



Third & Final Meeting
2003 Interim
September 30, 2003

LCR 1
State Capitol Building
Pierre, South Dakota

The third and final meeting of the interim Department of Social Services Agency Review Committee was called to order by Senator Larry Diedrich, Chair, at 8:00 a.m. via teleconference call on Tuesday, September 30, 2003.

A quorum was established with the following members participating in the teleconference call: Senators Jerry Apa, Brock Greenfield, Clarence Kooistra, Ed Olson, and Larry Diedrich (Chair); and Representatives Rebekah Cradduck, Larry Frost, Ted Klaudt, Claire Konold, Kathy Miles, Gordon Pederson, Tim Rave, Bill Thompson, Don Van Etten (Vice-chair), and Thomas Van Norman. Representatives Stan Adelstein, Jean Hunhoff, and David Sigdestad were unable to participate.

Staff members present included Jacquelyn Storm, Principal Legislative Attorney; Sue Cichos, Senior Fiscal Analyst; and Rhonda Purkapile, Senior Legislative Secretary.

Senator Brock Greenfield, Representative Thomas Van Norman, LRC staff, and Department of Social Services staff were in Legislative Conference Room 1 of the State Capitol Building in Pierre, South Dakota.

For the purpose of continuity, these minutes are not necessarily in chronological order.

Ms. Storm informed the committee that Representative Van Norman had expressed concern over language included on Page 4 of the previous meeting's minutes. He requested that a portion of the second sentence of the second paragraph on Page 4 be deleted. No committee member objected to the revision.

Representative Van Etten asked if the lifetime limit of benefits applies to families that live on Indian reservations. **Mr. James Ellenbecker**, Secretary, Department of Social Services, replied that there is a provision in federal law that specifically allows for those areas with high unemployment to be exempt from the lifetime limit of benefits, and this exemption would be applicable to all the reservations in South Dakota.

Discussion of Committee Report

Senator Kooistra requested information on how the interest groups and general public were informed of the committee meetings, noting that he had been contacted by certain groups located in the Sioux Falls area that did not know of the committee's meetings. **Ms. Jill Wellhouse**, Department of Social Services, stated that she put together the mailing list, which was forwarded to the Legislative Research Council, from information provided to her by each of the program areas within the department. The list contained names of individuals that the department works with on a regular basis, and included individuals from the department's mailing list of individuals who regularly request information from the department. Ms. Wellhouse noted that several organizations were included on this mailing list and the department had hoped that these organizations would disseminate this information to their interested parties. Ms. Storm added that the Legislative Research Council sent out a press release before each meeting encouraging the public to attend. Senator Kooistra requested a copy of the mailing list.

Senator Kooistra expressed his concern with the effectiveness of the sunset process. He felt that this was really more of an educational process from the department. He questioned whether the sunset process should be continued.

Chair Diedrich stated his opinion that the review of the department was very beneficial. Senator Olson added that the education process of the committee was worthwhile. He felt that other state agencies that come under review might have a different emphasis than this particular committee had. The sunset process gives state agencies a chance to educate legislators on the mission of the department and how that mission is accomplished. He would like to see the sunset process continue.

Chair Diedrich requested that committee members forward their concerns about the sunset process to him and he would inform the Executive Board of those concerns.

Senator Kooistra stated his opinion that the \$30 per month personal allowance for Medicaid recipients should be increased and asked if this is regulated by federal or state policy. Secretary Ellenbecker replied that the department has requested an increase from \$30 to \$60 for this purpose in its budget request to the Governor. This increase would cost \$1.5 million with the state share being one-third of that amount.

Representative Van Norman expressed concern with Child Protection Services (CPS) and their coordination efforts with tribal services. He expressed his hope that the Legislature will continue to follow up on this issue and encouraged the department to continue working with the tribal governments on child protection issues. He felt that a better working agreement is needed between the department and tribal governments in order to avoid much of the litigation that has been taking place.

Chair Diedrich asked if the State Tribal Relations Committee could become involved in this issue. Representative Van Norman noted that he had raised this issue at the committee but it was not elevated to an agenda item. He suggested that perhaps the committee could encourage the Governor's Office or the Office of Tribal Government Relations to take a more active role in this issue.

Secretary Ellenbecker commented that it is very important to the department to maintain good working relationships with the tribes. The department has had several agreements with the tribes. A couple of those agreements have failed, but the department is not giving up. Secretary Ellenbecker commented that this is probably one of the more complicated areas of public policy because there are several entities involved.

Chair Diedrich expressed that the committee is concerned about the relationship between the tribes and the department. Senator Olson added that efforts are ongoing with CPS and the tribes.

Representative Van Etten informed the committee that he had attended a conference in New Orleans with regard to prescription drug rebates for Medicaid, and asked how this program works in South Dakota. Secretary Ellenbecker replied that the department obtains a substantial rebate on prescription drugs for Medicaid purposes (in excess of \$14 million). The department collects the rebate and uses that money to purchase additional prescriptions for Medicaid purposes. He noted that the department actually purchases more prescriptions than are reflected in the budget due to those rebates. Secretary Ellenbecker stated that the department works directly with the drug manufacturers and does not work through a pharmacy benefits manager.

Chair Diedrich noted that there were no objections to the committee report so it would be submitted to the Executive Board.

With regard to the draft legislation approved at the last meeting, Chair Diedrich noted that it would be introduced as a Senate Bill with Representative Van Etten and him as prime sponsors and all members voting for the bill as co-sponsors. Representatives Klaudt and Frost indicated that they would also like to be listed as co-sponsors.

There being no further business, Chair Diedrich adjourned the meeting at 8:55 a.m.



All Legislative Research Council committee minutes and agendas are available at the South Dakota Legislature's Homepage: <http://legis.state.sd.us>. Subscribe to receive electronic notification of meeting schedules and the availability of agendas and minutes at **MyLRC** (<http://legis.state.sd.us/mylrc/index.cfm>).