



Children, Families, Health, and Human Services Interim Committee

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62nd Montana Legislature

SENATE MEMBERS

JASON PRIEST--Chair
MARY CAFERRO--Vice Chair
CHRISTINE KAUFMANN
ART WITTICH

HOUSE MEMBERS

LIZ BANGERTER
PAT NOONAN
CAROLYN PEASE-LOPEZ
DON ROBERTS

COMMITTEE STAFF

SUE O'CONNELL, Lead Staff
JULIANNE BURKHARDT, Staff Attorney
FONG HOM, Secretary

MINUTES

January 23, 2012

Room 137, Capitol Building
Helena, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

COMMITTEE MEMBERS PRESENT

SEN. JASON PRIEST, Chair
SEN. MARY CAFERRO, Vice Chair

SEN. CHRISTINE KAUFMANN
SEN. ART WITTICH

REP. LIZ BANGERTER
REP. PAT NOONAN
REP. CAROLYN PEASE-LOPEZ
REP. DON ROBERTS

STAFF PRESENT

SUE O'CONNELL, Lead Staff
JULIANNE BURKHARDT, Staff Attorney
ALEXIS SANDRU, Staff Attorney
FONG HOM, Secretary

Agenda and Visitors List

Agenda (**Attachment 1**)
Visitors' list (**Attachment 2**)

COMMITTEE ACTION

- The minutes from the November 14, 2011, meeting were approved.
- The committee will send a letter to the Office of Public Instruction encouraging them to take the lead in serving as the clearinghouse for nutrition, education, and information.
- The committee will send a letter to farmers' markets encouraging them to accept SNAP benefits and will provide the markets with a manual that outlines the steps they need to take.
- Staff will draft legislation to fund start up costs for school breakfast programs and pay the 30-cent differential between free and reduced lunch.
- Staff will draft legislation to use surplus TANF funds to fund home food support programs including the Backpack Program in schools.
- Staff will draft legislation to invest that portion of the projected ending fund balance of 2013 that is equal to the amount that would have been invested if the 2% provider rate increase had been implemented.

CALL TO ORDER AND ROLL CALL

- 00:00:01 SEN. PRIEST called the meeting to order at 9:04 a.m. The committee secretary called roll **(Attachment 3)**.
- 00:01:37 The committee approved the minutes of the November 14, 2011, meeting.
- 00:01:56 SEN. PRIEST gave opening remarks.

AGENDA

● INTRODUCTION OF NEW STAFF ATTORNEY

- 00:02:35 Todd Everts, Director of Legal Services, introduced Alexis Sandru as the newly hired attorney.

● HJR 8 STUDY: CHILDHOOD HUNGER - Sue O'Connell, Research Analyst

- 00:04:12 Ms. O'Connell discussed suggestions by the stakeholders and committee members for the HJR 8 Study of Childhood Hunger as noted below:
- 00:04:15 Increase Use of School Breakfast Programs **(Exhibit 1)**
- 00:09:30 Support Montana Farm to School Programs **(Exhibit 2)**
- 00:11:38 Create an Education Clearinghouse **(Exhibit 3)**
- 00:14:14 Review Issues Related to Food Deserts **(Exhibit 4)**
- 00:15:33 Expand Use of SNAP Benefits at Farmers' Markets **(Exhibit 5)**
- 00:18:25 Support Gleaning Programs **(Exhibit 6)**
- 00:20:45 Donate Correctional Enterprises Food Products **(Exhibit 7)**
- 00:23:00 Committee Request: Flexibility in the SNAP and TANF Programs **(Exhibit 8)**
Ms. O'Connell distributed an article "SNAP and Nutrition: States Take Different Approaches Toward the Same Goal" written by Amy Herod to the committee for informational purposes **(Exhibit 9)**.

Committee questions and discussion

00:27:14 SEN. WITTICH
00:27:59 Ms. O'Connell
00:28:37 SEN. WITTICH
00:29:29 Ms. O'Connell
00:29:34 SEN. KAUFMANN
00:30:28 REP. BANGERTER
00:31:01 Ms. O'Connell

Public Comment

00:31:59 **Minkie Medora, Food Security Council**, supported the proposal to increase the use of school breakfast programs. She distributed comments to the committee **(Exhibit 10)**.

00:39:46 **Chuck Hunter** encouraged the committee to do something meaningful on childhood hunger.

