

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Thursday, February 11, 2021

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood, Vice Chairman Vander Woude, Representatives Gibbs, Blanksma, Kingsley, Christensen, Lickley, Erickson, Ferch, Mitchell, Chew, Rubel, Davis

**ABSENT/
EXCUSED:** Representative(s) Blanksma, Christensen, Chew

GUESTS: None

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

MOTION: **Rep. Lickley** made a motion to approve the minutes of the February 8 and 9, 2021, meetings. **Motion carried by voice vote.**

Dave Jeppesen, Director, Idaho Department of Health and Welfare (DHW), presented an update on Idaho's COVID-19 vaccinations. Idaho receives both the Pfizer and Moderna vaccines, which are in the mid 90% effective range. Requiring two doses, the second dose is given after three and four weeks, respectively. Both vaccines provide just under 100% hospitalization prevention.

The federal allocation amount is provided weekly to the DHW, who then places orders in conjunction with the Public Health Districts (PHDs) needs. The doses are sent directly from the manufacturer to the providers or the PHDs, with no doses going to the DHW. Because the vaccine requires ultra-cold (Pfizer) or cold (Moderna) storage, the PHDs may store the vaccines for some providers. The providers can only schedule one week of injections at a time and all doses are given by an appointment. The 65+ age group, which opened February 1st, 2021, is a large group in which the demand is exceeding the 25,000 weekly doses received.

The DHW COVID-19 website has been updated to include the original dashboard information regarding the people who have been vaccinated. A tab for provider administration data has been added. The data has been separated to distinguish between residence and where the vaccine was administered, which may be different counties and PHDs.

Within the provider data, the federal retail pharmacy partnership line item refers to the CVS/Walgreens federal contract for administering vaccines to long-term care centers. Because the partnership's allocated amount was more than needed, the unallocated doses have been redistributed to other providers. Including the excess program amount, the weekly allotment is 30,000 doses. Ninety-one percent of the doses received have been administered. There is no intention to mandate this vaccine.

Director Jeppesen proceeded to the presentation of the DHW 2022 FY Budget. He reviewed the DHW mission to promote and protect the health, safety, and independence of Idahoans. The 2021-2025 strategic plan has achieved 56% task completion.

Goal one is to ensure affordable, available healthcare that works, including Medicaid expansion. Pent-up medical costs increased the utilization numbers. The federal medical assistance percentage (FMAP) was increased during the public health emergency. The federal government just announced continuation of the higher FMAP rate into 2022.

Cost containment measures include implementing a new budget-based growth reimbursement methodology for hospitals and nursing facilities. This is anticipated to reflect a \$23M savings for the General Fund and will involve value-based provider contracts.

Answering committee questions, **Director Jeppesen** said the Institution of Mental Disease (IMD) waiver was granted and provides Medicaid paid services without an impact to the General Fund. Other waivers are still under consideration, although the process has stalled due to the pandemic, legal challenges, and the new federal administration. Medicaid expansion data from other states with similar programs are consistent with what Idaho is experiencing. The DHW is working to find ways to measure service quality and provider accountability. Finding Medicaid cost containment avenues is a priority.

Director Jeppesen, responding further, explained the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) is a part of the enhanced FMAP requirements. It stipulates individuals who qualified for Medicaid prior to the pandemic must be retained on the program, unless they choose to leave or move out of the state. The DHW is in the process of communicating with these Idahoans to let them know they have the option to switch to the general market. The normal, budgeted FMAP rate of 70.21% has a line item recognizing the FMAP increase for 2021, its general fund reduction, and the federal fund authority increase. With the newly announced FMAP increase extension to 2022, a resulting change will be made to reflect the increase to approximately 76%, with a further General Funds reduction. This change is not in the legislative budget book or Governor's recommendation.

Matt Wimmer, Administrator, Division of Medicaid, DHW, was invited to answer questions. He said providers are expressing concerns surrounding their direct-care workforce. Funding in 2020 helped providers set up the Electronic Visit Verification (EVV) program, which is moving forward in its implementation. There has not been a decline in providers with the EVV use requirement. The Medicaid expansion comparison states include Montana, Washington, Oregon, and Nevada, which all expanded Medicaid before Idaho.

Director Jeppesen described goal two, which is the protection of children, youth, and vulnerable adults. The agency is requesting \$297k in personnel costs from the Cooperative Welfare Fund to hire one physician with a psychiatric specialty for State Hospital South. With the opening of State Hospital West for adolescents, the vacated wing at State Hospital South will be converted to adult high-risk patients. All other staffing in the wing will use existing full-time personnel (FTP).

