepted as part of the FY 2020 appropriation bill for the Division of Building Safety.

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

SELF-GOVERNING AGENCIES

Regulatory Boards

**LSO STAFF
PRESENTATION:**

Christine Otto, Budget & Policy Analyst, stated the Regulatory Boards has five boards: 1) Board of Accountancy, 2) Bureaus of Occupational Licenses, 3) Outfitters & Guide Licensing Board, 4) Professional Land Surveyors and 5) Real Estate Commission. Ms. Otto continued with the review of the agency request, the Governor's recommendation and JFAC action.

CARRIED:

Original Motion
Regulatory Boards

Appropriation

Moved by **Rep. Horman**, seconded by **Sen. Johnson** for the Regulatory Boards, beginning with the FY 2020 Base, an increase of \$10,500 for benefit costs, an increase of \$5,800 in inflationary adjustments, an increase of \$20,900 in replacement items, an increase of \$27,500 for statewide cost allocation, and an increase of \$120,900 for change in employee compensation. Also included are the following line items: \$125,000 for a licensing database system, \$30,000 for a hearing officer and legal costs, 1.00 FTP and \$64,400 for an additional investigator, 1.00 FTP and \$45,900 for an additional office specialist, \$44,000 to contract with a hearing officer and legal costs, \$5,000 for board per diem increases, \$6,000 for network equipment replacement, \$32,300 for mobile device security, and \$50,800 for administrative billing. The totals for this motion for FY 2020 are 72.00 FTP, \$8,483,800 from dedicated funds, for a grand total of \$8,483,800.

DISCUSSION:

Rep. Horman stated all approved line items include the Governor’s recommendation with adjustments for employee health insurance costs.

Ayes: 19

Bair, Johnson, Lee, Agenbroad, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone

Nays: 0

Ab/Ex: 1

Crabtree

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

On request by **Rep. Horman**, for unanimous consent that the language shown, regarding re-appropriation be accepted as part of the FY 2020 appropriation bill for the Regulatory Boards.

**INTENT
LANGUAGE:**

REAPPROPRIATION AUTHORITY

There is hereby reappropriated to the Regulatory Boards for the Bureau of Occupational Licenses any unexpended and unencumbered balances appropriated to the Regulatory Boards for the Bureau of Occupational Licenses from the State Regulatory Fund for the upgrade of its database for fiscal year 2019, in an amount not to exceed \$1,021,000, to be used for nonrecurring expenditures related to the upgrade of its database for the period July 1, 2019, through June 30, 2020.

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

DEPARTMENT OF HEALTH & WELFARE
Division of Medicaid

CARRIED:

Original Motion
Division of Medicaid

Appropriation

Moved by **Sen. Agenbroad**, seconded by **Sen. Lee** for the Department of Health and Welfare, for the Medicaid Division, beginning with the FY 2020 Base, an increase of \$36,000 for benefit costs, an increase of \$19,800 for statewide cost allocation, an increase of \$417,000 for the change in employee compensation, and for nondiscretionary adjustments add \$54,866,500 from the General Fund, reduce \$3,456,300 from dedicated funds, and add \$75,999,700 from federal funds for a net increase of \$127,409,900. Also included are the following line items: \$2,860,000 for the children's developmental disabilities devices process change in line item 6; \$1,000,000 for the MMIS independent verification in line item 9; \$5,332,100 for the health data exchange connections in line item 19; \$7,973,300 for the provider rate increase for non-emergency medical transportation in line item 21; \$4,400,000 for the dental providers rate increase in line item 25; \$3,825,000 for the children's developmental disabilities provider rate increase in line item 26; \$5,628,900 for the provider rate increase for school based services in line item 27; and add \$197,309,900 for the costs associated with the first six months of Medicaid Expansion as recommended in line item 36. Then add a line item for \$2,000,000 from federal funds for the rate change for Intermediate Care Facilities. The totals for this motion for FY 2020 are 216.00 FTP, \$686,903,800 from the General Fund, \$255,263,800 from dedicated funds, and \$1,888,371,800 from federal funds for a grand total of \$2,830,539,400.

