

MINUTES OF THE  
JOINT HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE  
WEDNESDAY, JANUARY 21, 2009, 11:00 A.M.  
Room 30, House Building, State Capitol Complex

Members Present: Sen. Allen M. Christensen, Co Chair  
Rep. John Dougall, Co Chair  
Sen. Patricia W. Jones  
Sen. Margaret Dayton  
Sen. Daniel R. Liljenquist  
Rep. Kraig Powell  
Rep. Rebecca Chavez-Houck  
Rep. Keith Grover  
Rep. Ben C. Ferry  
Rep. Paul Ray  
Rep. David Litvack

Members Absent: Sen. Margaret Dayton  
Rep. Keith Grover

Staff Present: Russell Frandsen, Fiscal Analyst  
Stephen Jardine, Fiscal Analyst  
Nicholle Heidrich, Secretary

A list of visitors and a copy of handouts are filed with the committee minutes.

The meeting was called to order by Rep. Dougall at 11:10 a.m.

1. Public Comment

Public Speakers Present:

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| Marc Christensen, represent UACS;                    | Mark Christiansen, represent DSPD             |
| Cheryl Smith, represent Autism Preschool             | Korey Copazza, represent VUC                  |
| Brett Smith, represent Autism Preschool              | Amy Baker, represent Autism Preschool         |
| Kryson Morene, represent Autism Preschool            | Sylvia Scott, represent Mental Health         |
| Annie Campbell, represent Autism Preschool           | Ruth Larson, represent PD Waiver              |
| Greg Wrubell, represent Autism Preschool             | Matt Maw, represent PD Waiver                 |
| Margaret Peterson, represent Youth Providers         | Andy Curry, represent Tri-County              |
| Lou Anne Stevenson, represent AHAC                   | Melissa Gilley, represent MS Society          |
| Ted Gurney, represent C.O.R.C                        | Dr. Rod Bluth, represent MS Society           |
| Josette Dorius, represent Home Programs for Medicaid | Cathie Chansmore, represent Autism Preschool  |
| Laura Anderson, represent Autism Preschool           | Kaliee Royall, represent Autism Preschool     |
| Lincoln Nehring, represent UHPP                      | Leeann Whiffen, represent Autism Preschool    |
| Judi Hillman, represent UHPP                         | Heather Kelly, represent Autism Preschool     |
| Megumi Cochran, represent Autism Preschool           | Rebecca Thompson, represent Autism Preschool  |
| Scott McBeth, represent Aging Services               | Pat Bird, represent Utah Co.                  |
| Pat Fleming, represent Substance Abuse               | Theresa Bayerlein, represent Autism Preschool |
| Richard Nance, represent Substance abuse             | Karl Bayerlein, represent Autism Preschool    |

Juergon Korbanka, represent UT Co Mental Health  
Red Barker, represent UPhA Pharmacy  
Maria Young, represent Brain Injury Waiver Services  
Miriam Hiele, represent Consumer Mental Health  
Dean Jolley, represent UPhA Pharmacy

McKenna Christainsen, represent Autism  
Geri Bohn, represent Autism Preschool  
Aubrey Cerny, represent Autism Preschool  
Jodie Smith, represent Autism Preschool  
Becky Brady, represent Autism Preschool

Camille Huggard, represent Autism Preschool  
Tricia Nelson, represent Autism Preschool  
Judy Zimmerman, represent Autism Registry  
Steve Muester, represent NUAP  
Geoff Landward, represent NUAP  
Lisa Daves, represent Autism Preschool  
Andrew Riggie, represent DLC  
Richard Watson, represent Autism Council  
Karen LaMusga, represent Autism Intervention  
Terry Campbell, represent SA Provider  
Jennifer May, represent DSPD  
Melissa Christensen, represent Autism Preschool  
Corey Edwards, represent UALHO  
Sausha Herget, represent Autism Preschool  
Peggy Kraphus, represent Autism Preschool  
Bill Sutton, represent SLCO agency  
Laticia Morgan, represent NUAP  
Jason Golly, represent Autism Preschool  
Sean Atkisson, represent Physical Disability  
Carolyn Siegfied, represent SLCC

Michelle Wilkinson, represent Autism  
Tricia Nelson, represent Autism Preschool  
Kim Muester, represent NUAP  
Steve McDonald, represent March of Dimes  
Gloria Stratford, represent Autism  
Sarah Hiatt, represent Autism  
Leahna Bundy, represent Autism Preschool  
Kristy Pepper, represent NUAP  
Shawn McMillen, represent SA Provider  
Bill Tibbitts, represent AHAC  
Amy Funches, represent Autism Preschool  
Marin Bywater, represent Autism Preschool  
Crystal Hendrix, represent Autism Preschool  
Jessica Kerr, represent Autism Preschool  
Liz Zenter, represent Utah PTA  
Kevin Hamblin, represent NUAP  
Gina Pech, represent NUAP  
Scot Wahlquist, represent Autism Preschool  
Deanna Runyan-Wall, represent Disability  
Sandra Woods, represent NUAP

## 2. Recess

Recessed for lunch at 12:45p.m. and to return at 1:10p.m.

