

Idaho Board of Health and Welfare
Minutes
February 17, 2011

The Board of Health and Welfare convened at:
Pete T. Cenarrusa Bldg.
450 W. State Street
Boise, Idaho 83720

Board Members Present

Richard Roberge, Chairman
Richard Armstrong, Secretary
Senator Patti Anne Lodge
Representative Janice McGeachin
Dan Fuchs
Darrell Kerby
Tom Stroschein
Stephen Weeg
Tammy Perkins, Office of the Governor

Staff Present

Drew Hall, Deputy Director, Family and Welfare Services
Richard Schultz, Deputy Director, Health Services
David Taylor, Deputy Director, Support Services
Betty Mills, Special Assistant to the Board
Peg Dougherty, Lead Deputy Attorney General
Tom Shanahan, Public Information Manager
Tamara Prisock, Program Manager, Administrative Procedures Section

Others Present

Bill Spence, Lewiston Tribune

Call to Order

Following proper notice in accordance with Idaho Code Section 67-2343 and pursuant to call by the Chairman, the meeting of the Idaho Board of Health and Welfare was called to order by Richard Roberge, Chairman of the Board, at 8:13 a.m. Thursday, February 24, 2011, at the Pete T. Cenarrusa Bldg., 450 W. State Street, Boise, Idaho.

Roll Call

Richard Armstrong, Secretary, called the roll. Roll call showed nine members present. Absent and excused was Janet Penfold. With five voting members present, Chairman Roberge declared a quorum.

Public Comment Period

Chairman Roberge opened the floor for public comment. There being none, the Board then advanced to the next order of business.

ADOPTION OF MINUTES FROM BOARD MEETING ON NOVEMBER 18 & 19, 2010

Motion: Dan Fuchs moved that the minutes of the November 18 & 19, 2010 Board meeting be adopted as prepared.

Second: Stephen Weeg

Vote: Ayes: Fuchs, Kerby, Roberge, Stroschein, Weeg – 5
Nays: None

Motion Carried

LEGISLATIVE APPROVAL OF RULES

Tamara reported that Representative McGeachin will become a member of the Board since she was appointed as the new Chair of the House Health and Welfare Committee. Docket 16-0602-1002 Standards for Child Care Licensing was rejected by the House. All other rule dockets from Health and Welfare presented for 2011 Legislative Session passed.

BOARD CONFIRMATION OF ROB LUCE – DIVISION ADMINISTRATOR FOR FAMILY AND COMMUNITY SERVICES

Motion: Tom Stroschein moved to confirm Rob Luce for the Division Administrator position for Family and Community Services.

Second: Stephen Weeg

Vote: Ayes: Fuchs, Kerby, Roberge, Stroschein, Weeg – 5
Nays: None

Motion Carried

FAMILY AND WELFARE SERVICES REPORT

Deputy Director Drew Hall reported:

- ❖ Retiring Division Administrator, Michelle Britton and new Division Administrator Rob Luce made visits to each region during November and December 2010. These visits were held with regional staff, foster parents and other stakeholders to promote an orderly transition.
- ❖ Idaho is number one in the nation for Food Stamp participation growth between October 2009 and October 2010. There was an increase of over 39% in the number of households receiving Food Stamps during this period of time. The Division of Welfare processed over 10,000 Food Stamp applications in the month of January 2011.
- ❖ Due to economic budget cuts during the past year, there was a loss of some field offices and employees. Even under these circumstances, timeliness and accuracy for the Department is at an all-time high. The implementation of IBES has contributed

immensely in the ability to handle the increased workload with fewer staff and resources.

- ❖ Idaho State School and Hospital (ISSH), currently has statute changes in place that will allow the institution to move individuals into the communities who have experienced significant barriers to discharge in the past.
- ❖ Another bill that was submitted to Legislators this year, if passed, would change the name of ISSH to the Southwest Idaho Treatment Center. This requested name change is due to the fact that the facility has been neither a school nor hospital for many years.
- ❖ ISSH campus is designed to handle 65 clients and currently there are only 54, which is down from over 70 last January. There were 23 clients admitted to ISSH last year and 26 releases. The goal of this center is to be able to move clients that meet medical qualifications into the community.

HEALTH SERVICES REPORT

Deputy Director Dick Schultz reported:

- ❖ The Medically Indigent Program is waiting for legislative appropriation for the Utilization Management Program.
- ❖ There were no pandemic outbreaks in Idaho this past year reported from the Division of Public Health.
- ❖ An Executive Order was signed by Governor Otter to create the Behavioral Health Interagency Cooperative. The Cooperative will review and confirm recommendations, statewide standards, guidelines, contract templates, core services and other elements of the behavioral health system as they are developed. Director Armstrong is in support of this order.
- ❖ The Division of Behavioral Health saw an increase in suicide rates over the past 15 years. Individuals between the ages of 35-64 showed the highest rate of suicides in Idaho over the past year.

SUPPORT SERVICES REPORT

Deputy Director Dave Taylor reported:

- ❖ On January 10th, the Governor unveiled his recommended budget for SFY 2012. After the Governor's initial General Fund recommendation came out, a letter was delivered on February 3rd from the Joint Finance-Appropriations Committee (JFAC) Co-Chairs to the Chairs of the Department's germane committees. The letter stated that although the Governor's initial General Fund recommendation for Medicaid at \$445,535,600 did include \$25.3 million in additional cuts, it was too optimistic. The letter also stated the Co-Chairs and Vice-Chairs of JFAC identified a range of reductions for the Department totaling \$35-\$50 million dollars for SFY 2012. This

included the \$25.3 million dollar omnibus reduction already recommended by the Governor.

