

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Friday, March 04, 2022
TIME: 8:00 A.M.
PLACE: Room C310
MEMBERS: Senators Co-chairman Agenbroad, Crabtree, VanOrden (Bair), Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash
**ABSENT/
EXCUSED:** Senator Crabtree

Co-Chairman Youngblood called the meeting to order at 7:59 a.m.

Co-Chairman Agenbroad introduced the Committee's Senate Page, **Shyanne Richardson**, who is from Rigby, Idaho. **Co-Chairman Youngblood** introduced the Committee's House Page, **Samuel Wakefield**, who is from Mountain Home, Idaho.

Ms. Janet Jessup, Senior Analyst, LSO Budget & Policy Analysis, presented an overview of the Idaho Millennium Fund FY 2023 budget. She explained the Idaho Millennium Fund has a slightly different budget than other similar funds, as the monies go to multiple different agencies in the State.

MOTION: **Sen. Ward-Engelking** made a motion, seconded by **Rep. Syme**, for FY 2023, for the Idaho Millennium Fund, \$900,000 for the State Treasurer to be provided to Recovery Idaho and Recovery Idaho shall distribute equally to each of the nine recovery community centers for operational support, \$500,000 for Public Health Districts for educational materials and equipment to be distributed equally, and \$310,000 for Idaho Public Television for the production of smoking and vaping prevention and cessation content. The totals for this motion for FY 2023 are \$1,710,000 from dedicated funds. This motion includes all funding as onetime and the appropriation bill shall reflect the purposes identified in this motion.

Sen. Ward-Engelking stated the Millennium Fund Committee voted unanimously to put more money toward tobacco prevention efforts. She noted vaping is an increasing problem for Idaho youth. IPTV is developing promotional strategies for social media and educational materials for classrooms.

**VOTE ON
MOTION:** **Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED. AYES: 18.** Agenbroad, Grow, Woodward, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Crabtree, Lent.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Mr. Jared Tatro, Deputy Division Manager, LSO Budget & Policy Analysis, presented an overview of the Public Health Districts FY 2023 budget. The Public Health Districts have been receiving tobacco cessation funding since the inception of the Millennium Fund. The Public Health Districts are the lone remaining state program that provides direct cessation services from the tobacco settlement funds. The Joint Legislative Millennium Fund Committee voted unanimously to have these funds retained with the Public Health Districts for continued cessation programming for those desiring to cease tobacco use; these monies will be placed in the Department of Health and Welfare's Public Health appropriation, alongside other Millennium Funds. Mr. Tatro explained these monies have been appropriated under a different budget bill, so it is necessary to zero out this budget.

MOTION: **Sen. Riggs** made a motion, seconded by **Rep. Amador**, for FY 2023, for the Public Health Districts, the removal of \$779,100 from dedicated funds as these monies have been transferred and included in the Department of Health and Welfare's Division of Public Health Services appropriation. This motion completes the move of appropriation for the Public Health Districts for FY 2023.

Sen. Ward-Engelking explained the Millennium Fund Committee felt it was important for these funds to stay with the Public Health Districts because those agencies offer one-on-one cessation services, which are not available anywhere else.

VOTE ON MOTION: **Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED. AYES: 18.** Agenbroad, Grow, Woodward, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Crabtree, Lent.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Jill Randolph, Senior Analyst, LSO Budget & Policy Analysis, presented the FY 2023 original budget for the Division of Service Integration in the Department of Health and Welfare. Service Integration is responsible for promoting coordination across programs in the Department of Health and Welfare, identifying the services clients are accessing across all divisions and coordinating those services to reduce duplication of efforts and coordinating access to cross divisional staffing for clients at risk of high costs or more complicated service needs.

MOTION: **Sen. VanOrden** made a motion, seconded by **Rep. Amador**, for FY 2023, for Service Integration, 35.00 FTP, \$756,100 from the General Fund, \$69,500 from dedicated funds, and \$5,560,500 from federal funds, for a grand total of \$6,386,100, which includes personnel benefit and replacements costs and change in employment compensation.

VOTE ON MOTION: **Motion carried by a vote of 17 AYES, 0 NAYS, 3 ABSENT/EXCUSED. AYES: 17.** Agenbroad, Grow, Woodward, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 3.** Crabtree, Lent, Horman.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented a FY 2022 supplemental request from Child Welfare for Foster Care payments. The department requested a care rate increase for FY 2023; this supplemental provides funding for the last quarter of FY 2022. The rate increase would range between 30 and 60 percent, depending on the age of the child.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Nash requested and it was granted by unanimous consent, the FY 2022 budget for the Division of Child Welfare was reopened.

