

ARIZONA HOUSE OF REPRESENTATIVES
Forty-ninth Legislature –Second Regular Session

COMMITTEE ON HEALTH AND HUMAN SERVICES

Minutes of Special Meeting
Wednesday, April 21, 2010
House Hearing Room 4 -- 9:00 a.m.

Chairman Barto called the meeting to order at 9:09 a.m. and attendance was noted by the secretary.

Members Present

Mr. Ableser
Mr. Bradley
Mrs. Goodale

Mr. Lopes
Mr. Murphy
Mr. Vogt

Mr. Court, Vice-Chairman
Mrs. Barto, Chairman

Members Absent

Mr. Boone

Committee Action

SB1043 – DPA S/E (8-0-0-1)

CONSIDERATION OF BILL

**SB1043 – tax anticipation bonds; technical correction – DO PASS AMENDED S/E
S/E: health care; programs; coverage**

Vice-Chairman Court moved that SB1043 do pass.

Vice-Chairman Court moved that the Barto 79-page strike-everything amendment to SB1043 dated 4/16/10 (Attachment 1) be adopted.

Ingrid Garvey, Majority Research Analyst, explained that the strike-everything amendment to SB1043 (Attachment 1) restores the Children's Health Insurance Program (CHIP) known as Kids Care and Proposition 204 programs, extends state employee health coverage for dependents up to their 26th birthday and makes a variety of changes to the 2010 Seventh Special Session health budget reconciliation bill (Attachment 2). In response to a question, she conveyed that the strike-everything amendment does not address First Things First funds.

Amy Upston, Joint Legislative Budget Committee, responded to questions concerning the cap on Kids Care enrollment as of January 1, 2010, provisions in the legislation to provide funding for

Kids Care and Proposition 204 with American Recovery and Reinvestment Act (ARRA) enhanced Federal Medicare Assistance Percentages (FMAP), which is set to expire on December 31, 2010 but may be extended for six months, the impact of the strike-everything amendment on the General Fund and the ability to lift the cap on Kids Care in the future.

Chairman Barto remarked that at the end of last session, the Executive budget included a cap on Kids Care enrollment, which was approved by the Centers for Medicare and Medicaid Services (CMS). The goal of this legislation is to ensure that the state is not violating the maintenance of effort (MOE) requirements from the recently enacted federal health care reform legislation and jeopardizing federal Medicaid dollars. In the next legislative session, the Legislature will look at the cap currently in place and be able to better determine the state's fiscal situation.

Jennifer Carusetta, Chief Legislative Liaison, Arizona Health Care Cost Containment System (AHCCCS), in support of the strike-everything amendment to SB1043, clarified that the Kids Care enrollment cap was put in place by Executive Order so the statutory authority to change the cap is retained by the Governor's Office, if it is necessary in order to meet the MOE requirements. This legislation takes effect on June 15, 2010, the date the Kids Care program is scheduled to end, so services will continue for children who are still eligible for coverage. In response to questions, she related that there has been a decrease in Kids Care enrollment from month to month, partly because of the cap, as well as other factors.

Tim Vaske, Director of Government Affairs, American Heart Association, in favor of the strike-everything amendment to SB1043, testified that reestablishing Kids Care will ensure that children from low-income families are not denied the opportunity to lead healthy and productive lives simply because their parents cannot afford private health insurance, and ensure that thousands of Arizona children will receive the preventative medical care that will establish a strong heart health foundation into adulthood. Restoring Proposition 204 funding will not only ensure that 300,000 Arizonans who are to lose health care in January 2011 will continue to receive the care they need and ensure that more than 1 million Arizonans will continue to receive quality health care by meeting the MOE stipulation in the federal health care reform legislation.

Susan Stewart, American Heart Association, representing self, spoke in favor of the strike-everything amendment to SB1043. She said she is the mother of a 13-year-old son who has a hole in his heart and a potentially deadly heart condition and, unfortunately, her employer is unable to provide private health insurance. She applied for private insurance and the company is willing to cover her at a very high rate, but will not cover her son's heart conditions. She does not qualify for AHCCCS so she relies on Kids Care to make sure her son receives medical monitoring. She pled with the Members to consider restoring Kids Care, which is the only option she currently has, except to quit her job and go on AHCCCS.

Dana Naimark, President/Chief Executive Officer, Children's Action Alliance, spoke in favor of the strike-everything amendment to SB1043. She submitted that this is a small investment that brings large returns to the health of children, to success in school, the economy and the strength of the health care system. She urged the Members to lift the enrollment cap in the future, noting that Arizona is the only state in the country with an enrollment freeze, which puts Arizona children behind children in other states. In response to a question, she indicated that if families are denied Kids Care coverage because of the freeze, there are no other options. Community

health centers can provide primary care, but not the kind of specialty care that Ms. Stewart's son or other children need.

Caly Mueller, Creator of Mothers Against Kids Care Closure (Facebook group); Children's Action Alliance, spoke in favor of the strike-everything amendment to SB1043. She said she hopes the Members will accept this strike-everything amendment and lift the cap in the future.

