

MINUTES  
**HOUSE HEALTH & WELFARE COMMITTEE**

**DATE:** Monday, February 03, 2020  
**TIME:** 9:00 A.M.  
**PLACE:** Room EW20  
**MEMBERS:** Chairman Wood, Vice Chairman Wagoner, Representatives Vander Woude, Gibbs, Blanksma, Kingsley, Zollinger, Christensen, Lickley, Remington, Chew, Rubel, Davis  
**ABSENT/  
EXCUSED:** None  
**GUESTS:** Matt Wimmer, Aaron Howard, and Beth Kriete, IDHW; Krista Stephani and Karen Calhoon, TMyers and Stauffer/IDHW; Kris Ellis, Bridger Fly, Robert Vande Merwe, and Steve LaForte, IHCA; Kelley Packer, IBOL; Derek Gerber, IPTA; Andrew Mix, PT Licensure Board

**Chairman Wood** called the meeting to order at 9:00 a.m.

**MOTION:** **Rep. Lickley** made a motion to approve the minutes of the January 22 and 23, 2020, meetings. **Motion carried by voice vote.**

**Chairman Wood** welcomed **Rep. Remington** to the committee.

**H 351:** **Matt Wimmer**, Division Administrator, Division of Medicaid, Department of Health and Welfare (DHW), presented **H 351**, which addresses two challenges for Medicaid reimbursements.

The first challenge is to manage Medicaid spending by reducing general fund needs for state fiscal years (SFYs) 2020 and 2021, as requested by the governor. This will be accomplished through hospital payment reductions and temporary nursing facility assessment increases.

The second challenge is to improve Medicaid budget management. Idaho is the last state with a cost-based payment methodology. With Medicaid expansion in place, the SFY cost of \$850M would increase to nearly one billion dollars in combined state and federal spending. By changing the payment basis, the Department can effectively manage the costs and give ultimate growth control to the Legislature.

Nursing facility budgets will be set at the beginning of each fiscal year, effective July, 2021. The nursing facility assessment will increase by approximately \$1.8M, SFY 2020, and \$5M, SFY 2021. Temporary assessment rate increases will draw down federal dollars to offset the assessment increase.

Limitations are removed for institutions for mental diseases (IMDs), which are freestanding psychiatric hospitals with more than sixteen beds, to allow a temporarily reduced Medicaid payment rate. Reimbursements for out-of-state IMDs are established at 95% of cost and state-owned hospitals are set at 100% of cost.

The Department is directed to reduce hospital general fund reimbursements by \$3.1M in SFY 2020 and \$8.7M in SFY 2021. The Department is also directed to work with hospitals to establish a value-based payment method, effective July, 2021, and set a budget before the start of each fiscal year.

An emergency clause provides this legislation to be effective immediately in order to achieve the SFY 2020 spending reductions.

Answering committee questions, **Mr. Wimmer** said they are moving cautiously with the IMD changes to keep from impacting the IMD waiver. They will work with the hospitals to determine an equitable reduction. Reimbursement costs are based on those annually reported to the Centers for Medicare and Medicaid Services, who also verifies the costs. The federal government sets a cost ceiling equal to Medicare payments for the same services. There are Medicaid access requirements for rate submission.

**Steve LaFort**, Chairman, Idaho Health Care Association (IHCA), Legislative Committee, Director of Operations, Cascadia Health Care, testified **in support of H 351**. The competitive labor market and wage increases have created tight nursing facility operating budgets. This temporary loss of reimbursement funds is manageable while the new payment program is being developed. The IHCA is committed to assisting in this process.

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

**MOTION:** **Rep. Davis** made a motion to send **H 351** to the floor with a **DO PASS** recommendation.

Committee discussion included the expenditure system change. Concern was expressed regarding resulting Medicaid supplementals. If done right, the health care system will assume financial responsibility for their product and be sustainable. Costs shifting to other rate payers was also a concern.

**VOTE ON MOTION:** **Chairman Wood** called for a vote on the motion to send **H 351** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Christensen and Zollinger** requested they be recorded as voting **NAY**. **Chairman Wood** will sponsor the bill on the floor.

**H 339:** **Emily Hunter**, Risch Pisca, Representing the Idaho Physical Therapy Association, presented **H 339**. The original Physical Therapy Practice Act specifies the dry needling course be determined by the federation of state boards of physical therapy or another nationally recognized accrediting body. No such boards or accrediting body exists. This legislation removes that requirement and gives the Physical Therapy Licensure Board the authority to determine which courses meet their standards.

**MOTION:** **Rep. Blanksma** made a motion to send **H 339** to the floor with a **DO PASS** recommendation.

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

**VOTE ON MOTION:** **Chairman Wood** called for a vote on the motion to send **H 339** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Lickley** will sponsor the bill on the floor.

**RS 27415:** **Rep. Caroline Nilsson Troy**, District 5, presented **RS 27415**. Idaho has been a site targeted by the opioid distributors. This proposed memorial thanks our Congressional Delegation for their support of the Fentanyl Sanctions Act. It requests the President and Idaho's Congressional Delegation continue their efforts to strengthen sanctions against opioid traffickers.

**MOTION:** **Rep. Lickley** made a motion to introduce **RS 27415**. **Motion carried by voice vote.**

**RS 27545:** **Emily McClure**, Idaho Medical Association, presented **RS 27545**. Previous civil liability limitations protected physicians volunteering at free clinics and health screening events. The proposed legislation extends the limited liability protection to other health care professionals and supervised students. If the provider is a student, recipients must be notified and sign a release.

**MOTION:** Rep. Chew made a motion to introduce **RS 27545**. **Motion carried by voice vote.**

**RS 27451:** **Caroline Merritt**, Idaho Association of Chiropractic Physicians, presented **RS 27451**, which adds a licensed Idaho chiropractor to the list of healthcare professionals who can evaluate and release students, diagnosed with concussions, to participate in sports. The chiropractic physician must be trained on either the most recent sports concussion assessment tool (SCAT) or an equally rigorous, nationally recognized concussion assessment tool.

**MOTION:** Rep. Gibbs made a motion to introduce **RS 27451**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 9:39 a.m.

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Representative Wood  
Chair

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Irene Moore  
Secretary