MOTION:

Rep. Nash made a motion, seconded by **Sen. Cook**, for FY 2022, for the Foster and Assistance Payments Program, an additional \$821,100 onetime from the Cooperative Welfare (General) Fund and \$704,700 onetime from the Cooperative Welfare (Federal) Fund, for a total onetime trustee and benefit payment increase of \$1,525,800.

Rep. Nash observed foster care families are in crisis and need immediate help. He expressed appreciation to Department of Health and Welfare and the Governor's Office for recommending the rate increases for foster care families.

**VOTE ON
MOTION:**

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.

AYES: 18. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Crabtree, Horman.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented the Child Welfare FY 2023 budget. The Division of Child Welfare has two budgeted programs and is responsible for child protection, foster care, and adoptions.

MOTION:

Rep. Nash made a motion, seconded by **Sen. Cook**, for FY 2023, for the Division of Child Welfare, 434.80 FTP, \$36,607,600 from the General Fund, \$243,500 from dedicated funds, and \$59,789,900 from federal funds, for a grand total of \$96,641,000, which includes personnel benefit and replacements costs, change in employment compensation, nondiscretionary adjustments, and line items.

Rep. Nash stated the challenges for this division are well known. He expressed appreciation for the agency and members of the Joint Finance-Appropriations Committee (JFAC) for ensuring programs run smoothly and children in Idaho are in safe care.

**VOTE ON
MOTION:**

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED.

AYES: 18. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Crabtree, Horman.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Nash requested and it was granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

SECTION __. EDUCATIONAL NEEDS. The Department of Health and Welfare shall be responsible for the educational needs of school-age children placed in its custody by the courts for either child protective issues or mental health issues. If the department places a child in a licensed residential treatment facility that includes a nonpublic accredited school and it is determined by the department that it is in the best interests of the child to be educated at the residential treatment facility, then it is the responsibility of the department to pay for such education per student, per educational day. Other Idaho state agencies shall not be precluded from exercising their responsibility to ensure a free and appropriate education for these students within the requirements of federal disability law. The fiscal impact of this section is included within existing department base appropriations.

SECTION __. CHILD ABUSE PROTECTION TREATMENT ACT FUNDS. Of the amount appropriated in Section 1 of this act from the Cooperative Welfare (Federal) Fund, a minimum of \$42,000 of federal Child Abuse Protection Treatment Act (CAPTA) funds appropriated to the Department of Health and Welfare shall be provided to the Public Health Districts each year. Funds for each public health district shall be distributed at one-seventh (1/7) of the total amount, which shall be used for the Citizen Review Panels pursuant to Section 16-1647, Idaho Code.

Ms. Randolph explained the new section of intent language, which prohibits the transfer of personnel costs to any other object code, either within the division or within the Department of Health and Welfare.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Nash requested and it was granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

SECTION __. TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the personnel costs expense class in the Division of Child Welfare shall not be transferred to any other budgeted program or expense class within the Department of Health and Welfare during fiscal year 2023.

Ms. Randolph presented a FY 2022 supplemental request from the Division of Services for the Developmentally Disabled for the Southwest Idaho Treatment Center (SWITC) remodel. She explained the agency requests a total of \$13,150,000 onetime from the General Fund. The amount will fund the following: \$961,000 for the demolition of several existing buildings; \$5,091,000 for a new Step-Down Unit; \$5,902,000 for a new Observation and Assessment Unit; and \$1,196,000 for a 10% contingency as is standard with large construction projects. The buildings to be demolished have not been used for several years and are beyond repair for habitation or office space. The new buildings will be new care settings which have been recommended by the SWITC Advisory Board and will replace the current Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID). The agency asserts that individuals with developmental disabilities and complex mental health needs are currently served in an improper treatment model and care setting which does not treat their complex needs.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Amador requested and it was granted by unanimous consent, the FY 2022 budget for the Department of Health and Welfare's Division of Services for the Developmentally Disabled was reopened.

MOTION: **Rep. Amador** made a motion, seconded by **Sen. VanOrden**, for FY 2022, for the Southwest Idaho Treatment Center, an additional \$13,150,000 onetime from the Cooperative Welfare (General) Fund for the purpose of remodeling SWITC.

