

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Friday, March 06, 2020

TIME: 8:00 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: Liz Woodruff, IVC; K. Scott, AAUW; Seth Grigg, IAC; Alacia Handy, IDHW

Chairman Wood called the meeting to order at 8:00 a.m.

RS 27849C2: **Rep. John Vander Woude**, District 22, presented **RS 27849C2**, proposed legislation for statewide uniform for tobacco products and electronic cigarettes laws which prevent implementation of varying regulations by local authorities. This would not interfere or limit any local unit of government from regulating public use or planning and zoning of these products.

MOTION: **Vice Chairman Wagoner** made a motion to introduce **RS 27849C2**. **Motion carried by voice vote.**

H 600: **Rep. Britt Raybould**, District 34, presented **H 600**. This legislation has three primary sections: the County Medical Indigency Program, the Catastrophic Fund Program (CAT), and the county Medicaid cost share.

The County Medical Indigency Program is increased to 133% of the federal poverty level (FPL). Six months after **H 600** is enacted, the counties would stop accepting applications and resolve existing applications. Six months later, one year after enactment, the counties would finalize all outstanding applications, with determinations of what and how much to pay. At that point the County Medical Indigency Program would end.

Answering questions, **Rep. Raybould** said the current application process takes 45 days. The counties determined the time frame would halt the majority of applications without impacting someone who had received care and had their application already in process.

Upon enactment, the CAT Program eligibility would also change to 133% FPL. Acceptance of applications would cease in one year to allow processing of existing applications. At the hard cut-off date of June 30, 2021, the CAT program would adjudicate all remaining applications and the CAT Board would be suspended. The lengthy time frame takes into account third party payers. The board's suspension allows reconvening to review any claims which cannot be adjudicated by June 30, 2021.

Rep. Raybould, in response to questions, explained the next legislative session could determine what to do with the board. The Department of Health and Welfare (DHW) budget includes administrative costs for ongoing payments and repayments by individuals who received assistance from the CAT program. Also part of the consideration is the Obama Care court case determination, which may present options within eighteen months. Current law does not allow individuals who are eligible for Medicaid to apply for these programs.

The DHW would determine the county quarterly portion by multiplying the quarterly Medicaid statewide enrollee count by the Medicaid annual member cost, which is then multiplied by the county share of 30%. This total would be divided by four.

The formula results would be sent to the Tax Commission who, starting December 31, 2020, would subtract the county quarterly cost share from the county's sales tax revenue share. Quarterly share funds, seat belt fines, and reversions from the previous year would go into a stabilization fund.

Because the data collection date inserts a nine-month ongoing delay. After the original count, the first 2020 FY payment would occur December 31, 2020. The delay provides enough time for the Tax Commission to assure the numbers are calculated correctly and the counties understand the calculations. This method would provide a more sustainable and diversified funding source for ongoing costs and potential fluctuations.

In response to committee questions, **Rep. Raybould** explained the changes in this legislation address the counties' comfort level with explicit references to Medicaid rate reimbursements. The cost share was increased from 23% to 30% after reviewing the final budget offsets and the full program cost. The repealed sections are those related to the administration of the County Medical Indigency Program. The per member, per year cost is a forecasted number because there is only three months of data available. The \$452 per person per year amount could decrease if the anticipated 90,000 participation number is not reached. The funding silo provides financial management accountability in the event the expansion is considered unconstitutional.

Seth Griggs, Executive Director, Idaho Association of Counties, testified the association is taking no formal position on **H 600**. Upon passage of this legislation, anyone eligible for Medicaid expansion would be ineligible for the county program. Their application base includes individuals above the 138% FPL who have not purchased insurance. After the program is terminated these individuals and the hospitals will have to determine how the expenses are paid. The counties have 100% expense responsibility for involuntary commitments until the individual is released from payment or transferred out of custody. The counties are seeing expenses for this group increasing.

The county program is not an insurance program and requires repayment. Some counties will see a net savings if the critical IMD waiver is granted. The most negative impact is expected in eastern and northern Idaho. Diversion of revenue sharing for justice related services remains an issue, although the charity levy can be broadened for these and other services. Smaller counties use one employee to process applications along with their other duties. Larger counties, with specialized staff, could experience employee cost savings.

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

MOTION: **Rep. Zollinger** made a motion to **HOLD H 600** in committee for time certain, Friday, March 13, 2020.

SUBSTITUTE MOTION: **Rep. Vander Woude** made a substitute motion to send **H 600** to the floor with a **DO PASS** recommendation.

Committee discussion included the complexity of the subject, the existence of multiple methods, the calculations indicating no county would suffer a loss when the charity levy was included, the helpfulness of more review time, the possibility of the Senate shutting down their committees, and the fate of the Medicaid appropriations bill if there is no county funding.

**VOTE ON
SUBSTITUTE
MOTION:**

Chairman Wood called for a vote on the substitute motion to send **H 600** to the floor with a **DO PASS** recommendation. **Motion failed by voice vote.**

**VOTE ON
ORIGINAL
MOTION:**

Chairman Wood called for a vote on the original motion to **HOLD H 600** in committee until time certain, Friday, March 13, 2020. **Motion carried by voice vote. Rep. Vander Woude** requested he be recorded as voting NAY.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 9:01 a.m.

Representative Wood
Chair

Irene Moore
Secretary