

Members

Rep. Charlie Brown, Chairperson
Rep. Susan Crosby
Rep. Vern Tincher
Rep. Vaneta Becker
Rep. Gary Dillon
Rep. David Frizzell
Sen. Patricia Miller, Vice-Chairperson
Sen. Steve Johnson
Sen. Connie Lawson
Sen. Allie Craycraft
Sen. Vi Simpson
Sen. Katie Wolf



INTERIM STUDY COMMITTEE ON HEALTH AND SOCIAL SERVICE ISSUES

Legislative Services Agency
200 West Washington Street, Suite 301
Indianapolis, Indiana 46204-2789
Tel: (317) 232-9588 Fax: (317) 232-2554

LSA Staff:

Steven R. Wenning, Attorney for the Committee
Barry Brumer, Attorney for the Committee
Al Gossard, Fiscal Analyst for the Committee
Ron Sobecki, Fiscal Analyst for the Committee

Authority: Legislative Council Resolution 99-1
(Adopted May 26, 1999)

MEETING MINUTES¹

Meeting Date: September 29, 1999
Meeting Time: 10:30 A.M.
Meeting Place: State House, 200 W. Washington
St., Room 404
Meeting City: Indianapolis, Indiana
Meeting Number: 3

Members Present: Rep. Charlie Brown, Chairperson; Rep. Susan Crosby; Rep. Vaneta Becker; Rep. Gary Dillon; Rep. David Frizzell; Sen. Patricia Miller, Vice-Chairperson; Sen. Steve Johnson; Sen. Allie Craycraft; Sen. Vi Simpson; Sen. Katie Wolf.

Members Absent: Rep. Vern Tincher; Sen. Connie Lawson.

Chairman Charlie Brown called the meeting of the Interim Study Committee on Health and Social Service Issues (Committee) to order. Chairman Brown announced that testimony would be taken from the Department of Correction (DOC) on the issue of drug formularies in state programs, followed by testimony on Title X family planning funds.

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

Randy Koester, Director, Legal Services Division Department of Correction
Dean Rieger, M.D., Medical Director, Department of Correction
James Lowery, Prison Health Services

The above representatives of the Department of Correction presented the following information to the Committee:

- A request for a medication that is not on the DOC formulary is acted upon in about one day. Request forms are allowed to be faxed to speed the decision making process. About 90% of the requests made for a non-formulary drug are approved.
- About 2/3 of the prescription drugs that DOC inmates use are not mental health drugs. Approximately 16% of the DOC population is receiving some form of psychotropic drug.
- DOC is currently gathering information to determine the exact number of inmates who are mentally ill. The survey does not include county jails.
- Every new prisoner or transferred inmate receives a mental health screening from a person who is at least a Master's level psychologist.
- Inmates are also screened for mental illness if they have spent 30 days in segregation or if a screening has been requested. The request may come from the inmate, medical staff, prison staff, an attorney, or a family member or loved one.

The Committee asked DOC to obtain information on the number of mentally ill inmates in county jails from a few of the larger counties. The Committee also noted that the Indiana Commission on Mental Health has been examining on this subject.

The Chairman then began taking testimony regarding the status of Title X family planning services.

Gayla Winston, President, Indiana Family Health Council

Ms. Winston's presentation included the following information:

- The Indiana Family Health Council (IFHC) is a non-profit agency governed by a volunteer eleven member board of directors. Since 1975 the IFHC has received the federal Title X grant for family planning services in Indiana.
- The IFHC is currently funding clinic sites and educational programs in 26 counties.
- The IFHC has other programs to provide low cost chlamydia and gonorrhea testing and to distribute condoms.
- Family planning services are also provided under federal Title V and Title XX programs that are operated by other agencies.
- IFHC is responsible for the quality, cost, accessibility, and acceptability of the services provided by its delegate agencies.
- The IFHC has a budget of about \$4.3 million of which approximately 15% is used for administrative functions of the grant program. A review by the Department of Health and Human Services (HHS) found IFHC's use of the funds, including administrative and staffing costs, to be within acceptable limits.
- A review by IFHC in 1997 showed that the system was not meeting the needs of women most in need of services. To provide family planning services for all women who are under 250% of poverty and between the ages of 14 and 44 would require about \$35 million.
- The IFHC redefined the target area for services, the priority for services, and

implemented a competitive application process. The application process had not been competitive since the late 1970's.

