



October 2023 Monthly Report

September was a very busy month, starting off with agency budget requests, due on September 1, 2023, to the Division of Financial Management (DFM) to review. DFM has been working through these budgets diligently to begin making adjustments with the state agency budget leads prior to the authorized budget request revision deadline on October 20, 2023. Between now and this deadline is the sweet spot for budget alterations where we can align your goals with the states. With challenges presenting themselves with a lack of a budget surplus, ongoing LUMA issues, and more, this time is critical to understanding what line items will be included versus dropped in the FY 25 budgets.

Agencies and legislators have also been fine-tuning their legislative ideas and making plans for the 2024 session; we have already seen the Division of Occupational and Professional Licenses (DOPL) make their priorities public. We expect to see many more agencies follow suit, along with the Governor's legislative and budget priorities in the coming months. In the meantime, we have also focused on current programs that are underway including, the new property tax reduction efforts, expansion of leading Idaho funds and projects, and the rollout of [Idaho Launch](#).

We also have seen many departments hold their second of two mandated negotiated rulemaking sessions, triggered by Governor Little's [Executive Order 2020-01](#) zero-based regulation (ZBR). Forcing more cuts to their rules and holding two public negotiated hearing sessions. Many have completed their first round and have moved on to their second; these meetings will continue through early December. If you have any questions on upcoming sessions, please don't hesitate to ask. The latest of the rulemaking bulletins can be found [HERE](#).

The Idaho Senate, was also very busy in September, having recently received constitutional authority to call themselves back into session, the Senate achieved the mandated 60% of the Senate's signatures to call a special session. The Senate Majority Caucus released a statement on September 6th; stating their goal was to pass legislation to fix the presidential primary issue created at the end of the 2023 legislative session. The goal of the new bill was to allow the political party to choose their method for nominating candidates by informing the Secretary of State of how they would proceed by October 1st of the year prior to the primary in May.

The House, as of September 25, 2023, obtained 60% of their body's signatures to formally trigger a special session, but there's a catch. The House wanted a different policy. Rep. Lance Clow's(R-25) bill would fully repeal [HB 138](#) from the 2023 session and return the primary to March as it has been. Creating further confusion and removing the cost savings of consolidated elections for Idaho voters that passed last session; without the trailer bill for presidential primary selection, which failed on a technicality in House State Affairs in the last hours of the 2023 session.

With both chambers divided by the policy options and by the political grandstanding of the parties seeking influence, and with the October 1 date coming and going, our suspicion is the Legislature will wait until the 2024 Legislative Session to resolve this heated issue. Perhaps the time between now to then will help create a pragmatic solution that will support Idahoan's right to vote in a fair and secure election and not just be further political rhetoric and manipulation by fringe factions seeking to control the process to get their desired outcomes.

The annual Governor's Cup Event was held in Sun Valley this year, where participants helped fund scholarships for graduating high school seniors based on merit. This unique event provides great access to legislators and others leaving ample opportunities to engage and deepen relationships. BB&A was able to catch up with many friendly faces from the Legislature, agencies, and local community partners.

Regular check-ins with legislators, key stakeholders, agency leaders, and Governor's staff rounded out the month as we continued to lay the groundwork for next session and its priorities on your behalf. This is the time for us to build and bolster your ideas. Our team looks forward to the opportunity to continue to advocate for you.



NABIP October 2023 Highlights

On September 11th, the Medicaid Managed Care Task Force met to hear presentations from MTM, Optum Idaho, Blue Cross of Idaho, Molina, and PacificSource Health Plans. Juliet Charron, Administrator of Medicaid, gave an overview of Healthy Connects Value Care Performance over the first year. In 2020, the authority was given for this model; implementation started in 2021 after the program was restructured. The first performance year starting in 2022 was reviewed starting with stating that VCOs are held accountable for quality and cost targets. During the first year, VCOs met at least one quality measure; adult wellness visits were the most achieved target and breast cancer screening was the least attained measure met. Administrator Charron stated that VCOs were more successful in meeting the cost savings over time, and 67% of VCOs improved their quality targets from year one (1). She reiterated numerous times that numbers are skewed due to the pandemic. She identified staff, data lags, and unique challenges from VCOs as all needed to better the program. When questioned if this is a success, she noted we have identified the levers for cost savings, but this program alone will not lead to cost savings itself based on this last year.

On September 27th the Department of Insurance held a negotiated rulemaking session for the numerous rules they have under review. They discussed how they have received some small comments and will take more during this meeting.

[IDAPA 18.01.02](#) – Schedule of Fees, Licenses, and Miscellaneous Charges. The main change is the addition of a fee for PBMs, which will be the same as third-party administrators. No public comments were made.

[IDAPA 18.04.04](#) – The Managed Care Reform Act Rule. There were no substantive changes made to this section just wording changes. There were no public comments made.

[IDAPA 18.04.08](#) – Individual and Group Supplementary Disability Insurance Minimum Standards Rule. AFLAC had previously submitted a comment about the three-month benefit payment. There were other concerns about the language being too broad, and concerns about the look-back period. These comments were made by Steve Clayburn with the American Council of Life Insurers. Blue Cross asked for clarification on whether pregnancy is a pre-existing condition based on the new language along with missed/canceled appointments, treatment services or supplies not prescribed, services rendered prior, and reversal of elective sterilization procedure. DOI stated that they are trying to clean up language to be more effective and some of the changes are Idaho-specific and not in the NAIC. They also discussed how some sections are being moved to different areas, highlighting that children's hearing aids are being moved to a different rule.

[IDAPA 18.06.03](#) – Rules Governing Disclosure Requirements for Insurance Producers When Charging Fees. Language and sustenance are being decreased as a must of this chapter is already listed in the statute. There were no public comments made.

[IDAPA 18.07.10](#) – Rules for Acquiring Control, Insurance Holding Company Systems, and Mutual Insurance Holding Companies. No substantive changes were made, and no public comments were made.