

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 01, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Co-Chairman Bair, Senators Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, and Nye

Co-Chairman Youngblood, Representatives Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green (Morales), and Nash

**ABSENT/
EXCUSED:** None

CONVENED: **Chairman Bair** called the Joint Finance-Appropriations Committee (Committee) meeting to order at 8:00 a.m.

AGENCY PRESENTATION: **DEPARTMENT OF HEALTH AND WELFARE (DHW), Dave Jeppesen, Director; Jill Randolph, LSO Analyst**

The Idaho Department of Health and Welfare provides services and regulatory programs in partnership with taxpayers, consumers and providers to promote economic well-being, support vulnerable children and adults, enhance public health and encourage self-sufficiency.

Historical Summary: There are 13 programs under the DHW umbrella. In FY 2021, the Health Care Policy Initiatives Division was moved into a program in the Division of Public Health Services. The FY 2022 appropriation funds make up 23 percent from General Funds, 12 percent from dedicated funds, and 65 percent from federal funds. DHW is requesting a 12.7 percent increase from FY 2021 and the Governor recommends the same. The majority of the funds expended is trustee/benefits payments which is used for the benefit of Idahoans.

Organizational Chart: This is the Department wide chart. In FY 2021, DHW was authorized for 2,972.44 FTP. Their FY 2022 request is for an additional 23.50 FTP, for a total of 2,995.94 FTP. There are 249.74 FTP vacant positions as of January 6, 2021.

Performance measures: **Director Jeppesen** provided an overview of the current performance measures highlighting goals and outcomes for the entire Department:

- Ensure affordable, available healthcare that works
- Transform the behavioral healthcare system in Idaho for adults with serious mental illness
- Transform Idaho's healthcare delivery system to promote healthier Idahoans.
- Develop Therapeutic Stabilization and Transition Center
- Implement comprehensive Suicide Prevention Strategies

Comparative Summary: This Department wide summary includes its request alongside the Governor's recommendations. Both requests were for a 12.7 percent increase. Also included was a summary of the Additional Items in the Governor's Revised Recommendations which were not included in Legislative Budget Binder. These items were from the COVID Relief Act which will change those noncognizable funds to supplemental appropriation requests.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

CHILD WELFARE, Dave Jeppesen, Director, and Lori Wolff, Deputy Director; Jill Randolph, LSO Analyst

The Division of Child Welfare has two budgeted programs and is responsible for child protection, foster care, and adoptions. The Child Welfare Program is responsible for the operating costs of the program including personnel, operating, and capital expenditures. The Foster and Assistance Payments Program includes trustee/benefit payments for services or items purchased directly for children in the child welfare system.

Historical Summary: There are two programs in this Division: Child welfare that makes up 56 percent of the total original appropriation and Foster & Assistance Payment that make of 44 percent. These programs receive 31 percent of their funds from the General Fund, 6 percent from dedicated funds and 63 percent from federal funds. The majority of the funds are expended in trustee/benefit payments. Department requested an increase of 10.8 percent from FY 2021 and the Governor's recommendation is for 11.1 percent increase.

Organizational Chart: There was no increase in FTP in this Division's budget request for FY 2022. There are 408.80 FTP and 7.28 vacant FTP positions as of January 6, 2021.

FY 2020 Actual Expenditures by Division detailed the original appropriation, actual appropriation and actual expenditures. 6.8 percent of the original appropriation was reverted; the majority was in their dedicated funding accounting for 63 percent of the total amount reverted.

Comparative Summary: The summary compares the division's request alongside the Governor's recommendation. The analyst noted that the revised recommendation from the Governor moved \$1,724,000 from noncognizable increases into a supplemental request.

FY 2021 Budget had two line items. The first line item was for \$10,696,000 for the final year of the Child Welfare IT System replacement project. The second was for \$369,200 and 5.00 FTP for new social workers in regions 3,4 and 5. The Governor recommended a onetime increase of \$1,724,000 in federal funds. This reflects the amount awarded to the state through COVID Relief Act and will be used in the Foster Care System.

