

**MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE**

Tuesday, August 14, 2018 • 8:00 a.m. • Utah Public Health Laboratory, 4431 South 2700 West, Taylorsville, Utah

Members Present:

Sen. Allen M. Christensen, Senate Chair
Rep. Raymond P. Ward, House Vice Chair
Sen. Daniel Hemmert
Sen. Todd Weiler
Rep. Rebecca Chavez-Houck
Rep. Rebecca P. Edwards
Rep. Sandra Hollins
Rep. Edward H. Redd
Rep. Norman K. Thurston

Rep. Paul Ray, House Chair
Sen. Luz Escamilla
President Wayne L. Niederhauser
Sen. Kevin T. Van Tassell
Sen. Brian Zehnder
Rep. Timothy D. Hawkes
Rep. Michael S. Kennedy
Rep. Travis M. Seegmiller

Members Absent:

Staff Present:

Mr. Russell T. Frandsen, Fiscal Analyst
Ms. Maddy Oritt, Fiscal Analyst
Ms. An Bradshaw, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

Chair Christensen called the meeting to order at 8:27 AM.

Sen. Van Tassell, Rep. Hawkes, and Rep. Seegmiller were excused from the meeting.

MOTION: Rep. Ward moved to approve the minutes of the meetings held on January 23, 25, 26, 29, 31 and February 1, 2, 5, 6, 7, 8, 9 and June 19 (morning and afternoon) 2018. The motion passed unanimously. The motion passed with a vote of 9 - 0 - 8 .

Yeas-9

Rep. R. Chavez-Houck
Sen. A. Christensen
Rep. R. Edwards
Sen. D. Hemmert
Rep. S. Hollins
Rep. E. Redd
Rep. N. Thurston
Rep. R. Ward
Sen. T. Weiler

Nays-0

Absent-8

Sen. L. Escamilla
Rep. T. Hawkes
Rep. M. Kennedy
Sen. W. Niederhauser
Rep. P. Ray
Rep. T. Seegmiller
Sen. K. Van Tassell
Sen. B. Zehnder

1 . An In-Depth Budget Review of the Utah Department of Health

2 . A Performance Audit of the Utah Office of the Inspector General of Medicaid

Mr. Kade Minchey, Audit Manager, Legislative Auditor General (LAG), introduced the audit team to the committee.

[4b-An In-Depth Budget Review of the Utah Department of Health 8-14-18](#)

[4a-DOH In-Depth Review Presentation Social Services 8-14-18](#)

Mr. Jesse Martinson, Audit Supervisor, LAG, presented the audit of the Department of Health.

Rep. Ward asked clarifying questions about measuring how much care was provided.

Mr. Martinson and Mr. Minchey responded.

Rep. Chavez-Houck asked the auditors to provide additional context about the administrative budget. Mr. Martinson and Mr. Minchey responded.

Mr. Jason Worthen, CEO, Health Choice Utah, and Chair, Utah Coalition for Medicaid Plans, was invited by Chair Christensen to respond to the audit.

Mr. Michael Hales, Senior Director, Government Healthcare Programs, University of Utah Health, also responded to the audit.

Sen. Weiler commented on the decrease of reported recoveries.

Rep. Chavez-Houck asked for additional information of trends relating to the acuity of the population.

Mr. Hales responded with clarifying information.

Rep. Redd asked about caps in the system and how the department monitors access to healthcare. Mr. Hales and Mr. Worthen responded.

Mr. Nathan Checketts, Deputy Director, Department of Health (DOH), responded to the audit.

Chair Christensen commented on proposed budget cuts.

3 . A Performance Audit of the Utah Office of the Inspector General of Medicaid

Mr. Minchey was invited to introduce the audit team and the audit.

[5b-A Performance Audit of the Utah Office of the Inspector General of Medicaid Services 8-14-18](#)

[5a-OIG Performance Audit Slides 8-14-18](#)

[5c-ACO Comprehensive Program Integrity Final 2 - 8-14-2018](#)

Mr. Matthew Harvey, Audit Supervisor, LAG, reviewed some of the problems the audit found with the Office of the Inspector General (OIG).

Mr. Minchey added information about the recommendations made by the audit.

Mr. Nathan Johansen, Deputy Inspector General, OIG, was invited to respond.

Rep. Redd asked clarifying questions and Mr. Johansen responded.

Mr. Russell Frandsen, Fiscal Analyst, Legislative Fiscal Analyst (LFA), provided his understanding of how recovered funds are dealt with in other states.

Rep. Ward asked what are the top three kinds of things the OIG finds in its audits. Mr. Johansen responded.

Mr. Hales was invited to address the committee regarding the implementation of value-based care.

4 . Benchmark Health Plan Used for the Children's Health Insurance Program

Ms. Emma Chacon, Operations Director, Division of Medicaid and Health Spending, DOH, presented the information to the committee.

5 . Costs and Options to Deal With High Cost Drugs on Medicaid

[7a1-NCSL1-Medicaid - RX for Utah-Cauchy-Web](#)

Mr. Dick Cauchi, Program Director, National Conference of State Legislatures, explained via phone the impact of blockbuster drugs on Medicaid and gave examples of the efforts of several states to deal with this impact.

Chair Christensen asked how other states are implementing caps on high cost drug spending. Mr. Cauchi responded.

Rep. Redd asked clarifying questions about formularies and Mr. Cauchi responded.

Rep. Ward asked about approvals for bio-similar drugs and Mr. Cauchi responded.

Mr. Checketts provided information about ways that Medicaid controls prices for drugs and responded to questions from Chair Christensen.

Rep. Thurston asked about other sources of tax monies being used for drug purchases. Mr. Checketts and Mr. Cauchi responded.

Sen. Hemmert asked clarifying questions and Mr. Checketts responded.

Rep. Chavez-Houck asked clarifying questions about ACOs. Mr. Worthen responded.

6 . Breast and Cervical Cancer Coverage Options to Change

Ms. Heather Borski, Director, Division of Disease Control and Prevention, DOH, presented the information to the committee.

7 . Written Reports

Mr. Frandsen explained the reports to the committee.

[9a1. Issue Brief - 2018 Interim - Moving Certain Medicaid Claims to Higher Federal Match Rate](#)

[9a2. Report to SSAS - Federal Match for American Indian-Alaskan Native Claims 8-14-2018](#)

[9b2-Report to the SSAS - School Based Services - 8-14-2018](#)

Mr. Frandsen responded to clarifying questions from Chair Christensen.

Tour of the facilities.

The meeting adjourned and participants toured the facility.