

Decision Unit Summary

Decision Unit	Agency Request			Governor's Recommendation		
	FTP	General	Total	FTP	General	Total
3.00 FY 2016 Original Appropriation	2,844.76	649,480,500	2,615,989,900	2,844.76	649,480,500	2,615,989,900
4.30 Supplemental	1.00	(3,786,700)	16,176,000	1.00	(3,830,300)	18,203,300
5.00 FY 2016 Total Appropriation	2,845.76	645,693,800	2,632,165,900	2,845.76	645,650,200	2,634,193,200
6.10 Lump Sum Allocation	0.00	0	0	0.00	0	0
6.30 FTP or Fund Adjustments	7.26	0	0	7.26	0	0
6.40 Object Transfers	0.00	0	0	0.00	0	0
6.50 Transfer Between Programs	0.00	0	0	0.00	0	0
7.00 FY 2016 Estimated Expenditures	2,853.02	645,693,800	2,632,165,900	2,853.02	645,650,200	2,634,193,200
8.10 FTP or Fund Adjustments	(0.24)	0	0	(0.24)	0	0
8.20 Object Transfers	0.00	0	0	0.00	0	0
8.30 Transfer Between Programs	0.00	0	0	0.00	0	0
8.40 Removal of One-Time Expenditures	0.00	(1,868,600)	(29,544,500)	0.00	(1,825,000)	(29,457,500)
8.50 Base Reduction	0.00	0	(140,000)	0.00	0	(140,000)
8.90 Other Adjustments	0.00	330,000	0	0.00	330,000	0
9.00 FY 2017 Base	2,852.78	644,155,200	2,602,481,400	2,852.78	644,155,200	2,604,595,700
10.10 Employee Benefit Costs	0.00	462,400	1,087,300	0.00	1,275,300	2,990,500
10.20 Inflationary Adjustments	0.00	251,600	417,500	0.00	165,100	331,000
10.30 Repair, Replacement Items/Alteration	0.00	2,652,400	6,347,500	0.00	1,123,800	2,420,000
10.40 Interagency Nonstandard Adjustments	0.00	106,000	183,900	0.00	106,000	183,900
10.50 Annualizations	0.00	(3,742,900)	(5,238,800)	0.00	(3,742,900)	(5,238,100)
10.60 Change In Employee Compensation	0.00	3,226,700	7,580,900	0.00	4,674,400	10,860,600
10.70 Nondiscretionary Adjustments	0.00	16,828,000	92,814,500	0.00	16,828,000	92,814,500
10.90 Other Adjustments	0.00	(296,700)	0	0.00	(296,700)	0
11.00 FY 2017 Total Maintenance	2,852.78	663,642,700	2,705,674,200	2,852.78	664,288,200	2,708,958,100
Physical Health Services						
Physical Health Services						
12.01 Public Health Business Analyst Funding	0.00	49,600	92,600	0.00	0	0
12.02 TRICARE Vaccine Funding	0.00	596,000	596,000	0.00	596,000	596,000
12.03 Millennium Fund - Tobacco Cessation &	0.00	0	2,706,700	0.00	0	2,706,700
12.04 Expanded Access Program	0.00	128,000	128,000	0.00	128,000	128,000
12.05 Additional Public Health Staff	1.00	0	82,600	1.00	0	83,300
Emergency Medical Services						
12.01 StateComm Equipment Replacement	0.00	170,000	170,000	0.00	170,000	170,000
12.71 Communication Site Increase	0.00	0	11,100	0.00	0	11,100
Laboratory Services						
12.01 Water System at the State Lab	0.00	20,000	20,000	0.00	20,000	20,000
Self-Reliance						
Self-Reliance Program						
12.01 CSES Replacement	0.00	2,720,000	8,000,000	0.00	2,720,000	8,000,000
12.02 IBES Maintenance and Modernization	0.00	0	3,571,600	0.00	0	3,571,600
12.03 Child Care Federal Fund Authority	0.00	0	2,400,000	0.00	0	2,400,000
12.04 Creation of Primary Care Access	0.00	0	0	10.00	0	3,129,000
TAFI/AABD Benefit Payments						
12.01 Child Care Federal Fund Spending	0.00	0	3,645,000	0.00	0	2,833,300