Rep. Amador stated this motion is the outcome of reports and recommendation to improve treatment for those Idaho citizens with the most needs.

Sen. Cook explained his opposition to this motion but expressed his utmost respect for the employees of SWITC.

VOTE ON MOTION: **Motion carried by a vote of 15 AYES, 4 NAYS, 1 ABSENT/EXCUSED. AYES: 15.** Agenbroad, Woodward, Riggs, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Green, Nash. **NAYS: 4.** Grow, Lent, Cook, Nate. **ABSENT/EXCUSED: 1.** Crabtree.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented a FY 2022 supplemental request from the Division of Services for the Developmentally Disabled for SWITC personnel recruitment and retention.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Amador**, for FY 2022, for the Southwest Idaho Treatment Center, an additional \$65,000 onetime from the Cooperative Welfare (General) Fund for the purpose of recruitment and retention of staff.

VOTE ON MOTION: **Motion carried by a vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED. AYES: 19.** Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 1.** Crabtree.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented the FY 2023 budget for the Division of Services for the Developmentally Disabled in the Department of Health and Welfare. This division has two separate budgeted programs. First is Community Developmental Disability Services, which provides the state's leadership role for planning and arranging community services for children and adults with developmental disabilities and persons who are disabled prior to age 22 due to environmental, genetic or health factors. The second budgeted program is the Southwest Idaho Treatment Center (SWITC), which provides specialized provider services to the most severely impacted clients in the state. SWITC serves only those clients with no other placement option due to severe behavioral or medical issues.

MOTION: **Sen. Lent** made a motion, seconded by **Rep. Amador**, for FY 2023, for Services for the Developmentally Disabled, 303.71 FTP, \$16,415,300 from the General Fund, \$1,425,300 from dedicated funds, and \$18,538,400 from federal funds, for a grand total of \$36,379,000, which includes personnel benefit and replacements costs, change in employment compensation, nondiscretionary adjustments, and line items.

In response to a committee question, **Ms. Randolph** explained this appropriation funds the staffing for crisis beds. When a client is placed in a crisis bed, the State is unable to bill Medicaid for those services. DHW is seeing a higher rate of clients needing these enhanced service beds, hence the request for additional funding.

VOTE ON MOTION:

Motion carried by a vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED.
AYES: 19. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 1.** Crabtree.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented a FY 2022 supplemental request from the Indirect Support Services Division of Department of Health and Welfare. Ms. Randolph explained the agency requested this supplemental appropriation to move to a web-based criminal history background check system, similar to those utilized in 14 other states. The agency asserts this move from the legacy system will improve customer service and program efficiency.

UNANIMOUS CONSENT REQUEST:

Sen. VanOrden requested and it was granted by unanimous consent, the FY 2022 budget for the Department of Health and Welfare's Division of Indirect Support Services was reopened.

MOTION:

Sen. VanOrden made a motion, seconded by **Rep. Nash**, for FY 2022, for Indirect Support Services, an additional \$85,000 onetime from the Cooperative Welfare (General) Fund and an additional \$255,000 from the Cooperative Welfare (Federal) Fund, for a grand total of \$340,000.

VOTE ON MOTION:

Motion carried by a vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED.
AYES: 19. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 1.** Crabtree.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented a FY 2022 supplemental request from Indirect Support Services for IT cloud modernization. By moving to the cloud, the agency asserts it will better leverage on-site IT support staff, eliminate physical site visits, and better streamline the agency's workload.

MOTION:

Sen. Cook made a motion, seconded by **Rep. Nash**, for FY 2022, for Indirect Support Services, an additional \$220,000 from the Cooperative Welfare (General) Fund and an additional \$280,000 from the Cooperative Welfare (Federal) Fund, for a grand total of \$500,000.

VOTE ON MOTION:

Motion carried by a vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED.
AYES: 19. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 1.** Crabtree.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented the FY 2023 budget for Indirect Support Services in the Department of Health and Welfare (DHW). The Indirect Support Services Division provides administrative functions for DHW, including the Office of the Director, Office of Legal Services, Office of Human Resources, Division of Information Systems and Division of Management Services, which includes Financial Services, Bureau of Compliance and Bureau of Acute Operational Services.

