

MINUTES
HOUSE HEALTH & WELFARE COMMITTEE

DATE: Tuesday, February 05, 2019

TIME: 9:00 A.M.

PLACE: Room EW20

MEMBERS: Chairman Wood, Vice Chairman Wagoner, Representatives Vander Woude, Gibbs, Blanksma, Kingsley, Zollinger, Christensen, Green(2), Lickley, Chew, Rubel, Davis

**ABSENT/
EXCUSED:** None

GUESTS: Chelsea Wilson, PPA; Dave Taylor, DHW; Lisa Hettinger, IDHW

Chairman Wood called the meeting to order at 9:00 a.m.

MOTION: **Vice Chairman Wagoner** made a motion to approve the minutes of the January 23 and 25, 2019, meetings. **Motion carried by voice vote.**

Jared Tatro, Principal Budget & Policy Analyst, Health & Human Services, Idaho Legislature, presented the Fiscal Year (FY) 2020 Budget Briefing. In explaining the Idaho Decision Unit (DU) Budget Model, he described each benchmark. He noted benchmark one is the previous year's appropriation and benchmark six, the current year appropriation, will become next year's benchmark one.

Answering questions, **Mr. Tatro** stated agencies must submit the B-12 Analysis of Fund Balances form for cash reconciliation. The Free Fund Unencumbered Cash Report is in process and will be shared upon completion.

Mr. Tatro presented the Department of Health and Welfare (DHW) FY 2020 historical summary. The summary shows the 2018 appropriation, 2018 actual expenditures, 2019 appropriation amounts, 2020 agency request, and the 2020 Governor's recommendations. The 2020 request and recommendations must be, by law, presented side by side. The action taken by the Legislature does not have to align with either request. The historical information is broken down into division, fund category, object of expenditure, and full-time positions (FTP). Additional charts and graphs present the agency profile and information.

Mr. Tatro then presented the complete DHW FY 2020 Request breakdown and the Governor's Recommendations, with each benchmark indicating what it includes. He explained decisions made by the Joint Finance and Appropriations Committee (JFAC).

Responding to questions, **Mr. Tatro** said two years ago a Governor's Initiative introduced graduate medical education funding with a Medicaid match. The Boise program was able to acquire the match; however, the Pocatello program had achieved its maximum Medicaid limit and was not able to secure the grant, leaving a portion of the general funds unused. He will provide additional program information to the committee.

Mr. Tatro explained the Federal Medical Assistance Percentages (FMAP) adjustment rate, general fund increase, federal fund decrease, fluctuations, the rate comparison with the per capita of other states, and the Children's Health Insurance Program (CHIP) FMAP adjustment.

There are thirty-five requested line items listed along with their priority designation, although not in priority order. The DHW's number one line item is suicide prevention infrastructure.

Invited to answer a question, **Sara Stover**, Governor's Budget Office, explained the difference between the mental health (MH) court enhancement requested amount of \$1,608,000 and the Governor's recommendation of zero was due to the Medicaid expansion removal of the decision unit need through the problem solving courts.

Lisa Hettinger, Deputy Director, DHW, Medicaid Behavioral Health (BH), Public Health, Office of Public Healthcare Initiatives, was invited to answer a question. The Institution of Mental Disease (IMD) savings does not require a waiver. The federal government has not challenged such waivers by other states and is moving toward removing them from the 1115 Demonstration requirements.

Answering further questions, **Ms. Stover** said the Governor's priorities result from guidance from the critical needs indicated by the Department, his statewide priorities, and the available general funds.

Ms. Hettinger explained the prioritization process, which begins with all division administrators, to assure 100% need-based requests and consideration of the available funding.

The final pages, said **Mr. Tatro**, are division descriptions. Proposition 2 budgeting will be listed as a fourth item along with the Medicaid basic, enhanced, and coordinated plans. He directed the committee to the Catastrophic Health Care Program (CAT Fund) historical information, 2020 request, 2020 Governor's recommendation, and agency profile. Amounts repaid have an annual recovery rate of \$2M to \$3M and impact their appropriation. Proposition 2 will also impact the CAT Fund. JFAC has tried to appropriate sufficient funding to meet the fund's needs without supplements.

The Public Health Districts historical, requested, and recommended information was presented. The Districts are requesting improved health transformation funds to continue the State Healthcare Innovation Plan (SHIP) grant. The seven Health Districts align with the DHW Districts. Included in the information is the District funding breakdown.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 10:11 a.m.

Representative Wood
Chair

Irene Moore
Secretary