

November 2023

# STATE OVERSIGHT OF IDAHO'S HEALTH INFORMATION EXCHANGE

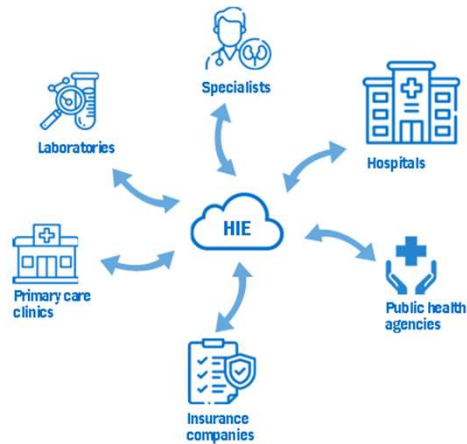
Presentation to JFAC

Sasha O'Connell, Principal Evaluator  
Ryan Langrill, Principal Evaluator



## What is a health information exchange?

Health information exchanges (HIEs) allow participating users to access health records electronically.



INTRODUCTION



## What led to our evaluation?

Idaho's HIE, the Idaho Health Data Exchange, filed for bankruptcy in August 2022.

We received a request to evaluate state oversight of the exchange in March 2023.



INTRODUCTION



3

## We used a mixed-methods approach with data from several independent sources.

- Academic and nonprofit research
- National surveys
- Federal agencies
- Interviews
- Court documents
- State agencies



INTRODUCTION



4

## INTRODUCTION

# DESIGNING A HEALTH INFORMATION EXCHANGE

## DEFINING AND OVERSEEING AGREEMENTS

## CONTRACT MANAGEMENT

## NATIONAL LANDSCAPE AND FUTURE OF THE EXCHANGE



We found a lot of confusion about the state's role with the Idaho Health Data Exchange, Inc.

Some legislators described it as a **quasi-governmental** entity.

The exchange seemed to view itself as a **private company**.

Health and Welfare described the state as just having a **contract to access data** on the exchange.





## The exchange was not treated like other private vendors, it had a special relationship with the state from the beginning.

A former Health and Welfare staff member became the exchange's first director.

Commissioners were the first board members of the exchange.

Health and Welfare shared an office, equipment, and supplies with the exchange.

Health and Welfare's director was on the exchange's board.

As the exchange became more independent, the state lost these informal mechanisms of accountability.

Idaho Code required the commission to "monitor" Idaho's HIE, but never included an enforcement mechanism and never defined the exchange as separate from Health and Welfare.



Board turnover, decision to be less involved in operations

Started using out-of-state consultants for management in 2019

“ I don't even recognize the Idaho Health Data Exchange. It looks totally different.

– director of a neighboring state HIE



## Idaho Code treats nonprofit corporations created by government officials like any other nonprofit.

The exchange is fundamentally different from other nonprofits because it was created by **public officials** for a **public purpose** and relied on significant **public funding**.

Yet it has less transparency than a public entity. The exchange is not subject to the Public Records Act, Open Meetings Law, Ethics in Government Act, and other sections of Idaho Code related to bribery and corruption.



## Accountability to the public faded because nonprofit corporations have lower transparency requirements than government entities.

Nonprofit corporations need to provide no or limited information about

- meetings
- contracts
- financials
- employees and independent contractors



## Accountability to the public faded because nonprofit corporations have lower transparency requirements than government entities.

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
CAPITOL HEALTH ASSOCIATES LLC 24115 HUNTERS TRAIL LANE ALDIE, VA 20105	HEALTHCARE CONSULTATION	1,518,370
BRILIENT LLC 7615 JEFFERSON BLVD FORT WAYNE, IN 46804	MANAGEMENT CONSULTATION	289,130
PARAMOUNT CONSULTING SOLUTIONS LLC 1894 E WILLIAM STREET 4-316 CARSON CITY, NV 89701	CONSULTING	269,361
JOSHUA SLEN, 5500 MOUNTAIN ROAD STOWE, VT 05672	CONSULTING	200,700
GIVENS PURSLEY PO BOX 2720 BOISE, ID 83701	LEGAL	136,977
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization		7

Form 990 (2020)

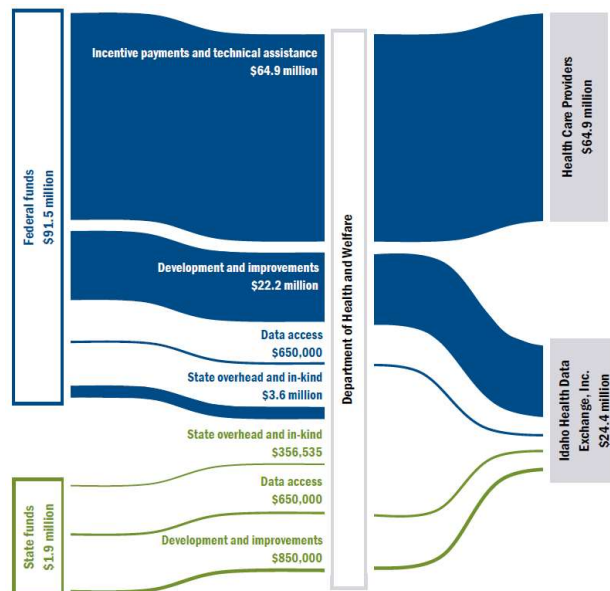


### DESIGNING A HEALTH INFORMATION EXCHANGE

13

The Legislature never appropriated funding to the exchange. Since 2006, Health and Welfare has requested and received appropriations that it used for work related to the exchange.

**\$93.3 million** was invested by Health and Welfare for the development, promotion, and use of the exchange.



### DESIGNING A HEALTH INFORMATION EXCHANGE

14



## Policy consideration

The Legislature should consider mechanisms to increase transparency of any new public-private partnerships like the exchange.



## Policy consideration

The Legislature should consider clarifying **what authority** public officials have to create nonprofits and other corporate entities to carry out public work.





**INTRODUCTION**

**DESIGNING A HEALTH INFORMATION EXCHANGE**

**DEFINING AND OVERSEEING AGREEMENTS**

**CONTRACT MANAGEMENT**

**NATIONAL LANDSCAPE AND FUTURE OF THE EXCHANGE**



**After creating the Idaho Health Data Exchange, Inc., the state treated the exchange like it had a monopoly for data access.**

Since 2009, Health and Welfare has had a **\$100,000** annual contract to **access data** on the exchange.

Health and Welfare requested a **sole source exemption from competitive procurement laws** for the data access contract.

...an outcomes through investment in health...  
...division of Medicaid access to the health data...  
...Medicaid beneficiaries, which supports the...  
...The FY2009 2011... C... 1... 1...

...enabling payers and providers to securely...  
...state. There is currently no other service that...  
...these purposes.



## Health and Welfare used its limited procurement exemption for much larger contracts to improve the exchange.

From 2008 until 2014, Health and Welfare developed and improved the exchange using agreements called **subawards**, which

have more federal transparency requirements than contracts, and are not subject to procurement laws like contracts are.

Then in 2015, Health and Welfare started to use **contracts** to pay more than **\$22 million** for improvements to the exchange that were **not covered under its procurement exemption** for data access.



## The scope creep from the procurement exemption is concerning for several reasons.

**Other vendors** may have been able to build a better exchange or done so more efficiently with public dollars.

The state's special relationship with the exchange, including the procurement exemption, gave the exchange **disproportionate bargaining power** in contract negotiations.





## Recommendation

**Health and Welfare and the Department of Administration should take steps to prevent scope creep in procurement exemptions.**



**Health and Welfare likely would have benefitted from external oversight of its contracts with the exchange.**

Because of the procurement exemption, Health and Welfare **did not have help** from the Department of Administration when there were contract disputes.

