

HOUSE BILL 865

Introduced by Driscoll, et al.

2/14	Introduced
2/14	Referred to Labor & Employment Relations
2/15	First Reading
2/15	Fiscal Note Requested
2/21	Hearing
2/21	Fiscal Note Received
2/22	Fiscal Note Printed
	Died in Committee

1 House BILL NO. 865
 2 INTRODUCED BY Robert Quinn
 3

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE
 5 STATE-OPERATED, COMMUNITY-BASED SERVICES FOR DEVELOPMENTALLY
 6 DISABLED PERSONS; TO AUTHORIZE THE DEPARTMENT OF
 7 INSTITUTIONS TO PLACE RESIDENTS FROM STATE INSTITUTIONS IN
 8 STATE-OPERATED, COMMUNITY-BASED SERVICES; TO REQUIRE
 9 RETRAINING OF EMPLOYEES AT STATE INSTITUTIONS TO PROVIDE
 10 THEM THE SKILLS AND KNOWLEDGE NECESSARY TO BE QUALIFIED FOR
 11 EMPLOYMENT IN STATE-OPERATED, COMMUNITY-BASED SERVICES; TO
 12 DIRECT THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
 13 TO APPLY FOR NECESSARY FEDERAL WAIVERS TO PROVIDE MEDICAID
 14 FUNDING FOR STATE-OPERATED, COMMUNITY-BASED SERVICES; AND
 15 PROVIDING AN EFFECTIVE DATE."

16
 17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

18 NEW SECTION. Section 1. Statement of policy. The
 19 legislature declares that it is the policy of this state to:

20 (1) ensure that developmentally disabled persons
 21 receive quality care in the least restrictive setting
 22 appropriate to the needs of each individual;

23 (2) provide community-based services for
 24 developmentally disabled persons as an alternative to
 25 placement in state institutions; and

1 (3) recognize state employees as a valuable resource
 2 for the provision of community-based services for
 3 developmentally disabled persons.

4 NEW SECTION. Section 2. Definitions. As used in
 5 [sections 1 through 7], unless the context requires
 6 otherwise, the following definitions apply:

7 (1) "Developmentally disabled" has the same meaning as
 8 provided in 53-20-102.

9 (2) "State institutions" means the Montana
 10 developmental center and the Eastmont human services center.

11 (3) "State-operated, community-based services" means
 12 the services provided in [sections 3 and 4] for
 13 developmentally disabled persons.

14 NEW SECTION. Section 3. State-operated,
 15 community-based services. (1) The department of institutions
 16 in conjunction with the department of social and
 17 rehabilitation services shall provide state-operated,
 18 community-based services for developmentally disabled
 19 persons who do not require the degree of care provided in
 20 state institutions.

21 (2) The purpose of state-operated, community-based
 22 services is to:

23 (a) strengthen community programs for developmentally
 24 disabled persons and fill the gaps in the array of
 25 developmental disability services;

1 (b) ensure a greater mix of providers of
2 community-based services by providing state-operated,
3 community-based services in order to increase quality and
4 competition in the provision of services for developmentally
5 disabled persons; and

6 (c) return developmentally disabled persons to their
7 home communities with a goal of having no individuals
8 rejected from community placement.

9 (3) Services provided under this section must include
10 residential facilities as well as day programs and other
11 nonresidential services for developmentally disabled
12 persons.

13 NEW SECTION. Section 4. Placement of residents --
14 transfers from state institutions. (1) The department of
15 institutions may place residents from state institutions and
16 other eligible persons in state-operated, community-based
17 services for developmentally disabled persons.

18 (2) Transfers from state institutions must be
19 accomplished through a gradual orientation process to
20 minimize trauma and disruption to both residents and staff.
21 Transfers must be conducted in accordance with established
22 rules and discharge planning requirements.

23 NEW SECTION. Section 5. Retraining of employees at
24 state institutions. (1) The department of institutions shall
25 develop and implement a program to retrain state employees

1 at state institutions and to employ them in state-operated,
2 community-based services whenever appropriate.

3 (2) Training programs must:

4 (a) include both classroom and onsite training; and

5 (b) be designed to provide employees with the skills
6 and knowledge necessary to be qualified for employment in
7 state-operated, community-based services for developmentally
8 disabled persons.

9 (3) Training must be provided at the expense of the
10 department.

11 NEW SECTION. Section 6. Meeting and consultation with
12 representatives of collective bargaining units. The
13 department of institutions and the department of social and
14 rehabilitation services shall meet and consult with the
15 appropriate representatives of collective bargaining units
16 representing state employees at state institutions
17 concerning the planning and development of state-operated,
18 community-based services for developmentally disabled
19 persons.

20 NEW SECTION. Section 7. Federal waiver. The department
21 of social and rehabilitation services shall apply for any
22 federal waivers necessary, in accordance with Title XIX of
23 the federal Social Security Act, to provide medicaid funding
24 for state-operated, community-based services to
25 developmentally disabled persons who, in the absence of such

1 services, would require the level of care provided in state
2 institutions.

