MINUTES OF THE
SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
Room 30 House Building, State Capitol Complex
Tuesday, February 14, 2012

MEMBERS PRESENT:	Sen. Allen M. Christensen, Co-Chair
	Rep. Bill Wright, Co-Chair
	Rep. Bradley G. Last, House Vice Chair
	Sen. Margaret Dayton
	Sen. Patricia W. Jones
	Sen. Luz Robles
	Sen. Todd Weiler
	Rep. Jim Bird
	Rep. Rebecca Chavez-Houck
	Rep. David Litvack
	Rep. Daniel McCay
	Rep. Ronda Rudd Menlove
	Rep. Kraig Powell
	Rep. Evan Vickers
	Rep. Larry B. Wiley
MEMBERS EXCUSED:	Sen. Peter C. Knudson
	Sen. Wayne L. Niederhauser
	Rep. John Dougall
STAFF PRESENT:	Mr. Russell Frandsen, Fiscal Analyst
	Mr. Stephen Jardine, Fiscal Analyst
	Mr. Gary Ricks, Fiscal Analyst
	Mrs. Diane Pope, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov
A list of visitors and a copy of handouts are filed with the committee minutes.

Co-Chair Wright called the meeting to order at 8:18 am.

1. Introduction

3. Unfinished Items from the Previous Agenda

Department of Health

Dr. David Patton, Executive Director and Mr. Michael Hales, Deputy Director, DOH, wanted to emphasis reductions in one-time and ongoing funding. Dr. Patton identified the Ongoing Prioritization List, item #19, as the Cigarette Tax Restricted Account. The agency would like to see this funding moved to a higher priority on the list. Dr. Patton indicated DOH would like to implement the Accountable Care Organizations this year, listed as item #23. Item #24 allows for the Medical Examiner to have jurisdiction over highway deaths. On the One-time Prioritization List, item #14 also references the Cigarette Tax Restricted Account. Dr. Patton wanted to bring

these items to the attention of the Subcommittee as being critical issues and of higher priority to DOH. In referencing the Motions for Subcommittee Consideration list, Dr. Patton turned the time over to Mr. Hales, Deputy Director, DOH, to discuss the agency concerns with item #7B, the use of three percent of the Nursing Care Facilities Account as General Fund.

Mr. Hales indicated the Department is concerned about taking more money away from administration. The proposed language has a reduction in the General Fund amount in Medicaid administration line item and replaces it with money from the Nursing Care Facilities Account, a restricted account. The reason this causes concern is that the Medicaid administration budget is already down to $3.7 million of General Fund appropriations and the majority of funding comes from revenue transfers and dedicated credits. Over time this causes volatility in administration. Rather than reduce the General Fund and offset it with the funds from the restricted account, the department would propose alternative language. DOH would ask that the Subcommittee allow the three percent to come in from the restricted account, leave the General Fund appropriation as is and reduce the building block DOH is asking for administration.

Rep. Bird asked Dr. Patton what the net dollar effect would be by changing the language of #7B to what DOH is requesting.

Mr. Hales indicated $56,100 would come in from the restricted account for FY 2012, reducing the building block supplemental request to $5,900. For FY 2013, $247,000 would come from the restricted account and the building block amount would be decreased to $190,900.

Rep. Bird asked if the Subcommittee adopts the DOH language, will the agency receive an increase.

Mr. Hales answered that if the current language was to occur, there would be a reduction in DOH General Fund by $56,000 in administration. It would be budget neutral in FY 2012. DOH would view this as ongoing erosion of the Medicaid administration General Fund. If the language is changed, the budget would stay the same.

Mr. Frandsen pointed out the addition of "home and community based" for clarification purposes to item #4G concerning waivers as discussed with Mr. Hales.

Rep. Litvack asked if the Motions for Subcommittee Consideration list items #4N and #4O, concerning people with disabilities, were new. He also asked if these items were the new intent language proposed by Senator Dayton the day before. Rep. Litvack also wanted clarification on #4M, asking if the item was new. He asked for feedback from the agencies involved.