MOTION:

Sen. VanOrden made a motion, seconded by **Rep. Amador**, for FY 2023, for Indirect Support Services, for FY 2023, 287.60 FTP, \$20,472,700 from the General Fund, \$3,484,200 from dedicated funds, and \$30,047,500 from federal funds, for a grand total of \$54,004,400, which includes personnel benefit and replacement costs and change in employment compensation.

VOTE ON MOTION:

Motion carried by a vote of 19 AYES, 0 NAYS, 1 ABSENT/EXCUSED.

AYES: 19. Agenbroad, Grow, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 1.** Crabtree.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented the sections of intent language associated with this budget.

UNANIMOUS CONSENT REQUEST:

Sen. VanOrden requested and it was granted by unanimous consent, to accept the following intent language.

INTENT LANGUAGE:

SECTION __. MEDICAID TRACKING REPORT. The Department of Health and Welfare's Division of Medicaid and Division of Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

SECTION __. CRIMINAL HISTORY UNIT REPORT. The Department of Health and Welfare's Division of Indirect Support Services shall deliver a report that outlines the obligations of the criminal history unit within Idaho Code. The format of the report and the information included therein shall be determined by the Legislative Services Office Division of Budget and Policy Analysis.

Ms. Randolph presented an overview of the Independent Councils FY 2023 budget. She explained the two councils within the division. The Developmental Disabilities Council was established to ensure those with developmental disabilities receive the services or other assistance necessary to achieve maximum independence, productivity and integration into the community. The Domestic Violence Council was established to ensure the availability of assistance for victims of crime, focusing on programs assisting victims of domestic violence, sexual assault, or child abuse.

MOTION:

Rep. Nash made a motion, seconded by **Sen. Riggs**, for FY 2023, for Independent Councils, for FY 2023, 12.00 FTP, \$520,500 from the General Fund, \$598,400 from dedicated funds, and \$23,102,300 from federal funds, for a grand total of \$24,221,200, which includes personnel benefit and replacements costs, change in employment compensation, and line items.

VOTE ON MOTION:

Motion carried by a vote of 16 AYES, 2 NAYS, 2 ABSENT/EXCUSED. AYES: 16. Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Green, Nash. **NAYS: 2.** Giddings, Nate. **ABSENT/EXCUSED: 2.** Crabtree, Grow.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented the Licensing and Certification FY 2023 budget. Licensing and Certification Service inspects and certifies health care facilities that require such certification or licensure by either state or federal requirements. The program investigates complaints, conducts onsite surveys, and takes appropriate licensure action to protect the health and safety of vulnerable people receiving health-related services and support in Idaho.

MOTION:

Sen. Lent made a motion, seconded by **Rep. Nash**, for FY 2023, for the Division of Licensing and Certification, 71.90 FTP, \$2,192,200 from the General Fund, \$928,300 from dedicated funds, and \$5,062,700 from federal funds, for a grand total of \$8,183,200, which includes personnel benefit and replacement costs and change in employment compensation.

VOTE ON MOTION:

Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED. AYES: 18. Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Crabtree, Grow.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

UNANIMOUS CONSENT REQUEST:

Sen. Lent requested and it was granted by unanimous consent, to accept the following intent language.

INTENT LANGUAGE:

SECTION __. REPORTS ON FACILITY LICENSING AND CERTIFICATION. The Licensing and Certification Program shall provide biannual reports to the Legislative Services Office and the Division of Financial Management on the status of facility licensing and certifications as well as staff workload and caseload issues. The format of the report and the type of information included therein shall be determined by the Legislative Services Office and the Division of Financial Management. The first report shall be submitted no later than December 31, 2022, and the second report shall be submitted no later than June 30, 2023.

Ms. Randolph presented a FY 2022 supplemental request from Division of Medicaid for Medicaid Management Information Systems (MMIS) development. The department requested \$1.2M to begin the planning requirements and design phase of their MMIS IP system. The agency uses this system to coordinate with providers and make payments, as well as to create audits for federal partners to comply with federal standards.

UNANIMOUS CONSENT REQUEST:

Sen. Cook requested and it was granted by unanimous consent, the FY 2022 budget for the Division of Medicaid was reopened.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Amador**, for FY 2022, for the Medicaid Administration and Medical Management Program, an additional \$120,000 onetime from the Cooperative Welfare (General) Fund and \$1,080,000 onetime from the Cooperative Welfare (Federal) Fund, for a grand total of \$1,200,000.

