

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE:	Wednesday, February 09, 2022
TIME:	9:00 A.M.
PLACE:	Room EW20
MEMBERS:	Chairman Wood (Critchfield), Vice Chairman Vander Woude, Representatives Gibbs, Blanksma, Kingsley, Christensen, Lickley (Schutte), Erickson, Ferch, Mitchell, Chew, Rubel, Burns
ABSENT/ EXCUSED:	Representative(s) Gibbs, Blanksma, Christensen
GUESTS:	The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library. Chairman Vander Woude called the meeting to order at 9:00 a.m.
	Dave Jeppesen , Director, Department of Health and Welfare (DHW), presented the DHW budget update. With eight divisions under the guidance of three deputy directors, the DHW helps Idahoans live their best lives. One of the challenges is the recruitment and retention of employees. There are four strategic plan goals. 1) Ensure affordable, available healthcare that works. 2) Protect children, youth, and vulnerable adults. 3) Help Idahoans become as healthy and self-sufficient as possible. 4) Strengthen the public's trust and confidence in the DHW. Weekly reviews of the strategic plan include objective accountability.
	The shift to paying for healthcare outcomes continues with the implementation of Healthy Connections. Improving the foster care time-to-permanency placement includes help at the onset to allow the best recovery with diminished disruption and trauma. The customer experience project has already produced an improved customer effort score. Reducing Idaho suicide deaths by 20% by 2025 requires everyone's involvement. Although 2021 saw an increase in suicide deaths over 2020, July to December of 2022 saw a 7% decrease. Responding to questions, Director Jeppesen stated one suicide is too many. Last year 25k individuals were trained in suicide prevention from among the schools, first responders, and medical providers. There is an increased attention to prevention and suicide contagion.
	Director Jeppesen then presented the DHW budget items, stipulating he would not include the one pass through and zero dollar items. The Division of Family and Community Services (FACS) faces both staffing challenges and foster family recruitment and retention. Recent steps to pay bonuses and overtime through an exemption from the Division of Human Resources (DHR) have helped retain staff. A review of best use of their licensed personnel has revealed incidental areas where other staff can help social workers. The budget requests provide recruitment and retention bonuses, 24 additional child welfare full time personnel (FTP) and a 7% change in employee compensation (CEC). Idaho pays the lowest foster care rate of any state. The budgeted foster care rate increase brings Idaho up to the median payment range for this care.

Answering a question, **Director Jeppesen** said foster families are monitored very closely to assure the payment is not a perverse incentive. The CEC 7% increase request does not include the state employee 3% CEC request. This increase combats the 20% pay increase ex-employees have reported receiving elsewhere.

With the help of an advisory panel there will be a new treatment model for those Idahoans served at the South West Idaho Treatment Center (SWITC). This is in response to a previous Office of Performance Evaluation (OPE) report. The new model includes an assessment observation unit to help those who are in crisis and need stabilization. It also has a step-down unit to help individuals transition back into their communities. Specific treatment for conditions such as autism have shown a need for a private provider within the community.

The budget requests include a supplemental request to build assessment and step-down facilities on the SWITC campus. The requested SWITC recruitment and retention bonuses are a targeted 7% CEC, which is in addition to the state employee 3% CEC. The current Immediate Care Facility (ICF) licensure requires changing to address the individuals housed at SWITC. The new model will be a Medicaid model and allow ongoing management.

Director Jeppesen explained, in response to questions, the ICF for Individuals with Intellectual Disabilities (ICF/ID) license is used for a residential treatment model. It does not cover the new service model where the individual has different levels of acuity to help them get back into the community.

SWITC patients have difficult behaviors and staff injuries do occur. The current facilities have blind corners, which will be improved with the new facility design. This will improve staff safety. The one-time supplemental bonus use will include a requirement the employees stay for a year. The CEC will be the long-term strategy for both recruitment and retention.

The proposed Division of Welfare one-time investments are for the low-income home energy assistance program, low-income household water assistance program and the Idaho Child Care Program (ICCP). The fragile child care network was destabilized during COVID-19 and the additional requested funds will provide stabilization, increased eligibility and program continuation through 2023. The Weatherization Assistance Program budget item requests one-time federal dollars.