Vice-Chairman Court announced the names of those who signed up in support of the strike-everything amendment to SB1043 but did not speak:

Timothy Schmaltz, Coordinator, Protecting Arizona's Family Coalition

Tara Plese, Arizona Association of Community Health Centers

Kevin Earle, Executive Director, Arizona Dental Association

Genevra Richardson, Director of Government Relations, Arizona Physicians IPA

Terry Goddard, Arizona Attorney General, Attorney General's Office

Myles Stone, representing self

Kathryn Busby, Arizona Association of Health Plans

Jay Dashefsky, disabled individual, representing self

Kendra Leiby, Arizona Coalition Against Domestic Violence

Chris Fike, representing self

Tamera Zivic, Executive Director, World Hunger Education, Advocacy and Training

Pete Wertheim, Chief Legislative Liaison, Health Choice Arizona

Susan Wilkins, Executive Director, representing self

Jason Bezozo, Senior Program Director, Government Relations, Banner Health

Suzanne Schunk, Director, Family Support Services, Infant Toddler Mental Health Coalition of Arizona

Kelsey Lundy, Lobbyist, Arizona Physicians IPA

Jeff Gray, Legislative Liaison, March of Dimes Arizona Chapter

Sue Braga, Arizona Chapter of the American Academy of Pediatrics

Pat Vanmaanen, representing self

Lucy Howell, Diocesan Board, Society of St. Vincent de Paul

Allison Bell, Arizona Chamber of Commerce & Industry

Bonnie Danowski, Valley Interfaith Project, representing self

David Landrith, Vice President of Policy & Political Affairs, Arizona Medical Association

Peri Jude Radecic, Director of Public Advocacy, Arizona Center for Disability Law

Judy Whitehouse, representing self

Eric Ehst, National Organization for Women

Barbara Meaney, Vanguard Health Systems; American Dental Partners, Inc., dba Arizona Tooth Doctor for Kids

David Wells, Faculty, Arizona State University; Board Member, Arizona Citizen Action, representing self

Barbara Burkholder, Legislative Co-Chair, Arizona Asthma Coalition

Stuart Goodman, Lobbyist, Catholic Healthcare West

Maureen Casey, parent of child with a disability, representing self

Richard Bitner, Legislative Counsel, Arizona State Association of Physician Assistants

Jennifer Bonnett, Arizona Public Health Association

Jerry Boehm, Director of Operations, Arizona Council of Human Service Providers

Brandy Petrone, Catholic Healthcare West

Michael Fronske, Assistant Deputy Director, Maricopa Integrated Health System
Jake Logan, Vice President, United Health Group; Arizona Physicians IPA
Tom Arriola, mastermind at crimescene.com (Facebook group against closing Kids Care)
Wendy Briggs, Lobbyist, SCAN Health Plan
Jennifer Loreda, Arizona Education Association
Kevin B. DeMenna, Bridgeway Health Solutions
Jay Hardenbrook, American Association of Retired Persons
Ryan DeMenna, Associate, Bridgeway Health Solutions
Rick Fredrickson, Chief Executive Officer, Bridgeway Health Solutions
Barbara Fanning, Legislative Liaison, Arizona Hospital and Healthcare Association
Ellen Katz, Litigation Director, William E. Morris Institute for Justice
Helena Whitney, Director, Government Relations & Legislative Affairs, University Physician's
Healthcare
Jaime Molera, lobbyist, Mercy Care Plan
Molly McGovern, SEIU Arizona
Michael Haener, Director of Legislative Affairs, Centene

Vice-Chairman Court announced the names of those who signed up as neutral on the strike-everything amendment to SB1043 but did not speak:
Rebekah Friend, Lobbyist, Arizona AFL-CIO

Vice-Chairman Court announced the names of those who signed up in opposition to the strike-everything amendment SB1043 but did not speak:
Sandra De La Cruz, parent, representing self

Sandra De La Cruz, parent, representing self, stated that she meant to sign up in support of the strike-everything amendment to SB1043. She is the parent of a 16-year-old daughter diagnosed with muscular dystrophy in 2005. She said she relocated from California because her daughter functions better in this weather and because of the state's great medical facilities. In November 2009, her daughter was removed from the AHCCCS rolls, but she was denied Kids Care benefits because of the cap, and since then her daughter has slowly declined into a deep depression and cannot apply herself in school.

Discussion followed about the Kids Care waiting list, during which Mr. Lopes noted that he received an email from AHCCCS stating that the waiting list is about 19,000. Ms. Carusetta remarked that as more people apply, the waiting list will increase.

Question was called on the motion that the Barto 79-page strike-everything amendment to SB1043 dated 4/16/10 (Attachment 1) be adopted. The motion carried.

Vice-Chairman Court moved that SB1043 as amended do pass. The motion carried by a roll call vote of 8-0-0-1 (Attachment 3).

Without objection, the meeting adjourned at 9:52 a.m.

Linda Taylor, Committee Secretary
April 28, 2010

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at <http://www.azleg.gov>)