

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, February 07, 2017

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood, Vice Chairman Packer, Representatives Hixon, Perry, Vander Woude, Redman, Gibbs, Blanksma, Hanks, Kingsley, Zollinger, Chew, Rubel

**ABSENT/
EXCUSED:** None

GUESTS: George Gutierrez, H&W-Medicaid; Toni Brinegar, Self; Joyce Broadsword, Matt Wimmer, and Lisa Hettinger, DHW; Mel Leviton, SILC; Allen J. Hansen, Self; April Smith and Sean R. Beck, Law Office; Angela Lindig, IPUL; Anne Lawler, Board of Medicine; Griselda Camachio, Self; Christine Pisani, DD Council; Roger Howard, LINC; Christie Stoll, IDEAL 529

Chairman Wood called the meeting to order at 9:01 a.m.

MOTION: **Rep. Redman** made a motion to approve the minutes of the January 31, and February 1, 2017, meetings. **Motion carried by voice vote.**

H 41: **Rep. Caroline Nilsson Troy**, District 5, presented **H 41**. The Medicaid Disability Program prohibits savings accounts for participants and family members. The federal Achieving a Better Life Experience Act (ABLE) allows savings accounts to be used for qualified disability expenses without disruption of federal assistance program benefits. The maximum allowable annual contribution is \$1,400, with a \$100,000 cap. Because the program allows individual accounts outside of their state of residence, Idaho can avoid the high program development and administration costs while making the most of the ABLE opportunity through **H 41**, which allows state or local assistance programs or grants to disregard ABLE accounts under specified conditions. In-state technical assistance is provided by a part-time position within the State Independent Living Council (SILC).

Sen. Grant Burgoyne, District 16, said this approach represents the limited government values of our state. The ABLE Act recognizes the individual's need to achieve independence and dignity. Program implementation in neighboring states has exceeded \$2M. There is a separate appropriation request of \$45,000 to be used for a half-time technical assistance position to maintain the website and provide assistance to family members and individuals. The position is only referenced within **H 41**. If not appropriated there is no required spending for the position.

Savings account funds can be used for preventive dental care, eliminating advanced Medicaid care, computers, additional education, and home or vehicle adaptive devices. This is also a reasonable alternative to the high cost of a special needs trust.

National non-profit organizations may be able to provide technical assistance; however, their viewpoint is not Idaho-specific. This approach takes a federal opportunity with a federal implementation level of cost and gives it an Idaho approach at a tremendous cost reduction.

Responding to questions, **Christie Stoll**, Executive Director, IDEAL 529, Member, ABLE Work Group, said Washington and Oregon programs allow out-of-state participants. She described the various requirements of a state-run program, including notification of treasury rate changes, which are not finalized for ABLE accounts yet.

Answering a question, **Sen. Burgoyne** commented the account holders will have account charges from the state they select. The half-time person approach was determined more effective than the cost and time needed to train all of the DHW eligibility examiners and determine who would maintain the national website.

Christine Pisani, Executive Director, Council on Developmental Disabilities (DD), responded the ABLÉ Act requires the disability to have occurred before 26 years-of-age. Any other considerations are set by each state. Disability is defined in federal and state law as a condition where an individual's functional ability is limited in one or more life areas. A physician must write the disability diagnosis.

Mel Leviton Executive Director, State Independent Living Council (SILC), testified **in support of H 41**. ABLÉ accounts provide a way to promote independent living. SILC will house the part-time tech assistance position and provide instruction for this limited financial literacy community. This is neither a gatekeeper nor disability determination position. SILC staff will provide community face-to-face workshops with electronic follow up and support.

Answering additional questions, **Sen. Burgoyne** said people with Disabilities and their families are vulnerable and may not have the education, business experience, or background to work with a legal professional on an equal footing to set up a special needs trust at a cost they can afford. Reform of the special needs trust law involves complex federal law overlays. Without passage of **H 41**, persons are still able to participate in ABLÉ accounts in other states. The cost of one case where a Medicaid participant ends up in hospital due to dental problems would well exceed the \$45,000 cost of the half-time technical assistance person.

Ms. Leviton clarified current statute allows them four full-time positions. The technical assistance duties would be shared between Ms. Leviton and her program specialist. The \$45,000 breaks down to approximately \$23,900 salary, \$12,000 benefits, and \$9,300 operating costs. Travel will be coordinated with other programs to minimize costs.

MOTION:

Rep. Gibbs made a motion to send **H 41** to the floor with a **DO PASS** recommendation.

Toni Brinegar, Resident, testified **in support of H 41**. An ABLÉ account is a way to assure her son can purchase equipment, dental exams, and other needs for the best life possible, even beyond her lifetime. A technical assistant will provide an Idaho-based person to help them find the right account. Answering a question, she explained there are unique requirements when working with persons with disabilities to deliver the maximum information, something SILC understands and accomplishes.

Sean Beck, Attorney, testified **in support of H 41**. He provides many estate and special needs trusts planning with families with children with DD.

