

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Thursday, March 23, 2023
TIME: 2:00 PM (TIME CHANGE)
PLACE: Room C310
MEMBERS PRESENT: Senators Co-Chairman Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon, Ward-Engelking, Just
Representatives Co-Chairman Horman, Miller, Bundy, Raybould, Furniss, Handy, Lambert, Petzke, Tanner, Nash

**ABSENT/
EXCUSED:** None

Co-Chairman Horman called the meeting to order at 2:07 p.m.

Ms. Jill Randolph, Principal Analyst, LSO Budget & Policy Analysis, presented the motions to reconsider the FY 2024 appropriation for the Division of Medicaid.

UNANIMOUS CONSENT REQUEST: **Rep. Raybould** requested, and it was granted by unanimous consent, to reconsider the FY 2024 original appropriation for the Division of Medicaid.

MOTION: **Rep. Raybould** made a motion, seconded by **Sen. VanOrden**, for the Division of Medicaid, beginning with the approved appropriation from March 22, 2023, to remove line item 56 for cost-containment implementation and add line item 57 for the **HCR 9** trailer appropriation for \$500,000 onetime from the Millennium Income Fund. For FY 2024, this motion includes \$856,366,900 from the General Fund, \$675,844,100 from dedicated funds, and \$3,007,706,000 from federal funds, for a total of \$4,539,917,000, and caps the full-time equivalent positions at 213.00.

SUBSTITUTE MOTION: **Rep. Furniss** made a substitute motion, seconded by **Sen. Cook**, for the Division of Medicaid, beginning with the approved appropriation from March 22, 2023, to add line item 57 for \$500,000 from the Millennium Income Fund as a trailer appropriation to **HCR 9**. For FY 2024, this motion includes \$857,259,400 from the General Fund, \$675,844,100 from dedicated funds, and \$3,009,033,700 from federal funds, for a total of \$4,542,137,200, and caps the full-time equivalent positions at 213.00.

Co-Chairman Horman put the committee at ease at 2:12 p.m.

Co-Chairman Horman resumed the meeting at 2:14 p.m.

AMENDED SUBSTITUTE MOTION: **Rep. Nash** made an amended substitute motion, seconded by **Sen. Just**, for the Division of Medicaid, beginning with the approved appropriation from March 22, 2023, to change line item 55 for disenrollment reduction to a reduction of \$337,000 from the General Fund and a reduction of \$663,000 from federal funds for a total reduction of \$1,000,000 and remove line item 56 for cost-containment implementation. For FY 2024, this motion includes \$907,375,200 from the General Fund, \$675,344,100 from dedicated funds, and \$3,108,057,700 from federal funds, for a total of \$4,690,777,000, and caps the full-time equivalent positions at 213.00.

Rep. Nash explained his motion is based on a motion submitted in a previous JFAC meeting. This motion reduces the likelihood of a nine-figure supplemental appropriation for Medicaid next year. Rep. Nash also stated he did not intentionally exclude the **HCR 9** trailer from this motion.

In response to a committee question, **Rep. Nash** stated his preference to give the Division of Medicaid the necessary resources to implement cost containment. He claimed the private sector would staff 50-100 claims analysts; the Division of Medicaid has two claims analysts. None of the three motions gives the division the necessary resources. Without the necessary resources, Rep. Nash prefers to maintain the status quo.

**ROLL CALL
VOTE ON
AMENDED
SUBSTITUTE
MOTION:**

Amended substitute motion failed by a vote of 3 AYES, 17 NAYS, 0 ABSENT/EXCUSED. Senators voting in favor of the motion: Ward-Engelking, Just. Senators voting in opposition to the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams, Herndon. Representatives voting in favor of the motion: Nash. Representatives voting in opposition to the motion: Horman, Miller, Bundy, Raybould, Furniss, Lambert, Tanner, Petzke, Handy.

Rep. Furniss stated his motion allows the division to study cost containment while also appropriating nearly \$2.5M to hire 25 claims analysts to manage costs. He asserted Idaho is one of the few states not using managed care practices for Medicaid.

Rep. Nash pointed out **HCR 9** is a study to implement managed care. The fastest state to implement managed care in Medicaid is Oklahoma. The Oklahoma Legislature enacted Medicaid managed care in 2020 and is only now implementing changes in 2023. Rep. Nash stated once the Idaho Legislature directs the Division of Medicaid to implement managed care, it will be three to five years before the state realizes cost savings.

**ROLL CALL
VOTE ON
SUBSTITUTE
MOTION:**

Substitute motion failed by a vote of 8 AYES, 12 NAYS, 0 ABSENT/EXCUSED. Senators voting in favor of the motion: Burtenshaw, Lent, Cook, Adams, Ward-Engelking, Just. Senators voting in opposition to the motion: Grow, Bjerke, VanOrden, Herndon. Representatives voting in favor of the motion: Furniss, Nash. Representatives voting in opposition to the motion: Horman, Miller, Bundy, Raybould, Lambert, Tanner, Petzke, Handy.

**ROLL CALL
VOTE ON
ORIGINAL
MOTION:**

Original motion carried by a vote of 13 AYES, 7 NAYS, 0 ABSENT/EXCUSED. Senators voting in favor of the motion: Grow, Bjerke, Burtenshaw, Lent, Cook, VanOrden, Adams. Senators voting in opposition to the motion: Herndon, Ward-Engelking, Just. Representatives voting in favor of the motion: Horman, Miller, Bundy, Raybould, Petzke, Handy. Representatives voting in opposition to the motion: Furniss, Lambert, Tanner, Nash.

The majority having voted in the affirmative and without objection the legislation will carry a **DO PASS** recommendation. There being no objection, it was so ordered by **Co-Chairman Horman**.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 2:29 p.m.

Representative Horman
Chair

Alyson Jackson
Secretary