Mr. Frandsen verified items #4N and #4O were the proposed intent language by Senator Dayton. He also indicated item #4M, emergency dental services for adults, replaces the Ongoing Prioritization List item #39.

Ms. Claire Mantonya, Executive Director, Utah Developmental Disabilities Council (UDDC), addressed item #4O concerning funding for UDDC. Access Utah is an information and referral line for those with disabilities, created 31 years ago. She indicated 41 percent of in-coming calls are from the 55 plus age group. The agency works to solve all kinds of problems. The council

doesn't provide direct services. Many of their clients have no access to the internet. Ms. Mantonya urged the Legislature to at least provide intent language to study how Access Utah services might be met, with an emphasis on the aging population.

Rep. Litvack clarified that Access Utah was not always part of UDDC and isn't a function of a federal requirement. He asked if any concern has been expressed by DOH, USOR, or DOE as to whether Access Utah is effective.

Ms. Mantonya indicated the council has been providing office space for Access Utah and she does administrative support for the program. The departments that have been funding Access Utah may not be getting the desired return because the service is across the agencies. Ms. Mantonya feels the discussion really needs to aim at meeting needs for the aging.

4. FY 2012 and FY 2013 Budget Discussions, Prioritizing and Voting

Co-Chair Wright indicated that he was going to entertain a motion from Co-Chair Christensen to accept the lists that have been provided by staff as a base to start from. The Subcommittee could then have all the discussion it wanted concerning individual items.

MOTION: Co-Chair Christensen made the motion to accept One-Time Prioritization List (OTPL), Ongoing Prioritization List (OPL) and Motions for Subcommittee Consideration (MSC) as they are currently printed. The motion passed unanimously with Sen. Robles absent.

Rep. Jones asked if this motion included the DSPD bundle put together the day before.

Co-Chair Wright answered that the motion did include the bundle.

Co-Chair Wright suggested the Subcommittee begin with the One-Time Prioritization List.

One-Time Prioritization List

MOTION: Rep. Menlove made the motion on the OTPL that the Subcommittee add a #3 after #2 that would be $1.5 million for an autism services pilot for ages two to six years of age. The motion passed with Co-Chair Christensen voting against the motion.

It was explained that this motion is in response to a bill being presented in the house looking at intervention services for autistic children ages two to six. There will be other sources of funding identified during discussion.

Co-Chair Christensen asked Rep. Menlove to elaborate on what the pilot study is trying to accomplish. He also wanted to know how much it would cost and how many children would be funded.

Rep. Menlove replied that the pilot would be a two-year study looking at the impact of applied behavioral analysis services on young children with autism. Research indicates that these types of intervention can be effective for 40 to 50 percent of young autistic children. It is anticipated that data would be collected over the pilot to determine the effectiveness. The end result would

be that Utah would provide early intervention services knowing that as they move into public education they would be better prepared for the classroom and social situations. Hopefully they will have a better experience in school and, in turn, will reduce the need for adult services. Rep. Menlove sees this pilot as prevention and early intervention. Right now $30,000 per year per child is being discussed. The bill has a multi-level approach.

Co-Chair Christensen spoke against the motion because he felt it was a"cruel" type of pilot to those individuals that the money couldn't cover and forces the State into providing services for all autistic children. There are ongoing programs and the studies have been finished and the results are encouraging. Although he is sympathetic to the cause, as appropriations chair, Co-Chair Christensen cannot see the State funding this pilot.

Rep. Bird spoke in favor of the motion. Having met with parents he's found they are spending upwards of $50,000 to $60,000 of their own money each year. This is an opportunity for the State to fund legislation passed a few years ago.

Vice Chair Last asked Rep. Menlove what her thoughts were about existing programs and how this pilot would fit in. He also asked the chair if an advocate could speak to this motion.

Co-Chair Wright indicated that he'd like to keep the discussion to the Subcommittee unless there was a specific person to question.