Meeting Adjourned at 1:55p.m.

There was no approval of the minutes.

## 3. Agency Responses

Rep. Dougall talked about the public comment. This afternoon they would discuss the Base Budget, and start off with the Agencies and their concerns.

David Sundwall the Executive Director of UDOH said that he understands the pressures the committee faces. He received the budget responses and came up with budget proposals. Dr. Sundwall said they would like help with recommendations. He also reminded the committee of Governor Huntman's #1 goal to reform Health Care. Mr. Sundwall stated that the Federal Match of \$125 million is lost for Medicaid.

Rep. Dougall clarified that 040 for the base budget came from the Health Dept. Committee.  
Rep. Litvack asked if Dr. Sundwall was referring to the Base Budget recommendations, and Rep. Dougall replied yes.

Dr. Sundwall stated that if they revised the waivers it would be a huge cost shift and qualify people for Medicaid and increase the price of that program.

Dr. George Delvin suggested that B47 partial offset for Tobacco Program. He reminded the committee that Tobacco is still a huge problem for the population. Dr. Delvin stated that it would have huge impact on low income families.

Rep. Litvak asked for clarification on B47 by Dr. George Delvin. A partial offset for \$480,000 from the Children of Special Health Care Clinics. He also asked how they track these recommendations and then factor them in. Rep. Litvak asked if they could keep track in one place.

Sen. Jones stated that they were very rushed to review budget recommendations.

Sen. Liljenquist stated that in the new Base Budget the ordering is all different.

Rep. Dougall explained that he doesn't believe that it is a fair assumption and that the considering factors need to be considered on where they can save money and receive greater productivity from the agency. He stated that there are provider reimbursements and how much money is going out. For example, do they need Meals-on-Wheels and where can the cuts be made. Rep Dougall wanted the committee to re-think within the agency before they made huge cuts.

Rep. Ferry stated that he did not believe the committee should bare the burden of overseeing the program for local providers at the state level. He wanted greater discussion on the following topic.

Sen. Liljenquist wanted the committee to look at the structural things they can do, and try to have more of a formula for the process.

Sen. Jones asked if the specific agencies would come forward for the direct services. Rep. Dougall recommended giving the options to the agencies. Providing the agencies with maximum flexibility and more places to cuts and what is wasted.

Rep. Litvack asked how realistic it is to change the way they do things. Rep. Dougall stated that the base budget does not mean this is the final budget.

Dr. Sundwall spent a lot of time coming up with a budget. He recommended reading The Milestones in Public Health. He stated Utah is ranked 5th in the Nation for Health Care.

Dr. David Maveits referenced B35 and 098, Childcare Licencing. There was a not information at the time to reference B35.

Michael Hales referred to B58 Hospital cuts and there were different ways to reduce cuts. He asked if in B71 the loan of 7.9 million was going to be paid back. Mr. Hales also suggested that they don't make them pay it back.

Mr. Frandsen referenced the Optional Budget that the pay back would only be a one-time pay back.

Mr. Hales stated that the one-time payback cut was not clear.

Rep. Ferry stated that they have a 45 day time frame to achieve the savings that is needed.

Rep. Litvack asked if on 095 they could get more information on these assumptions and where they are coming from. Mr. Frandsen stated that the information is the assumption.

Rep. Dougall gave history of health care, and how the agency upon another agency could consolidate another agency.

Rep. Litvack said he understands the rationale behind combining agencies and the basis that this can be done and where is the assumption that this can be done. Rep Dougall stated that the Governor can merge the agencies.

Rep. Litvack asked what the process in 1980-1981 that they went through for having a functional health care system by combining the two.

Speaker Michele-Church first stated that she knows that committee has an impossible task. She looked for administration cuts within the budgets, 12 million for administration and taking necessary cuts to make the program work. A philosophical task based on public policy. She stated that she had been working with Rep. Wayne Harper and he wanted to change the programs. She asked that the committee not take the people out of the equation. Ms. Church referred to it like a human body, the body would become wounded if these cuts were made. She expressed concern that they don't turn their backs on the federal funding. She also asked that they don't cost shift for the future but rather at the current cost shifts. Ms. Church closed by saying she hoped the committee has the courage to do things the right way.