Decision Unit Summary

Decision Unit	Agency Request			Governor's Recommendation		
	FTP	General	Total	FTP	General	Total
12.02 Federal Fund Spending Authority	0.00	0	0	0.00	0	1,931,700
Primary Care Access						
12.01 Creation of Primary Care Access	0.00	0	0	0.00	0	15,425,000
Medical Assistance						
Administration and Medical Management						
12.01 Money Follows the Person	0.00	0	289,500	0.00	0	289,500
12.02 Electronic Health Records Incentive	0.00	69,600	17,102,100	0.00	69,600	17,102,100
12.03 Improved Integrity of Provider Enrollment	0.00	100,600	1,005,600	0.00	100,600	1,005,600
Basic Medicaid Plan						
12.01 Transitional Medicaid	0.00	2,833,600	9,771,000	0.00	2,833,600	9,771,000
Enhanced Medicaid Plan						
12.01 Personal Needs Allowance Increase	0.00	324,100	1,117,600	0.00	324,100	1,117,600
Coordinated Medicaid Plan						
12.01 Personal Needs Allowance Increase	0.00	117,900	406,500	0.00	117,900	406,500
12.02 Money Follows the Person	0.00	62,200	438,600	0.00	62,200	438,600
Family & Community Services, Div. Of						
Child Welfare						
12.01 SACWIS Modernization Project	0.00	130,000	260,000	0.00	130,000	260,000
12.02 Transfer Children's Licensing Unit	(2.00)	(51,900)	(173,100)	(2.00)	(52,300)	(174,500)
Licensure & Certification						
12.01 Certified Family Homes Increase	0.00	43,600	87,000	0.00	0	87,000
12.02 Transfer Children's Licensing Unit	2.00	51,900	173,100	2.00	52,300	174,500
Indirect Support Services						
12.01 Civil Monetary Penalties	0.00	346,200	0	0.00	0	0
12.02 Additional Staff for Criminal History Unit	2.00	0	260,000	2.00	0	261,400
12.03 Transfer to the Office of the Attorney	0.00	(26,500)	(53,400)	0.00	(26,500)	(53,400)
12.04 Creation of Primary Care Access	0.00	0	0	0.00	0	794,400
Mental Health Services						
Community Mental Health						
12.01 Behavioral Health Community Crisis	0.00	1,720,000	1,720,000	0.00	1,720,000	1,720,000
State Hospital North						
12.01 Additional State Hospital North Staff	6.00	295,800	295,800	6.00	300,000	300,000
12.02 Salary Increase for Psychologist Position	0.00	26,500	26,500	0.00	26,500	26,500
12.03 Clinical Application Specialist for vxVistA	1.00	62,600	62,600	0.00	0	0
State Hospital South						
12.01 Additional State Hospital South Staff	6.00	70,700	317,700	6.00	71,600	321,900
12.02 Salary Increase for Psychologist Position	0.00	18,800	37,600	0.00	18,800	37,600
12.03 Convert Group Positions to Permanent	8.65	0	0	8.65	0	0
Childrens Mental Health						
12.01 CANS Assessment	0.00	1,300,000	1,300,000	0.00	1,300,000	1,300,000
12.02 Respite Care Program	0.00	847,000	847,000	0.00	847,000	847,000
Developmental Disabilities Svcs.						
Community Developmental Disabilities						
12.01 Infant Toddler Early Intervention	0.00	0	0	0.00	0	0
13.00 FY 2017 Gov's Recommendation	2,877.43	675,669,000	2,762,389,500	2,886.43	675,817,600	2,785,997,100

