

MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, February 10, 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 3:01 p.m.

MINUTES APPROVAL: **Senator Blaylock** moved to approve the Minutes of January 26, 2026. **Senator Keyser** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Keyser** moved to approve the Minutes of January 27, 2026. **Senator Zuiderveld** seconded the motion. The motion carried by **voice vote**.

GUBERNATORIAL APPOINTMENT: **Committee Consideration of the Gubernatorial Appointment of Juliet Charron of Boise, Idaho, as the Director of the Department of Health and Welfare to serve a term commencing September 15, 2025. Juliet Charron** stated she was grateful for the opportunity to lead her team and honored to be appointed by the Governor to this role. She reviewed her profession background with the Committee including:

- Four years as the Idaho Medicaid Division Administrator.
- Two years as the Chief Strategy Officer at the Texas Health and Human Services Commission.
- Two years as the Director of Results Management at the Texas Health and Human Services Commission.
- Two years as the Senior Advisor to the Texas State Medicaid Director.
- Three years at the University of Arizona Health Plans in multiple roles including Government Program Manager and Compliance Program Manager

Director Charron explained her time working in the private sector for a managed care organization exposed her to the business side of healthcare. This taught her how to be a good steward of funds and run a lean business. In Arizona she experienced how a well-developed and administered Medicaid program was ran and she carried the lessons she learned over to her work in Texas and Idaho.

Director Charron outlined her education. She received a Bachelors in public policy and planning with a minor in economics from the University of Oregon were she decided to pursue health policy in order to make meaningful impacts in communities on a macro scale. She went on to earn her Masters in public health with a focus on health policy and rural health from the University of Arizona.

Director Charron stated during her time as the Idaho Medicaid Division Administrator she strengthened fiscal oversight and ensured budget information was transparent for the public. She facilitated the creation of educational

materials for stakeholders and the public on how Medicaid operates and how the budget was administered. She implemented robust data driven decision making processes in the Medicaid program to curb inappropriate utilization of services. Finally, she improved coordination between Medicaid and other programs within IDHW to mitigate duplication of work and coverage benefits between programs, strengthened the relationship between child welfare and Medicaid, saved general funds in the child welfare program and behavioral health, and stood up the Magellan contract.

Director Charron shared some of her guiding principles with the Committee. These included questioning the status quo, questioning the proper role of government and of IDHW in public programs, clearly defining ROI for any program or contract, advancing operational efficiency, and a focus on foundational pillars such as program integrity.

Director Charron outlined her priorities as Director for the next year including:

- Program Integrity.
- Ensure clarity on real outcomes of programs administered by IDHW.
- Further code review, creating suggestions for program refinement, and potentially recommending to sunset additional programs.
- Better leveraging the natural intersections between divisions to drive operational efficiency.
- A continued emphasis on child welfare, upholding the commitment made to the public.
- Address outstanding lawsuits, some of which were over a decade old.
- Great customer service for those IDHW serve, but also taxpayers, and work to rebuild public trust in areas it had been lost.

DISCUSSION:

Senator Blaylock thanked Director Charron for the work she had done so far. She remarked that Director Charron had a lot of priorities, all of which Senator Blaylock supported. She asked if there was a measurable outcome Director Charron could provide that the Committee could reference in two years. **Director Charron** explained while she had many priorities the majority of them intersect and worked together. She stated in the next year with the support of the Legislature and some resources she was confident the funds recovered from waste, fraud, and abuse could be six million. Additionally, IDHW was on track to double the number of foster homes in Idaho. **Senator Blaylock** stated the Committee would hold Director Charron accountable to those outcomes and asked how Director Charron balanced the compassion required to run a department handling health and personal issues with being fiscally responsible. **Director Charron** explained program integrity work was in service of compassion for the most needy and vulnerable. **Senator Blaylock** asked for information on the December single audit findings and who was held responsible for the findings. **Director Charron** stated eighteen findings were reviewed by the executive leadership team and all eighteen findings resulted in a corrective action plan. She explained no staff were terminated and the majority of the findings resulted from system failures.

Senator Wintrow asked how Director Charron planned to promote more collaboration, communication, and partnerships with the disabled community. She added the goal was to model that Idaho's services were in collaboration with the disability community, not for them. **Director Charron** acknowledged that she outlined a number of priorities and there were many more projects, efforts, and initiatives she had not listed that were important. She explained that working in partnership with the disability community was not something she viewed as an initiative because it should be a part of everyday work. **Director Charron** added that working with the disability community was essential when making process improvements, system changes, and benefit changes.