Inappropriate for Health and Welfare to administer its own multimillion-dollar noncompetitive contracts with an untransparent vendor

that was **created by** a Health and Welfare commission and for many years had Health and Welfare **officials on its board**.





## Recommendation

**The Department of Administration should review policies about administering contracts that are exempt from procurement.**



**INTRODUCTION**

**DESIGNING A HEALTH INFORMATION EXCHANGE**

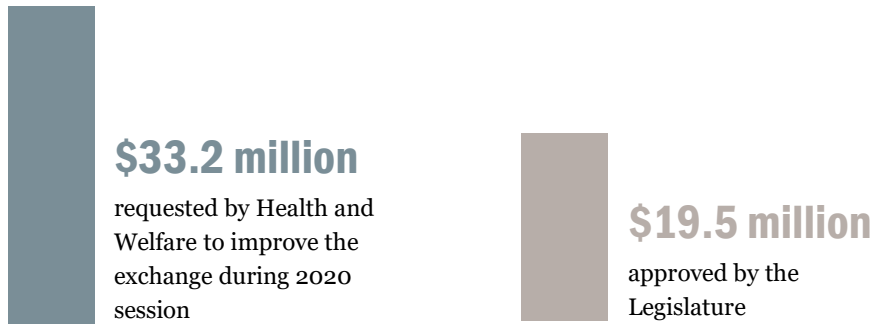
**DEFINING AND OVERSEEING AGREEMENTS**

**CONTRACT MANAGEMENT**

**NATIONAL LANDSCAPE AND FUTURE OF THE EXCHANGE**



In 2020, Health and Welfare made its largest single budget request to improve the exchange. Funding was made available through **the federal SUPPORT Act**.



CONTRACT MANAGEMENT

25

Because the state

designed the exchange as a nonprofit corporation with less transparency than government,

did not create a clear oversight mechanism for that corporation,

pursued contracts instead of subawards that would have required more transparency,

did not go through the competitive procurement process, and

did not have external oversight of its contracts,

**strong contract negotiation and management were essential.**



CONTRACT MANAGEMENT

26

## The state's special relationship with the exchange led to loose contracts that Health and Welfare staff later found to be insufficient.

Health and Welfare staff described the SUPPORT Act contract as “front-loaded” with

14 project charters x \$100,000 each

15 communication plans x \$100,000 each



CONTRACT MANAGEMENT

27

## The exchange quickly started falling behind on work and not meeting other federal requirements.

The exchange **violated contract provisions** several times by entering in to subcontracts without approval, even before SUPPORT Act funding was appropriated.

Health and Welfare sent the first performance monitoring citations in March 2020.



CONTRACT MANAGEMENT

28

## When Health and Welfare staff tried to require more transparency, its relationship with the exchange deteriorated.

The exchange's new management consultants were able to push back because of **disproportionate bargaining power**.

### **SAM vendor clearance**

management consultants formally removed, but we found still paid at least **\$2.2 million**

### **financial audits**

reported to IRS submitting **10**, but we found **only 1 submitted** from 2015



TRANSPARENCY



## The exchange filed for bankruptcy after being sued by a subcontractor for withholding pass-through payments from Health and Welfare.

The subcontractor sued the exchange for breach of contract, breach of implied good faith and fair dealing, and fraud in September 2021.

The court ordered the Ada County Sheriff to **seize \$790,000** from the exchange, then the exchange filed for bankruptcy.

### IV. CONCLUSION

For the reasons set forth above, Plaintiff's Application for Prejudgment Writ of Attachment is GRANTED. Plaintiff has shown a reasonable likelihood of success on the merits that Defendant owes Plaintiff \$788,544 for amounts invoiced but unpaid on amended SOW 2 and amended SOW 3, and that Defendant has not paid this sum despite repeated requests to do so, and that such sum has been advanced to Defendant by DHW. The amount for which the attachment will issue in this action is for the sum of \$788,544.00. Prior to attachment, Plaintiff shall furnish a bond, pursuant to Idaho Code § 8-503(a), payable in lawful money of the United States in the sum of \$262,848.00. Such bond shall be furnished before the writ specified in this order will issue. The writ of garnishment must be served on Defendant and must be satisfied out of Defendant's property, including any and all accounts or bank accounts where such money is held or can be found. The funds that are sought to be attached must be deposited with the Court



The exchange reported that it could not pay all the claims owed to creditors under liquidation.

The bankruptcy court approved a 5-year plan for the exchange to **pay 25 percent of claims owed** to creditors, including subcontractors who worked on the SUPPORT Act contract with Health and Welfare.



## **IT experts at Health and Welfare did not believe there was sufficient documentation that the exchange met data security requirements.**

### **September 2020**

The exchange asserted that it met federal requirements. An IT expert working for CMS **disagreed**, so did Health and Welfare's IT architect, chief information officer, chief information security officer and other staff.

### **October 2021**

Health and Welfare found that a **third-party attestation** arranged by the exchange was sufficient evidence and **released the final \$630,000** in payments.

- late certification of attestation
- conflict of interest
- arranged by the exchange, against CMS advice







## Recommendation

**Health and Welfare should regularly require proof of the exchange's data security by an independent party.**



## **Health and Welfare did not receive everything promised under the improvement contract but still has a small data access agreement with the exchange.**

Health and Welfare paid the exchange **\$9 million** out of the **\$19.5 million** in SUPPORT Act funding appropriated.

- 2 connections delivered out of 50 connections expected
- questions about the quality and completeness of work paid for
- exchange claims it is owed \$1.5 million more

With the large contracts now over, the state is left with **less leverage** and **broken trust**.

We found that many decision points involving different people and entities has led to only **limited feelings of responsibility**.

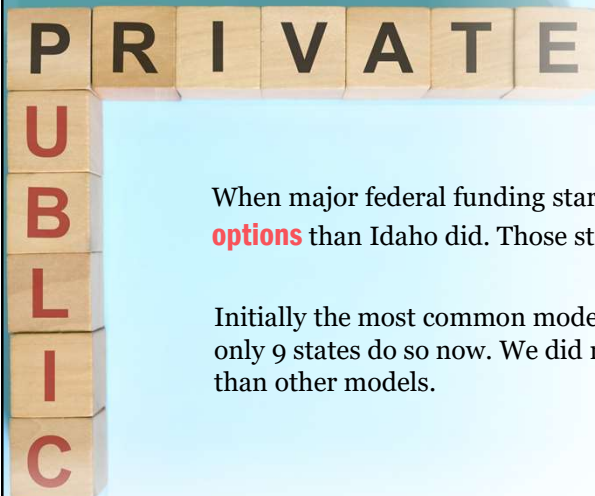
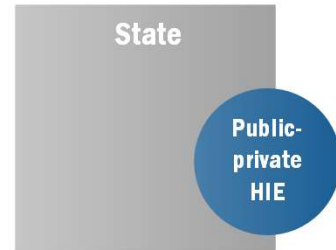
**INTRODUCTION**

**DESIGNING A HEALTH INFORMATION EXCHANGE**

**DEFINING AND OVERSEEING AGREEMENTS**

**CONTRACT MANAGEMENT**

**NATIONAL LANDSCAPE AND FUTURE OF THE EXCHANGE**



When major federal funding started in 2009, **some states had more private options** than Idaho did. Those states were encouraged to support existing efforts.

Initially the most common model was for **state agencies to operate an HIE**, but only 9 states do so now. We did not find evidence that they are more successful than other models.



## States that had one public-private partnership like Idaho tended to require audits, board membership, and reporting in statute.

