

House Committee on Appropriations

Minutes of Meeting
2022 Regular Session
March 16, 2022

I. CALL TO ORDER

Representative Jerome "Zee" Zeringue, chairman of the House Committee on Appropriations, called the meeting to order at 9:38 a.m. in Room 5, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Jerome "Zee" Zeringue, chairman
Representative Tony Bacala
Representative Barbara W. Carpenter
Representative R. Dewith Carrier
Representative Raymond J. Crews
Representative Daryl Andrew Deshotel
Representative Mary DuBuisson
Representative Rick Edmonds
Representative Aimee Adatto Freeman
Representative Brett F. Geymann
Representative Jason Hughes
Representative John R. Illg, Jr.
Representative Timothy P. Kerner
Representative Rodney Lyons
Representative C. Denise Marcelle
Representative Jack G. McFarland
Representative Blake Miguez
Representative Dustin Miller
Representative Troy D. Romero
Representative Francis C. Thompson, vice chairman
Representative Christopher Turner
Representative Debbie Villio
Representative William "Bill" Wheat, Jr.

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Dazia Briscoe, committee administrative assistant
Stephanie Little, attorney
Chas Nichols, budget analyst

ADDITIONAL ATTENDEES PRESENT:

Faye Talbot, sergeant at arms
Myrtis Jarrell, sergeant at arms
Vivian Hurst, sergeant at arms

III. BUSINESS**Discussion of the FY 22-23 Budget for:****Dept. of Children and Family Services**

Mr. Chas Nichols, budget analyst, House Fiscal Division (HFD) 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2444, presented an overview and discussed the FY22-23 budget for Department of Children and Family Services (DCFS).

Representative Edmonds in the chair.

Ms. Marketa Garner Walters, secretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-0286, discussed the pandemic effects and response to provide additional support to foster care givers, foster children, extended foster care youth, and relations/kinship care givers. Additionally, Ms. Walters shared statistics regarding SNAP benefits, abuse and neglect, and staffing needs and turnover and provided a handout, Exhibit A, which is included in the committee records.

Dr. Eric Horent, undersecretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-1102, discussed the Qualified Residential Treatment Programs (QRPT) request of \$4.5 million to address the treatment programs for non-medical group home setting of placements, which would be a new level that the federal government has instituted.

Representative Marcelle, Dr. Horent, and Ms. Walters discussed excess federal authority, Qualified Residential Treatment Programs (QRPT) and turnover rates within the department.

Representative Villio, Dr. Horent and Ms. Walters discussed an interagency transfer of \$8.3 million to the Office of Juvenile Justice (OJJ) for reimbursement of those individuals who were under the custody of the state (Page 20 of the PowerPoint presentation).

Representative Lyons and Ms. Walters discussed open positions and salary increases, the differences between the child welfare specialist #1 and the child welfare specialist #3. Ms. Waters shared that the #3 is the highest level of the career progression. Ms. Waters further explained a grant study of the child welfare workforce in the nation and how COVID-19 interrupted the research.

Representative Bacala and Dr. Rhenda Hodnett, assistant secretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 342-4044, discussed the workforce project with the federal government, having administrative support for those teams, and consultations with the American Academy of Pediatrics in order to support staff.

Representative Bacala and Ms. Shavana Howard, assistant secretary, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 400-3311, discussed increasing the limit for Supplemental Nutrition Assistance Program (SNAP) benefits for the working poor.

Ms. Terri Ricks, DCFS, 627 North Fourth Street, Baton Rouge, LA 70802, (225) 335-0422, discussed the work with the Board of Regents and the Dept. of Economic Development regarding jobs that are located in Louisiana and consultations with families to determine which job pathways would benefit them as they move from one position to another.

Representative Hughes and Ms. Walters discussed Disaster Supplemental Nutrition Assistance Program (DSNAP) following Hurricane Ida. Additionally, Representative Hughes addressed the department's turnover, morale, and politics and inquired how often the secretary and undersecretaries visit rank-and-file employees by region. Representative Hughes further inquired how many additional positions of case workers would alleviate the heavy caseloads and improve performance in New Orleans, to which Dr. Hodnett cited 30 positions. Representative Hughes offered his help to the department.

Representative DuBuisson shared a conversation she had the previous evening regarding the morale and reputation of DCFS and the hesitation of employees coming forward with their complaints and concerns. Additionally, Representative DuBuisson and Ms. Howard discussed the classified positions at DCFS.

Representative Edmonds asked a series of questions related to the required education to match the level positions and to pay higher salaries, the ability to add dollars to the budget, and voiced his frustration that there needs to be a dramatic change in the restrictions. He shared that a 'study' by State Civil Service is not what is needed. He also cited women's health, adoption services, and resource centers escalating across the country.