Rep. Menlove is sensitive to concerns about starting a new program. There have been lengthy discussions on how to address needs for children with autism. Utah does not mandate insurance participation. This proposal is choosing to do a pilot to see what the population is. The diagnosis of autism is being refined. Essential health care benefits will be implemented in accordance with the ACA (*Affordable Care Act*). There will be a research component. Insurance providers have been in the discussions. Rep. Menlove said the committee is looking for a compromise solution. Early intervention has shown the most promise.

Rep. Chavez-Houck asked if insurance companies are going to be part of this discussion and whether they are going to work with Rep. Menlove's committee. She also asked about the possibility of federal grants. Rep. Chavez-Houck indicated she wanted to understand the holistic community nature of the proposal.

Rep. Menlove said PEHP is a partner, insurance providers intend to make a commitment by the end of this week, and there is a motion to be made for additional funding. There will be no federal grant.

Rep. Chavez-Houck asked if the program could be phased in over time. She also asked how many children will be involved and whether the program involves children across the state.

Rep. Menlove said there are models in place to include the whole state. The goal is to serve 500 children, with proposed additional funding. The fund that Rep. Lockhart set up would be for families that don't qualify for any type of State aide and are not covered by insurance. PEHP would cover 36 to 40 children they have identified as ages two to six within their population.

Sen. Jones supports the motion. She wanted to clarify if this would be new money.

Rep. Menlove indicated that the funding would be new money.

Rep. Vickers stated that there are some pilots funded in southern Utah that are doing well and asked if this motion would go towards preschool. If Rep. Menlove's pilot could have the same kind of success it would be a highly successful move.

Rep. Menlove answered that there are two experts helping to design the pilot, one from Utah State University and one from the University of Utah. There have been pilot preschool programs in Rep. Vicker's area.

Rep. McCay asked how Rep. Menlove intends to administer the pilot program. He also wanted to know if the expense of administration has been determined.

Rep. Menlove answered there are three levels of administration. The $1.5 million would be administered through DOH and DHS. The committee is working with the agencies. The committee is seeking a total of $6 million with an additional motion. The administration support piece is built into the second motion.

Co-Chair Christensen reminded the Subcommittee that if this motion passes the Subcommittee is committing to spending $300 million a year to fund all the individuals with autism. Utah knows what the results will be and Co-Chair Christensen doesn't know where the funds will come from.

MOTION: Rep. Bird made the motion to move OTPL item #16, Traumatic Brain Injury Fund, to item #11. The motion failed with Sen. Jones, Sen. Robles, Rep. Bird, Rep. Chavez-Houck, Rep. Litvack, and Rep. Menlove voting for the motion.

Rep. Litvak asked for clarification from DOH concerning whether OTPL item #6 or item #14 has a higher priority.

Dr. Patton answered that the items are listed in the order of DOH priority so OTPL item #6 is a higher priority than #14. Item #6 is primarily CHIP enrollment growth.

Ongoing Prioritization List

MOTION: Rep. Chavez-Houck made the motion to move OPL item #36 to #37, create a new item #36 and place $500,000 for senior nutrition programs, meals on wheels. The motion passed unanimously.

Rep. Chavez-Houck indicated the Subcommittee missed this important item brought up by the counties, particularly in outlying areas. This allows seniors to receive meals in their homes and the motion allows for the expected growth.

MOTION: Co-Chair Christensen moved to transfer $750,000 ongoing General Fund from Department of Health's Medicaid Optional Services line item beginning in FY 2013 to the Department of Human Services' Division of Substance Abuse and Mental Health line item to be

passed through to Mental Health Centers to reflect savings from the inclusion of psychotropic drugs on the preferred drug list. The motion passed unanimously.

MOTION: Rep. Wiley made the motion to remove OPL renumbered item #37 concerning the reduction in General Assistance Provided to Disabled Adults without dependent children by two percent. The motion failed with Sen. Jones, Sen. Robles, Rep. Chavez-Houck, Rep. Litvack and Rep. Wiley voting for the motion.