We don't know if any other states **created** a nonprofit corporation to run their HIE.

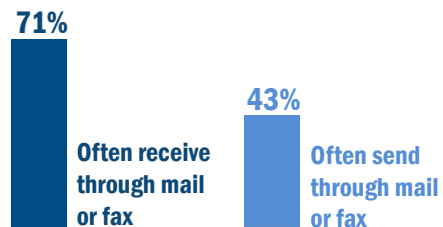
48% of community HIEs did not fully cover operating expenses with revenue from participants in 2019, but many don't have this as a goal.



## Other private HIE options are increasingly available but can be costly for rural and small providers.

A 2021 survey suggests that hospitals in Idaho **use private options less** than hospitals in other states.

Idaho hospitals relied more on sending and receiving health information through **mail and fax** than other means.

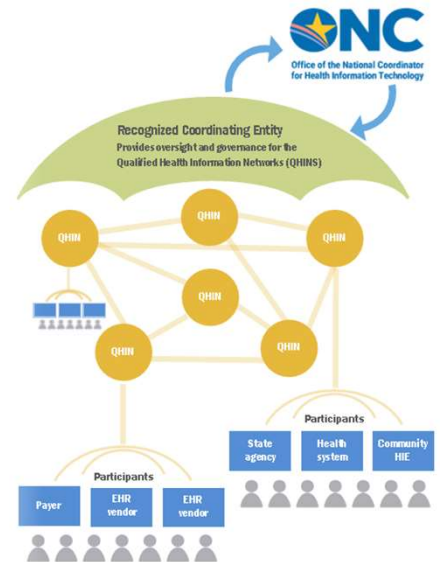


## Federal efforts may strengthen other HIE options.

In 2022, HHS developed a common agreement to standardize data privacy expectations, simplify connectivity, and increase exchange of EHRs.

In 2023, Epic, CommonWell, and other private HIE options started the process to become designated QHINs.

QHINs will be required to submit annual **security assessments**, ensure **reasonable costs and fees**, and **share data** with one another.



## For the exchange to be successful, it will need strong relationships with Health and Welfare and other users.

Health and Welfare could **continue** its data access contract but be **open to new vendors** as they become more available and less expensive.

National advocates have recommended **a strong public-private partnership** with many of the elements we identified as lacking with the exchange (public meetings, auditing, board membership, etc.).

cooperation unknown

would likely require more investment

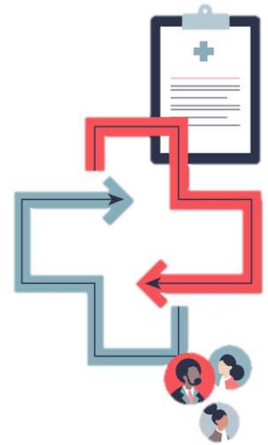


## Questions?

We're here to help.

Sasha O'Connell, Principal Evaluator  
208.332.1472  
soconnell@ope.idaho.gov

Ryan Langrill, Principal Evaluator  
208.332.1475  
rlangrill@ope.idaho.gov



# Why Luma? Historical Framework



**Aging  
Unsupportable  
Systems**

**Agency Purchase  
of Duplicative  
IT Systems**

**Lack of  
Standardization  
& Data  
Transparency**

**Evolution of  
Work Methods**

## A Few Notable Benefits of Luma

### Transparency

- Enhanced drill-down capabilities get you into the data.
- Full audit of activity taken within the system.
- Integrated data allows for greater visibility for decision-makers.
- Financial plan and month-over-month tracking of spending.

### Efficiency

- A single statewide vendor record aligns agency-specific records for a statewide understanding.
- Enterprise contracts save the state money.
- Single employee experience – digital employee record
- Greater employee self-service capabilities.
- Greater visibility into commitments.

### Security

- Multi-factor authentication (MFA) protects our login process.
- Built-in resiliency in a cloud suite protects against outages.
- Cloud operations allow the state to return online quickly during a natural disaster.

### Innovation

- Mobile friendly – employees can complete tasks from anywhere!
- Learning and Development for all employees that track progress for real-time analytics.
- Accurate statewide employee lookup.
- Ability for automation.

## Change of this Magnitude is Difficult

**70%**

Organizational change efforts fail due to employee resistance.  
(McKinsey & Company)

**75%**

Employees report feeling some level of fear or anxiety when faced with significant organizational change  
(Prosci)

**22%**







Frontline employees like to leave their comfort zone.  
(LeadershipIQ)

**30%**

Over 30% of change management failures are attributed to ineffective communications.  
(Harvard Business Review)



## Luma at Work

-  **264,459** invoices paid totaling over **\$4.3 Billion** dollars processed.
-  **137,230** direct payments processed totaling **\$3.3 Billion** dollars.
-  **127,229** warrants processed totaling **\$970 Million** dollars.
-  **2,820** active supplier registrations are being paid from the Luma system.
-  **9** bi-weekly payroll cycles processed with over **16,252** state employees paid.
-  **22,478** state employment job applications processed.
-  **1,694** state employees were hired within the system.

\*Metrics current as of 10/31/23



Workforce & Salary

State

County

City

Local District

Education

Bread/crums/ here

Search State workforce & Vendor Payments: ⓘ

State Workforce  Vendor Payment

🔍

# Making Local Government Data Visible and Accessible to All Idahoans



Quicklinks



Explore Data



OpenGov

## About Transparent Idaho

The Local Transparency Project team, housed in the State Controller's Office, has begun working with city leadership and the Association of Idaho Cities to establish a template to report uniform budgeted revenue and expenditure information along with fund balance detail. This effort is currently ongoing.

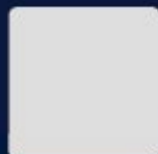
In the meantime, citizens will be able to view and download their city's approved budget and completed audit. Following the uniformity efforts, we will provide greater insight into revenue, expenditure, and fund balance data.

Once completed, Transparent Idaho will provide city revenue and expenditure data budgeted yearly and



## Quicklinks

Description text here






[Workforce & Salary](#)
[State](#)
[County](#)
[City](#)
[Local District](#)
[Education](#)
[Home](#) / [Breadcrumbs](#) / [Home](#)


## EXPLORE STATE DATA

EXPLORE IDAHO'S 44 COUNTIES, EACH HAS UNIQUE GEOGRAPHY, HISTORY, AND ECONOMIC DRIVERS

COUNTY SIZE

687,993  
Acres

POPULATION

687,993  
Acres

TOTAL BUDGET

687,993  
Acres


[Quicklinks](#)

[State Budget Process](#)

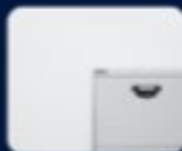
[State Financial Data](#)

[State Agencies](#)

### Quicklinks

Description text here


[OpenGov](#)

[Townhall Idaho](#)

[Public Records](#)

[MOU's](#)

### About State Data

The Local Transparency Project team, housed in the State Controller's Office, worked with county leadership and the Idaho Association of Counties to establish a template to report uniform budgeted revenue and expenditure information.

Transparent Idaho provides county revenue and expenditure data budgeted yearly and approved by county leadership. This data includes a checkbook-level analysis of incoming and outgoing funds. Due to the uniformity created throughout this effort, Idahoans now have the opportunity to analyze and compare various counties' budgets as well as revenue





Workforce & Salary

State

County

City

Local District

Education



## Individual State Agency #1

EXPLORE IDAHO'S 44 COUNTIES, EACH HAS UNIQUE GEOGRAPHY, HISTORY, AND ECONOMIC DRIVERS

COUNTY SIZE



COUNTY SIZE



COUNTY SIZE



About



Agency Reports



Other State Agencies

## About State Agency #1

The Local Transparency Project team, housed in the State Controller's Office, has begun working with city leadership and the Association of Idaho Cities to establish a template to report uniform budgeted revenue and expenditure information along with fund balance detail. This effort is currently ongoing.