- The allocation of Title X funds in Indiana reflects the priorities of HHS. Though the number of residents served in 1998 was substantially less than in 1997, HHS indicated that success was measured by the improvement in health to residents, not raw numbers.

Ms. Winston distributed several graphs (Exhibit A) that showed comparisons of new and old delegate agencies serving the target populations.

Don Mikesell, Chairman, Indiana Family Health Council

Mr. Mikesell stated that he is the Dean of students at Ball State University. He indicated that to meet the family planning needs in Indiana an additional \$30-40 million would be needed. With a budget of about \$4.3 million, the IFHC had to make some very difficult decisions concerning both compliance and allocation of resources. He also stated that the Board of the IFHC is self-appointing.

Charlotte Zietlow, Vice Chairman, Indiana Family Health Council

Ms. Zietlow stated that she has been a member of the IFHC Board since 1996 and has been involved in family planning for 42 years, including working for Planned Parenthood of Central and Southern Indiana. The IFHC has the responsibility to stretch a limited amount of money over an area of great need. The IFHC evaluated other programs to help determine who could meet the needs the best. Prior practice of the IFHC was to solicit proposals from existing agencies but the Board decided to open the application process. The last round of grants were awarded to agencies that the Board believed could best serve targeted clients. Some universities are offering family planning services on their own.

Virginia Caine, M.D., Marion County Health and Hospital Corporation

Dr. Caine is the Director of the Marion County Health Department. Dr. Caine's testimony on family planning services in Marion County included the following information:

- Because of concerns regarding the infant mortality rate in Marion County experts were brought in to review the perinatal health system. They concluded that family planning services were essentially invisible, fragmented, underfunded and not "user friendly". It was recommended that a coordinated county-wide plan be developed to assure access to family planning services. With these issues in mind, the Health and Hospital Corporation applied for and received Title X grant funds for 1998-2001. A map indicating Marion County Title X sites was distributed. (Exhibit B).
- Marion County ranks highest in the state in the following areas: women who need family planning services; rate of chlamydia; rate of gonorrhea; and rate of adolescent pregnancy.
- The program has been providing innovative services to the Title X target population groups (e.g. incorporating family planning at a local sexually transmitted disease clinic).

While answering Committee questions Dr. Caine added the following information: the Health and Hospital Corporation did not receive Title X funds before the competitive bid

process; and Wishard Hospital receives Title V funds for maternal and child health, not family planning.

B.J. Isaacson-Chaves, Executive Director, Indiana Primary Health Care Association

Ms. Isaacson-Chaves stated that she was speaking on behalf of the Indiana Primary Health Care Association (PHCA) members who receive Title X funds and their patients. PHCA itself does not receive any Title X funds. She ended her remarks by explaining how some of the PHCA members were using Title X funds to help women avoid the devastating effects of an unexpected pregnancy.

Mary Ann Maroon-Davis, Planned Parenthood of Northwest/Northeast Indiana; Planned Parenthood of North Central Indiana

Ms. Maroon-Davis stated that with the IFHC's leadership family planning services offered by Planned Parenthood of Northwest/Northeast Indiana and Planned Parenthood of North Central Indiana have become more effective and efficient. She cited as an example the Male Responsibility Program, an innovative outreach program in Gary, Indiana, that has reached over 2,000 individuals.

