

JLARC Meeting – May 14, 2018

## MINUTES

### JLARC Members Present:

Delegate Terry L. Austin, Delegate Betsy B. Carr; Speaker M. Kirkland Cox, Senator Emmett Hanger, Delegate Charniele Herring, Senator Janet Howell, Delegate Chris Jones, Delegate R. Steven Landes, Delegate Robert Orrock, Senator Ryan McDougle, Delegate Kenneth Plum, Senator Frank Ruff, Delegate Christopher Stolle, Ms. Martha Mavredes, Ex Officio.

### JLARC Staff Present:

Hal Greer, Director; Justin Brown, Senior Associate Director; Tracey Smith, Associate Director; Kimberly Sarte, Associate Director; Kate Agnelli, Lauren Axselle, Erik Beecroft, Sarah Berday-Sacks, Jamie Bitz, Danielle Childress, Drew Dickinson, Kathy DuVall, Nick Galvin, Maria Garnett, Mark Gribbin, Lila Kelso, Paula Lambert, Jeff Lunardi, Bridget Marcek, Joe McMahon, Ellen Miller, Jordan Paschal, Ellie Rigsby, Nathan Skreslet, and Brittany Utz.

The meeting was called to order at 10:02 a.m. by Delegate Orrock, Chairman. Delegate Orrock recognized Hal Greer, JLARC staff Director, who welcomed two new Commission members—Delegate Herring and Delegate Stolle. Mr. Greer then presented Delegate Orrock with an award in recognition of his leadership as JLARC's Chairman the last two years. Mr. Greer also introduced a new staff member (Lila Kelso), then provided the Commission with a brief overview of the meeting agenda.

### **Election of JLARC Chairman and Vice-Chairman**

The first order of business was the election of a new Chairman and Vice-Chairman. Delegate Orrock thanked the staff and Commission members, then stated that the Senate members have requested to defer the election of JLARC's new Chairman, so the Commission will proceed with the election of a new Vice-Chair. Delegate Orrock requested a nomination for a new Vice-Chairman. Speaker Cox thanked Delegate Orrock for serving as the Commission's Chairman the last two years, and nominated Delegate Landes to serve as JLARC's new Vice-Chairman. There being no other nominations, the motion was seconded and unanimously approved by the Commission.

### **JLARC's 2018 Workplan**

Delegate Landes then turned the meeting back over to Mr. Greer who introduced Justin Brown, Senior Associate Director, who began the presentation of the *2018 JLARC Workplan* by providing an overview of the projects under his supervision, which include: (1)

Department of Elections and (2) spending on inmate health care. Mr. Brown turned the presentation over to the project leaders (Jamie Bitz and Jeff Lunardi), each of whom presented a brief overview to the Commission of the study mandate, background, study issues, and research activities for each project.

Following Jamie Bitz's presentation on the Department of Elections workplan, Speaker Cox stated that he hopes the team will focus on education and training for local registrars. He said that another problem he hears about is the interaction and relationship between the Department of Elections and local registrars, so he hopes that will be part of the team's review. Mr. Bitz indicated that these topics will be covered through the team's work. Senator Howell stated that Virginia's system of registrars does not seem to be efficient or rational, to have 133 independent entities involved in elections. She said that some have only a few thousand voters and others are in charge of more than 600,000 voters. Senator Howell asked if the team will be looking at these concerns regarding whether the current system is efficient and if there are any alternatives that could lead to more efficiency. Mr. Bitz explained that the primary focus is on the state, but there will also be some attention to whether local registrars are carrying out their statutory responsibilities, and the team's final report will likely include some information about registrars.

Subsequently, Jeff Lunardi provided an overview of the inmate health care workplan. Delegate Stolle asked if the study will include a comparison of spending on inmate health care to general health care spending over the same period of time. Mr. Lunardi said the team is working on this, but will need to adjust for differences in population. He further explained that the Pew Charitable Trusts released a report on inmate health care costs in all 50 states that indicated spending in Virginia is on par, but growth over five years was slightly higher. He then said that the team will also be comparing to local/regional jails and other similar populations.

Delegate Orrock asked if the team is planning to look at the needs and usage of health care in Virginia compared to other states. Mr. Lunardi stated that the team does plan to look at this, as it falls within their work on utilization management.

Senator Howell asked if the team will be looking at mental health, and if so, how. Mr. Lunardi stated that they are planning to look at any mental health services included in the health services budget, which includes mental health professionals, as well as prescription medications for mental health.

Senator Hanger said that he is also interested in how the team will look at mental health related issues with the inmate population. He asked if the team also plans to look at Medicaid eligibility. He stated that if Virginia decides to expand the Medicaid program, this will lead to sizeable savings for the state. Senator Hanger then stated that there should be a focus on the geriatric inmate population, the costs associated with these individuals, and any possible alternative strategies or solutions. Mr. Lunardi said that the team is reviewing issues with the geriatric population, including higher spending. He also stated that the team will keep an eye on the impact of Medicaid expansion should that occur.

Delegate Orrock asked if the team plans to look at state spending for health care at local and regional jails. Mr. Lunardi said the mandate directs JLARC to look at health care for state-responsible inmates, which would include those in jails. He explained that there are about 7,000 state-responsible inmates in local and regional jails.