Rep. Powell appreciated Ms. Church and all her work due to this budget. He asked that after hearing her recommendations that it is a mathematical equation more than a philosophical one.

Ms. Church stated that across the board the cuts prerogative is to do what is best, and the legal cuts make the programs worse.

Rep. Powell stated that all the objections he hears that they are loose matching funds and the only way to understand is by matching the funds. He also believes DCFS is not immune to budget cuts.

Sen. Christensen asked Ms. Church if she wanted to respond to DCFS that it is already experiencing cuts. He also complimented Ms. Church on doing the right thing and working so hard.

Ms. Church looked at the federal impact and asked Mark Ward to define the maintenance effort and if that is the fixed amount the federal government expected him to spend.

Sen. Jones stated that the Health & Human Services is a very unique and most important committee. This committee protects the vulnerable people from things that are not their choice. She also recommended that these individuals are being served, and that there are other options available. The ramifications on the individuals and their families. She also feels like they are being pushed into a corner with the time frame.

Sen. Liljenquist stated that this is extremely difficult budget to work with. He understands the impact on peoples lives. He stated that they would look at every option to find ways not cut.

Mrs. Church only recommended the Governor's budget, and suggested the option to look at administration cuts.

Sen. Liljenquist stated there are more options than they have, but part was in response to people and their needs. He also said that they are trying to stick with Governor's recommendations.

Sen. Dayton acknowledged the issues that require time. The legislation has pleaded for weeks for special sessions. She said they are trying to do the best they can with what they are given.

Rep. Ferry stated that there are options on this level and asked what levels would the programs be hurt. Rep. Ferry recommended that they educate the executives on program budgets so they have a basis to argue for their programs. He also mentioned this is one of the toughest budgets ever.

Adam Trumpet said that changes are ugly in all committees. He recognized the difficult task at hand. Mr. Trumpet stated that the bottom line is that the decision is in the committees hands. He recognizes that across the board the cuts are not the best way to do this budget. He asked the committee to please provide guidance and freedom within the budget. Mr. Trumpet wanted the committee to remember that they are dealing with vulnerable population and that they are going to lose some federal funds.

Rep. Powell purposed cuts have ended in counties. Mr. Trumpet answered that there is so little left from the state and not much to work with. Rep. Powell asked if Mr. Trumpet believed that 15% in Aging Services, etc., and will they be able to make the cuts. Mr. Trumpet said there is always something you can do, but he does not know the exact answer. He wanted to see the cuts flattened out a little bit.

Sen. Liljenquist said he appreciates the approach of \$100 million down from September. He suggested they approach counties to provide them with flexibility and creativity.

Rep. Chavez said that the last few weeks have been challenging for the committee. She stated that it was difficult to look at the cuts without revenue and with no rainy day funds.

#### 4. Base Budget Funding Decisions

**MOTION:** Sen. Christensen motioned to adopt the Base Budget of 7.5%.

Rep. Dougall said that one caution is that a 15% cut of the appropriations will be made for them if the committee cannot decide.

Sen. Christensen said that they could look at other areas and not have to cut the areas purposed.

**SUBSTITUTE MOTION:** Rep Ferry motioned to re-look at the budget.

Rep. Ferry stated that the committee had a responsibility to make a final decision. He also said that this is the best effort that they can do for now, and they can take the next forty days to refine

the budget.

Sen. Christensen stated that he supports the motion.

Rep. Litvack understands that the committee passes this forward. He stated that this is not about claim , and disagrees that they have to pass a Base Budget within the first 10 days. Rep. Litvak will not support the motion. He wants to step back and address the 2009 and 2010 budget and look at all options on the table.

Rep. Powell asked for clarification of the motion.

Rep. Ferry said that he would like to adopt the Base Budget for 2009 and 2010, and it is their best effort thus far.

Rep. Dougall suggested that they adopt the Base Budget and then modify the lines.

Rep. Powell had a suggestion. That they take 71 and divide it into 6 line items, this allows for division cuts.

Rep. Ferry gave the chairs latitude with understanding that the last page is correct. He suggested they amend the motion with latitude to the chairs and restore funding.

Rep. Powell asked that between internal cuts and past cuts does the 22 million really exist and there needs to be a 15% cut.

Sen. Liljenquist suggested that they have them by department funding and provide flexibility on the intent trying to give.

Rep. Ferry talked about a back fill and said they would do their best.

Sen. Jones asked if there were any motions on the floor.

The Substitute Motion passed

Co-Chair adjourned the meeting at 4:30 p.m.

Minutes recorded by Nicholle Heidrich, Secretary

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Sen. Allen Christensen, Committee Co-Chair

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Rep. John Dougall, Committee Co-Chair