In the meantime, citizens will be able to view and download their city's approved budget and completed audit. Following the uniformity efforts, we will provide greater insight into revenue, expenditure, and fund balance data.

Once completed, Transparent Idaho will provide city revenue and expenditure data budgeted yearly and



## Explore Agency Reports

Below you will find interactive reports for budgets, fund balances, salaries and more. See information next to reports for helpful descriptions and insights.

## Head Count

A county's annual budget is prepared by the County Clerk and approved by the Board of County Commissioners. The approved budget is the projected financial plan for the upcoming operating year and authorizes the county to collect revenues and make expenditures while promoting



Workforce & Salary

State

County

City

Local District

Education



## Workforce & Salary

EXPLORE IDAHO'S 44 COUNTIES, EACH HAS UNIQUE GEOGRAPHY, HISTORY, AND ECONOMIC DRIVERS

State Workforce Search ⓘ

COUNTY SIZE



COUNTY SIZE



COUNTY SIZE



About



State Workforce Reports



Vendor Payments

## About State Workforce

The Local Transparency Project team, housed in the State Controller's Office, has begun working with city leadership and the Association of Idaho Cities to establish a template to report uniform budgeted revenue and expenditure information along with fund balance detail. This effort is currently ongoing.

In the meantime, citizens will be able to view and download their city's approved budget and completed audit. Following the uniformity efforts, we will provide greater insight into revenue, expenditure, and fund balance data.

Once completed, Transparent Idaho will provide city revenue and expenditure data budgeted yearly and



## Explore Workforce

Below you will find interactive reports for budgets, fund balances, salaries and more. See information next to reports for helpful descriptions and insights.

## Employee Pay Rates

A county's annual budget is prepared by the County Clerk and approved by the Board of County Commissioners. The approved budget is the projected financial plan for the upcoming operating year and authorizes the county to collect revenues and make expenditures while promoting





# Public Record Request

State Controller Brandon D. Woolf upholds the public's right to access government information. As per the Idaho Public Records Act (Idaho Code § 74-101 through § 74-126), our office has implemented a Public Records Request Policy. This policy aims to inform the public about their rights and obligations under the law.

Additionally, the Office of the State Controller offers public access to various financial records, including state spending and payroll information. Many of these records are already available on the Transparent Idaho website.

[See full State Controller's Policy](#)

[Submit Record Request](#)



## Attorney General

Idaho public schools are funded primarily from state general funds and are supplemented by state-dedicated funds...

[Read More](#)

## Commonly Requested

Below you will find interactive reports for budgets, fund balances, salaries and more. See information next to reports for helpful descriptions and insights.

**EDUCATION**

### Uncashed Warrants

Learn about the percent of the total budget that property taxes make up for counties.

[See More](#)

**EDUCATION**

### Town hall

Just enough information here to give people what they can skim within a few

[See More](#)

**EDUCATION**

### County Salaries Report

This report includes position and salary information for county employees in the state of Idaho. Explore the interactive...

[See More](#)



# Federal Funding Update

Frances Lippitt  
Budget & Policy Analyst  
November 10, 2023



ARPA State Fiscal Recovery Fund

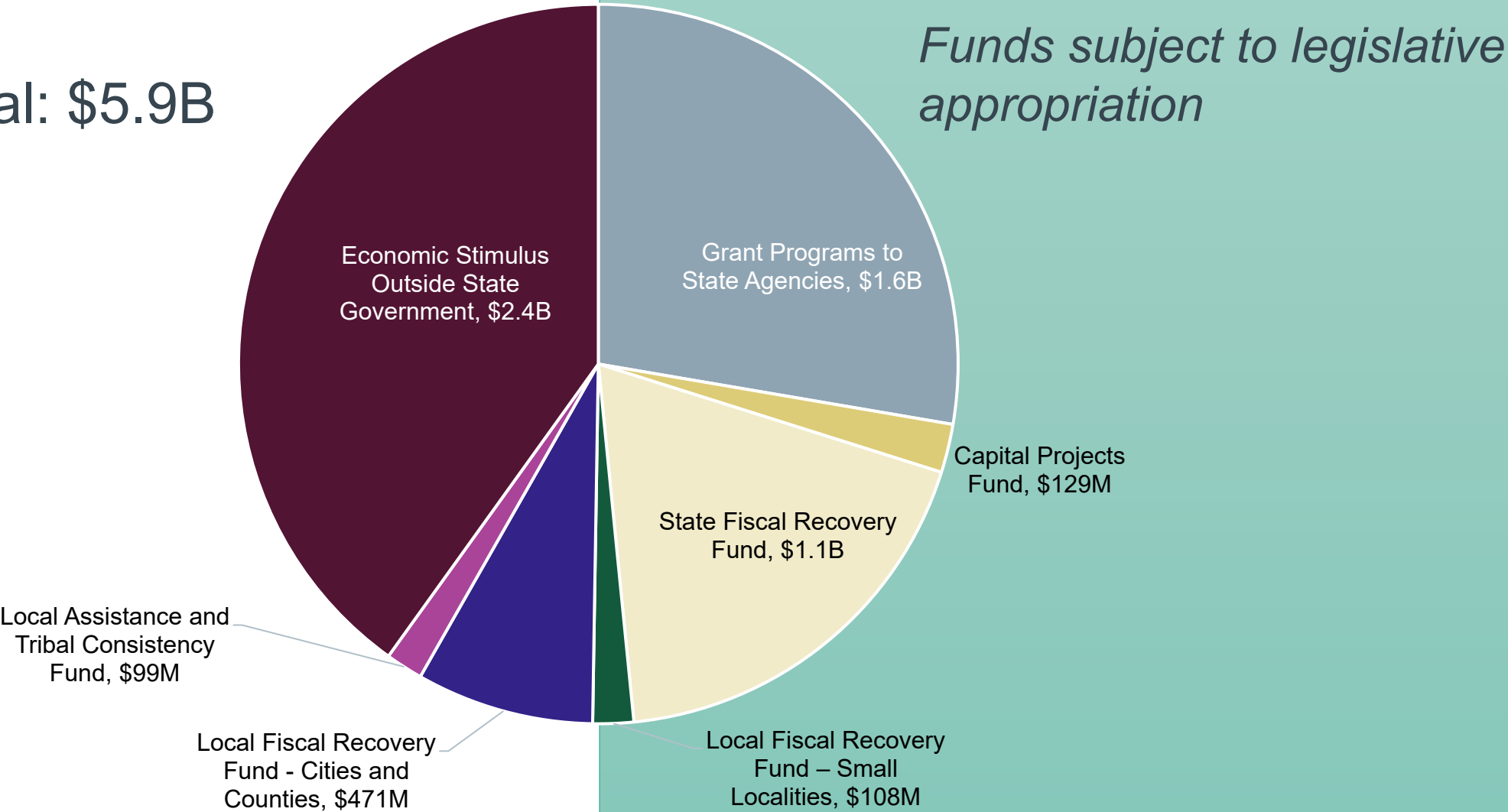
ARPA Capital Projects Fund

Infrastructure, Investment & Jobs Act

Inflation Reduction Act

# Idaho's ARPA Allocations

Total: \$5.9B



# Legislative Intent for ARPA Funds

[. . .] the following principles shall govern the appropriation and expenditure of such funds:

- (a) ARPA funds are borrowed from our grandchildren. To the extent allowable under law, the state should make long-range investments with ARPA funds that will benefit our grandchildren.
- (b) In accordance with section 67-1917, Idaho Code, and the principle that onetime funding should be used for onetime expenditures, state agencies receiving ARPA funds shall plan for the reduction of these federal funds to avoid creating ongoing obligations that are shifted to the general fund after the federal funds are depleted.
- (c) The use of ARPA funds should not impede or inhibit the state's constitutional mandate to provide for a balanced budget for the people of Idaho. ARPA funds should be used to maintain a long-term, structurally balanced budget such that ongoing revenue should exceed ongoing expenses. ARPA funds should also be used to lower the state's capital costs and deferred maintenance costs in the years ahead to the extent permissible.
- (d) ARPA funds should not duplicate other federal programs under which support is provided to specific industries or through specific programs.