00:42:15 **Christina Davis, Director of Children's Defense Fund**, said that letting children to hungry is not in line with moral standards in our country.

Committee questions and discussion

00:48:05 SEN. WITTICH
00:49:42 Ms. Medora
00:52:25 REP. ROBERTS
00:53:19 Rep. Hunter
00:53:31 REP. ROBERTS
00:53:48 Rep. Hunter
00:54:44 REP. BANGERTER
00:56:09 Rep. Hunter
00:57:56 SEN. CAFERRO
00:59:12 Rep. Hunter
01:00:15 REP. BANGERTER
01:00:57 **Christine Emerson, Director of School Nutrition Programs, OPI**
01:01:39 REP. ROBERTS
01:01:55 Ms. Emerson
01:02:14 REP. ROBERTS
01:02:25 Ms. Emerson

• **Committee discussion regarding a letter from Rep. Burnett on the SNAP program**

01:02:31 SEN. WITTICH said he received a letter from Rep. Burnett and co-signed by other Representatives and Senators asking how the state administers the SNAP program and trying to figure out a way to make sure that the SNAP dollars are being spent on nutritious food. He asked if this subject will be discussed now or at a later time.

01:03:33 SEN. PRIEST said the committee would discuss the SNAP program as it relates to Rep. Burnett's letter during the afternoon work session.

01:03:56 SEN. CAFERRO said she would like to make a motion that this committee

rejects Rep. Burnett's letter.

01:04:25 SEN. PRIEST said the motion could be made during the afternoon work session.

BREAK

01:16:23 The meeting reconvened at 10:20 a.m.

MEDICAID MONITORING: ERROR DETECTION

**William Baylor, Emdeon
Kelli Garvanian, Emdeon
Mary Dalton, DPHHS
Mike Batista, Department of Justice**

01:16:55 **William Baylor, Emdeon**, gave a brief background on Emdeon (**Exhibit 11**).

01:20:59 **Kelli Garvanian, Emdeon**, discussed how changes under federal health care law will require states to do more to prevent errors in Medicaid billing.

01:29:13 **Mary Dalton, Manager, Medicaid and Health Services Branch**, discussed the Surveillance Utilization and Review Section (SURS); the New Provider Audit that checks to see if a provider is billing correctly; the state's RFP for a Recovery Audit Contractor (RAC); and fraud activities in Montana.

01:41:12 **Mike Batista, Administrator, Department of Justice Division of Criminal Investigation**, explained the work of the Medicaid Fraud Control Unit.

Public Comment on Medicaid Monitoring Error Detection - None

Committee questions and discussion

01:47:46 REP. ROBERTS
01:50:29 Ms. Garvanian
01:52:34 REP. ROBERTS
01:52:52 Ms. Dalton
01:54:21 REP. BANGERTER
01:54:37 Ms. Garvanian
01:55:45 Ms. Dalton
01:57:34 SEN. WITTICH
01:58:59 Mr. Baylor
01:59:13 Ms. Garvanian
01:59:21 SEN. WITTICH
01:59:30 Mr. Baylor
01:59:53 Ms. Garvanian
02:00:37 SEN. WITTICH
02:00:51 Ms. Garvanian
02:01:09 SEN. WITTICH
02:01:15 Ms. Dalton
02:02:57 SEN. KAUFMANN

02:04:14 Ms. Dalton
02:05:37 SEN. CAFERRO
02:06:34 Ms. Garvanian
02:07:52 SEN. CAFERRO
02:08:34 Ms. Garvanian
02:09:02 SEN. CAFERRO
02:09:23 Ms. Garvanian
02:09:40 SEN. CAFERRO
02:10:23 Ms. Dalton
02:10:56 Mr. Batista
02:11:42 SEN. CAFERRO
02:12:29 Ms. Garvanian
02:13:50 SEN. CAFERRO
02:14:10 REP. ROBERTS
02:14:58 Ms. Garvanian
02:15:31 SEN. WITTICH
02:16:19 Mr. Batista
02:16:38 Ms. Dalton
02:17:14 SEN. WITTICH
02:17:44 Ms. Dalton
02:18:39 SEN. PRIEST
02:19:14 Mr. Baylor
02:19:34 SEN. PRIEST
02:20:06 Ms. Dalton
02:21:10 SEN. PRIEST
02:21:35 Ms. Dalton
02:22:55 SEN. PRIEST
02:23:33 REP. ROBERTS
02:24:45 SEN. KAUFMANN

● **SB 423 MONITORING: MONTANA MARIJUANA ACT - Sue O'Connell**

02:25:49 Ms. O'Connell discussed the developments related to SB 423, the Montana Marijuana Act (**Exhibit 12**).

