Idaho Academy of Family Physicians

2019 Legislative Report

Weeks 1 and 2, January 7 – January 18

The first week of the Legislative session is typically highlighted by the Governor’s State of the State speech in which he lays out his broad agenda for the session. The legislature typically starts slowly with some training, and organizational items, before launching into about two weeks of rules review.

**New faces at the Capitol**

As a result of last year’s elections, Idaho now has its first new Governor in twelve years, its first female Lieutenant Governor, and a turnover in the legislature of 24%. Governor Brad Little has served as Lieutenant Governor for the last ten years and was a state senator prior to that.

For those who may not know him, he is a bit more of an introvert than Governor Otter, but is intellectually one of the smartest individuals in the Capitol building, and very policy-minded. He has made some significant changes in both the Governor’s office personal staff, and in state agency directors – all of which I believe are generally good things. The new Lieutenant Governor, Janice McGeachin (pronounced Mik GEE un) is a former member of the Idaho House of Representatives and is a small business owner from Idaho Falls.

The legislature has 30 new faces out of is 105 members. In the Senate, the domino effect of retirements has resulted in many new committee chairs. Of the ten committees in the Senate, only 3 of them have the same chair as last legislative session. The Senate Health and Welfare Committee has a new Chairman in Boise Republican Fred Martin (Senator Heider chose to take the helm of the Senate Resources Committee).

In the House, there are new chairs on eight of the fourteen committees in that body. Representative Fred Wood remains the chair of House Health and Welfare, but has five members (out of 13) new to the committee. Seven of the committee members are either freshmen or sophomore legislators.

**Big Picture, Big Issues for this session**

The main big issues expected this legislative session are likely to be:

1. **Medicaid implementation (Prop 2),**
2. **The budget,**
3. **A re-write of the K-12 education funding formula.**

**Budget:** Anxiety is forming in the capitol as tax income is coming in a significantly less than forecast. As of December, the income upon which the legislature sets the budget is $64 million behind forecasts. It is believed this is due largely to the changes in the federal and state tax code from last year. Suspicion is that individuals have not adjusted their payroll withholdings, and that the income *should* “true-up” once April tax bills get paid. Or it might not. The timing of this action is problematic for the legislature as they will be setting budgets before those April income tax payments come in. And this uncertainty will affect – or provide an excuse for – how they deal with Medicaid expansion implementation.

**Medicaid expansion (implementation of Prop 2):**

The voters of Idaho passed the Medicaid expansion initiative with 61% approval in the November election. Now the challenge is to see what and how the legislature deals with the implementation. Most legislators are at least saying the right things in terms of wanting to abide by the *“will of the people.”* There are a smaller, more aggressive group who still would like to scuttle such implementation. And another group who wants to try to implement Mediciad expansion *“The Idaho WAY”* (whatever that means). You are aware the Idaho Freedom Foundation has sued to invalidate the initiative, arguing that it is not constitutionally valid. A hearing on that court case is scheduled for January 29th. The outcome of that court decision will undoubtedly have an effect on how the legislature reacts. Stay tuned…

**K-12 Funding Formula Revamp:**

After three years of an interim Legislative committee looking at ways to re-write the K-12 funding formula, a draft proposal will be brought to the legislature. The current funding formula is very complicated, and very few people actually understand it. It also does not accommodate for newer ways of education delivery. The K-12 budget represents nearly 50% of all expenditures by the state ($1.6 Billion last year), and school districts are very nervous about what a change in the funding formula might mean for their individual districts. Expect much hand-wringing and wailing and crying over this effort, and likely a delay in implementation until next year.

**Governor Little’s State of the State speech**

**Mostly about education**

Governor Brad Little delivered his first State of the State Address on Monday, January 7th, kicking off the 2019 Legislative Session. He relayed his policy plans for Idaho, which include further improvements of the Idaho education system and lowering health care costs. The governor’s proposals are centered around policies that will maintain an economy that allows Idahoans to grow up, get educated and stay in Idaho. Education and workforce were focal points. In his plan, the governor proposed eliminating the grocery tax as well as a plan for increased cybersecurity. He also committed to working with the legislature to ensure urban and rural areas will receive access to broadband connectivity.

A top priority for Governor Little appears to be education. He seeks to continue on the upward trajectory of the last four years by recommending a number of changes. The governor seeks to establish a Children’s Cabinet, advising him on key education issues. He proposes to double the literacy program to $26 million. By increasing the funds for the literacy program, the governor hopes that all children will learn to read by 3rd grade. He also proposes raising the starting teacher salary to $40,000.

With respect to health care, Governor Little’s goal is for quality care to be available for all Idahoans. The governor shared his intention to work with the legislature on implementation of Medicaid Expansion as passed in Proposition 2, and implementation of options to help move the gap population to private coverage. Last year, Governor Otter signed an executive order on state-based individual market health plans. Governor Little will continue to advocate for these streamlined, less expensive plans because he believes the plans are cost effective and provide more avenues into health care coverage.

**Health and Welfare Committee actions**

The agenda for the first few weeks of the legislative session are typically filled with approval of rules the agencies have brought forth for approval by the legislature, and these first two weeks have been no exception. These rules are a more refined implementation of laws that were passed in the previous legislative session – most went into effect on July 1, 2018. It is theoretically a way for the legislature to ensure that the agencies are implementing the laws as the legislature intended. It is designed as a check on agency bureaucrats to make sure they aren’t overstepping their bounds or missing the point of the legislation. Idaho is one of the few states that does such rules review and approval process.

**Pharmacy Rules:**

The House and Senate Health and Welfare Committees reviewed and approved a number of Pharmacy rules related to legislation passed last year, some of which the Physician community had mixed feelings.

**New Legislation Introduced this week:**

**In House Health and Welfare Committee:**

[**HB 9 – Medical Practice Act**](https://legislature.idaho.gov/sessioninfo/2019/legislation/H0009/) – by State Board of Medicine:

This is a 28-page bill on housekeeping or a cleanup bill by the Board of Medicine. It updates and modernizes provisions of the Medical Practice Act. Among other provisions, it also would **add a Physician Assistant to the Board of Medicine** and **adds a physician assistant and a public member to the Physician Assistant Advisory Committee**. **It also removes the requirement that medical students be registered with the Board.**

[**HB 10 – Pharmacy Practice Act**](https://legislature.idaho.gov/sessioninfo/2019/legislation/H0010/) – by State Board of Pharmacy

This is an 18-page bill updating and modernizing the Pharmacy Practice Act. It also establishes a multistate pharmacy license to increase portability and mobility of practice across state lines.

[**HB11 – Uniform Controlled Substances Act**](https://legislature.idaho.gov/sessioninfo/2019/legislation/H0011/) – by Board of Pharmacy

Aligns DEA scheduling decisions by including synthetic opioids in Schedule I.

We will track these rules and make you aware of any that directly affect IAFP. There will certainly be more pieces of legislation of interest to the IAFP to be monitored in the coming weeks.

The 2019 Idaho Legislative session is off and running and we look forward to working with you this year.

Ken Burgess

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If at any point you would like to have more details on any of these items, beyond these short descriptions, we would be happy to provide those for you.

**Plan to attend the 71st Annual Conference of the Idaho Academy of Family Physicians, May 17-19, 2019 at the Shore Lodge, McCall, Idaho.**