

MINUTES OF THE
JOINT HEALTH AND HUMAN SERVICES APPROPRIATION SUBCOMMITTEE
February 12, 1999, 2:00 P.M.
Room 403, State Capitol Building

Members Present: Sen. Robert Muhlestein, Committee Co-Chair
Rep. Bill Wright, Committee Co-Chair
Sen. Edgar Allen
Sen. Steve Poulton
Rep. Loretta Baca
Rep. Trisha Beck
Rep. David L. Hogue
Rep. Bryan D. Holladay
Rep. Matt Throckmorton

Members Absent: Rep. J.W. "Bill" Hickman

Staff Present: Spencer Pratt, Legislative Fiscal Analyst
Thor Nilsen, Legislative Fiscal Analyst
Bonnie Brinton, Secretary

Others Present: Richard Melton, Deputy Director, Department of Health
Iona M. Thraen, Director, Division of Health Systems Improvement
George Delavan, Director, Division of Community and Family Health Services
Patrick Johnson, Executive Director, Health Policy Commission

List of Others Present on File.

Committee Co-Chair Rep. Wright called the meeting to order at 2:35 p.m.

A.. Approval of Minutes of February 8, 1999

MOTION: Rep. Hogue moved to approve the minutes of February 8, 1999. The motion passed unanimously with Rep. Holladay absent for the vote.

B. Department of Human Services

Fees:

The Analyst, Thor Nilsen, presented the Fee Schedule for the Department of Human Services. No changes are proposed in the current fee structure. However, three fees have been eliminated and two new fees have been added, Intermediate Secure Treatment and FBI Fingerprint Checks.

MOTION: Rep. Muhlestein moved to adopt the fee schedule for the Department of Human Services. The motion passed unanimously with Rep. Holladay absent for the vote.

C. Department of Health

Fees:

The Analyst, Spencer Pratt, presented the Fee Schedule for the Department of Health. Richard Melton, Deputy Director, Department of Health, responded to questions from committee members.

MOTION: Rep. Hogue moved to change two fees on page 29 in the Public Health Data fee schedule, Paternity Search and Death Research, to \$9.00 per hour with a one hour minimum. The motion passed unanimously with Sen. Poulton absent for the vote.

MOTION: Rep. Hogue moved to adopt the fee schedule for the Executive Director's Office, pages 27-29, Tab 8, as amended.

SUBSTITUTE MOTION: Rep. Throckmorton moved to decrease all new fees in the Executive Director's Office by 50%. The motion failed with Sens. Muhlestein and Poulton and Reps. Throckmorton and Wright voting in favor of the motion and Sen. Allen and Reps. Baca, Beck, Hogue and Holladay voting in opposition to the motion.

The motion to adopt the fee schedule for the Executive Director's Office as amended failed in the Senate with Sen. Allen and Reps. Baca, Beck, Hogue, Holladay and Wright voting in favor of the motion and Sens. Poulton and Muhlestein and Rep. Throckmorton voting in opposition to the motion.

MOTION: Sen. Muhlestein moved to decrease all new fees in the Department of Health by 25%.

SUBSTITUTE MOTION: Rep. Baca moved to decrease all new fees on pages 27 and 28 in the Executive Director's Office by 25% except for those in the Office of the Medical Examiner. The motion passed with Rep. Throckmorton voting in opposition to the motion.

MOTION: Sen. Muhlestein moved to accept the Veterans' Nursing Home fee schedule, page 6, Tab 9. The motion passed unanimously.

Mr. Melton reported that the Veterans' Administration had taken the responsibility to follow up on certification and back pay of the Veterans' Nursing Home. He will provide a report in the next meeting on the results of the certification assessment.

Iona M. Thraen, Director, Division of Health Systems Improvement, responded to questions from committee members.

MOTION: Sen. Muhlestein moved to approve the Health System Improvement fee schedule (pages 26 - 32, Tab 10) with an amendment on page 31 to the Bureau of Health Facility Licensure, Assisted Living Type I and Type II. This amendment would change the fee according to the number of beds as follows: Up to 5 beds, from \$500 to \$350; 6 to 16 beds, from \$900 to \$700; and 17 to 50 beds, from \$1,800 to \$1,600. The remaining two fees would remain the same. The motion passed with Rep. Holladay voting in opposition to the motion.

MOTION: Rep. Hogue moved to increase the Per Child fee in the Child Care Center Facilities on page 29 from \$1.50 to \$2.00. The motion failed with Sen. Allen and Reps. Beck, Hogue, Holladay and Wright voting in favor of the motion and Sens. Poulton and Muhlestein and Reps. Baca and Throckmorton voting in opposition to the motion.

MOTION: Sen. Allen moved to decrease the Annual License Fee, Bureau of Health Facility Licensure fee from \$125 to \$100. The motion passed unanimously.

MOTION: Sen. Muhlestein moved to accept the Health System Improvement fee schedule as amended. The motion passed unanimously with Rep. Holladay absent for the vote.