Committee questions and discussion

02:30:39 REP. BANGERTER
02:31:03 Ms. O'Connell
02:31:39 REP. BANGERTER
02:32:23 Ms. O'Connell
02:32:40 Ms. Burkhardt
02:33:27 Ms. O'Connell
02:33:56 Ms. Burkhardt
02:34:24 SEN. WITTICH
02:37:42 REP. ROBERTS
02:38:45 SEN. CAFERRO
02:39:55 Ms. O'Connell
02:40:33 SEN. CAFERRO

LUNCH BREAK - reconvened at 1:06 p.m.

● **AGENCY OVERSIGHT: DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES**

- **Administrative Rule Review/Rule Objection - Julianne Burkhardt, Staff Attorney**
04:02:12 Ms. Burkhardt briefly discussed rule review activities (**Exhibit 13**).

04:02:47 Ms. Burkhardt discuss the status of the Committee's draft letter stating its objection to RBRVS rule (**Exhibit 14**).

Committee discussion on the letter of objection

04:06:25 SEN. PRIEST
04:08:25 SEN. WITTICH
04:09:04 Ms. Burkhardt
04:10:08 SEN. CAFERRO
04:14:58 Ms. O'Connell
04:16:16 Ms. Burkhardt
04:17:21 SEN. CAFERRO
04:18:47 SEN. WITTICH
04:19:30 SEN. PRIEST

- **Update on Autism Waiver Program - Bob Runkel, Administrator, Developmental Services Division, DPHHS**
04:22:30 Mr. Runkel gave an update on Montana's Children's Autism Waiver (**Exhibit 15**).

- **Update on Medicaid for Workers with Disabilities Program - Hank Hudson, DPHHS**
04:28:36 Mr. Hudson reported on the Medicaid Workers with Disabilities Program.

- **Update on the Department of Public Health and Human Services - Anna Whiting Sorrell, Director**
04:31:27 Director Whiting Sorrell provided an update of Department activities:
 - ▶ Healthy Montana Kids
 - ▶ Medicaid
 - ▶ Drug rebate program
 - ▶ Reducing hunger in Montana
 - ▶ VISTA program
 - ▶ Immunization

Committee questions and discussion

04:51:29 REP. PEASE-LOPEZ
04:52:13 Ms. Whiting Sorrell
04:52:50 SEN. PRIEST
04:53:14 Ms. Whiting Sorrell
04:54:09 REP. ROBERTS
04:54:36 Mr. Runkel
04:55:16 REP. ROBERTS
04:55:47 Ms. Runkel

04:56:33 REP. ROBERTS
04:56:56 Mr. Runkel
04:57:15 REP. ROBERTS
04:57:28 Mr. Runkel
04:58:16 SEN. CAFERRO
04:59:01 Director Whiting Sorrell
04:59:58 SEN. CAFERRO
05:00:13 Director Whiting Sorrell
05:01:26 SEN. CAFERRO
05:01:36 Director Whiting Sorrell
05:02:10 SEN. CAFERRO
05:02:52 Director Whiting Sorrell
05:04:21 SEN. WITTICH
05:05:13 Director Whiting Sorrell
05:07:41 SEN. KAUFMANN
05:08:23 Director Whiting Sorrell
05:09:53 SEN. KAUFMANN
05:10:05 Director Whiting Sorrell
05:10:37 SEN. KAUFMANN
05:11:06 Director Whiting Sorrell
05:15:53 SEN. KAUFMANN
05:16:11 Director Whiting Sorrell
05:16:18 SEN. PRIEST
05:16:39 Director Whiting Sorrell
05:17:17 SEN. PRIEST
05:17:44 Director Whiting Sorrell
05:19:01 SEN. PRIEST
05:19:53 Director Whiting Sorrell
05:21:04 SEN. PRIEST
05:21:18 Director Whiting Sorrell

- **MEDICAID MONITORING: PROVIDER RATES**

05:23:22 Ms. O'Connell discussed the briefing paper "Provider Rates: Overview and Recent History in Montana" (**Exhibit 16**). She distributed a paper "Medicaid Service Provider Rates" from the Montana Health Care Association (**Exhibit 17**) for the Committee's consideration.