Gary Smith, Executive Director, Wabash Valley Human Services

Mr. Smith distributed his comments to Committee members (Exhibit C). Mr. Smith's presentation included the following information:

- Wabash Valley Human Services (WVHS) was founded in 1965 as a not-for-profit community action agency. WVHS began providing family planning services in 1969.
- WVHS provides a wide variety of health, social, energy, and child care programs to residents in southwest Indiana.
- Prior to 1975 WVHS received funds directly from HHS. In 1975 WVHS became a grantee of IFHC.
- WVHS is pleased with the support, monitoring, and technical assistance provided by IFHC. IFHC places a priority on reaching persons who can least afford reproductive health care services and has been responsive to the needs of rural areas.
- IFHC should continue to grant Title X family planning funds in Indiana.

Jane Chappel, Director of Health Services, TriCap, Vanderburgh County

TriCap has been in existence since 1966 and was originally funded directly by HHS. TriCap is a community action program that serves many different needs, with facilities in five southwest Indiana counties. The total amount of family planning money has been shrinking over the years. A relatively new birth control medication (Depo-Provera) is very effective but has a high cost per patient. They use a sliding fee scale that ranges from 0-100% of cost and is based on the patient's income. There are certain fixed costs associated with each facility operated no matter how many patients are seen (e.g. Spencer County's facility is open four days a week, has seen 275 patients this year and costs \$70,000 to operate). The government needs to provide more family planning funding to meet the need.

Elissa Hughes, RNC, Health Children/Teens and Family Planning Clinic, Kokomo

Ms. Hughes distributed her remarks to Committee members (Exhibit D). Her remarks included information on the various services the Kokomo clinic provides, the assistance IFHC has provided in setting up the family planning services (e.g. complying with federal requirements), and periodic audits by IFCH. She concluded by stating that the successful growth and functioning of Title X supported clinics is evident and should not be threatened by allocation of management to another agency.

Janett Lowes, Board Member, Planned Parenthood of Central and Southern Indiana

Ms. Lowes distributed her remarks and several maps illustrating service areas and Title X funding (Exhibit E). Her testimony included the following points:

- Planned Parenthood of Central and Southern Indiana (PPCSI) serves 74 counties and served 83,000 women last year. Four sites receive Title X funds from IFHC.
- Poor women, particularly women in rural areas, are not being served by Title X funding through the actions of IFHC.
- In 1975 the nine Planned Parenthood affiliates formed the IFHC as a separate corporation to administer Title X funds.
- Two Planned Parenthood affiliates have had their contracts to provide Title X services canceled after merging with PPCSI.
- PPCSI filed an Open Door Law suit against IFHC and negotiated a settlement for Title X funds after obtaining a permanent injunction against IFHC.
- Many counties since 1996 have either not received Title X funds or received inadequate funds to provide any type of service.
- The allocation formula used by the IFHC is arbitrary and not based on true need.
- Title X grants should be administered by the Indiana Department of Health.

Sharon Taggart, RN, Director of Clinics, Planned Parenthood of Central and Southern Indiana

Ms. Taggart distributed her testimony and maps concerning the former Tecumseh Area Planned Parenthood Association (TAPPA) to the Committee (Exhibit F). Ms. Taggart's remarks included the following information:

- TAPPA was started about 30 years ago to provide family planning services to residents in nine counties.
- The last year TAPPA received Title X money was \$280,000 in 1996 when about 5,800 clients were served. After merging with PPCSI IFHC sent a letter announcing the Title X contract was void since it could not be transferred to a surviving corporation.
- The contract was rebid and awarded to Visiting Nurse Special Services, which has served fewer women per year at a higher cost per woman.