Section 67-3533, Idaho Code.



# American Rescue Plan Act (ARPA)

- Capital Projects Fund  
(Broadband Infrastructure & Digital Connectivity)
  - \$128,518,000
- State Fiscal Recovery Fund
  - \$1,094,018,000

# Appropriations - Capital Projects Fund

Agency	Description	Amount	Fiscal Year	Legislation
Department of Commerce	Broadband Infrastructure	\$124,100,000	2023	S1129 of 2023
	2.0 FTP to Support Broadband Infrastructure	\$303,100	2024	S1159 of 2023
Commission for Libraries	Library Facilities	\$3,518,300	2024	H344 of 2023
	<b>Total:</b>	<b>\$127,921,400</b>		

# American Rescue Plan Act (ARPA)

- Capital Projects Fund  
(Broadband Infrastructure & Digital Connectivity)
  - \$128,518,000

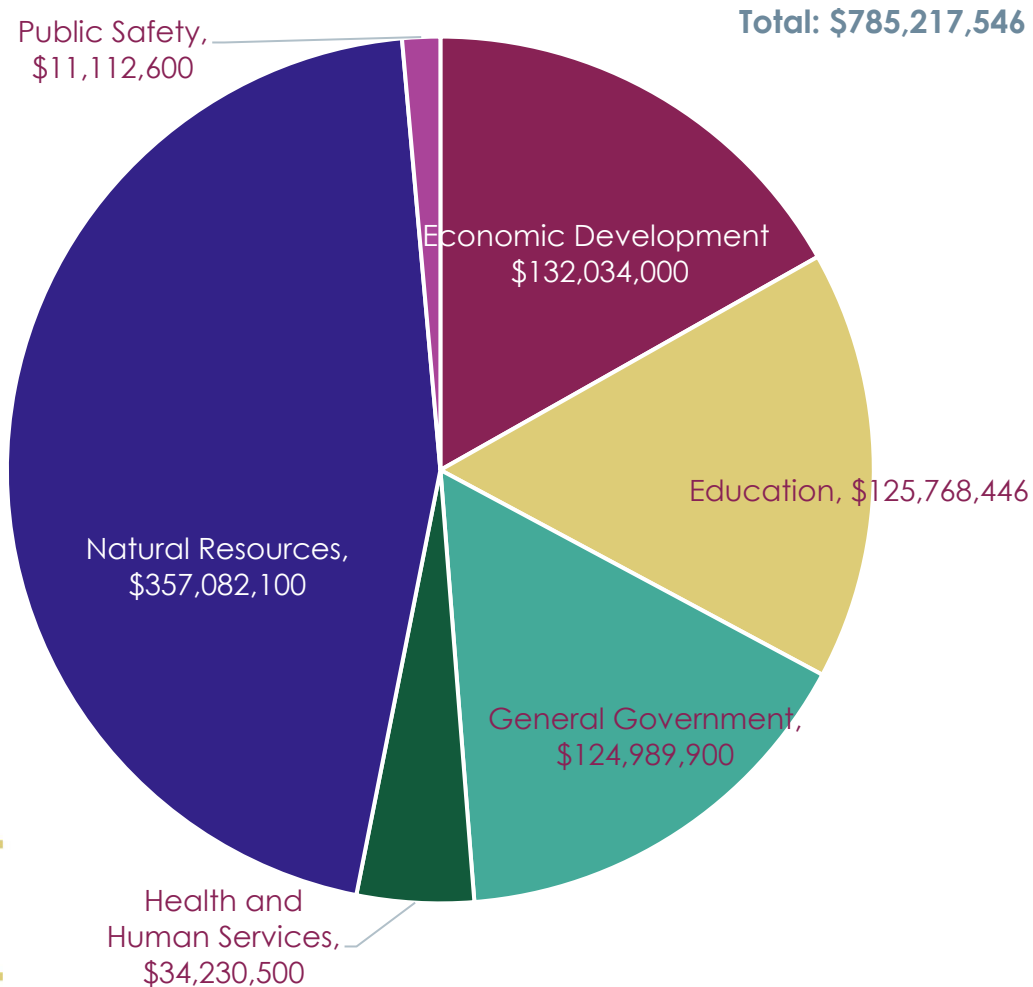
- State Fiscal Recovery Fund
  - \$1,094,018,000

# 2023 Session - State Fiscal Recovery Fund

Agency	Description	FY 2023 Supplementals	FY 2024 Line Items
Dept of Health and Welfare	Domestic Violence Council Funding		\$2,500,000
Dept of Environmental Quality	Drinking Water & Wastewater Projects	\$23,000,000	
Dept of Parks and Rec.	Capital Projects		\$5,000,000
Dept of Administration	III-A COVID-19 Testing and Treatment	\$2,900,000	
Dept of Administration	Group Insurance COVID-19 Testing and Treatment		\$21,000,000
Workforce Development Council	Childcare Infrastructure Grants		\$15,004,600
Workforce Development Council	Workforce Training Grants Management		\$12,200
	<b>Total:</b>	<b>\$25,900,000</b>	<b>\$45,516,800</b>

