

ARIZONA HOUSE OF REPRESENTATIVES
Fiftieth Legislature –First Regular Session

COMMITTEE ON HEALTH AND HUMAN SERVICES

Minutes of Meeting
Wednesday, January 26, 2011
House Hearing Room 4 -- 9:45 a.m.

Chairman Ash called the meeting to order at 9:47 a.m. and attendance was noted by the secretary.

Members Present

Mrs. Barton	Mr. Heinz	Ms. Yee
Mrs. Brophy McGee	Ms. Hobbs	Mrs. Carter, Vice-Chairman
Mrs. Gonzales	Mrs. Judd	Mr. Ash, Chairman

Members Absent

None

Committee Action

None

PRESENTATIONS

Certified Registered Nurse Anesthetists (CRNA) Overview

Jenny McDonald, President, Arizona Association of Nurse Anesthetists, gave an overview of the history of Certified Registered Nurse Anesthetists (CRNA), required education, the scope of practice, the quality of anesthesia care and cost effectiveness of using CRNAs (Attachment 1). She provided an article published in *Health Affairs* in August 2010, *No Harm Found When Nurse Anesthetists Work Without Supervision by Physicians*, regarding quality of care by CRNAs (Attachment 2) and an article published in *Nursing Economic\$* in May-June 2010, *Cost Effectiveness Analysis of Anesthesia Providers*, on the cost effectiveness of using CRNAs (Attachment 3).

Vice-Chairman Carter requested another copy of the chart showing CRNAs in legislative districts because the district numbers did not show up on the copy provided to the Members.

In response to a question, Ms. McDonald related that CRNAs, like anesthesiologists, can assist in any surgical procedure as long as they are trained in the area. All anesthesia educational programs include neuroanesthesia, cardiovascular anesthesia and labor and delivery; however,

when CRNAs enter practice and become more specialized, continuing education would be needed before entering higher acuity institutions. She indicated that the cost of malpractice for CRNAs has decreased significantly in the last 10 years because of their safety rates.

Rodney Moffett, President-Elect, Arizona Association of Nurse Anesthetists, advised that in order for CRNAs to obtain reimbursement for anesthesia services, the Center for Medicaid Services (CMS) required that a CRNA work under the supervision of a physician, which can be the surgeon providing the surgery, a dentist, podiatrist, etc. Because of the safety data presented about CRNAs in the study published in June 2010 (Attachment 2), there is a recommendation to CMS to eliminate that requirement. The federal regulation for CRNA supervision has been left up to individual states, and about 16 states opted out of the requirement, so CRNAs no longer have to be supervised in those states. Arizona did not opt out. Most of the states that opted out are rural states, where CRNAs tend to focus much of their practice, except California.

“Privatized Service Delivery for Individuals with Developmental Disabilities Served Through DES (Department of Economic Security)”

Bev Hermon, Arizona Association of Providers for People with Disabilities (AAPPD), related that she is the parent of a child who has received services from DES for many years. She introduced the Chairman of AAPPD, Rick Hargrove, and Dave Cutty, The Centers for Habilitation (TCH). She gave a presentation about individuals with developmental disabilities (DD) served through the Department of Economic Security (DES), including the structure of providing services, funding of services, eligibility requirements for services, the qualified vendor system, services offered and current system challenges (Attachment 4). She concluded by pointing out that Special Olympics indicates that there are 300,000 people in Arizona with DD, but only 23,000 receive services.

Mrs. Yee thanked Ms. Hermon for the presentation and great work she has done for many years for the DD community. She said every time she opens her silverware and napkin at Red Lobster, she is aware that it is one of the tasks performed by people with DD.

In response to a question, Ms. Hermon indicated that there has been a national move to place people in the community so they can live more normal lives; however, Arizona basically does not place people in institutions. There is only one facility remaining in Coolidge; the rest have been closed. The Department of Justice has been looking at states that are still not at least working toward placing people in community settings, such as Georgia, which could be fined and lose Medicaid funds. The mother of the woman in the picture on the first page of the handout (Attachment 4) was told that her child should have been placed in an institution, but she decided to keep her daughter at home and treat her like a normal child, which is gradually becoming popular.

