

**MINUTES OF THE
HEALTH AND HUMAN SERVICES INTERIM COMMITTEE**
Wednesday, April 16, 2003 – 9:00 a.m. – Room 129 State Capitol

Members Present:

Rep. Mike Thompson, House Chair
Sen. James M. Evans
Sen. Scott K. Jenkins
Sen. Paula F. Julander
Sen. David L. Thomas
Rep. Calvin G. Bird
Rep. Judy Ann Buffmire
Rep. Marda Dillree
Rep. Patricia W. Jones
Rep. Brad Last
Rep. David Litvack
Rep. Rebecca Lockhart
Rep. Steven R. Mascaro

Rep. Darin G. Peterson
Rep. J. Morgan Philpot
Rep. Jack A. Seitz
Rep. Bradley A. Winn

Members Absent:

Sen. David H. Steele, Senate Chair

Staff Present:

Mr. Mark D. Andrews, Policy Analyst
Ms. Catherine J. Dupont, Associate General Counsel
Ms. Stacey M. Snyder, Associate General Counsel
Ms. Joy L. Miller, Legislative Secretary

Note: A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or by contacting the committee secretary, Joy Miller, at 538-1032.

1. Committee Business

Chair Thompson called the meeting to order at 9:15 a.m. Sen. Steele was excused from the meeting. Members of the Committee introduced themselves.

MOTION: Rep. Dillree moved to approve the minutes of the November 20, 2002 meeting. The motion passed unanimously. Rep. Winn was absent for the vote.

2. Review of Mandatory Obligations on Health Insurers

Ms. Dupont explained that the Committee is required to study the diabetes coverage and mental health parity mandates. H.B. 228, Health Insurance Provisions - Interim Review, requires the Committee to identify and review health insurance mandates within Title 31A and determine whether these provisions should be continued, modified, or repealed.

Mr. Mickey Braun, Department of Insurance, indicated the health insurance market report and the diabetes coverage report will be provided to the Committee later in the year. He discussed other studies the Department is working on this year.

Dr. Jeff Hawley, Research Analyst, Department of Insurance, briefly commented on the processes of analysis that could be used in studies of health insurance mandates.

Mr. Kelly Atkinson, Utah Health Insurance Association, said Utah is in the bottom 1/3 in health insurance premiums charged in comparison with the rest of the nation. He noted that approximately 15 percent of the cost of insurance premiums can be attributed to federal and state mandates.

MOTION: Rep. Lockhart moved to request the cochairs to send a letter to the LMC (Legislative Management Committee) informing them that the Department is studying the minimum adoption indemnity benefit, the catastrophic coverage of mental health conditions, and is formulating the report on diabetes. The letter should inform the LMC that the Committee desires to study the issue of dependent coverage to age 26 and dietary products for inborn metabolic errors and to consider how they affect premium rates and impact those receiving the benefit, as well as other issues. The letter should request direction from the LMC. The motion passed unanimously.

3. Ensuring a Vibrant Future for Utah's Healthcare System

Mr. Rick Kinnersley, President, UHSA (Utah Hospitals and Health Systems Association), distributed and reviewed handouts "Cracks in the Foundation: Averting a Crisis in Utah's Hospitals" and "The Healthcare Uninsured: One of Society's Most Pressing Issues." He outlined UHSA's recommendations to the Legislature.

MOTION: Rep. Jones moved that the Committee study job coaching for the disabled and long-term issues identified by the Utah Hospitals and Health Systems Association, including Medicaid reimbursement and inflation adjustments, workforce issues, structural changes within the industry that jeopardize the ability of hospitals to be providers of last resort, and the uninsured.

SUBSTITUTE MOTION: Rep. Lockhart moved:

- (1) the Committee request the Legislative Management Committee to assign Master Study Resolution Item #78, Job Coaching for Disabled, to the Education Interim Committee, but if that committee does not wish to study the topic, the issue be assigned to the Health and Human Services Interim Committee; and
- (2) the Committee study long-term issues identified by the Utah Hospitals and Health Systems Association, including Medicaid reimbursement and inflation adjustments, workforce issues, structural changes within the industry that jeopardize the ability of hospitals to be providers of last resort, the uninsured, and the implications of shifting the financial burden of funding health insurance from the employer to the employee.

The motion passed unanimously.

Mr. Val Bateman, Utah Medical Association, pointed out that technology is moving quickly in the medical arena and is a driver of cost increases. He noted that in 2002 liability insurance rates for Utah physicians increased 35 percent. He stated the payment/reimbursement system needs to be changed and expressed concern about the uninsured and the availability of physicians for Medicaid patients.

Mr. Paul Jackson, Human Resources, Intermountain Health Care, discussed the shortage of nurses, pharmacists, and other healthcare professionals. Many beds are closed to patients due to a lack of providers. Provider shortages could be solved if the healthcare industry could expand clinical sites. He asked for guidance from the Legislature to help find \$6.5 million to fund nurse training needs and money

for additional pharmacists.

Ms. Deb Burcombe, Utah HealthCare Association, distributed a handout "Utah's Long Term Care Liability Insurance Crisis." Nursing home liability insurance premiums have skyrocketed over the past five years. She cited specific cases of increased premiums in the industry. She requested the Committee study this issue.

Ms. Kim Wirthlin, Assistant Vice President for Government and Public Affairs, University of Utah Health Sciences Center, distributed a handout "The Sad History of Health Care Cost Containment as Told in One Chart." She indicated the nursing shortage is nationwide. She expressed concern with the lack of Medicaid funding and the growing problem of unfunded care.

4. Regulation of Restraint and Seclusion

Not discussed.

5. Interim Study Topics

Rep. Thompson requested members of the Committee to review the list of potential study items and sunset reviews and inform the cochairs of their study priorities.

6. Other Items / Adjourn

MOTION: Rep. Seitz moved to adjourn the meeting. The motion passed unanimously. Chair Thompson adjourned the meeting at 12:00 p.m.