# State Fiscal Recovery Fund

## State Fiscal Recovery Fund Appropriations by Functional Area

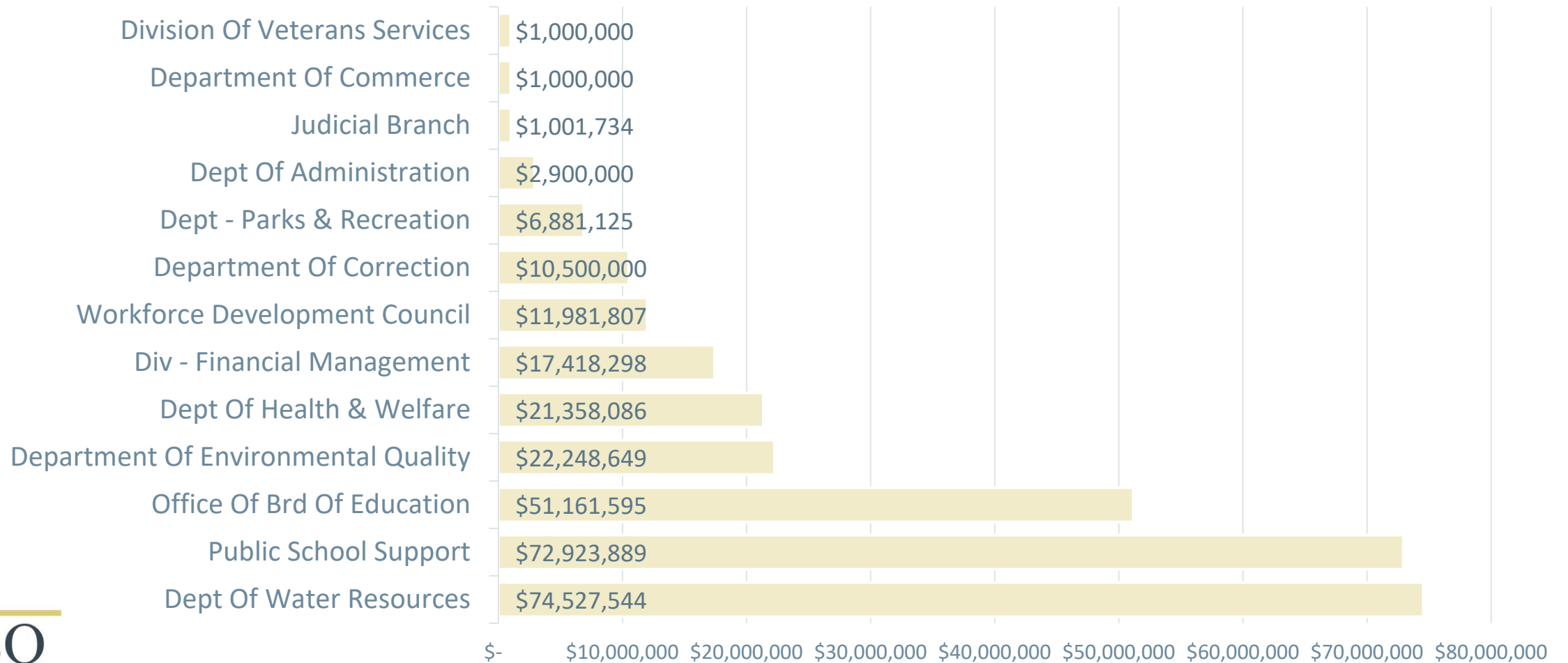


Available: \$1.09 B	FY 22	FY 23	FY 24	FY 25 - FY 27	Total
<b>Total Obligated</b>	\$167.3 M	\$377.4 M	\$213.8 M	\$335.7 M	\$1.09 B
<b>Unobligated Balance</b>	\$924.1 M	\$546.8 M	\$332.9 M	\$2.6 M	\$2.6 M
<b>% Obligated by Year</b>	15.3%	34.5%	19.5%	30.7%	99.8%

# SFRF Expended Through FY 23

Total: \$347,420,382

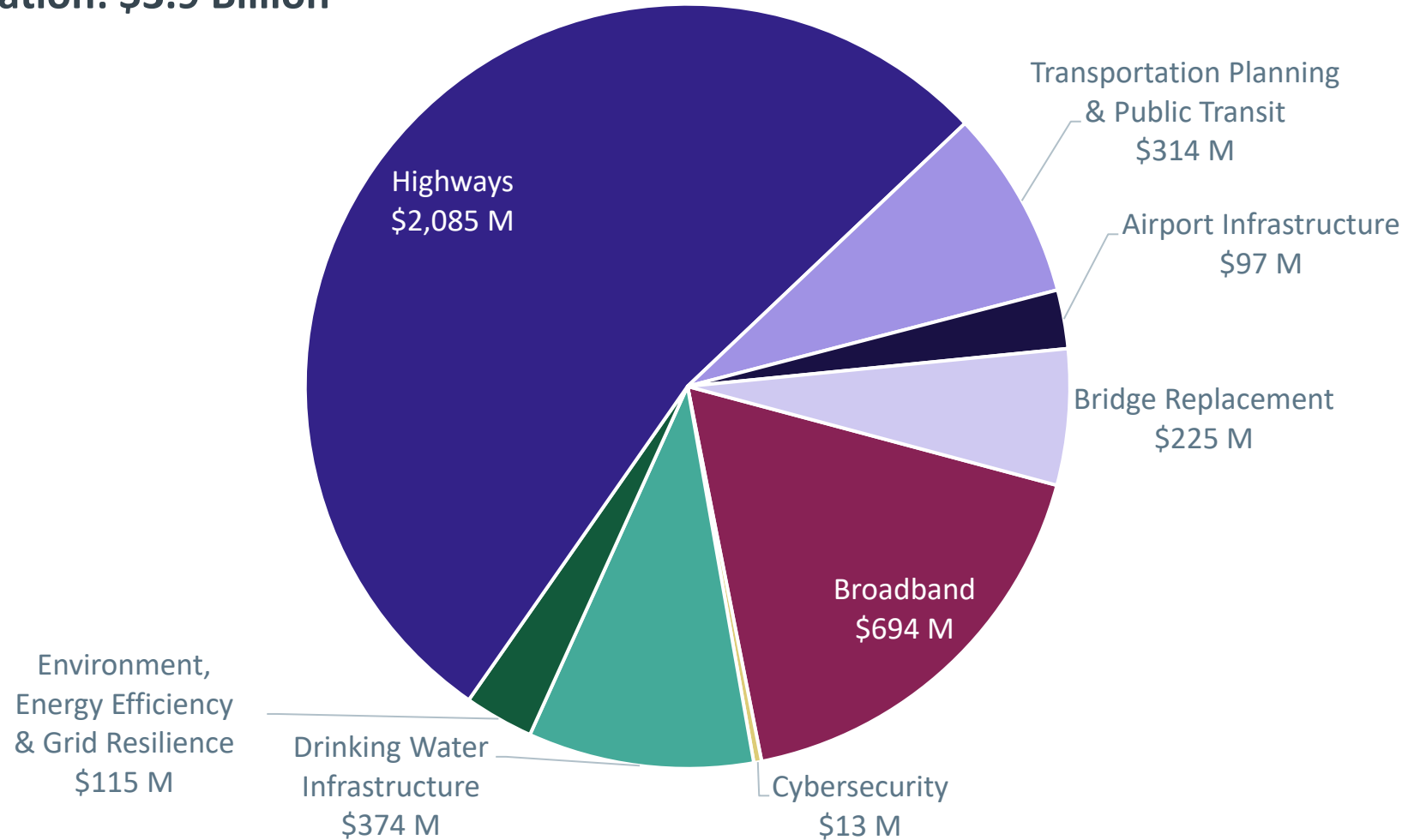
As a share of the total appropriated: 32%



\*A \$50,000,000 transfer from the SFRF to the Workforce Housing Fund is not included above but reflected in the total expended.

# Infrastructure Investment & Jobs Act (IIJA)

Idaho's Total Allocation: \$3.9 Billion



# Additional Appropriations for IIJA

Fiscal Year	Agency	Description	Amount	Ongoing	Analyst
2023	Department of Lands	Wildfire Reduction Treatment Subgrants	\$2,000,000	X	Jessup
2023	Department of Lands	Community Firefighting District Subgrants	\$1,000,000	X	Jessup
2023	Department of Lands	Reclaiming Abandoned Mines	\$7,000,000	X	Jessup
2023	Office of Species Conservation	Salmon Migration	\$5,000,000	X	Jessup
2023	Soil and Water Conservation Commission	Soil Conservation District Subgrants	\$1,693,900	X	Jessup
2023	Office of Energy and Mineral Resources	State energy program, local gov't subgrants, energy efficiency loan program	\$1,583,300	X	Lippitt
2023	Department of Commerce	Broadband Infrastructure	\$50,000,000	X	Bybee
2023	ITD, Contract Construction & Right-of-Way Acquisition	20% increase to federal highway, transit and safety funding	\$122,745,000	X	Otto
2023	ITD, Highway Operations	20% increase to federal highway, transit and safety funding	\$3,705,000	X	Otto
2023	ITD, Transportation Services	Technical Education Subgrants	\$300,000	X	Otto
2023	Division of Welfare	Weatherization Subgrants	\$5,000,000	X	Williamson
2023	Commission for Libraries	Digital Access	\$1,250,000		Tatro
2023	Military Division	Cybersecurity	\$3,750,000		Lippitt
			Total:	\$205,027,200	