VOTE ON MOTION: **Motion carried by a vote of 18 AYES, 0 NAYS, 2 ABSENT/EXCUSED. AYES: 18.** Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash. **NAYS: 0. ABSENT/EXCUSED: 2.** Crabtree, Grow.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented a FY 2022 supplemental request from Division of Medicaid for managed care provider enrollment. The Division of Medicaid requests a total of \$2,294,300 to conform to CMS rules (CMS-2408- F), which requires states to enroll providers directly into the Medicaid Management Information System (MMIS). The Division of Medicaid contracts with managed care vendors to administer and pay for behavioral health, dental, vision, non-emergency medical transportation, and other services. The actual provider of the service is enrolled with the managed care vendor, but not always with the MMIS. This lack of connection causes a risk that managed care data will not match state provider data for federal reporting purposes. The agency asserts this funding is needed quickly to remove an administrative burden on Medicaid providers and to remain in compliance with the managed care regulatory framework.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Amador**, for FY 2022, for the Medicaid Administration and Medical Management Program, an additional \$229,400 onetime from the Cooperative Welfare (General) Fund and \$2,064,900 onetime from the Cooperative Welfare (Federal) Fund, for a grand total of \$2,294,300.

VOTE ON MOTION: **Motion carried by a vote of 16 AYES, 2 NAYS, 2 ABSENT/EXCUSED. AYES: 16.** Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Green, Nash. **NAYS: 2.** Giddings, Nate. **ABSENT/EXCUSED: 2.** Crabtree, Grow.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph presented the Division of Medicaid FY 2023 budget. The Division of Medicaid contains five separate programs. The Medicaid Administration and Medical Management Program oversees and manages provider payments and includes the personnel costs for the division. Basic Medicaid serves mainly children and pregnant women in average health; Enhanced Medicaid serves those with complex medical needs. Coordinated Medicaid serves those over 65 years who are duly eligible for both Medicaid and Medicare. Expansion Medicaid serves those who make under 138% of the federal poverty limit.

MOTION: **Rep. Amador** made a motion, seconded by **Sen. VanOrden**, for FY 2023, for the Division of Medicaid, 213.00 FTP, \$830,051,800 from the General Fund, \$440,330,900 from dedicated funds, and \$2,774,326,300 from federal funds, for a grand total of \$4,044,709,000, which includes personnel benefit and replacement costs, change in employment compensation, nondiscretionary adjustments, and line items.

Rep. Amador stated several of the line items are related to KW lawsuit settlement, which requires a greater array of services to individuals with developmental disabilities. He also explained although this appropriation funds several provider rate increases with Covid-related dollars, pending legislation in **S 1350** is intended to supplement the provider rate increases for the next several years.

SUBSTITUTE MOTION: **Rep. Nate** made a substitute motion, seconded by **Rep. Giddings**, for FY 2023, for the Division of Medicaid, 213.00 FTP, \$825,835,100 from the General Fund, \$434,030,900 from dedicated funds, and \$2,586,754,200 from federal funds, for a grand total of \$3,846,620,200, which includes personnel benefit and replacement costs, change in employment compensation, nondiscretionary adjustments, and line items.

Rep. Nate spoke to his motion. He asserted the federal government cannot sustain these programs and questioned the need for provider rate increases.

Rep. Nash compared the original and substitute motions. He stated the substitute motion only included provider rate enhancements required under a lawsuit settlement. He noted other line items zeroed out in the substitute motion are required by federal law; by not funding these items, the State is liable in future lawsuits. He further noted the provider rate enhancements help the state's rural hospitals stay in business, because the rural hospitals do not experience the same volume of patients as urban hospitals. He concluded by stating **S 1350** provides rate increases to providers using federal funds instead of the General Fund, thus alleviating a burden to state taxpayers.

VOTE ON SUBSTITUTE MOTION: **Motion failed by a vote of 2 AYES, 16 NAYS, 2 ABSENT/EXCUSED. AYES: 2.** Giddings, Nate. **NAYS: 16.** Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Green, Nash. **ABSENT/EXCUSED: 2.** Crabtree, Grow.

VOTE ON ORIGINAL MOTION: **Motion carried by a vote of 16 AYES, 2 NAYS, 2 ABSENT/EXCUSED. AYES: 16.** Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Ward-Engelking, Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Green, Nash. **NAYS: 2.** Giddings, Nate. **ABSENT/EXCUSED: 2.** Crabtree, Grow.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

Ms. Randolph explained the intent language necessary to approve for this motion/budget.