Panel: Impact of Provider Rate Changes

Jan Cahill, Montana Association of Community Disability Services

Bob Olsen, Montana Hospital Association

Geoffrey Birnbaum, Missoula Youth Homes

05:24:55 **Bob Olsen** discussed the impacts on hospitals due to the changes in Medicaid provider rates.

05:35:25 **Jan Cahill** spoke on how provider rates have impacted services for those with disabilities.

05:46:33 **Geoffrey Birnbaum** discussed a document on Medicaid rates for Children's Mental Health Services to Providers (**Exhibit 18**).

BREAK

06:15:25 The meeting reconvened at 3:19 p.m.

Public Comment related to provider rates

06:15:50 **Lora Cowee, Director of Operations at Intermountain**, discussed the rates and how changes in rates impact their general expenses in running their programs. She distributed her written comments (**Exhibit 19**) to the committee.

06:19:49 **Dennis Taylor, Montana Children's Initiative**, commented on the Medicaid system which he thinks does not work and is not sustainable.

06:24:15 **Bill Warden, Benefis Health System**, distributed written comments from John Goodnow, CEO, Benefis Health System, for the record (**Exhibit 20**).

06:25:19 **Jon Metropoulos, AWARE**, said AWARE is working with other committees and providers to suggest ways to remodel the delivery system to get more done at a lower cost.

06:27:23 **Aimee Grmoljez, Billings Clinic**, provided a copy of the comments regarding PACE Outcomes (**Exhibit 21**).

06:30:13 **Jean Branscum, Executive Vice President, Montana Medical Association**, commented on patient access to health care in Montana.

Committee questions and discussion

06:34:09 SEN. WITTICH
06:36:38 Mr. Olsen
06:41:30 SEN. WITTICH
06:43:46 Mr. Olsen
06:44:31 REP. ROBERTS
06:44:52 Mr. Cahill
06:49:57 REP. ROBERTS
06:51:28 SEN. KAUFMANN
06:52:55 Mr. Hudson

- **PUBLIC COMMENT ON OTHER TOPICS - none**

- **COMMITTEE WORK SESSION**

- **Subcommittee update on HB 642 Select Committee**

06:55:12 REP. NOONAN provided an update on the activities of the Medicaid Subcommittee of the HB 642 Select Committee on Efficiency in Government.

07:18:20 REP. BANGERTER
07:20:05 SEN. WITTICH
07:22:59 SEN. PRIEST
07:23:06 REP. PEAZE-LOPEZ
07:23:23 Ms. O'Connell
07:24:02 SEN. WITTICH
07:24:25 Ms. O'Connell
07:25:00 SEN. WITTICH
07:26:26 SEN. CAFERRO
07:26:52 SEN. WITTICH
07:27:37 SEN. CAFERRO
07:28:12 SEN. WITTICH
07:28:21 SEN. CAFERRO
07:28:35 SEN. WITTICH
07:28:46 SEN. CAFERRO
07:29:05 REP. PEAZE-LOPEZ

▶ **Motion on breakfast program**

07:29:50 SEN. CAFERRO moved to ask staff to draft legislation to fund the one-time-only start up costs for school breakfast programs with a cap of \$20,000, and the costs of the 30-cent differential between free and reduced lunch.

Committee discussion

07:31:51 SEN. WITTICH
07:32:44 SEN. CAFERRO
07:32:50 SEN. WITTICH
07:32:55 SEN. CAFERRO
07:33:30 SEN. WITTICH
07:33:40 SEN. CAFERRO
07:34:58 SEN. WITTICH
07:35:03 SEN. CAFERRO
07:35:12 SEN. KAUFMMAN
07:35:22 REP. BANGERTER
07:36:01 SEN. CAFERRO
07:36:29 REP. BANGERTER
07:37:00 SEN. CAFERRO

07:37:29 **The motion passed 5-3 on a roll call vote (Attachment 5).**

• **Discussion on health centers in other cities and how they allocate funds**

07:39:28 REP. ROBERTS
07:39:50 SEN. PRIEST

▶ **Motion to send a waiver request**

07:39:56 SEN. WITTICH moved that the Committee send a waiver request to the USDA for managing SNAP benefits so that the state has some ability to make sure that the benefits are spent on nutritious food.

Committee discussion

07:43:47 Ms. O'Connell
07:44:17 Ms. Burkhardt
07:44:28 SEN. WITTICH

▶ **Revised Motion**
07:44:39 SEN. WITTICH revised his motion to say that rather than waiting for the full legislature to act, that the committee send a letter to the Department to submit a waiver request.