DISCUSSION:

Sen. Agenbroad stated this motion includes an additional \$15,000,000 in federal funds in the nondiscretionary adjustments to account for a correction in the agency forecast; all line items recommended by the Governor; rate increases for all providers in the agency request; and funding for the first six months of Medicaid Expansion. No FTP were added because the division has sufficient FTP in its base. Line item 38 for the Intermediate Care Facility (ICF) is being added because these facilities are closing; this line item should have been included in the request. The division has sufficient appropriation from dedicated assessment funds to implement the line item, but they are short on the federal funds.

Ayes: 20

Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Troy, Wintrow, Toone

Nays: 0

Ab/Ex: 0

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

On request by **Sen. Agenbroad**, for unanimous consent to accept the language as shown.

**INTENT
LANGUAGE:**

MEDICAID TRACKING REPORT.

The Department of Health and Welfare's Divisions of Medicaid and Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments expenditure class in the Medicaid Division may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, and Medicaid Administration and Medical Management Programs, but shall not be transferred to any other budgeted programs or expenditure class within the Department of Health and Welfare during fiscal year 2020.

MEDICAID MANAGED CARE IMPLEMENTATION. The Medicaid Division shall provide a report to the Legislative Services Office and the Division of Financial Management on progress in integrating managed care approaches into the state Medicaid system. The format of the report and information contained therein shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 01, 2019.

COST-SHARING REQUIREMENT. The Department of Health and Welfare shall implement cost-sharing in the Division of Medicaid, as required in Section 56-257, Idaho Code, to the maximum extent that is federally allowable for the expanded population of children whose families' gross taxable income exceeds one hundred eighty-five percent (185%) but does not exceed three hundred percent (300%) of the federal poverty limit (FPL), for Medicaid-eligible services as identified in House Bill No. 43, as enacted by the First Regular Session of the Sixty-fourth Idaho Legislature.

NON-EMERGENCY MEDICAL TRANSPORTATION. Of the moneys appropriated in Section 1 of this act, \$200,000 shall be used solely for purposes of improving the Non-Emergency Medical Transportation (NEMT) program. This shall include, but is not limited to, the hiring of an outside entity to conduct an audit of the NEMT program, and to develop and implement a training program that meets the needs of all provider types, the contracted broker, the Department of Health and Welfare, and the Idahoans who are participating in the program. The training program is to be developed in collaboration with relevant stakeholder groups including, but not limited to, NEMT providers and disability advocacy groups. In addition, no later than December 01, 2019, and again on June 01, 2020, the Department of Health and Welfare shall provide to the Legislative Services Office and the Division of Financial Management a report that includes details on the implementation of the audit, training, contract amendments, and any other steps that have been taken by the department to improve the NEMT program. The format of the report and information contained therein shall be determined by the Legislative Services Office. Any unexpended and unencumbered funds that have been appropriated for this purpose are to be reverted at the end of the fiscal year or as soon thereafter as practicable.

REPORT ON FLEXIBLE RECEIPT AUTHORITY. The Medicaid Division shall

provide a report annually at time of budget request submission to the Legislative Services Office and the Division of Financial Management that describes the need for having additional dedicated receipt authority in the appropriation. The additional dedicated fund appropriation is not to be considered when calculating the estimated need for ongoing Medicaid costs, but rather to be held in reserve and used in lieu of the General Fund when noncognizable receipts are received by the department.

**UNANIMOUS
CONSENT:**

On request by **Sen. Agenbroad**, for unanimous consent to accept the language as shown.

**INTENT
LANGUAGE:**

NON-EMERGENCY MEDICAL TRANSPORTATION CONTRACT. The Department of Health and Welfare, Divisions of Medicaid and Indirect Support Services, shall work with the Department of Administration and the Division of Purchasing to evaluate the Non- Emergency Medical Transportation contract to more appropriately manage administrative costs in relation to the services provided to eligible Idahoans.

**DEPARTMENT OF HEALTH AND WELFARE
Division of Welfare**

**LSO STAFF
PRESENTATION:**

Jared Tatro, Principal Budget & Analyst, reviewed the agency requests, the Governor's recommendation and JFAC action.