Decision Unit Summary

Decision Unit	Agency Request			Governor's Recommendation		
	FTP	General	Total	FTP	General	Total
Amount Change From Original Appropriation	32.67	26,188,500	146,399,600	41.67	26,337,100	170,007,200
Percent Change From Original Appropriation	1.15%	4.03%	5.60%	1.46%	4.06%	6.50%

Governor's Recommendation

Supplemental - CHIP Funded at 100% Federal Participation: The Governor recommends a fund shift from General Fund to federal fund spending authority due to the Children's Health Insurance Program (CHIP) Reauthorization Act. In April 2015, Congress extended CHIP funding for two years with an increased federal participation rate of 100% rather than the traditional 80%. The extension expires September 30, 2017.

Supplemental - KW Lawsuit: The Governor recommends General Fund and federal fund spending authority for payments for claims for developmental disability waiver services. In March 2014, a lawsuit involving Medicaid developmental disability clients was granted class action status for all developmentally disabled waiver participants. Additionally, the court ordered an injunction that Medicaid restore budgets for all developmentally disabled waiver participants to their highest amount since 2011. Not funding this increase will put Medicaid in violation of the court order.

Supplemental - Medicare Part B: The Governor recommends increased General Fund and federal fund spending authority due to increases in the Medicare monthly Part B premiums. Medicaid participates in the Medicare Savings Program by providing Medicare Part B premium costs. By covering premium costs, Medicaid is able to prevent being the primary payer of medical costs for clients they would otherwise cover. In October 2015, Congress mandated a premium rate increase from \$104.90 to \$120.70.

TRICARE Vaccine Funding: The TRICARE health insurance program for members, family members, and retirees of the uniformed services continues to be the sole insurance provider not participating in the Idaho Immunization Assessment program, leaving a gap in vaccine coverage for roughly 7,700 TRICARE-covered individuals under the age of 19 years in the State of Idaho. The General Fund has been covering this gap in coverage since FY 2013 while IDHW has worked with the federal government to find a resolution. To date, there is no final resolution and IDHW seeks one-time General Fund again in FY 2017 to provide vaccine coverage for TRICARE-insured children. The Governor recommends continuing to fund vaccine coverage for these families until a solution is found.

Millennium Fund - Tobacco Cessation & Counter Marketing Funding: The Governor recommends one-time Millennium Fund for continued smoking cessation and prevention efforts such as tobacco counter-marketing and nicotine replacement therapy.

Expanded Access Program: The Governor recommends General Fund for the Expanded Access Program. Expanded Access is a pathway created by the United States Food and Drug Administration (FDA) that allows patients access to certain investigational drugs that have not yet been FDA-approved. The Governor created an Expanded Access Program on March 16, 2015, in Executive Order 2015-03 as a treatment option for children with treatment-resistant epilepsy. The program provides Epidiolex, a medication not yet FDA-approved or commercially available, for up to 25 Idaho children with severe seizure disorders. The Governor recommends \$125,000 of contract medical costs and \$3,000 of program operating costs.

StateComm Equipment Replacement: The Governor recommends General Fund for a ten-year lease of a radio console and phone system at the statewide Communication Center, or StateComm. The radio console and phone system at StateComm is a shared system with Idaho State Police (ISP). After researching options, ISP and IDHW determined a ten-year lease is a better option than purchasing a replacement system. The Idaho Transportation Department (ITD) utilizes radio and phone services provided by IDHW with a cost reimbursement agreement pursuant to a memorandum of understanding (MOU). Because ITD is still assessing their use of the system to determine whether a revised MOU is needed, the Governor recommends an annual accounting report for all costs reimbursed by ITD and a General Fund reversion of that amount.

CSES Replacement: The Governor recommends one-time General Fund and federal fund spending authority to update the Child Support Enforcement System (CSES). The system currently operates on the State Controller's Office (SCO) mainframe. An exact date is not known, but it is anticipated the mainframe may be unavailable within the next few years. IDHW proposes a three-year modernization project to its system to transition it off the SCO mainframe. This first phase will focus on moving the mainframe operations to a modernized computer language and make all child support functions work on modern server-based architecture. The projected cost for the three-year project is \$8,000,000 per year for a total of \$24,000,000.