Griselda Camachio, Service Coordinator, testified **in support of H 41** and technical assistance funding. Local assistance provides resources and services information to make better choices. The fear of benefit loss actually causes some of these individuals to stay home, leading to unemployment. This helps them achieve independence by learning about finances and having the power to save for their needs.

Christine Pisani, Executive Director, Idaho Council on DD, **in support of H 41**. Many DD individuals are poor and unable to pay an attorney to set up a special needs trust. They want to save for simple things, providing peace of mind for family members.

Roger Howard, Executive Director, Living Independence Network Corporation (LINC), testified **in support** of **H 41**. He was involved with the technical assistance for the Americans with Disabilities Act for several years and learned Idahoans prefer to talk to someone in their state who understands the geography and travel limitations. LINC does not have the expertise or financial resources to provide the required technical assistance.

Allan Jack Hansen, Jr., Citizen, testified **in support** of **H 41**. The technician position will help him understand how saving money works and select the right account to start saving for a house of his own and for things Medicaid does not cover. Right now if he saves more than \$2,000 he loses Medicaid, SNAP, and Social Security.

For the record, no one else indicated their desire to testify

In her closing statement, **Rep. Troy** said the basic need for security and independence are jeopardized when the next medical bill or cost creates a crisis. We want people to participate in ABLE accounts and consider **H 41** to be the best way to manage the program and citizen interface.

Reps. Redman, Perry, and Hixon commented **in support** of **H 41**. This is a good investment to help all communities. The \$45,000 is a minimal expense, especially when compared to the \$50,000 cost of one Office of Performance Evaluation, the approximate \$1,000 cost of a single RS re-write, and the over \$6B state budget. People need information and this work group has done everything possible to minimize the assistance cost and place it with an organization specializing in service for a group of special needs persons.

Chairman Wood commented Idaho's baseline budgeting assures any program growth is at the future legislature's sole discretion through an appropriation increase. This savings account encourages citizens to handle their own expenses without state or federal government involvement.

Rep. Zollinger spoke **in opposition** to **H 41**. Although the legislation has sound principles and encourages good habits of savings, it will increase debt. Banks would jump at the opportunity to hold savings accounts for free through a simplified trust, also an Idaho solution without federal involvement.

**ROLL CALL
VOTE ON
MOTION:**

Chairman Wood requested a roll call vote on **H 41**. **Motion carried by a vote of 7 AYE, 5 NAY, 1 Absent/Excused. Voting in favor** of the motion: **Reps. Wood, Packer, Hixon, Perry, Redman, Gibbs, Chew. Voting in opposition** to the motion: **Reps. Vander Woude, Blanksma, Hanks, Kingsley, Zollinger. Rep. Rubel was absent/excused. Rep. Troy** will sponsor the bill on the floor.

RS 25132C1:

Anne Lawler, Executive Director, Idaho State Board of Medicine, presented **RS 25132C1**. The Interstate Medical Licensure Compact provides a multi-state licensure means after licensure in an applicant's home state. This allows under-served rural areas the use of services across their borders. While regular licensing can take up to twelve months in any state, Compact licensing takes a week. This Legislation adds background fingerprint checks as a Compact applicant requirement. The applicants will be paying the fee for the background check.

MOTION:

Rep. Gibbs made a motion to introduce **RS 25132C1**. **Motion carried by voice vote.**

H 43: **Matt Wimmer**, Division of Medicaid, Department of Health & Welfare (DHW), presented **H 43** to support behavioral health (BH) services for children with severe emotion disturbances and families up to 300% of the federal poverty level (FPL). When children with significant mental health needs are positively impacted early, their lives are improved on a life-long basis. BH services previously provided only through state general funds would be shifted to the Medicaid program to allow use of federal matching funds and comply with the Jeff D. lawsuit settlement agreement. The fiscal impact to the Medicaid budget is fully offset by the reversion of funds in the Division of BH budget.

Answering questions, **Mr. Wimmer** said the 300% FPL is the Medicaid federally allowable amount. The settlement agreement allows for either using state funds or tapping into federal dollars.

Christine Pisani, Executive Director, Idaho Council on DD, testified **in support of H 43** because the services available are essential to address children mental health needs, including suicides and other crises.

For the record, no one else indicated their desire to testify.

Responding to questions, **Ross Edmunds** Administrator, Division of BH, DHW, said the Jeff D. lawsuit settlement requires Idaho children with severe emotional disturbances be served. Although many families have access to services through a variety of means, the state must help those within the 187% to 300% FPL. These critical services impact the justice system, hospitalization, and other inpatient settings. If we try to set up a bifurcated system, the managing and structure costs increase. One system offering consistency and predictability for children and families is the best answer.

MOTION: **Rep. Packer** made a motion to send **H 43** to the floor with **DO PASS** recommendation.

Rep. Vander Woude expressed his concern regarding accepting federal funds which are known to have strings attached and loop holes. He suggested the state surplus as a possible funding source.

VOTE ON MOTION: **Chairman Wood** called for a vote on the motion to send **H 43** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Hanks, Vander Woude, and Zollinger** requested to be recorded as voting **NAY**. **Chairman Wood** will sponsor the bill on the floor

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:59 a.m.

Representative Wood
Chair

Irene Moore
Secretary