UNANIMOUS CONSENT REQUEST: **Sen. Amador** requested and it was granted by unanimous consent, to accept the following intent language.

**INTENT
LANGUAGE:**

SECTION __. MEDICAID TRACKING REPORT. The Department of Health and Welfare's Division of Medicaid and Division of Indirect Support Services shall deliver a report that compares the Medicaid appropriation, distributed by month for the year, to the actual expenditures and remaining forecasted expenditures for the year on a monthly basis to the Legislative Services Office and the Division of Financial Management. The report shall also include a forecast, updated monthly, of the next fiscal year's anticipated trustee and benefit expenditures. The format of the report and the information included therein shall be determined by the Legislative Services Office and the Division of Financial Management.

SECTION __. TRANSFER OF APPROPRIATIONS. Notwithstanding the provisions of Section 67-3511, Idaho Code, funding provided for the trustee and benefit payments expense class in the Division of Medicaid may be transferred in excess of ten percent (10%) among the Coordinated Medicaid Plan, Enhanced Medicaid Plan, Basic Medicaid Plan, Expansion Medicaid Plan, and the Medicaid Administration and Medical Management Programs, but shall not be transferred to any other budgeted program or expense class within the Department of Health and Welfare during fiscal year 2023.

SECTION __. MEDICAID MANAGED CARE IMPLEMENTATION. The Division of Medicaid shall provide a report to the Legislative Services Office and the Division of Financial Management on progress in integrating managed care approaches into the state Medicaid system. The format of the report and information contained therein shall be determined by the Legislative Services Office and the Division of Financial Management. The report shall be submitted no later than December 1, 2022.

SECTION __. COST-SHARING REQUIREMENT. The Department of Health and Welfare shall implement cost-sharing in the Division of Medicaid, as required by Section 56-257, Idaho Code, to the maximum extent that is federally allowable for the expanded population of children whose families gross taxable income exceeds one hundred eighty-five percent (185%) but does not exceed three hundred percent (300%) of the federal poverty limit (FPL), for Medicaid-eligible services as identified in House Bill No. 43, as enacted by the First Regular Session of the Sixty-fourth Idaho Legislature.

SECTION __. BUDGET INTEGRITY. Notwithstanding any other provision of law to the contrary, and consistent with its cost containment strategy, the Department of Health and Welfare's Division of Medicaid shall submit its budget request in accordance with applicable Idaho law as of the date of submission. This section does not prohibit the agency from making requests of the Legislature that would impact any portion of the department's budget. However, any proposed changes to Idaho Code with an anticipated budgetary impact shall be identified in narrative form only, without numerical entries. Further, the department shall submit its budget request based on the forecasted amount for the most recent month available from the report identified in Section 6 of this act and for the estimated needs of maintaining operations of the division.

Ms. Frances Lippitt, Analyst, LSO Budget & Policy Analysis, explained the Capitol Commission FY 2023 cash transfer. This cash transfer is standard practice and was inadvertently omitted from the FY 2023 budget approved by JFAC on February 28, 2022.

UNANIMOUS CONSENT REQUEST: **Sen. Cook** requested and it was granted by unanimous consent, the FY 2023 budget for the Capitol Commission was reopened.

MOTION: **Sen. Cook** made a motion, seconded by **Rep. Horman**, that there is hereby appropriated and the Office of the State Controller shall transfer \$250,000 from the Capitol Maintenance Reserve Fund to the Capitol Commission Operating Fund on July 1, 2022, or as soon thereafter as practicable, for the period July 1, 2022 through June 30, 2023.

VOTE ON MOTION: **Motion carried by a vote of 16 AYES, 0 NAYS, 4 ABSENT/EXCUSED. AYES: 16.** Agenbroad, Woodward, Lent, Riggs, Cook, VanOrden (Bair), Nye, Youngblood, Seegmiller (Troy), Horman, Amador, Syme, Bundy, Giddings, Nate, Green. **NAYS: 0. ABSENT/EXCUSED: 4.** Crabtree, Grow, Ward-Engelking, Nash.

The majority having voted in the affirmative, the motion has passed and without objection will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Chairman Youngblood**.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:24 a.m.

Representative Youngblood
Chair

Alyson Jackson
Secretary