FY 2022 Proposed Budget: There was a nondiscretionary adjustment of \$26,500 for the Federal Medical Assistance Program (FMAP) Adjustment. This federal matching portion, previously 70.41 percent but lowered to 70.21 percent, was recalculated due to Idaho's robust economy.

Alex Adams, Administrator, Department of Finance, provided additional information on this adjustment.

See [Presentation](#) and [Audio](#) here.

AGENCY PRESENTATION: SERVICES for the DEVELOPMENTALLY DISABLED, Dave Jeppesen, Director, and Lori Wolff, Deputy Director; Jill Randolph, LSO Analyst

The Idaho Development Disabilities Services Act authorizes DHW to assume the leadership role for planning and arranging community services for children and adults with developmental disabilities. The regional programs provide monitoring and quality assurance to determine that the consumer has an opportunity for informed choice and that services are implemented in a safe, cost effective, and efficient manner. The Southwest Idaho Treatment Center (SWITC) is a specialized provider of services to the most severely impaired clients in the state.

Historical Summary: There are two budgeted programs in this Division. Community DD Services makes up 68 percent of the appropriation and Southwest Idaho Treatment Center accounts for 32 percent. The total appropriation is in three funds with 42 percent in General Funds, 4 percent in dedicated funds and 54 percent in federal funds. The majority of the expenditure is in Personnel costs.

Organizational Chart: There are 181.96 FTP and 12.96 vacant FTP as of January 6, 2021.

FY 2020 Actual Expenditure Variance Report: There were standard dedications for this division, with transfers between the different programs. Nine percent of the original appropriation was reverted, driven by the dedicated funding which reverted 71.3 percent of its funds.

Comparative Summary: The Division requested a 2.0% increase from the FY 2021 appropriation and the Governor's recommendation was 1.3% across all funds.

FY 2021 Budget: There were no line items requested. There was a noncognizable transfers of 2.0 FTP from SWITC to the Physical Health Services program to support COVID relief efforts.

FY 2022 Proposed Budget: There was a nondiscretionary adjustment of \$16,400 for the FMAP adjustment which is used for federal matching. This was recalculated to a lower amount due to Idaho's robust economy. FY 2021 was 70.41 percent but was lowered to 70.21 percent.

See [Presentation](#) and [Audio](#) here.

AGENCY PRESENTATION: INDIRECT SUPPORT SERVICES, Dave Jeppesen, Director; Jill Randolph, LSO Analyst

Indirect Support Services provides administrative functions for DHW.

Historical Summary: This Division has one budgeted program. Of the total appropriation, 41 percent is General Funds, 7 percent is dedicated funds and 52 percent is federal funds. The majority of the appropriation is in Personnel costs and is 59 percent of the total program.

Organizational Chart: FY 2022 request is for 288.60 FTP. There is a 34.70 vacant FTP as of January 6, 2021..

FY 2020 Actual Expenditures Variance Report: There were typical expenditures, with allowable transfers within the Division. 7.7 percent of the total appropriation was reverted and this was driven by the 12 percent reversion in federal funds.

Comparative Summary: The Division requested an increase of 0.7 percent and the Governor's recommendation was for a 0.3% percent increase.

FY 2021 Budget: There was 1 line item:

- \$147,600 for the relocation of the north Idaho Regional office.

Noncognizable Funds and Transfers: The Division requested \$48,000,000 from the CARES Act funds and the Governor recommended an additional adjustment of \$17,500,000 approved by CFAC:

- Move \$775,200 from personnel costs to operating expenditures within the General Fund.
- Transfer 11.0 FTP to the Physical Health Services program for COVID related relief efforts.
- Transfer 1.00 FTP and \$38,700 from State Hospital West to correct oversight from FY 2021 line item request.

FY 2022 Budget: There were the standard adjustments and no line items requested.

Director Jeppesen answered questions from the Committee.

See [Presentation](#) and [Audio](#) here.