Senator McDougle stated that there is a very small number of high-cost inmates and he wanted to be sure that the team will look at strategies to potentially reduce costs for those inmates. He asked if the team is also planning to look at the contract structure and reimbursement rates. He said that several states use a university hospital model to provide care. However, Virginia seems to have two health systems in the state: the western part, which is not very expensive and the eastern part, which is very expensive. Mr. Lunardi said that the team is looking at strategies to manage care for high cost inmates. He also said the team is reviewing various delivery models, and considering whether Virginia's hybrid model is the most appropriate. He explained that most states use one model or another, as opposed to a hybrid.

Subsequently, Tracey Smith, Associate Director, provided an overview of the projects under her supervision: (1) Department of Professional and Occupational Regulation (DPOR) and (2) Foster care and adoption. Ms. Smith then turned the presentation over to the project leaders (Mark Gribbin and Drew Dickinson), each of whom presented a brief overview to the Commission of the study mandate, background, study issues, and research activities for each project.

Following Mark Gribbin's presentation on the DPOR workplan, Delegate Landes asked how the team was planning to accomplish the survey of the regulated community. Mr. Gribbin explained that DPOR has email addresses for about two-thirds of this population so the team will be using this contact information to send out a web-based survey.

Subsequently, Drew Dickinson provided a brief overview of the foster care and adoption workplan. Senator Howell commented that the increase in foster care children could be partly due to the drug epidemic, and asked if the team plans to look at that. She also asked if the team would be able to examine exit from and re-entry into foster care on a child-by-child basis. She would want to see to what extent children are re-entering foster care because they were sent home prematurely. Mr. Dickinson indicated that the team plans to look at re-entry rates and reason for re-entry, and that the team would also be examining the reasons that children enter foster care in the first place. Delegate Orrock asked if the team plans to look at best management practices from jurisdiction to jurisdiction (such as those with a higher adoption rate) to inform other localities of things that have been done well. Mr. Dickinson said that there is a lot of variation in how localities administer foster care, and so this will allow the team to identify best practices.

Mr. Dickinson then introduced Kimberly Sarte, Associate Director for JLARC's ongoing oversight and fiscal analysis, who provided the Commission with an overview of her responsibilities: (1) ongoing evaluation and oversight of economic development incentives, the Virginia Retirement System (VRS), Virginia College Savings Plan (VA529), and VITA, (2) fiscal analysis services, including annual reports and fiscal impact reviews, and (3) the House Select Committee on School Safety.

Ms. Sarte then introduced Ellen Miller who provided the Commission with a brief overview of the ongoing evaluations of economic development incentives. The Commission did not have any questions for Ms. Miller.

Ms. Miller then introduced Joe McMahon who provided a brief overview of the products and activities planned for the agency's ongoing oversight responsibilities. Senator Hanger asked if the review of the potential new Prepaid529 model will be of the model that was proposed in legislation this session, which was subsequently carried over. Mr. McMahon indicated that this was the case. Senator Hanger asked if the review would make recommendations for modifying the legislation, if needed. Mr. McMahon indicated that the review will take this into account.

Subsequently, Ms. Sarte presented information on the fiscal analysis annual reports and fiscal impact reviews. Mr. Greer then presented the proposed Commission meeting calendar for 2018, in addition to two proposed study topic subcommittee meetings (in September and November 2018).

There being no further discussion or questions of the Commission regarding the JLARC workplan presentation, Delegate Landes requested a motion to approve the *2018 JLARC Workplan*. A motion was made and seconded by multiple Commission members, and approved unanimously by the full Commission.

### **Auditor of Public Accounts Workplan and 2017 Results**

Delegate Landes then recognized Staci Henshaw, Deputy Auditor of Public Accounts (APA), who presented the Commission with the APA's proposed 2019 workplan and a description of the special projects to be completed. The Commission did not have any questions for Ms. Henshaw during her presentation. Accordingly, Delegate Landes requested a motion to approve the workplan. A motion was made and seconded by multiple Commission members, and approved unanimously by the full Commission.

Subsequently, Ms. Mavredes presented the Commission with information regarding the audit results and findings of the APA's work in 2017. Delegate Jones asked if DHRM has prioritized the issues that APA staff have identified. Delegate Landes asked if the issues were related with VITA or other agencies versus front-end vendors. Ms. Mavredes explained that these are IT operational issues that are specific to DHRM. Delegate Jones asked Ms. Mavredes to provide the Commission with information regarding any issues with localities being under fiscal stress.

Following Ms. Mavredes' presentation, Delegate Landes commented that this was for informational purposes only and no action was needed by the Commission.

### **Election of JLARC Chairman**

Senator Ruff made a motion that Senator Norment be nominated to serve as JLARC's new Chairman. There being no other nominations, the motion was seconded and unanimously approved by the Commission.

**Adjournment**

Lastly, Mr. Greer announced that the next Commission meeting is scheduled for Monday, June 11, which will include presentations from Virginia529 and VITA.

There being no further business, the Commission rose at 11:40 a.m.

Approved by: Hal E. Greer  
Hal E. Greer, Director

Date: 5/17/2018.

Prepared by: Paula C. Lambert  
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