

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Monday, February 09, 2026

TIME: 3:00 P.M.

PLACE: Room WW54

MEMBERS PRESENT: Chair VanOrden, Vice Chair Bjerke, Senators Harris, Zuiderveld, Lenney, Shippy, Blaylock, Keyser, and Wintrow

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chair VanOrden** called the meeting of the Senate Health and Welfare Committee (Committee) to order at 3:06 p.m.

MINUTES APPROVAL: **Senator Lenney** moved to approve the Minutes of January 21, 2026. **Senator Wintrow** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Vice Chair Bjerke** moved to approve the Minutes of January 22, 2026. **Senator Shippy** seconded the motion. The motion carried by **voice vote**.

PRESENTATION: **Aging Issues in Idaho. Karianne Fallow**, State Director, AARP Idaho, presented information on aging issues in Idaho (Attachment 1). **Ms. Fallow** highlighted the following information:

- Demographics of AARP members.
- Key issues for Idaho residents over the age of 50, including:
 - a. Caregiving
 - b. Fraud and Scams

Additionally, **Ms. Fallow** offered to provide the Committee data on their constituents aged 50 and older.

DISCUSSION: **Senator Wintrow** asked how state leaders could support AARP's efforts. **Ms. Fallow** stated many policy makers had supported bills that helped protect older individuals from fraud. She added one of the most impactful things a policy maker could do was try to navigate their city in a wheelchair.

Senator Blaylock asked how AARP educated their members on new scams and fraud. **Ms. Fallow** explained AARP worked with members and the Attorney General to host events, send digital information, and mail information about emerging scam and fraud trends. Additionally, AARP worked with law enforcement to address scams and fraud.

PRESENTATION: Idaho Department of Health and Welfare (IDHW) Program Integrity.

Juliet Charron, Director, IDHW presented information regarding IDHW Program Integrity (Attachment 2). **Director Charron** highlighted the following:

- Proactive program integrity and creating a culture of compliance.
- Opportunities for improvement in IDHW compliance programs and compliance staff within IDHW.
- Actions already taken to increase compliance and program integrity.
- Actions planned to increase compliance and program integrity, including a standardized training on fraud, waste and abuse for all IDHW staff in February 2026.
- Implementing impact reviews for all IDHW contracts, grants, and programs.
- Cases of fraud investigations and recoveries for FY 22 through FY 25.
- The Self-Reliance Integrity Unit cases and recoveries for FY 22 through FY 25.
- Review of the Idaho Child Care Program.
- Medicaid participant and provider fraud, waste, and abuse.
- Budget enhancement requests related to program integrity.

DISCUSSION:

Senator Lenney asked for information on the dedicated staff for the child care program and stated there was an accountability shortfall. He requested information on collaboration between IDHW and the Idaho Tax Commission for conducting audits. Additionally, he noted the State was paying millions of dollars to child care facilities that were not registered with the Secretary of State. **Senator Lenney** asked where the tax revenue from these businesses was and who was tracking the facilities and their profits. **Director Charron** explained the child care program had a dedicated team of four staff however, those staff were not dedicated exclusively to program integrity. She agreed that there needed to be strong and clear requirements codified regarding which child care businesses needed to register with the Secretary of State. **Director Charron** stated the information on Transparent Idaho showed large amounts of money and acknowledged that the amounts appeared alarming. She explained that it was important to understand where the funds were coming from and to account for American Rescue Plan Act (ARPA) funds. IDHW was working on a comprehensive spreadsheet to assess the funding streams of all 775 providers, their tax information, and fund recovery. When IDHW issued a 1099 form there was a collaborative investigation in partnership with the Idaho Tax Commission on larger corporations and their tax files. She concluded this situation provided a timely example of the clarity needed regarding requirements for child care providers and stated IDHW hoped to work with the Legislature to strengthen requirements. **Senator Lenney** stated he appreciated that these issues were on IDHW's radar. He clarified that 97.4 percent of daycares reviewed so far were compliant and asked of the 775 how many had been reviewed to date. **Director Charron** explained approximately 200 had received on-site, in-person audits. She explained the 775 providers were risk-stratified to determine which providers received on-site reviews. Providers that were recently audited by IDHW and were found compliant would receive a desk audit unless there was reason for an on-site audit.