MOTION: Sen. Jones made the motion to move OPL item #35, the Children's Center, to item #19, under Adult Protective Services staff. The motion passed with Co-Chair Wright, Sen. Dayton, and Sen. Weiler voting in opposition.

Sen. Jones said the Subcommittee heard yesterday the importance of helping these young children whose brains are in formation mode. This is a prevention issue and it's not that much money.

Rep. McCay asked if some of the smaller priorities, those under $250,000, should be funded first. Together they add up to about $1.5 million in funding. A lot of these services operate using volunteers. They do a lot with the little bit of money the Subcommittee gives them. He wondered if it would be appropriate to move all of those priorities to the top of the list and fund them all because Medicaid costs will make them all fail with the current prioritization.

Co-Chair Christensen answered that he tried to do something to that effect in his early years as chairman. He was told that trying to move all those items together was playing a game because Medicaid has to be fully funded.

Rep. McCay indicated he wasn't playing any game. He wanted to make the statement that Utah will be making sacrifices across the State but these items are a funding priority over Medicaid. He recognizes that Medicaid is an important liability for the State. Rep. McCay doesn't believe that Medicaid should trump all other services.

Co-Chair Christensen said Medicaid is mandated; the Subcommittee didn't have a choice.

Sen. Jones, speaking in summation, indicated she believes this Subcommittee is the toughest one. Everything on the prioritization list is worthy. So is Medicaid which services mostly children, people in long term care, and people with disabilities. There may be some abuse but that is being dealt with. The Subcommittee should be respectful of those individuals with needs. Sen. Jones said she made the motion after hearing testimony yesterday. The Children's Center has previously been funded and had lost those funds. She believes the work they have done is important for the prevention of inappropriate behaviors from children that have witnessed domestic violence and other very unfortunate things in their lives.

MOTION: Rep. Bird made the motion to move OPL item #33, Health Care Associated Infections, up to #21. The motion failed with Vice Chair Last and Rep. Bird voting in favor.

Rep. Bird was touched by Rep. Jack Draxler's presentation on the problems with infectious diseases. He related a personal story.

Co-Chair Christensen spoke against the motion because it involves disseminating information instead of providing services. At item #21, the motion would be ahead of very important services including the waiting list, crisis intervention training and a provider rate increase. Individuals can get information on hospital infections elsewhere.

Rep. McCay agreed with Co-Chair Christensen. He feels the problem is really a hospital marketing problem, it's their responsibility to take care of their patients.

Rep. Bird sees this as an opportunity to do something to prevent infections in hospitals and asked the Subcommittee to vote in favor.

MOTION: Co-Chair Christensen made the motion to move OPL #6, DHS - Restore DSPD Provider Rates to #13 to match the departments priorities. The motion passed unanimously.

Co-Chair Christensen asked Mr. Palmer DePaulis to come forward to discuss the motion.

Mr. DePaulis indicated the DHS would prioritize the restoration in item #6 below item #12 as proposed by Rep. Dougall yesterday. Although restoring rates for providers is important, it is placed too high on the Ongoing Prioritization List.

Rep. Litvack asked Mr. DePaulis how OPL item #6 relates to item #27, Provider Rate Increase. He also wanted to know if the one percent provider increase included all providers.

Mr. DePaulis explained that item #6 is a restoration of funding that was taken away from DSPD. Item #27 is a one percent increase in rates going forward for providers. Sen

Rep. Litvack asked if other providers had taken rate cuts over the past few years as well as the DSPD providers.

Mr. DePaulis explained that the reason for restoring only the rates in DSPD is because that provider system is under great stress.

Rep. Litvack wanted to go on record as supporting such a motion but wanted the Subcommittee to be cognizant of the need to increase rates for all providers.

MOTION: Sen. Robles made the motion to move OPL item #30, DOH - State Primary Care Grants Program for Medically Underserved Populations, up to item #28. The Motion passed with Co-Chair Christensen, Rep. Bird, Rep. Powell, Vice Chair Last and Rep. Vickers voting in opposition.