The Child Care Development Funds (CCDF) assist community partners, such as the boys and girls clubs, for children aged five to thirteen. These grants are based on the organization's size and used for programs to keep kids at their learning levels after school or during the summer. The Child Care Stabilization Fund (CCSF) provides grants to child care providers at set monthly amounts to be used for infrastructure, supplies, staff retention, and recruiting bonuses. The program also provides increased eligibility for families qualified for the ICCP. The facilities have to meet the state or local licensing requirements, they have to be operating, and there is a signed agreement with acknowledgement of audits. There is no financial review.

Answering further, **Director Jeppesen** said the Governor has recommended an appropriation of \$50k through the Work Force Development Council for one-time funding to expand and stabilize Idaho's day care system. Facilities accepting ICCP individuals have a quality standard. The DHW does not have the authority to implement a statewide child care facility quality standard.

The Division of Medicaid has signed value-based payment agreements with eleven Idaho value-care organizations. Provider rate reviews without rate increases has created a provider network instability. A comprehensive review of annual provider rates has been implemented to prioritize rate adjustments. These focuses will provide a stable and vibrant provider network for Medicaid participants.

Rural Idaho needs the capacity to pay differential Medicaid provider rates. This requires a one-time system implementation cost of approximately \$800k (90% of which is paid by federal partners) with additional on-going staffing costs for the implementation (with 50% paid by federal partners).

Home and Community Based Services (HCBS) providers for developmental disabilities, residential rehabilitation, personal assistance, assisted living, medical services, and hospitals have not received a rate increase in four to nine years. The in-home services they provide keep their clients out of institutional settings. The requested funds are all federal money due to the current PHE additional 10% Federal Medical Assistance Percentages (FMAP). When HCBS funds run out there will be ongoing funding requirements. To cover this ongoing need, legislation is coming forth this session to increase the hospital assessment rate.

In reply to questions, **Director Jappesen** said Idaho is one of the few states with an effective Certified Family Home (CFH) Program. Giving CFHs a rate increase is on the DHW priority list for the next fiscal year. Rural differential pay rates are expected to be developed in conjunction with providers, who are hoping to get to the \$15 to \$20 hourly range.

The Medicaid Management Information System (MMIS) budget requests include a contract support increase and federally required system changes.

The PHE extension and subsequent FMAP increase of 6.2% has led to a reversion of \$109M back to Idaho. Another \$37M is expected to be reverted with the FMAP extension to another quarter. The ongoing supplement shows an anticipated reduction in federal funds due to the lower forecast for Medicaid Expansion spending.

Director Jeppesen, answering questions, explained the extra FMAP came with the condition to retain existing Medicaid participants unless they move out of state, die, or request to come off of the program. There are 108k individuals who remain but may no longer qualify. The federal partners have said they will provide 60-days' advance notice when the PHE will end to allow time for participant eligibility determinations.

The new Divisions of Management Services and Information Technology have two budget line items for modernization of the Criminal History Unit and the Cloud. This will address increased demand, delays, processing backlogs, and customer service.

The Idaho Behavioral Health Council's recommendations to improve the behavioral health system are noted by budget items for Idaho's connection to the 988 National Suicide Prevention Lifeline, Certified Community Behavioral Health Clinics, and Recovery Support Centers. The 988 set up includes connectivity to a variety of existing statewide 911 systems.

Mental health services budget items provide start-up grants for three facilities to become Psychiatric Residential Treatment Facilities (PRFTs) and Qualified Residential Treatment Programs (QRTPs). This will allow Idaho kids to stay in Idaho for treatment services.

The Division of Public Health is requesting one-time investments for COVID-19 response efforts and the development and implementation of a public health infrastructure. Three FTP are being added to help respond to the high volumes of requests for vital records.

Responding to questions, **Director Jeppesen** said the DHW is addressing the OPE report staffing inadequacies by requesting 24 FTPs. Currently there are approximately 400 open DHW positions. A review of lessons learned during the pandemic is planned to help with any similar future situations.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 10:35 a.m.

Representative Vander Woude
Chair

Irene Moore
Secretary