# 2023 Session: IIJA & Broadband

## FY 2024 Additional Appropriations for IIJA

Agency	Description	Amount	Legislation
Department of Commerce	Broadband Infrastructure	\$100,000,000	S1159
Office of Energy and Mineral Resources	Resilient Grid Grant	\$5,000,000	S1192
Department of Environmental Quality	Drinking Water and Clean Water Infrastructure	\$12,600,000	S1183

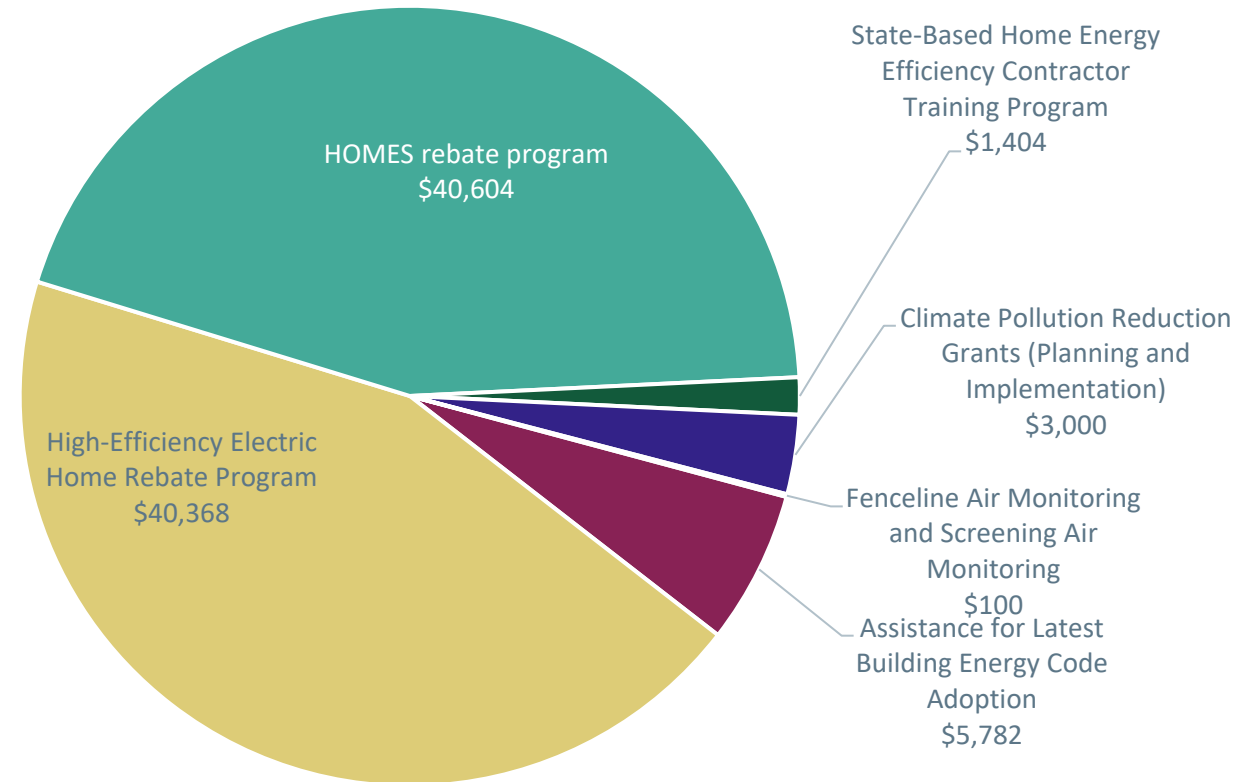
## 2023 Session: Broadband Infrastructure Appropriations

Funding Source	Agency	Description	FY 2023 Supplementals	FY 2024 Line Items
ARPA Capital Projects Fund	Department of Commerce	Broadband Infrastructure	\$124,100,000	-
ARPA Capital Projects Fund	Department of Commerce	2.0 FTP to Support Broadband Infrastructure	-	\$303,100
IIJA	Department of Commerce	Broadband Infrastructure	-	\$100,000,000

# Inflation Reduction Act (IRA)

- Household Energy Efficiency
- Pollution Reduction
- Drought Mitigation

Idaho's Allocations, in millions



# FY 2025 Agency Requests

## State Fiscal Recovery Fund

Division	Description	Amount
Department of Administration	Returning COVID-19 funds from Group Insurance	(\$21,054,200)
Department of Administration	Mail sorter	\$1,054,200
Parks and Recreation	Capital projects	\$20,000,000
Division of Public Health	Home visiting services	\$1,000,000
Workforce Development Council	Childcare and workforce training grants personnel costs	\$190,000

## State Fiscal Recovery Fund, Requests to Restore a Previous Appropriation

Division	Description	Amount
Agricultural Research and Extension Service	Remote worker training	\$142,000
Department of Water Resources	Water projects (FY 24 supplemental)	\$25,502,500

# FY 2025 Agency Requests

## Inflation Reduction Act

Division	Description	Amount
Office of Energy & Mineral Resources	TREC Grants	\$1,403,800
Workforce Development Council	Idaho Launch, Training for Residential Energy Contractors	\$1,333,600

## Infrastructure, Investment and Jobs Act

Division	Description	Amount
Commission for Libraries	Digital Access	\$750,000
Office of Energy & Mineral Resources	Preventing Outages & Enhancing the Resilience of the Electric Grid Grants	\$4,400,000

# Contact Information



Frances Lippitt

Budget and Policy Analyst  
Legislative Services Office

Office #C415

(208)334-4745

[flippitt@Lso.Idaho.gov](mailto:flippitt@Lso.Idaho.gov)