CARRIED:

**Original Motion
Division of Welfare**

Appropriation

Moved by **Rep. Wintrow**, seconded by **Sen. Agenbroad** for the Department of Health and Welfare, for the Welfare Division, beginning with the FY 2020 Base, an increase of \$83,400 for benefit costs, an increase of \$102,200 for statewide cost allocation, and an increase of \$970,200 for the change in employee compensation. The totals for this motion for FY 2020 are 618.50 FTP, \$43,866,500 from the General Fund, \$5,045,000 from dedicated funds, and \$116,932,100 from federal funds for a grand total of \$165,843,600.

DISCUSSION:

Rep. Wintrow stated this is a maintenance budget.

Ayes: 19

Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Wintrow, Toone

Nays: 0

Ab/Ex: 1

Troy

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

On request by **Rep. Wintrow**, for unanimous consent to accept the language as shown.

**INTENT
LANGUAGE:**

ACTUAL AND FORECAST DETAIL REPORTING. The Welfare Division shall deliver a forecast biannually to the Legislative Services Office and Division of Financial Management to include monthly caseload details for Temporary Assistance for Needy Families (TANF), Child Care, Medicaid, Advanced Premium Tax Credit (APTC), Aid to the Aged, Blind, and Disabled, Food Stamps, and Child Support programs. The forecast shall also include expenditure details for all of the named programs except Medicaid. The format of the report and any additional information contained therein shall be determined by the Legislative Services Office and Division of Financial Management. The first report shall be submitted no later than December 31, 2019, and the second report shall be submitted no later than June 30, 2020.

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

**DEPARTMENT OF WELFARE
Public Health Services**

**LSO STAFF
PRESENTATION:**

Jared Tatro, Principal Budget & Policy Analyst, stated this division includes Physical Health Services Program, Emergency Medical Services Program, State Laboratory Services and Suicide Prevention and Awareness Program. Mr. Tatro gave a brief overview of the agency request, the Governor's recommendation and JFAC action.

CARRIED:

**Original Motion
Public Health Services**

Appropriation

Moved by **Sen. Lee**, seconded by **Rep. Wintrow** for the Department of Health and Welfare, for the Public Health Services Division, beginning with the FY 2020 Base, an increase of \$38,900 for benefit costs, an increase of \$27,000 for statewide cost allocation, and an increase of \$476,100 for the change in employee compensation. Also included are the following line items: add \$200,000 for suicide prevention in line item 1; \$10,000 onetime from the Central Tumor Registry Fund for the cancer data registry in line item 20; \$166,100 for the tuberculosis program in line item 24; and add line item 36 to reduce \$401,000 from the General Fund and add \$401,000 in dedicated funds for cost offsets related to Medicaid expansion. The totals for this motion for FY 2020 are 236.02 FTP, \$8,825,900 from the General Fund, \$45,104,500 from dedicated funds, and \$70,401,000 from federal funds for a grand total of \$124,331,400.

DISCUSSION:

Sen. Lee stated this motion includes partial funding for the Suicide Prevention and Awareness Program; provides the onetime dedicated funding that was requested for the cancer registry; reduces \$93,600 for the consultant request associated with the tuberculosis line item; and shifts the appropriation from the General Fund to dedicated funds for cost offsets related to Medicaid expansion. The motion supports the chronic disease health education specialist position, but the FTP and personnel dollars were not added because the department has the authority in its base appropriation to hire this position.

Ayes: 19

Bair, Johnson, Lee, Agenbroad, Crabtree, Grow, Burtenshaw, Woodward, Ward-Engelking, Nye, Youngblood, Horman, Anderson, Amador, Kauffman, Raybould, Syme, Wintrow, Toone

Nays: 0

Ab/Ex: 1

Troy

The majority having voted in the affirmative, the motion has passed and without objection will carry a DO PASS recommendation. There being no objection, it was ordered by **Chairman Youngblood**.

**INTENT
LANGUAGE:**

SUICIDE PREVENTION AND AWARENESS. The amount appropriated in Section 1 of this act for the Suicide Prevention and Awareness Program shall be used in accordance with the plan developed by the various stakeholders as required by Section 6, Chapter 340, Laws of 2018. Further, the program shall continue to work with all relevant stakeholders to maximize the moneys appropriated for this purpose. The department shall provide a report to the Legislative Services Office on the implementation of the program no later than November 1, 2019.

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

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the meeting at 8:54 am.

Representative Youngblood
Chair

Donna Warnock
Secretary