MOTION: Sen. Muhlestein moved to accept the Epidemiology and Laboratory Services fee schedule as outlined by the Analyst on pages 20 through 27, Tab 11. The motion passed unanimously with Rep. Holladay absent for the vote.

George Delavan, Director, Division of Community and Family Health Services, responded to questions from committee members.

MOTION: Rep. Beck moved that the committee not approve the Community and Family Health Services, Baby Watch Early Intervention sliding fee schedule as outlined by the Analyst, (page 38, Tab 12).

SUBSTITUTE MOTION: Sen. Muhlestein moved to approve the sliding fee schedules as outlined on pages 37-38. The motion failed with Sens. Poulton and Muhlestein and Reps. Throckmorton and Wright voting in favor of the motion and Sen. Allen and Reps. Baca, Beck and Hogue voting in opposition to the motion.

SUBSTITUTE MOTION: Sen. Allen moved to remove the Community and Family Health Services sliding fee schedule (page 38) and ask the Department of Health to review and adjust the fees for next year. The motion was withdrawn.

SUBSTITUTE MOTION: Rep. Hogue moved to proceed to the next item on the agenda. The motion passed with Rep. Holladay absent for the vote.

MOTION: Rep. Throckmorton moved to saunter for five minutes. The motion passed unanimously with Rep. Holladay absent for the vote.

Co-Chair Rep. Wright reconvened the meeting at 4:20 p.m.

The Analyst, Spencer Pratt, presented the Intent Language for the Department of Health for FY 2000.

MOTION: Sen. Muhlestein moved to approve the following Intent Language regarding the Executive Director:

It is the intent of the Legislature that the Department of Health present to the Legislative Fiscal Analyst's Office, with its annual budget submission, detailed outcome measures for each budget area in each division within the Department. These outcome measures shall be, whenever possible, reported in terms of outcomes achieved with the populations served in addition to the report of total numbers served. The Legislative Fiscal Analyst's Office shall include the department's report including measurements within its budget presentation on an item by item basis.

The motion passed unanimously with Rep. Holladay absent for the vote.

MOTION: Sen. Muhlestein moved to approve the following Intent Language regarding the Executive Director with the amendment to change the date from 1999 to 2000. The motion passed unanimously with Rep. Baca absent for the vote:

It is the intent of the Legislature that the Department of Health, Department of Human Services, and the Division of Employment Development in the Department of Workforce Services work jointly through the regular budget process to present program budget overviews for disabilities services and for aging services to be presented to the 1999 Health and Human Services Appropriations Subcommittee. These program budget overviews will include a discussion of the most appropriate and least costly funding

options.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the following Intent Language regarding Executive Director - Office of Health Data Analysis:

It is the intent of the Legislature that the Office of Health Data Analysis become self-sustaining through the sale of its data, published reports, products or services to all business, insurance, research or commercial entities to the greatest extent possible. Fees derived from the sale of these products and services shall be sufficient to generate one-half of the operating budget by the beginning of Fiscal Year 2000.

SUBSTITUTE MOTION: Rep. Hogue moved to delete the preceding Intent Language. The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to approve the following Intent Language regarding Health System Improvement - Health Facility Licensure:

It is the intent of the Legislature that the fees collected for the purpose of plan reviews by the Bureau of Health Facility Licensure be considered nonlapsing.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to approve the following Intent Language regarding Health System Improvement - Primary Care and Rural Health Systems:

It is the intent of the Legislature that the funding from the Mineral Lease Account for the State Primary Care Grant program for Underserved Populations be considered nonlapsing.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to approve the following Intent Language regarding Health System Improvement - Primary Care and Rural Health Systems with an amendment to change the date from FY 2000 to FY 2001:

It is the intent of the Legislature that the Primary Care Grant Program be funded with ongoing funds in FY 2000.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Poulton moved to insert the following intent language into prior intent language regarding Executive Director: after, "achieved" add "and shall include those who were eligible but did not need or accept services."

SUBSTITUTE MOTION: Rep. Holladay moved to accept the preceding motion and insert additional intent language as follows: after "were" add "statistically" and after "accept" add "State funded." The Intent Language would then read:

It is the intent of the Legislature that the Department of Health present to the Legislative Fiscal Analyst's Office, with its annual budget submission, detailed outcome measures for each budget area in each

division with the Department. These outcome measures shall be, whenever possible, reported in terms of outcomes achieved and shall include those who were statistically eligible but did not need or accept State funded services, with the populations served in addition to the report of total numbers served. The Legislative Fiscal Analyst's Office shall include the department's report including measurements within its budget presentation on an item by item basis.