LSO

Legislative Services Office



State Fiscal Recovery Fund Appropriations

Agency by Functional Area	Description	FY 2022	FY 2023	FY 2024	Total Appropriated To Date	2022 Session	2023 Session	Additional Obligated	LSO Analyst
<b>Education</b>									
Public Schools	Public School Staff Bonuses	\$36,705,800			\$36,705,800	S1404			Tatro
Public Schools	Additional One-Time Compensation		\$36,481,700		\$36,481,700	H793			Tatro
OSBE	Empowering Parents Grants	\$51,035,000	\$150,000		\$51,185,000	H809			Tatro
Ag Research & Ext.	Remote Worker Training	\$490,100	\$390,100	\$390,100	\$1,270,300	S1419	H336		Erquiaga
<b>Health and Human Services</b>									
DHW - Public Health	Home Visiting		\$1,000,000	\$1,000,000	\$2,000,000	H767	S1182		Williamson
DHW - Mental Health	Mental Health Crisis Line Conversion		\$4,400,000		\$4,400,000	S1384			Williamson
DHW - Mental Health	Community Behavioral Health Clinics		\$6,000,000	\$6,000,000	\$12,000,000	S1384	H350		Williamson
DHW - EMS	EMS Ambulance Funds		\$2,500,000	\$2,500,000	\$5,000,000	H767	S1182		Williamson
DHW - Ind. Councils	Domestic Violence Bridge Funding		\$6,000,000	\$2,500,000	\$8,500,000	S1401	H333		Williamson
<b>Public Safety</b>									
IDOC	Improvements to Lagoon		\$10,000,000		\$10,000,000	S1420			Otto
IDOC	COVID-19 Costs		\$500,000	\$500,000	\$1,000,000	S1420	H351		Otto
Pardons & Parole	Extradition Costs		\$50,000	\$50,000	\$100,000	H785	H335		Otto
Judicial Branch	Court IT Modernization		\$19,990,500		\$19,990,500	H770			Hibbard
<b>Natural Resources</b>									
IDWR	Recharge and Water Storage Projects		\$100,030,000	\$50,000,000	\$150,030,000	H769	S1181	\$99,970,000	Jessup
DEQ	CDA Lake & Remediation Projects	\$1,421,800	\$13,426,800	\$13,454,600	\$28,303,200	H763			Jessup
DEQ	Local Drinking & Wastewater Projects		\$82,887,200	\$59,906,000	\$142,793,200	H763	H361, S1183	\$182,206,800	Jessup
DEQ	Program Administration	\$30,400	\$419,000	\$419,000	\$868,400	H764			Jessup
Parks	Outdoor Rec. Capacity & Maintenance		\$20,000,000	\$15,000,000	\$35,000,000	H751	H319		Jessup
<b>Economic Development</b>									
Commerce	Food Bank Support		\$1,000,000		\$1,000,000	H803			Bybee
Veterans	COVID-19 Costs	\$1,000,000			\$1,000,000	S1123			Lippitt
State Treasurer	Workforce Housing Gap Financing	\$50,000,000			\$50,000,000	S1428			Dupree
WDC	Childcare Infrastructure	\$15,000,000		\$15,004,600	\$30,004,600	S1408	S1179		Dupree
WDC	Workforce Training		\$25,000,000	\$25,029,400	\$50,029,400	S1411	S1179		Dupree
<b>General Government</b>									
Admin	Group Insurance Reserves		\$25,000,000	\$21,000,000	\$46,000,000	H752	H305		Lippitt
Admin	COVID-19 Costs Reimbursement		\$2,900,000		\$2,900,000		S1137		Lippitt
SCO	Cybersecurity Technology Project		\$950,000		\$950,000	S1416			Otto
DFM	Unanticipated COVID-19 Expenses	\$50,000,000			\$50,000,000	H370			Hibbard
DFM	Legal & Audit Support		\$1,081,200	\$1,081,200	\$2,162,400	H742	H324		Hibbard
Legislature	Legislative Technology		\$3,053,000		\$3,053,000	H765			Bybee
Various	IT Replacement		\$3,419,500		\$3,419,500	Various			Various



# Personnel Structure in State Government

Christine Otto, Budget and  
Policy, LSO

November 10, 2023

# Personnel Structure in State Government

**Personnel Cost (PC)** is a term used for budgeting salary and benefits for employees. This includes full-time, part-time, board and commission members, and group positions. PC can be added to an agency's budget as a line item, through the statewide CEC, or not at all.

**FTP** are authorized in the agency appropriation bill. FTP are permanent positions and include full and part-time. Multiple part-time positions could equal 1.00 FTP. An agency's filled FTP count will fluctuate throughout the year, due to retirements, new hires, attrition, etc.

**Non-FTP** are temporary, seasonal, or board positions; these positions are often referred to as "group" positions. Some agencies have many of these positions, while others may have little or none. These positions are paid with PC, but there is no cap on how many employees can be hired. Examples include seasonal firefighters and seasonal agriculture inspectors.

**Salary Savings** is unobligated personnel costs that can be used for unexpected situations such as a retirement, for early implementation of a CEC, for recruitment and retention purposes and more.





# What is included in Personnel Costs

**Personnel Costs (PC) include salary and benefits for full-time, part-time, and temporary positions. The Legislature appropriates at a high level and the agency has flexibility to use that appropriation as needed.**

- **Salary Examples:**
  - Base Salary
  - Comp Time Payouts
  - Vacation Payouts
  - Bonuses
- **Benefits:**
  - Employer-Paid Health Insurance
  - Social Security/Medicare
  - Unemployment Insurance
  - Life Insurance
  - Retirement
  - Unused sick Leave
  - DHR Fee
  - Workers' compensation



This Photo by Unknown Author is licensed under [CC BY](#)

# Appropriation Bill

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. There is hereby appropriated to the Public Utilities Commission the following amounts to be expended according to the designated expense classes from the listed funds for the period July 1, 2022, through June 30, 2023:

	FOR PERSONNEL COSTS	FOR OPERATING EXPENDITURES	TOTAL
FROM:			
Indirect Cost Recovery			
Fund		\$219,300	\$219,300
Public Utilities Commission			
Fund	\$4,682,900	1,714,800	6,397,700
Federal Grant			
Fund	<u>289,200</u>	<u>69,200</u>	<u>358,400</u>
TOTAL	<u>\$4,972,100</u>	\$2,003,300	\$6,975,400

SECTION 2. **FTP AUTHORIZATION**. In accordance with Section 67-3519, Idaho Code, the Public Utilities Commission is authorized no more than forty-nine (49.00) full-time equivalent positions at any point during the period July 1, 2022, through June 30, 2023, unless specifically authorized by the Governor. The Joint Finance-Appropriations Committee will be notified promptly of any increased positions so authorized.

# Example 1

FTP Authorization: 10.00  
PC Appropriation: \$1,000,000

	<b>PC</b>	<b>FTP</b>
10 full-time employees each averaging \$99,400 in salary and benefits	\$ 994,000	10.00
10 Board members paid \$50 per day, meeting 12 times per year (10*50*12)	\$ 6,000	0
<b>Total (No unused FTP or PC)</b>	<b>\$1,000,000</b>	<b>10.00</b>

# Example 2

FTP Authorization: 10.00  
PC Appropriation: \$1,000,000

	PC	FTP
5 full-time employees each averaging \$100,000 in salary and benefits	\$ 500,000	5.00
8 part-time employees working 20 hours per week averaging \$50,000	\$ 400,000	4.00
10 Board members paid \$50 per day, meeting 12 times per year (10*50*12)	\$ 6,000	0.00
<b>Total</b> (1.00 unused FTP and \$94,000 in onetime unobligated PC)	<b>\$906,000</b>	<b>9.00</b>

# Example 3

FTP Authorization: 10.00  
PC Appropriation: \$1,000,000

	<b>PC</b>	<b>FTP</b>
5 full-time employees each averaging \$100,000 in salary and benefits	\$ 500,000	5.00
10 part-time employees working 20 hours per week averaging \$30,000	\$ 300,000	4.00
4 part-time employees working 10 hours per week averaging \$15,000	\$ 60,000	1.00
10 Board members paid \$50 per day, meeting 12 times per year (10*50*12)	\$ 6,000	0.00
<b>Total</b> (No unused FTP and \$124,000 in onetime unobligated PC)	<b>\$876,000</b>	<b>10.00</b>

# Five-Year Average Filled FTP Percentage

<b>Agency</b>	<b>Average Authorized FTP</b>	<b>% of Average FTP Filled</b>
Department of Commerce	43.20	85.44%
Idaho Transportation Department	1,648.00	96.33%
State Tax Commission	448.85	92.36%

# Five-Year Average Personnel Expended on Personnel Percentage

<b>Agency</b>	<b>Average Personnel Appropriation</b>	<b>Average % Spent on Personnel</b>	<b>Average Personnel Appropriation - General Fund</b>	<b>Average % Spent on Personnel - General Fund</b>
Department of Commerce	4,025,920	83.64%	2,626,400	87.46%
Idaho Transportation Department	137,565,740	94.04%	N/A	N/A
State Tax Commission	32,942,640	96.14%	27,566,217	98.14%

# Contact Information



Christine Otto

Principal Budget and Policy Analyst  
Legislative Services Office

Office #C421

(208)334-4732

[cotto@Lso.Idaho.gov](mailto:cotto@Lso.Idaho.gov)

LSO

Legislative Services Office