IBES Maintenance and Modernization: The Governor recommends federal fund spending authority to upgrade the Idaho Benefit Eligibility System (IBES). IBES processes all eligibility applications and verifications for benefits including cash assistance, nutritional assistance, and health care. The federal government allows enhanced funding at a 90% federal participation rate for states that built and maintain eligibility systems that support health care assistance programs with state exchanges. The funding provided in this recommendation will support IBES modernization and Medicaid-related technology and business practices. The required General Fund match is available in the base budget.

Child Care Federal Fund Authority Increase: The Governor recommends one-time federal fund spending authority to move the Child Care automated system from the State Controller's Office (SCO) mainframe to the Idaho Benefit Eligibility System. The conversion will integrate child care eligibility and case management, and allow the use of a modern technology and rules engine. The Governor recommends to make the conversion due to the uncertain future of the SCO mainframe and for better efficiency with modernized technology.

Creation of Primary Care Access Program: The Governor recommends 10.0 FTP and ongoing and one-time dedicated fund spending authority for the Primary Care Access Program (PCAP). Ongoing costs are for Personnel Costs and Operating Expenditures adjusted for the anticipated cost allocation distribution by fund. One-time funds include office supplies and equipment for the increased personnel, business support contractors, automation development contractors, and online development contractors.

Child Care Federal Fund Spending Authority Increase: The Governor recommends federal fund spending authority to increase rates for child care subsidies, known as the Idaho Child Care Program (ICCP). ICCP provides child care assistance for parents who work, attend school, or are participating in approved work/training activities. The program pays a portion of child care costs, and parents contribute a co-pay, determined by family size and household income. The state is mandated to conduct a market rate study every two years, but not required to implement the findings. Idaho has not adjusted to market rates since 2001. Currently, ICCP pays approximately 45% of market rates. This recommendation provides funding to adjust subsidies to approximately 65% of the most recent market rate study. IDHW has the ability to cover the costs of the increase with federal funds for a minimum of two years, but will potentially require General Fund participation beginning in FY 2018. State spending is eligible for a 70% federal participation rate.

Creation of Primary Care Access Program: The Governor recommends ongoing and one-time dedicated fund spending authority for the Primary Care Access Program (PCAP). PCAP is a health care benefit for Idaho's low-income, uninsured population to provide primary and preventative care access through local community health centers and rural health clinics. Eligible individuals must be ages 19-64 with a household income less than 100% of the federal poverty level, and not eligible for other health insurance. The benefit payment is based on a \$32 per member per month fee and includes primary care services and administrative costs for the health clinics. The funding provided in the recommendation is for six months of benefit payments to begin on January 1, 2017. The recommendation also provides one-time start-up costs for health clinics and the Idaho Primary Care Association. Beginning January 2017, administrative costs associated with PCAP will be funded by a small portion of the \$32 per member per month fee. No federal dollars are used to support this program.

Electronic Health Records Incentive Program: The Governor recommends General Fund and federal fund spending authority for continuation of the electronic health record incentive payments. The American Recovery and Reinvestment Act of 2009 authorized incentive payments to eligible providers and hospitals for development of electronic health record systems to be distributed by state Medicaid programs. The General Fund portion of this decision unit is for a web-based software program to collect data mandated by Centers for Medicare and Medicaid Services (CMS), and to contract with an independent accounting firm to perform a CMS-required risk-based audit. The General Fund functions recommended are required in order to meet federal mandates of the incentive payments program.

Personal Needs Allowance Increase: The Governor recommends increased General Fund and federal fund spending authority for an increase for Personal Needs Allowance (PNA) benefits. The PNA program provides assistance to Medicaid clients for essential living costs such as rent, utilities, food, and personal expenses. Providing these clients adequate funding for basic living expenses enables the individuals to live in their homes rather than more costly institutional care. Rates for PNA services have not been increased in over ten years.