Ms. Hermon clarified that Title 19 is the title under which the state receives Medicaid money through the federal government for people who cannot do anything on their own and will always require care.

Mr. Heinz stated that the Division of Developmental Disabilities (DDD) was directed last year to increase the amount required from Social Security Income (SSI) disbursement from

70 to 88 percent for residential programs. He heard from several constituents how difficult that has been in terms of implementation, specifically paying for additional denture expenses that are not covered under medical care. Ms. Hermon related that the decision was made on the part of the Arizona Health Care Cost Containment System (AHCCCS), at the behest of the Legislature, to recapture more of the SSI dollars that clients receive and use to pay for clothing, haircuts, dental care and toiletries; dental care being the largest expense. Also, money was taken from the trust fund from closure of the Phoenix Institution, which helped people pay for dental care. She was glad to hear that an operation is less costly with CRNAs because it can be very expensive if the person needs anesthesia. Until that funding can be replaced, she has information on dentists who volunteer their time and dental clinics that charge less, which she can provide to the Members.

Mr. Heinz stated that an individual indicated that with that change, he and others are receiving less than \$50 per month for clothing and additional dental expenses not covered in any other way. Ms. Hermon answered that it depends on the SSI category, but she believes the typical SSI payment is about \$800 per month, so there is not much left for movies and things that people normally do. Her son receives about \$100 more because it is now based on his father's retirement. Anesthesia is a big issue; she had to pay \$800 for anesthesia when her son had dental work done. Dental is the highest cost item, second only to diapers.

Ms. Hermon clarified that eligibility for services for the 23,000 DD people that are served is based on acuity.

In response to a query about the funds that were taken, Ms. Hermon elaborated that institutions were closed after accepting Medicaid funds. A large facility at McDowell Road and 40th Street was closed. Parents were so upset that it was agreed that proceeds from the sale of the property, after being placed in escrow, would go into a fund for additional needs. The fund contained about \$1.4 million, of which \$200,000 or \$300,000 was allocated each time the committee involved in the system met. Dental services have never been covered, except extractions, but this time around, the ability to cover extractions was lost.

Regarding a question about eligibility for services, Ms. Hermon explained that people with DD are mildly, moderately, severely or profoundly mentally challenged. With all of those categories, if a child is mildly disabled, the parents may never apply for services or wait until they are older to make sure their child is cared for in the event they are not able to take care of the child. Those who are moderately disabled can go through Rehabilitation Services at DES and receive help finding jobs or apply to DES and be given a case manager, which may be the only services received, but at least someone can tell them what services are available. It is not much different in other states. She agreed to provide information on the number of people who applied but did not obtain services.

Dave Cutty, President/Chief Financial Officer, The Centers for Habilitation (TCH), Tempe, stated that TCH is a non-profit organization that provides a wide array of services and supports to men and women with disabilities. Due to reductions in 2009 and no rate increase in eight years, the early intervention system was closed, so children are no longer served. TCH contracts with DDD for Medicaid-funded services at about \$11 million annually. This fiscal year, which commenced July 1, TCH is on line to lose \$500,000 with state-funded services only, but

fortunately, it also contracts directly with the Department of Defense and has commercial operations, from which revenue will be used to supplant funding from DDD that is inadequate to meet the cost of providing services to nearly 400 men and women.

Mr. Cutty conveyed that TCH has operations in the Phoenix Metropolitan area, Tucson and Yuma and serves about 650 individuals annually in a broad array of services, including residential support, independent living, day programming and a variety of employment options, which he described. He added that TCH has a fleet of 85 vehicles. The majority of people with DD cannot use public transportation because of the amount of physical assistance they require. An aide travels with the driver to address any emergencies since many individuals have chronic seizure disorders. People are transported to and from jobs and whatever needs they may have in the community.

Mrs. Judd commented that individuals with Asperger's Syndrome who are high functioning would be good job coaches. Mr. Cutty replied that a young man with Asperger's Syndrome who works at the Banner Corporate Health Facility also acts as a job coach to other employees.

Mrs. Hermon invited the Members to tour the TCH facility.

Without objection, the meeting adjourned at 10:47 a.m.

Linda Taylor, Committee Secretary
January 28, 2011

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