AGENCY

PRESENTATION:

PUBLIC HEALTH SERVICES, Dave Jeppesen, Director
Jill Randolph, LSO Analyst

The Division of Public Health (DPHS) is made up of five programs: Physical Health Services, Emergency Medical Services (EMS), Laboratory Services, Suicide Prevention and Health Care Policy Initiatives. DPHS serve all populations in Idaho regardless of age, resources, or location. These programs and services promote healthy lifestyles and prevention activities while also monitoring for disease and health risks.

Historical Summary: There are five budgeted programs with three fund sources. The total appropriation was divided into those programs as follows:

- Physical Health Services received 84 percent
- Emergency Medical Services received 10 percent
- Laboratory Services received 4 percent
- Suicide Prevention and Awareness received 1
- Health Care Policy Initiatives received 1 percent

Organizational Chart: There is a request for an increase 16.0 FTP, for a total to 254.02 FTP. There are 8.75 vacant FTP as of January 6, 2021.

FY 2020 Actual Expenditures: The following programs were discussed:

- Physical Health Services had a 13.9% reversion of its appropriated funds with majority in federal funds.
- Emergency Medical Services had a 14.5 % reversion of its appropriated funds with the majority in operating expenditures.
- Laboratory Services had a 14.4% reversion of its total appropriation with the majority of reversion in federal funds.
- Suicide Prevention and Awareness had a 17.4% reversion of its total appropriation with the majority of in operating expenditures from the General Fund.
- The Health Care Policy Initiative (which was omitted from the package) had object transfers from personnel costs to trustee/benefit payments. They reverted 40.2% of the total appropriation with the majority in operating expenditures.

Comparative Summary: The summary included two analyst notes pertaining to the Governor's revised recommendations:

1. Moved 180,247,400 from noncognizable increases to a supplemental request and relates to the amount allocated to the state for the COVID relief Act.
2. 1.00 FTP and \$275,000 ongoing from the Cooperative Welfare (General) Fund, of which \$94,700 is in personnel costs and \$180,300 is in operating expenditures for an Alzheimer's Disease Program Coordinator position.

FY 2021 Budget: There were four line items:

- \$1,000,000 in ongoing funding to continue the state funded Home Visitation Program
- \$350,000 to address the fiscal impact for H616
- The transfer of Health Care Policy initiatives from standalone program to budgeted program
- \$200,000 for Project ECHO

Noncognizable Funds and Transfers: The Division requested \$65,660,000 of CARES Act funds. The Governor recommended \$304,705,100 of which \$7,650,000 is allocated by CFAC and \$231,395,100 from the federal COVID Relief Act. Two noncognizable amounts of 1) \$16,000,000 will be used for vaccine, and 2) \$35,000,000 will be used for testing. \$180,000,000 will be moved into a supplemental request.

FY 2022 line item:

- EMS StateComm Receipt Authority request of \$385,100 from Cooperative Welfare dedicated funds to accommodate a change in the MOU with the Idaho Transportation Department (ITD) of the statewide dispatch services provided for ITD.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**SERVICE INTEGRATION, Dave Jeppesen, Director, and Lori Wolff,
Deputy Director; Jill Randolph, LSO Analyst**

The Service Integration focuses on improving customer service to clients and is responsible for 1) promoting coordination across programs; 2) delivering emergency assistance services through a consolidated unit; 3) identifying the services clients are accessing across all divisions and coordinating those services to reduce duplication; and 4) coordinating access to cross-divisional staffing for clients at risk.

Historical Summary: This Division has three fund sources. The General Fund is 12 percent, dedicated funds is 1 percent and federal funds is 87 percent. Personnel Costs account for 39 percent, Operating Expenditures is 5 percent and Trustee/Benefit makes up 56 percent.

Organizational Chart: There are 35.00 FTP. There were no requested additions for FY 2022. There are 00.25 vacant FTP.

FY 2020 Actual Expenditure Variance Report: There were no major changes or shifts throughout FY 2020. The Division reverted a total of 12.7 percent of their appropriation in all funds and object codes. The majority came from federal funds with 13.7 percent of total appropriation reverted.