SACWIS Modernization Project: The Governor recommends one-time General Fund and federal fund spending authority for the first phase of modernizing the Statewide Automated Child Welfare Information System (SACWIS). The existing system, iCARE, is beyond its serviceable life. The system is responsible for providing case management and processing payments for children and foster families. Funding for the first phase includes development of a feasibility study, business process reengineering and optimization, gathering business and functional requirements, development plans, and analysis of the existing child welfare system.

Creation of Primary Care Access Program: The Governor recommends ongoing and one-time dedicated fund spending authority for development costs of the Primary Care Access Program (PCAP). Ongoing costs are for supportive services provided to the Division of Welfare and one-time funding is for development costs for business contractors and automation development contractors.

Behavioral Health Community Crisis Center: The Governor recommends ongoing and one-time General Fund for the creation of a third community crisis center. The Governor remains committed to the vision of providing access in every region in the state. Community crisis centers are voluntary, short-term care, contract facilities that provide critical stabilization services for individuals in crisis that may otherwise be forced into more costly emergency room visits, hospitalizations, or incarceration. Individuals served in crisis centers are discharged with a plan to access ongoing treatment services in order to avert future crisis. Currently, the state supports crisis centers in Idaho Falls and Coeur d'Alene.

Additional State Hospital North Staff: The Governor recommends 6.0 FTP and associated funding at State Hospital North (SHN) for staff to meet critical safety needs. The positions are six psychiatric technicians to meet the increasing number of patients served, higher level of acuity, and increased number of patients with methamphetamine abuse. Over the past three years, SHN has experienced increased admissions of patients with violent and unpredictable behavior. Seclusion events have increased 85% from FY 2012 to FY 2015. Additional staff will enable the hospital to target days and hours when the staffing ratios and acuity needs are at highest risk.

Salary Increase for Psychologist Position: The Governor recommends Personnel Costs for a salary increase for the chief of psychology position at SHN. The position has been vacant for over one year, since it was established beginning in FY 2015. IDHW consulted with numerous psychologists and their feedback is that salary is the primary deterrent. The funding proposed will increase the hourly rate from \$37.13 to \$48.00.

Additional State Hospital South Staff: The Governor recommends 6.0 FTP and associated funding at State Hospital South (SHS) for staff to meet critical safety needs. The positions are five psychiatric technicians to meet the increasing number of patients served and higher level of acuity. The hospital has experienced an increased need for restraints and seclusions over the past few years. The Governor also recommends one program specialist to meet the increased mandatory reporting requirements imposed by the Centers for Medicare and Medicaid beginning July 1, 2016, including direct and indirect staffing reports and quality measure reports. Inability to meet reporting requirements could jeopardize SHS certification and ability to collect alternative funds for patient care.

Salary Increase for Psychologist Position: The Governor recommends Personnel Costs for salary increases for the chief of psychology and staff psychologist positions at SHS. There is current disparity between psychologist positions and other mid-level practitioners employed at the department, despite similar educational requirements and clinical expertise. The funding proposed will increase the chief of psychology hourly rate from \$37.13 to \$48.00 and the staff psychologist position from \$35.50 to \$42.00.

CANS Assessment: The Governor recommends General Fund for one-time implementation and ongoing operating costs for the Child and Adolescent Needs and Strengths (CANS) mental health assessment instrument. CANS is an assessment tool used to evaluate the functional impairment of children that will be used by mental health providers, juvenile justice agencies, public schools, and the child welfare system. Use of the CANS assessment instrument is part of the Jeff D. class action lawsuit settlement agreement.

Respite Care Program: The Governor recommends General Fund to increase the delivery of respite care services. Respite care provides professional caregiver assistance services for parents of children with serious emotional disturbances. This funding will provide contract respite care services to approximately 1,080 children. This service is a component of the Jeff D. class action lawsuit settlement agreement.