Vice Chair Bjerke asked Director Charron how she could influence the over all healthcare system in the US, which he viewed as broken. **Director Charron** acknowledged that Idaho currently had a lot of influence at the national and federal level. She explained one of her goals was to keep Idaho at the table and involved in shaping federal policy.

PRESENTATION: **Idaho Department of Health and Welfare Budget. Juliet Charron**, Director of Idaho Department of Health and Welfare (IDHW), presented information on IDHW Budget (Attachment 1). **Director Charron** explained that the slide deck was lengthy and in the interest of time she would focus on the Medicaid budget. **Director Charron** reviewed the following for FY 2026:

- \$107.2 million request for Supplemental Population Forecast Adjustment.
- \$61.4 million one time decrease for Medicaid Provider Rate Adjustment to account for the rate reduction and ending some behavioral health services.

DISCUSSION: **Senator Wintrow** stated that \$61 million in the 4 percent rate reduction was a large amount. She noted the Democratic party held a public forum where over 100 people testified. **Senator Wintrow** asked what direct impacts IDHW saw with the 4 percent rate reduction and whether there were any concerns going forward. **Director Charron** explained the majority of concern was related to the discontinued behavioral health services. There was also confusion about changes to prior authorization for therapy services. **Sasha O'Connell**, Division of Medicaid Director, IDHW, explained a federally required public comment period was held regarding the rate reductions and IDHW received the most public comments than they had ever experienced during this period. Concerns included home and community-based services and smaller providers. IDHW met federal requirements for access monitoring, however, staff were working on an internal access monitoring report that was more detailed. **Senator Wintrow** stated she was concerned the continued rate cuts would decrease access to services and harm individuals. **Ms. O'Connell** explained this was an opportunity for IDHW to collect more information. Particularly on home and community-based services by conducting annual cost surveys and auditing a portion of the surveys. This would better inform future decisions and provide more information to the Legislature regarding the program.

PRESENTATION: **Director Charron** reviewed the line item requests for FY 2027 and the following supplemental requests:

- \$102,721,300 one-time for Medicaid Management Information System Procurement
- \$2,496,600 for an Estate Recovery System Contractor
- \$935,000 for Medicaid Program Integrity Contract Expansion
- \$198,700 for Division of Purchasing - Medicaid Staff
- -\$1,085,700 of Ongoing General Fund Reduction
- \$91,704,600 for PFA - Medicaid Caseload Maintenance
- \$34,766,800 for PFA - Medicaid Cost Based Maintenance
- \$3,522,600 for PFA - Mandatory Pricing Maintenance
- \$257,128,100 for PFA - Utilization Maintenance
- -\$84,812,200 reduction of Medicaid Provider Rate Adjustment
- -\$67,000,000 for Medicaid Reductions

DISCUSSION: **Senator Blaylock** asked if there was any additional information on a potential co-pay for pharmacy to offset how much money was spent on pharmacy. **Director Charron** explained as part of 2025 H 345 IDHW was directed to pursue the maximum allowable cost sharing for Medicaid services. These changes were currently being implemented. **Ms. O'Connell** stated IDHW can charge up to an \$8 co-pay per prescription for drugs not on the preferred drug list. All other prescriptions would have a \$4 co-pay because IDHW pursued the highest rate approved in any other state as directed by H 345. **Senator Blaylock** asked if there was an estimate of how much would have been saved if cost sharing was implemented last year. **Ms. O'Connell** stated IDHW would see if those numbers could be calculated.

Senator Zuiderveld asked if IDHW saw increased caseloads for the expansion plan due to individuals moving from other plans or whether individuals on the expansion plan were moving to other plans. She asked how the caseloads were affected and questioned if the increased caseloads for the expansion plan was impacting other plans. **Director Charron** explained individuals did not often move from other plans to the expansion plan or vice versa. She explained there was movement in the coverage of low-income pregnant women. **Director Charron** stated Medicaid was an entitlement program. Therefore, if individuals qualified, they were entitled to the benefits of the program authorized by the state or by the federal government. The cost curve for the expansion plan had been quite steep for the last several years and was finally starting to level off. That was not to say there was no growth. However, there was much less growth than what was demonstrated historically. **Senator Zuiderveld** requested information on how the recovery program funds were distributed among programs and plans. **Director Charron** explained any individual who enrolled in Medicaid could have started on expansion, or be on the long-term care plan. Typically, individuals over age 55 may be on the long-term care plan, but there could be members who were on expansion. If there were long-term care services the State was covering, then the function of estate recovery would apply.

Director Charron thanked the Committee for their questions and stated that she and her team were always available to address any further questions from the Senators.

ADJOURNED: There being no further business at this time, **Chair VanOrden** adjourned the meeting at 4:25 p.m.

Senator VanOrden
Chair

Madyson Crea
Secretary