Comparative Summary: The agency requested a 1.2 percent increase, and the Governor's recommendation came in at 0.7 percent increase.

FY 2021 Budget: There were no line items. The Executive Holdback of \$4,100 was reverted.

FY 2022 Budget Request: There were standard adjustments for this budget, and the Division is requesting a total of \$6,228,000 and the Governor's recommendation is for \$6,196,600.

See [Presentation](#) and [Audio](#) here.

**AGENCY PRESENTATION: DIVISION OF WELFARE, Lori Wolff, Deputy Director
Jill Randolph, LSO Analyst**

Overview: The Division of Welfare, also known as Self-Reliance, provides assistance and support services for eligible families and individuals. There are several programs administered by the division that include: Child Support; Supplemental Nutrition Assistance Program, Child Care; Temporary Assistance for Families in Idaho and Aid to the Aged, Blind and Disabled.

Historical Summary: There are two budgeted programs with 42 percent of the total appropriations in the Self Reliance Operations and 58 percent in Benefit Programs. The General Fund accounts for 26 percent of funding, dedicated funds account for 3 percent and the majority of funding is from federal funds which accounts for 71 percent. The majority of the appropriation by object expenditure is in Trustee/Benefit at 58 percent, and 26 percent in Personnel Costs.

Organizational Chart: FY 2021 Original appropriation total FTP was 618.50. There was no change requested for FY 2022/ There were 25 vacant FTP as of 1/6/2021.

FY 2020 Actual Expenditures Variance Report: There were standard deductions and transfers and the activity was considered typical for this budget. The reverted appropriation was a positive 1.6 percent due to \$5,600,000 transferred into this program from the Public Health Department.

Comparative Summary: There was a change noted in the Noncognizable Funds and Transfer for an increase due to the Revised Recommendation from the Governor. This would move \$58,845,000 from Noncognizable Increase to a supplemental request. This amount reflects the allocation of COVID relief Act that was signed into law on December 27, 2020.

FY 2021 Budget: There were no line items. The executive holdback of \$520,800 was reversed.

Noncognizable Funds and Transfers: Agency requested \$23,264,800:

- Net zero transfer of \$350,000 within the Self-Reliance Operation Program.
- The supplemental appropriation request of \$235,200 to be transferred to the State Hospital South to support the new Syringa Nursing Home Facility.
- \$23,500,000 of CARES Act funding which was used for pass-through childcare provider grants and payments.
- The Governor's recommendation was for \$82,109,800 which included the \$58,845,000 from the COVID Relief Act.

FY 2022 Budget Request: There were standard adjustments for this budget. The agency requested \$167,139,400 and the Governor recommended \$166,605,700.

See [Presentation](#) and [Audio](#) here.

AGENCY LICENSING & CERTIFICATION, Lisa Hettinger, Deputy Director
PRESENTATION: Jill Randolph, LSO Analyst

The Licensing and Certification Division became a new budgeted program in 2013, and is responsible for surveying, inspecting, licensing and certifying health care facilities that require certification of licensure by either state or federal requirements. This Division protects the health and safety of vulnerable people receiving health-related services and support.

Historical Summary: There are three fund sources and of the total appropriation, 28 percent is from General Funds, 11 percent is from dedicated funds and the majority is from federal funds. Personnel costs accounts for the majority of expenditures or 88 percent of the appropriation.

Organizational Chart: FY 2021 original appropriation FTP was 71.90. There were no increases requested for FY 2022. There are 11.00 FTP vacant as of 1/6/2021.

There was one open audit finding report from 2019 which is for uncompleted health and safety surveys of long-term care facilities to ensure compliance with the Medicaid program. **Deputy Director Hettinger** gave a status update and remedies the division is taking to correct this issue.

Actual Expenditure Variance Report: Actual expenditures were typical, but analyst pointed out the net object transfer of \$684,100 into Operating Expenditures (OE) and a net transfer between programs with a \$150,000 transfer into OE as well. This created a positive reversion of 58.5 percent making the overall reversion of the total appropriation just 2.9 percent.