Michael Deily, Director, Division of Health Care Financing, responded to questions from committee members.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the following Intent Language regarding Epidemiology and Laboratory Services - Laboratory Improvement as follows:

It is the intent of the Legislature that the Division of Epidemiology and Laboratory Services may receive donated laboratory equipment and shall use such donated equipment for the purpose of promoting and protecting the public health.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the following Intent Language regarding Community and Family Health Services - Maternal and Children with Special Health Care Needs with an amendment to change the date from 1999 to 2000:

It is the intent of the Legislature that the Department of Health implement the parent fee schedule for the Early Intervention Program in such a way as to minimize the administrative burden of the income determination and payment process on both clients and local providers. The Department will continue to evaluate the impact of the parent fee schedule on consumer participation in, and satisfaction with, the Early Intervention services. The results of this evaluation will be reported to the Health and Human Services Appropriations Subcommittee during the 1999 Legislative General Session.

The motion was withdrawn.

MOTION: Rep. Hogue moved to accept the Intent Language regarding Health Care Financing - Director's Office as follows:

It is the intent of the Legislature that the Division of Health Care Financing may expend up to \$10,000 of the General Funds allocated for Medical Assistance to provide emergent medical-related services for persons.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the Intent Language regarding Health Care Financing - Director's Office as follows:

It is the intent of the Legislature that the Division of Health Care Financing Pursue Federal Medicaid waivers to include Home Health Care in order to reduce costs and improve the quality of services.

SUBSTITUTE MOTION: Rep. Hogue moved to add intent language to the proposed Intent Language regarding Health Care Financing - Director's Office as follows: after "services" add "and report to the Health and Human Services Appropriations Subcommittee during the 2000 Legislative General

Session."

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the intent language regarding Health Care Financing - Director's Office as follows:

It is the intent of the Legislature that the Division of Health Care Financing use a Utah-specific market basket indicator for nursing facilities, to the extent possible, instead of a national one, in determining future rate increases for long-term care facilities.

SUBSTITUTE MOTION: Rep. Hogue moved to add intent language to the proposed Intent Language regarding Health Care Financing - Director's Office as follows: after "services" add "and report to the Health and Human Services Appropriations Subcommittee during the 2000 Legislative general session."

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the Intent Language regarding Medicaid - Base Program as follows:

It is the intent of the legislature that the Department of Health will review with the Executive Appropriations Committee any Medicaid Program reductions or additions.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Allen moved to accept the new Intent Language - FY 1999 Supplemental, Epidemiology and Laboratory Services - Director's Office, as follows:

Under the terms of UCA 63-38-8.1, the Legislature intends not to lapse Item 125, Chapter 373, Laws of Utah 1998. Expenditure of these funds is limited to:

<i>Environmental Chemistry and Toxicology</i>	
<i>Gas Chromatography</i>	<i>\$48,000</i>
<i>Centrifuge</i>	<i>10,000</i>
<i>Laboratory computer equipment</i>	<i>10,000</i>
<i>Microbiology Laboratory</i>	
<i>Thermocycler</i>	<i>30,000</i>
<i>Microscope</i>	<i>12,000</i>

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to accept the Intent Language regarding the Health Policy Commission as follows:

It is the intent of the Legislature that the authority for the Health Policy Commission not be extended beyond the statutory repeal date of July 1, 2001 (63-55-263 (10)) unless the Commission implement the following principles, as established in Health Print:

*Individuals should be responsible for their own health coverage.
Choice of provider should be decided by cost-conscious consumers.
Problems in the current market should be fixed by enhancing competition rather than setting up a*

*government-run system.
Health system reform should not require new taxes.
Effective health system reform is a long-term, ongoing process.*

SUBSTITUTE MOTION: Rep. Holladay moved to amend the first paragraph of the proposed intent language as follows: after "Commission" delete "not" and after "extended" delete "beyond" and insert "to" and after (63-55-263 (10)) delete "unless the Commission" and insert "as long as the Commission continues to". The amended intent language in the first paragraph would read as follows:

It is the intent of the Legislature that the authority for the Health Policy Commission be extended to the statutory repeal date of July 1, 2001 (63-55-263 (10)) as long as the Commission continues to implement the following principles, as established in Health Print:

Patrick Johnson, Executive Director, Health Policy Commission, responded to questions from committee members.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to request the Executive Appropriations Committee to instruct the Fiscal Analyst to perform a study of the three scholarship/grant programs in the Division of Health Systems Improvement. These include the Physicians and Physician Assistants Grant and Scholarship Program (26-9), the Nurse Educational Financial Assistance Program (26-9d), and the Special Population Health Care Provider Financial Assistance and Retention Act (26-9e) during the 1999 interim. The report is to be presented to the Health and Human Services Joint Appropriation Subcommittee during the 2000 General Session.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved that the Subcommittee request the Legislative Process Committee to assign an audit of the Nursing Facility Account in the Department of Health to the Legislative Auditor General.

The motion passed unanimously with Rep. Baca absent for the vote.

MOTION: Sen. Muhlestein moved to adjourn the meeting. The motion passed unanimously with Rep. Baca absent at the time of voting.

Committee Co-Chair Rep. Wright adjourned the meeting at 5:20 p.m.

Minutes were reported by Bonnie Brinton, Secretary.

Sen. Robert Muhlestein, Co-Chair

Rep. Bill Wright, Co-Chair