Representative Carpenter offered her appreciation for the work of DCFS. Representative Carpenter inquired what was the average tenure of those who have been adequately trained and mentored to, to which Dr. Horent said 50% of the employees leave after one to three years of service.

Representative Carpenter shared her concern of data that supports young males are as prone as young female to human trafficking.

Representative Wheat thanked Secretary Walters for the work of DCFS. Representative Wheat and Ms. Walters discussed the 149 cases in 2021. There were multiple parishes that had over 20 cases, and DCFS reassigns staff to meet the needs in particular regions.

Representative Crews, Dr. Horent, and Ms. Walters discussed IT services, replacing the system, and adding upgrades; how effective virtual meetings versus face-to-face meetings were during the pandemic, increased suicides, and robberies and homicides; and data indicated that when a father contributed regularly to making child welfare payments, the father had frequent visitation with the child, the relationship between parents was positive, and the child performed better in school.

Representative Illg and Ms. Howard discussed Fatherhood Initiative or Fathers on a Mission, which involves partnering with fathers, encouraging them how to relate with children, how to parent and to make a positive connection with children.

Louisiana Dept. of Health

Mr. Nichols, presented an overview and discussed the FY22-23 budget for the Louisiana Department of Health (LDH).

Human Services District

Representative Bacala and Dr. Courtney Phillips, secretary, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed human services that are statutorily required and the flexibility they have with local entities.

Dr. Jan Laughinghouse, executive director, Capital Area Human Services District, 7389 Florida Boulevard, Suite 100-A, Baton Rouge, LA 70806, (225) 922-2700, discussed services for the incarcerated, particularly in Ascension and East Baton Rouge Parishes.

Representative Dustin Miller and Mr. Brad Farmer, executive director, Acadiana Area Human Services District, 302 Dulles Drive, Lafayette, LA 70506, (337) 262-4190, discussed mental health changes from past to present have shifted to tele-health services associated with a tele-pharmacy, (remote dispensing site), and provide face-to-face services when available. Representative Miller and Mr. Farmer discussed a health care physician works 8 a.m. - 5 p.m. four to five days per week in St. Landry Parish.

Representative Dustin Miller, Dr. Phillips, and Ms. Ruth Johnson, undersecretary, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed credentialing with Managed Care Organizations (MCO's).

Office of the Secretary

Mr. Nichols presented an overview and discussed the FY22-23 budget for the Office of the Secretary.

There were no questions.

Office of Aging and Adult Services

Mr. Nichols presented an overview and discussed the FY22-23 budget for the Office of Aging and Adult Services.

There were no questions.

Office of Public Health

Mr. Nichols presented an overview and discussed the FY 22-23 budget for the Office of Public Health.

Representative Zeringue and Dr. Phillips discussed healthcare worker shortages and surge nursing contracts with regard to COVID-19.

Representative Marcelle and Ms. Johnson discussed the BA-7 that amounted to \$168 million (Page 47 of the PowerPoint presentation).

Representative Carrier and Ms. Johnson discussed the payments to Office of Technology Services (Page 35 of the PowerPoint presentation). Mr. Nichols offered additional information regarding OTS and interagency transfers, which is located on Page 21 of the PowerPoint presentation.

Representative Crews and Mr. Nichols discussed OPH's historical spending and interagency transfers. (Page 42 of the PowerPoint presentation).

Office of Behavioral Health

Mr. Nichols presented an overview and discussed the FY 22-23 budget for the Office of Behavioral Health.

Representative Zeringue and Dr. Phillips discussed the components of the funding formula for the Local Governing Entities (LGE).

Mr. Mark Thomas, chief operating officer, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, shared his work with the executive directors and stakeholders from around the state

who has a vested interest in the funding allocation. The goal is to have the allocation in place by July 1, 2022.

Representative Edmonds asked whether the opioid crisis is located in this section, to which Dr. Phillips stated additional dollars are not identified in this section for opioid treatment, but is an element worked on in the business plan. Currently, there are ten opioid treatment centers across the state and two are being added during the current fiscal year.

Ms. Karen Stubbs, J.D., assistant secretary, OBH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, addressed Representative Edmond's question regarding additional dollars being embedded in every area of the budget.

Mr. Steve Russo, general counsel, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, stated there was a \$300 million settlement in relation to opioids. The money will come in over an 18-year period, relatively front loaded.

Office for Citizens with Developmental Disabilities

Mr. Nichols presented an overview and discussed the FY 22-23 budget for the Office for Citizens with Developmental Disabilities (OCDD).

Ms. Julie Foster Hagan, director, OCDD, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, addressed Representative Edmonds' question regarding the EarlySteps Program and \$550,000 which is related to the contract and \$700,000 that is an increase due to less services being provided during the pandemic.

