

MINUTES OF THE
JOINT HEALTH AND HUMAN SERVICES APPROPRIATION SUBCOMMITTEE
Monday, February 10, 2003, 2:00 p.m.
Room 131 State Capitol

Members Present: Sen. David H. Steele, Committee Co-Chair
Rep. Jack A. Seitz, Committee Co-Chair
Sen. Paula Julander
Rep. J. Stuart Adams
Rep. Calvin G. Bird
Rep. David Litvack
Rep. Rebecca Lockhart
Rep. Roz McGee
Rep. Mike Thompson

Members Excused: Sen. Leonard Blackham

Staff Present: Spencer C. Pratt, Legislative Fiscal Analyst
Thor Nilsen, Legislative Fiscal Analyst
Norda Shepard, Secretary

Public Speakers Present: Robin Arnold-Williams, Executive Director, Department of Human Services
Iona Traen, Director, Division of Health Systems Improvement

List of Visitors on File

Meeting was called to order by Co-Chair Seitz at 2:35 p.m.

Kris Fawson distributed "Facts and Data on Autism Intervention" and letters from parents concerning cuts to the autism program. A letter sent to Co-Chair Steele by nine year old Cameron Ball about his little brother and the help he has received in the autism pre-school was also distributed.

MOTION: Rep. Julander moved to approve the minutes of 2-05-03. The motion passed unanimously with Sen. Steele, Rep. Adams and Rep. Thompson absent at the time of the vote.

The analyst's recommendations for FY 2004 for the Department of Health and the Department of Human Services were distributed for consideration. Co-Chair Seitz announced that the committee would not act on the proposed budget for FY 2004 today but it would be considered at a later meeting after presentations have been made to the different caucuses.

MOTION: Sen. Steele moved to appropriate \$570,000 from Dedicated Credits to the Division of Substance Abuse and Mental Health - State Hospital for FY 2003 for operation of its short-term acute beds.

The motion passed unanimously with Rep. Thompson absent at the time of the vote.

Analyst Thor Nilsen explained the Department of Human Services proposed reallocation for FY 2003 reductions from the 6th Special Session. He explained that the first column of the handout is what happened in FY 2003 with cuts and restorations and column two is the recommendations from the Department on how to reallocate budgets in FY 2004 if funding remains the same as FY 2003. He also reviewed the proposed license fee increases.

Rep. Bird stated he felt that in voting for these cuts is voting for extra costs down the road. He said that one-time funding, the selling of land or other means would be appropriate to look at on these items. Co-Chair Steele said they would be taking all committee suggestions to the Executive Appropriations Committee for consideration.

Rep. Litvack stated he would be voting against any further cuts and would do the same for the Department of Health. He said he voted against the base budget cuts during the December special session. He stated his concern and fear at the time was we would lose sight of the impact and the human toll because they would be replaced with one time funding and then revert to the base budget level. He said with the additional 2% reduction discussions he feels that a vote for this is a sign of giving up.

MOTION: Sen. Steele moved to accept the Department's recommended reallocation of General Funds for FY 2004 as shown in the last column of the Analyst's handout entitled "Comparing FY 2003 Across-the-Board Reductions." He also moved to accept the revised fee structure as shown on the reverse side of that same handout.

The motion failed with Sen. Steele, Rep. Seitz, Rep. Adams and Rep. Lockhart voting in favor and Sen. Julander, Rep. Bird, Rep. Litvack, Rep. McGee and Rep. Thompson voting in opposition.

Sen. Julander explained her vote. She said she also voted no at the last special session and her vote has been completely solidified by calls from constituents who needed help and have been forced to go to emergency room for service, which is the highest cost of care. She stated she could not go against her previous vote.

MOTION: Sen. Steele moved to accept the reallocation of General Funds for FY 2004 as shown in the table on page 8 of the Analyst's Summary report.

Analyst Nilsen said he needed to clarify what happened on the previous vote. He stated those figures already included the \$3.7 million reductions and the previous vote was to not approve the reallocation of those cuts the way that the Department would want them, so the cuts are still a part of the Analyst's recommended budget which will be voted on in the future. He reiterated that the two column figures total the same.