Senator Zuiderveld referenced the community partner grant audit in 2023 which exposed \$10 million in fraudulent use of funds. She asked where the focus on program integrity stemmed from and how many programs needed to be audited. **Director Charron** explained while she was working for IDHW in 2023 she was overseeing the Medicaid program. Therefore, she could not speak to the specifics of the community partner grant program audit but was aware there was a corrective action plan in place to address the fraud. She stated every employee at IDHW was dedicated to ensuring funding was going to the correct places. The team was excited to have additional resources to assist in auditing because in the past they were only able to assess a fraction of the 775 providers in a year. **Director Charron** clarified that there was a considerable amount of work required to complete a full fraud investigation, prove fraud, and give the case to prosecution. She elaborated that the team was investigating Medicaid fraud as well which could influence other programs. **Senator Zuiderveld** asked how funds were recovered and how those funds were reallocated. **Director Charron** explained funds were recovered through administrative authority using various avenues, or if the violation was criminal it was referred to prosecution. Once the prosecution process was completed the IDHW team would set up a plan to recover funds. When funds were recovered the financial team ensured the recovered funds were returned to the correct account. **Senator Zuiderveld** asked if there was a report on the IDHW website where audit findings and fund recoveries were available. **Director Charron** stated there was not currently a report available. However, the IDHW financial team would be happy to review the information internally with the senator.

Senator Blaylock stated she appreciated the work IDHW had done and Ms. Charron's focus on program integrity. She explained it was important to recover improperly used funds but also important taxpayers were able to see what funds were recovered. **Senator Blaylock** stated Idaho recovered 0.05 percent of what was spent in the Medicaid program last year. Other states were averaging 0.3 to 0.5 percent in fraud recoveries. She questioned why CMS was consulting Idaho when we were behind other states in fund recovery. Additionally, she asked if Center for Medicare and Medicaid Services (CMS) was providing any tools that could help Idaho achieve the desired results. **Director Charron** agreed there was more work to be done on fund recovery and program integrity. There were only 16 staff to oversee a \$5 billion program therefore with additional contractor resources to complete data mining and investigations the fraud, waste, and abuse investigations would be more successful. To address the question regarding CMS she explained Idaho was a smaller Medicaid state and was open to trying new processes. The work with 2025 H 62 and Director Charron's background in compliance were also reasons Idaho was invited to the table. **Director Charron** concluded IDHW was proud to be invited to the table and hoped there would be results to show for the federal partnership.

Senator Blaylock asked if the childcare program citations from the single audit conducted as a result of federal grant money had been addressed. **Director Charron** stated there were areas that had been addressed and pieces in progress. There were also pieces that required assistance from the State Controller's Office related to LUMA. She affirmed her goal was to move away from reacting to audit findings and towards preventing fraud and abuse from occurring.

Senator Lenney stated there were accountability gaps and asked if there were solutions being considered to ensure the gaps were addressed. **Director Charron** explained there were automated solutions put in place to address a number of compliance concerns in the past several years. She stated there were additional audit tools that could be helpful; however, IDHW had not done necessary research to make a request for funding or begin the bidding process. Staff were attempting to vet the tools available and come up with creative solutions as IDHW was cognizant of the current budget situation. There was likely technology that could be leveraged to reduce cost in the long term. She added that IDHW was cautiously exploring the use of Artificial Intelligence.

ADJOURNED: There being no further business at this time, **Chair VanOrden** adjourned the meeting at 4:26 p.m.

Senator VanOrden
Chair

Madyson Crea
Secretary