Sen. Robles said there has been plenty of discussion about how critical it is to focus on direct services. These grants are a cost effective way to help those individuals that can't get care any other way by keeping them out of emergency rooms.

MOTION: Rep. McCay made the motion to move OPL item #17, USOR - Services for the Deaf and Hard of Hearing Job Placement Specialist up to item #8 and renumber accordingly. The

motion passed with Co-Chair Christensen, Co-Chair Wright, Sen. Dayton, Rep. Powell, Rep. Bird, and Rep Vickers voting in opposition to the motion.

Rep. McCay explained this motion would provide for a job placement specialist fluent in American Sign Language as a higher priority than other similar services. The unemployment rate among the deaf is as high as 60 percent. In this market, it has been increasingly difficult to find jobs. Rep. McCay feels that helping these individuals get jobs should be a high priority.

SUBSTITUTE MOTION: Co-Chair Christensen made the motion to exchange OPL items #8 and #17. The motion failed in the House with Co-Chair Christensen, Co-Chair Wright, Sen. Dayton, Sen. Jones, Sen. Weiler, Rep. Bird, Rep. Chavez-Houck, and Rep. Vickers voting in favor of the motion.

Mr. Don Uchida, Executive Director, USOR, supported the original motion.

Co-Chair Christensen indicated that moving item #8 up meant pushing all the other requests down.

Rep. McCay asked that the Subcommittee vote in favor of the original motion and not the substitute motion.

Co-Chair Christensen indicated he would love to fund all requests. He can see switching the two items but has a hard time with moving requests down in priority.

MOTION: Rep. Litvack made the motion to add item #37, DOH - Medicaid Eyeglasses, with funding of $250,000, and #38, Medicaid Audiology Services, with funding of $150,000, both with a federal match. The motion passed unanimously.

Rep. Litvack indicated that these items are a restoration of services that have been taken away from optional Medicaid services. He feels they are important to include in the discussion.

MOTION: Co-Chair Christensen moved to accept the Ongoing Prioritization List as amended and move on to Intent Language. The motion passed unanimously.

Motions for Subcommittee Consideration

MOTION: Rep. Litvack made the motion to approve the following two intent language statements: (1) The Legislature intends the Division of Services for People with Disabilities (DSPD), in consultation with stakeholders, providers, and the state Medicaid agency, explore options for a tier approach for individuals waiting for services to be utilized as an alternative or in addition to programs currently funded as part of the FY 2013 DSPD appropriations. It is further the intent of the Legislature that these efforts, along with recommendations, be reported back to the Social Services Appropriations subcommittee by January 2013. (2) The Legislature intends the Division of Substance Abuse and Mental Health and Salt Lake County report to the Office of the Legislative Fiscal Analyst by September 1, 2012 regarding current Salt Lake County efforts to reduce inpatient placements in both community inpatient hospital settings and

the Utah State Hospital for individuals with mental illness in order to maintain individuals in the least restrictive and most enabling settings. The motion passed unanimously.

Rep. Litvack indicated the first intent language is continuous to language written last year regarding DSPD and a tiered approach so that services could be spread across more individuals. DSPD met with stakeholders and discussion was going well. Rep. Litvack feels this discussion should continue.

The second intent language has to do with the discussion the Subcommittee had about funding the Utah State Hospital and the partnership Utah has with local mental health authorities. The recommendation that came to the Subcommittee was to keep things functioning as they were. Rep. Litvack said that Salt Lake County behavioral health services will have an impact on the State Hospital. He felt the Subcommittee ought to leverage the data collected to help when looking at the whole state.

MOTION: Rep. Menlove proposed the following budget motion and intent language statements to establish and pay for a pilot program within Medicaid to provide applied behavior analysis services to children with autism spectrum disorder ages 2 to 6:

Budget Motion

Transfer $1,500,000 in General Fund for FY 2012 from the Division of Child and Family Services in the Department of Human Services to the Department of Health's Medicaid Optional Services in the Department of Health to provide applied behavior analysis services to children with autism spectrum disorder ages 2 to 6 in FY 2013.