Representative Miller and Mr. Russo discussed Therapeutic Group Homes (TGH) licensed by the LDH, Health Standards Section, and is a facility that provides community-based residential services in a home-like setting of no greater than 10 beds under the supervision and oversight of a psychiatrist or psychologist. TGHs provide a structured living environment 24 hours per day, seven days per week, and their purpose is to provide community-based services in a homelike environment to clients under the age of 21 who are determined to need psychiatric or psychological services.

Representative Zeringue announced the committee would stand in recess and reconvene upon adjournment of the House.

The meeting recessed at 1:25 p.m. The meeting reconvened at 4:01 p.m.

Louisiana Emergency Response Network Board

Mr. Nichols presented an overview and discussed the FY 22-23 budget for the Louisiana Emergency Response Network Board.

There were no questions.

Developmental Disabilities Council

Mr. Nichols presented an overview and discussed the FY 22-23 budget for the Developmental Disabilities Council.

There were no questions.

Medicaid

Mr. Nichols presented an overview and discussed the FY 22-23 budget for Medicaid.

Dr. Phillips addressed the committee on the following: (1) improving the overall well being of Louisianians with the focus on prevention; (2) commitment to the LDH cultural and overall team; (3) enhancing customer service partnerships and community relationships; (4) women's and maternal health; and (5) promoting transparency, accountability and compliance.

Mr. Russo provided a detailed update on the managed care contracts.

Representative Edmonds and Ms. Johnson discussed the enhanced Federal Medical Assistance Percentage (FMAP) coinciding with disenrollment.

Mr. Andrew Perrilloux, section chief, Medicaid, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-3944, requested data from each of the Intermediate Care Facilities' (ICF) direct care costs for workers and inflationary costs. Mr. Perrilloux has received 90% feedback and has determined the \$12 add on was sufficient.

Representative Bacala and Ms. Johnson discussed no enhanced FMAP for the upcoming year, and the anticipation of approximately 240,000 disenrolled over a 12-month period. Representative Bacala inquired about LDH's role in verifying enrollees' eligibility, investigating, and persecuting fraud and abuse.

Representative Bacala, Dr. Phillips and Ms. Johnson discussed Medical vendor payments which cover a variety of topics.

Representative Lyons and Dr. Phillips discussed non-emergency medical transportation and if LDH was awaiting approval from CMS, to which Dr. Phillips replied there would be an adjustment for this year's approval.

Representative Marcelle and Dr. Phillips discussed FMAP clarification and the end of the Public Health Emergency (PHE). The Biden administration has said that it will give states a 60-day notice

before the PHE expires. If states are not notified by mid-May, the PHE will likely be extended further.

Representative Marcelle and Dr. Phillips discussed the creating of the office of women's health and the addition of five staff positions.

Representative Kerner and Dr. Phillips discussed the rule making process for imported shrimp. Louisiana imports total over \$1 billion of seafood, and since COVID-19, none of it has been tested as it comes into the state.

Representative Crews and Dr. Phillips discussed the focus on diabetes in the state and thanked LDH for their efforts.

Representative Crews and Dr. Joseph Kanter, state health officer and medical director, LDH, 628 North Fourth Street, Baton Rouge, LA 70802, (225) 342-9509, discussed the steps Louisiana took to prevent COVID-19 and which ideas were misguided. Dr. Kanter pointed out intentions were to make recommendations to protect the people of Louisiana. Representative Crews offered several reasons why we surged, including the poor health of the people of Louisiana, obesity, mental health, diabetes, while Dr. Kanter had no response.

Representative Thompson mentioned the \$17 billion the state spends for whole department is critical to the citizens of Louisiana. The state cannot run without this agency but what would result if the federal dollars to aid public health and economic recovery from COVID-19 would no longer be there. Representative Thompson added that Louisiana could not handle all of the obligations committed to. Ms. Johnson responded by sharing the necessary roles of the Joint Medicaid Oversight Committee and the Medicaid Estimating Conference to assist in projections.

Representative Romero asked the cost of LDH's advertising over the last two years, to which Dr. Phillips offered to send the information at a later date.

V. ADJOURNMENT

Representative Romero offered a motion to adjourn. Without objection, the motion passed by a vote of 23 yeas and 0 nays. Representatives Zeringue, Bacala, Carpenter, Carrier, Crews, Deshotel, DuBuisson, Edmonds, Freeman, Geymann, Hughes, Illg, Kerner, Lyons, Marcelle, McFarland, Miguez, Dustin Miller, Romero, Thompson, Turner, Villio, and Wheat voted yea.

The meeting was adjourned at 5:53 p.m.

Respectfully submitted,

Chairman Jerome "Zee" Zeringue
House Committee on Appropriations