

**MINUTES OF THE
MEDICAID INTERIM COMMITTEE**

Friday, November 2, 2007 – 9:00 a.m. – Room W135 House Building

Members Present:

Sen. Allen M. Christensen, Senate Chair
Rep. Merlynn T. Newbold, House Chair
Sen. Gene Davis
Sen. Lyle W. Hillyard
Sen. Ross I. Romero
Rep. Tim M. Cosgrove
Rep. Brad Last
Rep. David Litvack
Rep. Michael E. Noel
Rep. Paul Ray

Members Absent:

Sen. Sheldon L. Killpack
Rep. Stephen D. Clark

Staff Present:

Mr. Mark D. Andrews, Policy Analyst
Mr. Leif G. Elder, Research Analyst
Mr. Russell Frandsen, Economist
Ms. Debbie Headden, Analyst
Ms. Catherine J. Dupont, Associate General Counsel
Mr. Thomas R. Vaughn, Associate General Counsel
Ms. Phalin L. Flowers, Legislative Secretary

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

1. Committee Business

Chair Newbold called the meeting to order at 9:06 a.m.

MOTION: Rep. Ray moved to approve the minutes of the October 3, 2007 meeting. The motion passed unanimously with Sen. Davis, Sen. Hillyard, Rep. Cosgrove, Rep. Last, and Rep. Litvack absent for the vote.

2. Follow-up on Pharmaceutical Issues

Ms. Dupont distributed and discussed 2008 General Session draft legislation, "Medicaid 340 B Drug Pricing Programs." She also gave a presentation on an additional option that would help lower the costs of drugs.

Dr. David Sundwall, Executive Director, DOH (Utah Department of Health), spoke in support of lowering the costs of health care.

Mr. Frandsen distributed and discussed "LFA - Summary of Pharmacy Drug Pricing."

Mr. Tim Morley, Pharmacist, DOH, explained why DOH supports using 200 percent AMP (average manufacturers price) over 115 percent AMP.

3. Long-term Care

A. Nursing Homes

Mr. Elder distributed and discussed "Why the Difference in Nursing Facility and ICF/MR (Intermediate Care Facilities for the Mentally Retarded) Occupancy Rates?" and "History of Nursing Home Beds." He explained that some possible reasons for the difference between the nursing home and ICF/MR occupancy rates are an oversupply of nursing home beds, a long average length of stay for those in ICFs/MR, and various client related issues.

Mr. Frandsen answered questions of the Committee concerning bed banking in rural and urban facilities.

B. Diversion to Home and Community-based Services

Mr. Alan Ormsby, Director, Aging and Adult Services, distributed and discussed "Nursing Home Placement Prevention Program (Aging Waiver) Pilot - Improved Diversion Through Hospital Discharge - Updated 11/2/07." He explained updates to the aging waiver proposal from the previous meeting.

Ms. Headden distributed and discussed "Nursing Home Placement Prevention Pilot Program." She recommended appropriating half of the amount needed to implement the aging waiver pilot during the 2008 General Session to determine the success of the pilot program.

4. Stakeholder Comments

Ms. Joyce Dolcourt, representing the Arc of Utah and the Legislative Coalition for People with Disabilities, distributed a copy of her testimony. She recommended that the current policy be changed to require a higher level of care criteria for placement in an ICF/MR, that statute be amended to allow waiting list funding to be divided between serving the most critical individuals, and providing early interventions to individuals with lower critical needs scores. She also recommended that the Family Opportunity Act, a provision of the Deficit Reduction Act, be implemented.

Ms. Kris Fawson, Utah Statewide Independent Living Council, introduced Ms. Debra Mair, Director, Salt Lake Independent Living Center.

Ms. Mair explained that the independent living centers provide services that people with disabilities need to live independent lives. She spoke in support of waivers and home and community-based service programs.

Mr. Andrew Riggle, Disability Law Center, distributed a copy of his testimony. He spoke in support of home and community-based service programs and gave several recommendations to help reduce health care costs.

Ms. Tericia Leavitt, Utah Development Disabilities Council, distributed a copy of her testimony. She explained the purpose of the Utah Development Disabilities Council and made five recommendations to increase home and community-based services.

Mr. John Harbert, Utah Association of Community Services, spoke in support of home and community-based services.

Mr. George Kelner, Director, Division of Services for People with Disabilities, DHS (Utah Department of Human Services), answered committee questions about community waivers that are operated by DHS.

Ms. Lewenn Jones, State Chairperson, Family to Family Network, spoke in support of home and community-based services for people with disabilities and of respite care being offered at an early age.

Ms. Ruby Hammel, Executive Council, AARP (American Association of Retired Persons) Utah, distributed a copy of her testimony. She spoke in support of home and community-based services.

Ms. Linda Blonsley, Executive Director, Alzheimer's Association, Utah Chapter, spoke in support of promoting early diagnosis of Alzheimer's Disease. She discussed the importance of home care and respite care for individuals with Alzheimer's Disease and their care givers.

Ms. Ann Hopkins, Utah Adult Day Services Association, spoke in support of adult day care and explained how adult day care saves money.

5. Summary of Long-term Care Issues and Options Presented to the Committee

Mr. Vaughn gave the Committee a summary of long-term care issues and options that have been presented to the Committee.

6. Committee Discussion

Sen. Christensen said that he supports the aging waiver pilot program proposed by Mr. Ormsby and asked how the pilot program could be implemented.

Ms. Headden explained that the aging waiver pilot program would require funds to be transferred from DOH to DHS and that legislation is not needed to do so.

MOTION: Sen. Christensen moved to send the aging waiver pilot program proposal to the Health and Human Services Appropriations Subcommittee. The motion passed unanimously with Sen. Hillyard and Rep. Noel absent for the vote.

Rep. Newbold said she would like to further study how beds are certified, how approval is given for facilities to acquire additional beds, and how facilities bank their current beds.

Rep. Litvack requested a table that would compare the pros and cons of each long-term care option presented to the Committee.

Rep. Last spoke in support of long-term care insurance and educating individuals on the importance of that insurance.

7. Other Items

The next meeting was set for November 20, 2007 at 9:00 a.m.

8. Adjourn

MOTION: Sen. Davis moved to adjourn the meeting. The motion passed unanimously.

Chair Newbold adjourned the meeting at 11:58 a.m.