FY 2012 – intent language

1. Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to $3,000,000 of appropriations provided for the Medicaid Mandatory Services line item not lapse at the close of Fiscal Year 2012. The use of any nonlapsing funds is limited to a pilot project to provide applied behavior analysis for children with autism spectrum disorder ages 2 to 6.
2. Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to $4,500,000 of appropriations provided for the Medicaid Optional Services line item not lapse at the close of Fiscal Year 2012. The use of any nonlapsing funds is limited to a pilot project to provide applied behavior analysis for children with autism spectrum disorder ages 2 to 6.

FY 2013 – intent language

1. Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to $3,000,000 of appropriations provided for the Medicaid Mandatory Services line item not lapse at the close of Fiscal Year 2013. The use of any nonlapsing funds is limited to a pilot project to provide applied behavior analysis for children with autism spectrum disorder ages 2 to 6.
2. Under Section 63J-1-603 of the Utah Code, the Legislature intends that up to $3,000,000 of appropriations provided for the Medicaid Optional Services line item not lapse at the close of Fiscal Year 2013. The use of any nonlapsing funds is limited to a pilot project to provide applied behavior analysis for children with autism spectrum disorder ages 2 to 6.
3. The Legislature intends that the Department of Health provide applied behavior analysis for children with autism spectrum disorder ages 2 to 6 within Medicaid and the Children's Health Insurance Program from nonlapsing funds provided for this purpose up to a maximum of $3,000,000 state funds. The Department shall inform the Legislature if expenditures by line item for these services require a subsequent transfer of nonlapsing funds.

The motion failed with Co-Chair Christensen, Sen. Dayton, and Sen. Weiler voting in opposition.

Rep. Menlove said this motion is to further fund the autism services pilot for children two to six years of age. Rep. Menlove's committee is asking for $6 million altogether. The intent language doesn't say the pilot has to be funded but allows it to be funded. It also includes allowing for nonlapsing funds.

Rep. Chavez-Houck asked if this motion would require a waiver from the federal government.

Rep. Menlove answered there is a waiver in place that would need to be extended. It would take about 90 days according to staff. It wouldn't be a brand new waiver.

Rep. Vickers asked if this would only service children two to six years old in Medicaid.

Rep. Menlove indicated the program is for Medicaid recipients but to remember that 60 percent of recipients are children.

Rep. Vickers asked if the earlier $1.5 million was for non-Medicaid recipients plus roughly $3 million for Medicaid.

Rep. Litvack asked if these individuals are already in Medicaid, or if they would become new recipients.

Mr. Hales indicated that in this type of program the child can be qualified regardless of parents' income. Eligibility would be based solely on the child's income where most children in the state, ages two to six, have no income.

Rep. Litvack clarified that these children would be new to Medicaid.

Mr. Hales indicated that many of the children are on the waiting list and are already eligible for Medicaid services. They would be eligible for Medicaid services when they come off the waiting list.

Rep. Litvack spoke to the intent language asking if the Subcommittee was limiting the program by cutting things off at $3 million, and what would happen to the remainder of potential nonlapsing funds.

Mr. Hales said that currently any Medicaid money not used is put into the restricted account at the end of the year. The department carried forward $7 million in non-lapsing funds. This intent language would allow for the funds to be diverted into the pilot program before they go into the Medicaid restricted account and the remaining nonlapsing funds would go into the restricted account.

Co-Chair Christensen asked how will this work when ARRA becomes fully implemented and the base budget amounts change.

Mr. Hales answered that because the department can target the population for eligibility they would expect no changes under ARRA. The intent language allows the flexibility to choose where any nonlapsing funds may be used.

Co-Chair Christensen spoke against the intent language. He feels the Subcommittee would regret making this decision because of the consequences. Fiscally it would be a disaster.

Rep. Litvack spoke in support of the motion. He understands what Co-Chair Christensen is saying but feels the Subcommittee needs to step up and help. He is frustrated that the problem is not being addressed properly by the private insurance industry.