Robin Arnold-Williams, Executive Director, Department of Human Services, highlighted areas where the Department is recommending reallocations. She said they did not wish to cut some of the very small organizations within the Executive Directors which would be offset by the increase in license fees. She said they felt they could not take any more cuts to the State Hospital so this was moved to Mental Health Center. She said the changes in People with Disabilities was to avoid taking current people out of services.

After committee discussion, Sen. Steele withdrew his motion.

MOTION: Rep. Litvack moved that the committee reconsider actions taken on the previous motion.

The motion passed unanimously.

MOTION: Rep. Litvack moved to accept the Department's recommended reallocation of General Funds for FY 2004 as shown in the last column of the Analyst's handout entitled "Comparing FY 2003 Across-the-Board Reductions," and to accept the revised fee structure as shown on the reverse side of that same handout.

The motion passed unanimously.

MOTION: Sen. Steele moved to accept the reallocation of General Funds for FY 2004 as shown in the table on page 8 of the Analyst's Summary report.

The motion passed unanimously with Rep. McGee absent at the time of the vote.

Co-Chair Steele explained that Intent Language has an impact for one year unless it is acted on the next year. He said there are about twenty current recommendations in the Department of Human Services and an equal amount in the Department of Health for consideration. He recommended that time would be helpful for review before taking formal action.

MOTION: Sen. Steele moved to postpone action on the Intent Language for the Department of Human Services until Wednesday, February 12, 2003.

The motion passed unanimously with Rep. McGee absent at the time of the vote.

Rep. Litvack distributed proposed intent language and explained his intent would be to track the human toll of any kinds of cuts to services and also the impact of cost shifting to other services.

Co-Chair Steele distributed a letter from Analyst Nilsen explaining the proposed cuts to the mental health program and the Medicaid match rate change impacts.

Co-Chair Seitz asked all those who were in attendance in support of the autistic program to stand and be recognized. He thanked them for being here. He stated it was not the intent to take any public input at this meeting but appreciated the people coming. He said this program will be taken into consideration. He stated the committee has heard and appreciated many concerns from many people. Co-Chair Steele stated he had distributed a letter he had received from a young brother of an autistic child and said he appreciated all the calls and letters he has received. He said concern expressed in written form is very effective.

MOTION: Sen. Steele moved to approve the following fees for the Department of Health for FY 2004:

Executive Director's Office - Tab 7, pages 20-22

Health Systems Improvement - Tab 9, pages 23-29

Note the following correction:

Column Titles should read "Current FY 2002-03" and "Proposed FY 2003-04"

On pages 25, Bureau of Licensing:

Change "Child Care Facilities base fee" to "Annual Licensed Child Care Facility base fee"

Add the following new fees:

Annual Residential Child Care Certificate base fee - \$50.00

Two-year Licensing Base Fees:

Health Care Facilities - \$100/every two years

Licensed Child Care Facilities - \$50/every two years

Epidemiology and Laboratory Services - Tab 11, pages 30-37

Note the following corrections:

Column Titles should read "Current FY 2002-03" and "Proposed FY 2003-04"

The proposed fee on Page 36, Molecular Biology "Brodeldcila pertusis: should read "Bordetella pertussis"

Community and Family Health Services - Tab 12, pages 41-41

The motion passed unanimously.

Iona Traen, Director, Division of Health Systems Improvement, said the fee increases related to the Bureau of Licensing are a short term solution to the additional 3.5% cut taken in December. She said the cuts taken over the last few years have made it difficult for the bureau to do the job they are charged to do so fee increases were the option chosen to increase revenue for this bureau.

MOTION: Rep. Bird moved to postpone action on Intent Language for the Department of Health until Wednesday, February 12, 2003.

The motion passed unanimously.

Rep. Lockhart stated she intended to present intent language on a preferred drug list for committee consideration.

MOTION: Rep. Lockhart moved to adjourn. The motion passed unanimously.

Co-Chair Seitz adjourned the meeting at 3:35 p.m.

Minutes reported by Norda Shepard, Secretary.

Sen. David H. Steele
Committee Co-Chair

Rep. Jack A. Seitz
Committee Co-Chair