Comparative Summary: The Division requested a 2.3 percent increase from FY 2021 and the Governor recommended a 1.7 percent.

FY 2021 Budget: There were no line items. The executive holdback was reverted. Noncognizable Funds and Transfers a \$103,000 adjustment for the CARES Act funding for the purpose of focused infection control surveys performed on behalf of Centers for Medicare and Medicaid Services.

FY 2022 Budget Request: There were standard adjustments for this budget and no line items requested. The Division requested \$7,796,100 and the Governor recommended \$7,753,200.

See [Presentation](#) and [Audio](#) here.

AGENCY INDEPENDENT COUNCIL, Domestic Violence Council, Heather
PRESENTATION: Cunningham, Executive Director; Jill Randolph, LSO Analyst

Independent Councils include the Developmental Disabilities Council and the Domestic Violence Council. The Domestic Violence Council was established to ensure the availability of assistance for victims of crime, with a focus on programs assisting victims of domestic violence, sexual assault or child abuse.

Historical Summary: There are three fund sources with the majority of the funding from federal funds which makes up 96 percent of the appropriated total. 91 percent of the total appropriation is in trustee/benefits payments. There is a state imposed fee of \$15 for each marriage license and \$20 for each divorce action.

Organizational Chart: Currently there are 5.00 FTP and no vacant positions.

The Director spoke to the six open audits from 2019 and detailed the efforts the Council is taking to clear these audits. There have been changes in staff with new policies and procedures put into place.

FY 2020 Actual Expenditures Variance Report: The expenditures were typical for this agency,. There was a 11.6 percent reversion of the total amount appropriated.

Comparative Summary: The summary covers both programs of the Independent Councils. The Council's request was for an increase of 14.7 percent from FY 2021. The Governor recommended a 14.8 percent increase.

FY 2021 budget: There were three line items:

- 1.0 FTP and \$77,100 for Victims of Crime Act (VOCA) staffing.
- 2,600,000 for use of VOCA funds.
- \$30,000 for missing or murdered indigenous people research.

The Executive holdback of \$11,700 was reversed.

Noncognizable Funds and Transfers adjusts CARES Act funding of \$250,000 which was used for pass through grants to victim services agencies.

FY 2022 Budget Request: There was one line item request:

- DV Council-Grants Supervisor – 1.00 FTP, \$85,200 in on-going personnel costs, and \$2,000 in onetime operating expenditures. The Director gave details for this request.

See [Presentation](#) and [Audio](#) here.

**AGENCY
PRESENTATION:**

**INDEPENDENT COUNCIL, Developmental Disabilities Council, Christine Pisani, Executive Director
Jill Randolph, LSO Analyst**

The Developmental Disabilities Council was established to maintain a central point for cooperation and coordination between the public and private sectors, ensuring that those with developmental disabilities receive the services or other assistance necessary to achieve maximum independence, productivity and integration into the community.

Historical Summary: There is one budgeted program with 22 percent of the total appropriation coming from General Funds, 31 percent from federal funds and 46 percent from dedicated funds. 61 percent of the expenditures is in personnel costs and 35 percent for operating expenditures.

Organizational Chart: There are 6.00 authorized FTP for this division and no vacant positions.

FY 2020 Actual Expenditures Variance Report: The expenditures were typical for this agency. 7.3 percent of the total appropriation was reverted with the majority in dedicated funds.

Comparative Summary: The summary covers both programs of the Independent Councils. The agency's request was for an increase of 14.7 percent from FY 2021. The Governor recommended 14.8 percent increase.

FY 2021 Budget: There were no line times for this Division. Executive holdback of \$11,700 was reverted.

FY 2022 Budget Request: There were no line items requested. The adjustments were the standard adjustments. Agency requested \$14,591,000. Governor recommends \$14,584,400.

See [Presentation](#) and [Audio](#) here.

ADJOURNED: There being no further business before the Committee, **Chairman Bair** adjourned the meeting at 10:27 a.m.

Senator Bair
Chair

Denise B. McNeil
Secretary