3 NEW SECTION. **Section 8.** Codification instruction.
4 [Sections 1 through 7] are intended to be codified as an
5 integral part of Title 53, chapter 20, and the provisions of
6 Title 53, chapter 20, apply to [sections 1 through 7].

7 NEW SECTION. **Section 9.** Effective date. [This act] is
8 effective July 1, 1991.

-End-

STATE OF MONTANA - FISCAL NOTE
Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0865, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:


A bill for an act entitled: "An act to provide state-operated, community-based services for developmentally disabled persons; to authorize the Department of Institutions to place residents from state institutions in state-operated, community-based services; to require retraining of employees at state institutions to provide them the skills and knowledge necessary to be qualified for employment in state-operated, community-based services; to direct the Department of Social and Rehabilitation Services to apply for necessary federal waivers to provide medicaid funding for state-operated, community-based services; and providing an effective date."

ASSUMPTIONS:

Department of SRS:

1. Only individuals residing in institutions would be eligible for services.
2. Six-person group homes will be built and operated.
3. The fiscal impact represents the cost to build and operate one six-person group home plus necessary staff training. The number of individuals transferring from institutions to community-based placement cannot be projected. If 12 individuals are transferred, the fiscal impact would be a product of multiplying the fiscal note by two.
4. The cost to build a group home was taken from the July 26, 1990, action plan produced by the Interagency Task Force on Developmental Disabilities.
5. An \$80,000 general fund start-up grant would be necessary. The \$250,000 for remaining costs associated with site acquisition, construction, furnishings, and various fees would be borrowed through the Montana Health Facilities Authority community pooled loan program at an 8% interest rate.
6. Client Supplemental Security Income (SSI) funds of \$501/mo/person would follow the individuals to the group home with approximately 65% (after \$60/mo personal needs subtracted) dedicated to mortgage payment.
7. 65% of SSI funds dedicated to the mortgage will not be sufficient. A general fund supplement of \$5,362/year will be necessary.
8. The average cost per person (\$87,702) with Montana Development Center (MDC) campus renovation identified in the December 4, 1990, action plan produced by the Interagency Task Force on Developmental Disabilities was used. This would maintain the same support and wage structure currently in place at MDC in settings similar to community-based operations.
9. Five of the six individuals served will be medicaid waiver eligible.
10. Retraining is a one-time cost occurring in the first year of operation. On-going training costs are included in the yearly budget.

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ROD SUNDESTED, BUDGET DIRECTOR 2-21-91 DATE
Office of Budget and Program Planning


JERRY L. DRISCOLL, PRIMARY SPONSOR DATE

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AB 865

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11. After construction of new facilities at MDC, the staff to resident ratio is 1 to 2.64. This equals 16 FTE per home. These 16.00 FTE include direct care and support staff.
12. While the 16 staff are receiving 95 hours of training, substitutes will be necessary at an average cost of \$6.786/hour (16x95x\$6.786). The training is both classroom and onsite. The classroom training will be for all 16 FTE at the same time, while the onsite training is for 2.00 FTE at one time.
13. Trainers will provide 240 hours of classroom and onsite training at an average cost of \$11.447/hour.
14. Resulting savings at Department of Institutions cannot be projected.
15. Assume July 1, 1991 effective date.

Department of Institutions:

16. To remain consistent with SRS assumptions, only one six person group home will be established.
17. Staff training would be conducted by the MDC staff development program.
18. Any client vacancies at Eastmont Human Services Center (EHSC) would be filled by MDC residents. Therefore, there would not be a need to train EHSC staff.
19. Six clients would be placed. Two admissions each year are projected.
20. Net reduction of four clients in FY92 and two clients in FY93.
21. No cottage closures or staff reductions would be possible.

FISCAL IMPACT:

Department of SRS:

<u>Expenditures:</u>	<u>FY '92</u>			<u>FY '93</u>		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
Benefits and Claims	0	624,636	624,636	0	531,574	531,574
<u>Funding:</u>						
General Fund	0	300,813	300,813	0	216,285	216,285
Federal Special (03)	0	323,823	323,823	0	315,289	315,289
Total	0	624,636	624,636	0	531,574	531,574

Department of Institutions:

Operating Costs Savings	0	(18,454)	(18,454)	0	(9,227)	(9,227)
<u>Funding:</u>						
General Fund	0	(18,454)	(18,454)	0	(9,227)	(9,227)
General Fund Impact			(606,182)			(522,347)

TECHNICAL OR MECHANICAL DEFECTS OR CONFLICTS WITH EXISTING LEGISLATION:

The Phase IV package of the Governor's Action Plan for modification of the Montana Developmental Disabilities Service System (MDDSS) includes a reduction of 30 residents from MDC. The residents will be placed in appropriate community-based intensive group homes in the 1993 biennium. For these community-based intensive care group homes the projected costs based on construction of a six-person group home and associated costs of providing the six people with residential, day and transportation services are \$348,606 in FY92 and \$268,606 in FY93.

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