The Child Welfare Transformation Project has made significant progress. The building and statewide deployment of the Ensuring Safety and Permanency in Idaho (ESPI) child welfare information system was completed on time, within scope, and on budget. Idaho is expected to be the first state in the nation to have a fully certified, functioning, compliant, and comprehensive Current Child Welfare Information System (CCWIS). These improvements have already shown significant reductions in safety assessment time frames and case backlogs.

The Southwest Idaho Treatment Center's (SWITC's) new long-term system of care treatment model project has identified unused funding sources, authorities, best practices, oversight, and service locations for this population with developmental disabilities and complex needs. Over the next few years, the existing service delivery at SWITC will be replaced by assessment observation, a step-down unit, and additional community provider capacity. Legislative and federal approval will be sought for the new remodeled facilities and the different service model. The State will transition from using SWITC as a state-operated intermediate care facility for individuals with intellectual disabilities. The new treatment model will feature a robust continuum of care for the population at SWITC.

Director Jeppesen, in response to questions, said the \$10M Child Welfare budget decrease resulted from the Child Welfare Transformation Project. The decreased foster care asset payments amount reflects the lower number of children entering foster care during 2020, a result of the pandemic. Federal dollars have been used to help stabilize workforce individuals at SWITC. Wage increases are needed throughout Medicaid. Recommendations will be coming to the legislature in future sessions.

Goal three, explained **Director Jeppesen**, is to help Idahoans become as healthy and self-sufficient as possible. A recent Operations of Performance Evaluation (OPE) report reviewed the Alzheimer's and dementia situation in Idaho, indicating a lack of any statewide coordinated approach for prevention, services, and help for caregivers. As a result of the report, the Governor added to his budget recommendation funding one full-time person (FTP) and operating costs to put together a statewide approach for this growing patient population.

Director Jeppesen, answering committee questions, agreed prevention is the best cure for health and behavioral health (BH) challenges. Social health determinates based on zip code is more predictive than genetic code. Statewide addressing of social determinants has included multiple private and non-profit parties to make investments in community plans to improve the underlying factors to help Idahoans live healthier lives. The Idaho BH Council is tasked to review the BH system from promotion, prevention, to treatment, where are the systemic gaps and how to allocate resources for prevention and promotion across the state. Although delayed by the pandemic, a recommendation will be presented in June to the courts, Governor and legislature on how to tackle the BH system in Idaho. Preventative services through ACES to measure childhood traumatic events which have been shown to lead to adult BH and life consequences. Expanded preventive home visiting programs address early family intervention to curb adverse childhood issues.

The suicide rates, although high, have not increased during the pandemic. In response to a question regarding determining a completed suicide, **Chairman Wood** asked **Elke Shaw-Tulloch** to provide the criteria used by the coroner to the committee.

Continuing his presentation, **Director Jeppesen** described goal four, which is to strengthen the public confidence in the DHW. Medicaid expansion and the Institution of Mental Disease (IMD) waiver allow state hospitals to bill Medicaid for services for committed adults. State Hospital South, which is licensed and accredited, has begun billing Medicaid services, with a resulting general fund savings of \$3M. State Hospital North, in order to bill Medicaid, must maintain its current licensure and receive national accreditation. This will require facility improvements and increased staff. A one-time transfer has been requested of \$2,394,400 from the State Hospital South's IMD savings to State Hospital North to achieve the accreditation. The impact of both hospitals billing Medicaid will be a General Fund savings of approximately \$4.5M.

Other budgeted requests are based on federal requirements and include Electronic Visitation Verification (EVV) ongoing system costs of \$190k, patient access and interoperability ongoing costs of \$360k, and Medicaid managed care accountability and auditing costs of \$212k. The Governor's recommendation included \$450k for Recovery Community Center Support as a one-time item for substance abuse treatment for adults in recovery.

Answering questions, **Ross Edmunds**, Administrator, BH, DHW, said each recovery center can determine if they include teens with their programs. There are a few in-patient adolescent treatment facilities in Idaho. Medicaid must use a facility licensed as a Psychiatric Residential Treatment Center (PRTF), most of which are out of state.

Committee questions revealed the dedicated funds increase from \$300M in 2020 to \$500M for 2022 pertains to Medicaid receipts and nursing facilities, **Chairman Wood** requested a more detailed breakdown of the differences from **Lisa Hettinger**, Deputy Director, DHW.

ADJOURN: There being no further business to bring before the committee, the meeting adjourned at 10:38 a.m.

Representative Wood
Chair

Irene Moore
Secretary