- ❖ On February 11, 2011, Cathy Holland-Smith, Division Manager for the Budget & Policy Analysis Division sent a letter to all agency directors. The letter requested all agencies provide information to their assigned legislative Budget & Policy Analyst by Thursday, February 17, 2011 on the impacts of a possible reduction of up to 5% from the General Fund for FY 2012.
- ❖ The Department of Health and Welfare submitted its spending reduction plan on February 16, 2011 to its legislative Budget & Policy Analyst. The suggested total General Funds reduction would be taken from the Medicaid Program.
- ❖ Operating Infrastructure - 67% of the Department's current servers in production are out of warranty and many have reached end-of-life status. Forty-eight percent of the Department's PCs are 6 to 8 years old. In the Department's motor pool, 117 vehicles have over 100,000 miles on them.
- ❖ Due to system and operational issues with the new Medicaid Management Information System (MMIS) known as Molina Medicaid Solutions, interim payments were made to providers who were not receiving regular payments for billed services. These interim payments total \$118 million to date and the state is now in the process of recouping these advanced payments
- ❖ There is approximately \$83 million still outstanding in overpayment to providers. Letters requiring the overpayment be reimbursed to the Department by the end of FY 2011 will be sent out next week.

DIRECTORS REPORT

Director Armstrong reported:

- ❖ Representative Janet McGeachin requested an audit be conducted on the Medicaid Management Information System (MMIS) by the Office of Performance Evaluation (OPE). The Joint Legislative Oversight Committee approved this request. The Department has closely monitored and documented issues with the MMIS system since implementation and provided OPE auditors weekly reports and contract information as they request. Molina will also provide information as requested. The Department will be required to fund this audit. The Director offered to have the Department write the report for Legislators, but this was rejected. Representative McGeachin wants to receive a copy of this report prior to the end of Legislative Session.
- ❖ Major grocers met with the Governor and expressed their desire to expand the distribution of Food Stamps over a 3 day period. They stated they are losing money to small groceries due to the inability to keep their shelves stocked due to the large amount of sales on the first of the month.

- ❖ Currently distribution of Food Stamps occurs on the first of each month. If the distribution date were to be changed, additional phone calls would come in to the Department and there is not sufficient staff to man these calls. The Director will meet with the Governor and explain that the Department does not have the work force to make these changes.
- ❖ The Medicaid Management Information System (MMIS) is working better. There are still 16 outstanding issues that have been previously identified. The Department has seen huge improvements with MMIS over the last 9 months.
- ❖ The Department receives approximately 116,000 Medicaid claims each week.
- ❖ The Department's budget is scheduled to be released by JFAC about March 1, 2011.

Lead Deputy Attorney General (DAG) Peg Dougherty reported on the Nick Arambarri case heard in District Court which pertained to the consolidation of the Department's 7 Regional Director positions to 3. She informed the Board that Mr. Arambarri has filed an appeal but there is no date set yet.

Dr. Roberge informed the Board members in attendance that there would not be a quorum for the scheduled August 18, 2011 Health and Welfare Board meeting. Dr. Roberge will work with Betty Mills to find an alternate date for the August meeting.

Tom Stroschein and Dr. Roberge met with Representative Lake and Senator Stegner. There was a discussion regarding an increase on cigarette tax. Tom expressed to the Board that if during the Legislative Session the issue of an increase on cigarette tax came up, that the Health and Welfare Board should support an increase in the cigarette tax due to the negative impact of cigarette smoking on health and for the potential to improve funding for Medicaid. These additional funds could then be used to assist with the Medicaid deficit.

Stephen Weeg suggested the Board write a letter to the Legislature stating that considering the benefits that Medicaid provides to the public, an increase in taxes on alcohol and cigarettes would benefit the Medicaid program and reduce smoking in Idaho.

Motion: Stephen Weeg moved that Chairman Roberge draft a letter from the Board of Health and Welfare and strongly recommend new funding be found to stabilize Medicaid services. Therefore, this Board requests the Senate Local Government and Taxation Committee and the House of Representative Revenue and Taxation Committee, seriously consider raising the tobacco and beer/wine tax in this session of the Legislature. The additional revenue would be used to offset the Medicaid deficit.

Second: Tom Stroschein

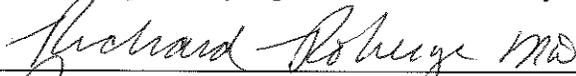
Vote: Ayes: Fuchs, Kerby, Roberge, Stroschein, Weeg – 5
Nays: None

Motion carried

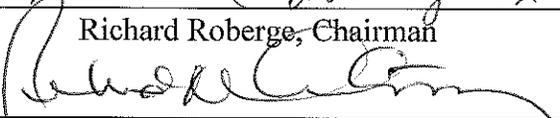
ADJOURNMENT

The next meeting of the Board of Health and Welfare is scheduled to be held May 19, 2011. There being no further business to come before the Board, Chairman Roberge adjourned the meeting at 12:30 p.m.

Respectfully signed and submitted by:



Richard Roberge, Chairman



Richard M. Armstrong, Secretary



Betty J. Mills, Special Assistant