Rep. Menlove indicated that there had been some great discussion. She respects Co-Chair Christensen's point of view. She told Rep. Litvack that the insurance industry has been at the table with her committee. A mandate is a mandate, we don't know what federal health care reform will bring. Utah is choosing to look at its most vulnerable populations and trying to use a wise and reasoned approach. Rep. Menlove's committee is being cautious that's why it's a pilot program.

MOTION: Rep. McCay made the motion to approve the following: The Legislature intends the Division of Child and Family Services (DCFS) report to the Office of the Legislative Fiscal Analyst (LFA) by September 1, 2012 regarding lowering its front line worker turnover rates, including child protective service, foster care, and in-home service workers. The Legislature further intends DCFS report information regarding its current tracking of worker turnover by category and by region and provide to the LFA a range of strategies that could be implemented within existing DCFS budgets to reduce turnover for critical front line workers. The Legislature further intends DCFS report to the LFA by September 1, 2012 exit information it currently collects by worker category and by region regarding why front line workers leave their positions and where workers go after leaving these positions. The motion passed unanimously.

Rep. McCay indicated he feels the need for this intent language based on the statistics the Subcommittee heard concerning the turnover at DCFS. He would like to have ongoing discussions about this problem.

Sen. Jones said it was a great idea and she supported it.

Co-Chair Christensen can't object to the motion but the way to fix the problem is to pay them what they are worth. He supported the motion.

MOTION: Vice Chair Last made a motion to replace MSC item #7B with the following intent language: Use the three percent maximum for administration from the Nursing Care Facilities Account as permitted by UCA 26-35a-106. Annually beginning in FY 2012, allow the Department to use the additional $56,100 made available from this action for Medicaid administration.

Note: This will have the effect of reducing the Department of Health's building block requests for Medicaid administration from $62,000 to $5,900 in FY 2012 and from $247,000 to $190,900 in FY 2013.

Vice Chair Last said this motion came from discussions with the Department of Health to cover the loss from the tobacco account.

Mr. Hales indicated this was the intent language that DOH proposed. Instead of reducing the General Fund appropriated for Medicaid administration this would add to it as an offset to one of DOH building blocks.

SUBSTITUTE MOTION: Rep. Litvack moved to include the previously proposed motion and delete MSC item #4O, which concerns the services of UDDC.

Rep. Litvack indicated he was concerned about item #4O. He doesn't want to see these services lost without further study.

Sen. Dayton spoke against the substitute motion. Her argument is that the Subcommittee wants Utah state funds to go to direct client services. The State money will not go to funding phone referrals or websites.

Rep. Bird requested to divide the motion.

Sen. Robles spoke in support of the substitute motion. She felt the Subcommittee had not been given enough information concerning the impact on the UDDC. The cost is only $75,000 and the service is an important referral system. Sen. Robles would like to do some studying before the Subcommittee completely dismantles the system.

The Chair accepted the request to divide the motion. The first half of the motion for vote was the deletion of MSC item #40. The motion failed with Sen. Jones, Sen. Robles, Rep. Chavez-Houck, Rep. Litvack, and Rep. Wiley voting in favor.

The second half of the motion for vote was the replacement of MSC item #7B with new intent language. The motion passed with Rep. Wiley voting in opposition.

Mr. Frandsen asked if staff had permission to update the Ongoing Prioritization List to reflect the building block changes.

Co-Chair Wright indicated that it was okay.

MOTION: Co-Chair Christensen moved to adopt both the One-Time Prioritization List and Motions for Subcommittee Consideration list as amended. The motion passed with Sen. Weiler voting in opposition.

1. Approval of Minutes

None.

5. Other Business

None.

MOTION: Co-Chair Christensen moved to adjourn. Motion passed.

Co-Chair Wright adjourned the meeting at 9:52 am.

Minutes were reported by Mrs. Pope, Senate Secretary

Sen. Allen M. Christensen, Co-Chair	Rep. Bill Wright, Co-Chair