Discussion on the revised motion
07:44:56 REP. ROBERTS
07:45:39 REP. NOONAN

▶ **Substitute Motion**
07:46:44 REP. NOONAN offered a substitute motion that the committee direct the Department to pursue federal grant funding for a demonstration project to reduce obesity.

Discussion on the motion
07:47:55 SEN. WITTICH
07:48:00 REP. NOONAN
07:48:19 SEN. CAFERRO
07:50:45 SEN. WITTICH
07:52:58 SEN. KAUFMANN
07:53:59 REP. NOONAN
07:54:38 REP. PEASE-LOPEZ
07:55:50 SEN. PRIEST
07:57:08 SEN. WITTICH

07:58:04 **REP. NOONAN's substitute motion failed on a tie vote, 4-4 (Attachment 6).**

08:00:01 SEN. WITTICH withdrew his motion.

Committee comments on SNAP Benefit issue
08:00:16 REP. ROBERTS

▶ **Motion to fund a Backpack program**
08:00:45 SEN. CAFERRO moved that staff draft legislation to use surplus TANF funds to fund a Backpack program in the schools.

Committee discussion
08:01:49 SEN. WITTICH
08:02:07 SEN. CAFERRO
08:03:46 SEN. WITTICH
08:04:06 SEN. CAFERRO
08:04:13 SEN. WITTICH
08:04:30 SEN. CAFERRO
08:05:58 SEN. WITTICH
08:06:23 SEN. CAFERRO

08:06:52 SEN. PRIEST
08:08:41 REP. ROBERTS
08:09:40 SEN. PRIEST
08:10:25 SEN. CAFERRO
08:11:18 SEN. KAUFMANN
08:12:07 SEN. WITTICH
08:12:33 SEN. PRIEST
08:14:10 Ms. O'Connell
08:14:40 SEN. KAUFMANN

08:15:39 REP. ROBERTS suggested including the language, "food home support program including BackPack" in Sen. Caferro's motion.

08:15:54 SEN. WITTICH

▶ **Amended motion to include Rep. Roberts' language**
08:16:38 SEN. CAFERRO amended the motion to include "food home support program including the BackPack".

08:17:20 **The motion passed unanimously on voice vote.**

▶ **Motion to draft legislation for provider rates**
08:17:32 SEN. KAUFMANN moved for staff to draft legislation that would invest that portion of the ending fund balance equal to amount that would have been invested if the 2% Medicaid provider rate increase had been implemented in fiscal year 2011.

Committee discussion

08:18:48 SEN. WITTICH
08:18:55 SEN. KAUFMANN
08:20:00 REP. BANGERTER
08:20:23 SEN. KAUFMANN
08:21:25 SEN. PRIEST
08:21:29 SEN. KAUFMANN
08:21:41 SEN. PRIEST
08:21:54 SEN. WITTICH
08:22:31 SEN. KAUFMANN
08:23:34 REP. ROBERTS
08:25:15 SEN. WITTICH
08:25:39 SEN. KAUFMANN
08:25:59 REP. PRIEST
08:26:12 Ms. O'Connell
08:26:47 REP. NOONAN
08:27:41 REP. ROBERTS
08:27:57 REP. NOONAN
08:28:03 Ms. O'Connell
08:28:43 SEN. PRIEST
08:28:47 REP. ROBERT
08:28:52 SEN. PRIEST

08:29:00 SEN. KAUFMANN
08:29:36 SEN. CAFERRO

08:31:16 ▶ **Restated Motion**
SEN. KAUFMANN moved that staff draft legislation to invest that portion of the projected ending fund balance of 2013 that is equal to the amount that would have been invested if the 2% provider rate increase had been implemented.

08:31:24 **The motion passed on roll call vote, 6- 2 (Attachment 7).**

- **Discussion on future Medicaid Monitoring and direction for staff**
08:31:36 Ms. O'Connell
08:32:28 SEN. CAFERRO said that the area of Medicaid expansion under ACA needs further discussion.
08:33:22 REP. ROBERTS would like to look into some of the regional federal health centers and make sure that they are appropriately addressing the populations they are supposed to address.

- **ADJOURNMENT**

08:34:11 With no further business before the committee, SEN. PRIEST adjourned the meeting at 5:38 p.m.

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