Yvonne Perkins, Board Member, Planned Parenthood of Central and Southern Indiana

Ms. Perkins distributed her comments that included individual PPCSI health center statistics (Exhibit G). Points made during her testimony included the following:

- The relationship between PPSCI and IFHC has deteriorated and IFHC has acted in an erratic and capricious nature.
- In 1997 PPSCI filed suit against IFHI alleging violations of the Open Door law and the Public Access to Records Act. In 1998 an injunction was issued against IFHC.
- PPSCI was punished for this action by the implementation of a new method of allocating Title X money. The state was divided into regions and a specific amount was determined for selected counties.
- In 1998 PPSCI received funding as part of a negotiated settlement resulting from prevailing in the lawsuit.

Alice Bennett, Board Member, Planned Parenthood of Central and Southern Indiana

Ms. Bennett handed out her testimony, including maps of Title X clinics in the Planned Parenthood of East Central Indiana (PPECI), and a letter from the Office of Congressman McIntosh (Exhibit H). Her presentation included the following information:

- PPECI had been funded by Title X money since 1971.
- Due to arbitrary decisions by IFHC, family planning facilities have had to close and proposals for other clinics have been turned down by IFHC.
- The IFHC decided at a meeting that co-siting (i.e. providing non-Title X services at sites where Title X services are provided) violated Title X regulations. Their decision to end co-siting was enforced retroactively. A permanent injunction was obtained against IFHC to assure compliance with the contract.
- After the injunction, audits and inspections sought out routine errors. IFHC demanded audit charts of patients in a non-Title X clinic.
- The cost per patient has been higher for contracts awarded to non-PPECI providers.
- IFHC has no consistent policy for dealing with mergers.
- Federal funds distributed to Indiana should have state oversight.

Alan Albright, Chair of the Board, Planned Parenthood of Central and Southern Indiana

Mr. Albright distributed his written remarks and various tables of information (Exhibit I). Mr. Albright asked that Title X funds be administered by a state agency after citing various problems, including the following:

- From 1997 to 1999 the IFHC has received more money but served fewer clients.
- The number of Title X clinics has been reduced, especially in rural areas.
- A large amount of the Title X grant has been used on administration and overhead.
- The IFHC takes punitive action against any entity that questions its policies.

The Committee discussed federal family planning funds under Titles V, X, and XX. The Indiana State Department of Health was asked to prepare a summary of all the locations where family planning services are provided under various federal, state, and local programs.

The Committee asked IFHC to respond to the allegations that were raised by representatives of PPSCI. Galya Winston and **Mary Beth Claus**, an attorney from Bingham, Summers, Welch & Young, provided the following information:

- The data the IFHC used to target low income women is the same data that the federal government uses.
- PPSCI raised all these all allegations and caused the Inspector General to conduct an investigation which concluded IFHC actions were legal and supported IFHC's review and decision of grant applications. (Exhibit J)
- A letter was sent to PPSCI detailing the reasons why its application was not accepted (e.g. failure to separate abortion services from the proposed Title X project). (Exhibit K)
- No final injunction was issued against IFHC for violating Indiana's Open Door law. A preliminary injunction was issued. Since IFHC was not a state agency there was a question whether IFHC had to comply with state law or the federal requirements. The State Board of Accounts testified that the Indiana Open Door law did not apply to IFHC. However, IFHC has decided to adhere to the Open Door requirements and has exceeded the law's requirements.
- The injunction to continue payments of services in Muncie was temporary until a final determination was made.
- The allegation that IFHC asked to review a non-Title X patient file resulted from an incident where the Title X clinic saw a 14 year old but instead of providing services told her to come back on a non-Title X day, so the clinic could collect a fee for the services.
- The data concerning the number of clients served in 1996 and prior years is questionable. Since 1997 the number of clients served must be submitted on an individual client basis. Before 1997 each clinic just submitted the number of clients they claimed to serve.
- In Lafayette IFHC used an outside review team (i.e a person from Title V and a person from Title XX) to select the provider. This team selected the Visiting Nurse Special Services agency. PPSCI told some patients that if they received services from Visiting Nurse they could never receive services from PPSCI.

The Chairman adjourned the meeting at 3:30 p.m.