

MINUTES OF THE MEETING
HUMAN SERVICES AND AGING COMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

The meeting of the Human Services and Aging Committee was called to order by Chairman Budd Gould on April 9, 1987 at 1:30 p.m. in room 312-D of the State Capitol.

ROLL CALL: Rep Gilbert was excused, Rep Patterson was absent, all other members were present.

CONSIDERATION OF HOUSE JOINT RESOLUTION 53

CHAIRMAN GOULD distributed an amendment to HJR 53 (exhibit 1). He noted Rep Bulger was aware of the proposed amendment. He stated in his six (6) sessions of experience and as a member of the National Council on the Handicapped, he has seen an explosive growth in the Montana human services budget. He said the interim study was needed so that the legislature can define priorities and give direction to the department of SRS.

REP TOM BULGER, Great Falls, introduced HJR 53, stating his reasons for proposing the resolution was similar to Chairman Gould's rationale for his amendment; there was a need for an interim study of Montana's welfare, Medicaid, and General Assistance systems. He covered exhibit 2 which delineates the budgets for the Medical Assistance Program and the Assistance Payments Program. He noted the 134% increase in the State Medical Program, which deals with the twelve (12) assumed counties, and the 1988/1989 biennium appropriation of \$12 million to cover that program. He also stated that the exhibit shows an increase of 59% in Medicaid Primary Care. He said something needs to be done and an interim study would be the appropriate measure to take.

PROPOSERS

DAVE LEWIS, director of Social and Rehabilitative Services (SRS), stated he supported the resolution calling for an interim study committee. He said the SRS budget is the fastest growing area in state government.

GORDON MORRIS, Montana Association of Counties (MACo), stated he would like to go on record in support of the resolution.

OPPONENTS

There were no opponents.

In response to questions from the committee, Mr Lewis stated the largest areas of growth in the welfare system was among young single men, although the total caseload is not the only reason for the tremendous growth in medical expenditures. He explained that in the last five (5) years there has been a 400% increase in the general assistance caseload, which is now around 2,000 cases, mainly young single males between 20 to 30 years of age, who comprise 80% of that caseload. He noted the AFDC caseload (average being a single parent with two (2) children) has grown from 7,000 to 10,000 in the last four (4) years; while the SSI caseload (aged, infirmed, disabled) has grown from 8,000 to 11,000 in the same period of time. He stated all of these areas impact medicaid.

On the subject of AIDS, Mr Lewis stated there were many issues to deal with in the areas of public assistance, public medical assistance, and AIDS that have not been dealt with at this point. He explained that the average cost per case was \$150,000, and the drugs that that have been developed simply extend the time to the final conclusion of the disease; so an individual would linger on for two (2) or three (3) years instead of one (1). This increases the total cost per individual from \$150,000 to \$450,000.

Dealing with transplants, Mr Lewis explained that federal medicare had transferred the issue of heart transplants from an experimental service to a mandatory service. In the last two (2) years there have been three (3) performed in Montana at an average cost of between \$100,000 to \$300,000. He noted that four (4) or five (5) are still pending, and all transplants have been for young individuals. He said some states have dealt with limitations in this area, i.e., no transplants for individuals over 50 years of age, but Montana has not dealt with this issue. He expressed his personal concern that medical technology has outrun our moral and philosophical ability to deal with the issues; as we are able to do things with medical technology we may not be able to afford and don't have a basis for dealing with those types of questions. Mr Lewis stated that he feared, in the years to come, that the government level would be forced to deal with these issues because of the dollars involved, and he expected the same kind of growth in the next two (2) years that has been seen in the last two (2) years.

Mr Lewis continued and explained that the twelve (12) assumed counties use the same criterion, 10 to 15 counties have no general assistance programs, and the 44 non assumed counties are not consistent in their programs.

Mr Lewis concluded by describing the extensive data available on medical care costs. He stated the medicaid and state medical cost per service is not increasing

dramatically, but the basic increase is in the area of medicaid hospital costs; it costs more to go into a hospital. He said the total medicaid budget for nursing homes per year is \$45 million of a total budget of \$155 million. Mr Lewis said last month was a \$13 million month in the state medicaid program, a new record, which is excellerating on a month to month basis, while the appropriations were established based on January figures. He stated there are more services, more intensive types of treatment, and more expensive diseases that are driving the budget upward.

There being no further questions from the committee, Chairman Gould closed the hearing on HJR 53.

EXECUTIVE ACTION - HOUSE JOINT RESOLUTION 53

REP HANSEN moved that Chairman Gould's amendment (exhibit 1) by adopted for HJR 53.

A voice vote was taken and the motion PASSED.

REP HANSEN moved to insert "House Bill 2" after "House Bill 542", page 1, line 22 of the resolution.

A voice vote was taken and the motion PASSED.

REP HANSEN then moved that House Joint Resolution 53 PASS as amended.

A voice vote was taken and the motion PASSED.

EXECUTIVE ACTION - HOUSE JOINT RESOLUTION 8

REP SANDS made a motion to take HJR 8 off the table.

A show of hands was taken and the motion PASSED, with ten (10) in favor of the motion.

REP SANDS then made a motion for HJR 8 to BE CONCURRED IN.

A roll call vote was taken and the motion PASSED, with nine (9) voting yes, eight (8) voting no.

The meeting was adjourned at 2:15 p.m.

R. Budd Gould, Chairman

DAILY ROLL CALL

HUMAN SERVICES AND AGING COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date APRIL 9, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. BUDD GOULD, CHAIRMAN	X		
REP. BOB GILBERT, VICE CHAIRMAN	X		
REP. JAN BROWN	X		
REP DUANE COMPTON	X		
REP. DOROTHY CODY	X		
REP. DICK CORNE'	X		
REP. LARRY GRINDE	X		
REP. STELLA JEAN HANSEN	X		
REP. LES KITSELMAN	X		
REP. LLOYD MC CORMICK	X		
REP. RICHARD NELSON	X		
REP. JOHN PATTERSON		X	
REP. ANGELA RUSSELL	X		
REP. JACK SANDS	X		
REP. BRUCE SIMON	X		
REP. CAROLYN SQUIRES	X		
REP. TONIA STRATFORD	X		
REP. BILL STRIZICH	X		

STANDING COMMITTEE REPORT

APRIL 9, 19 57

Mr. Speaker: We, the committee on HUMAN SERVICES AND AGING

report SENATE JOINT RESOLUTION # 3

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. R. BUDD GOULD, Chairman

RESOLUTION TO ENDORSE RECOMMENDATIONS OF DEVELOPMENTAL PLANNING TASK FORCE

MS
REP. SANDS WILL CARRY THE BILL IN THE HOUSE OF REPRESENTATIVES

THIRD

BLUE

reading copy (_____)
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STANDING COMMITTEE REPORT

APRIL 9,

19 57

Mr. Speaker: We, the committee on HUMAN SERVICES AND AGING

report HOUSE JOINT RESOLUTION NO. 33

do pass
 do not pass

be concurred in
 be not concurred in

as amended
 statement of intent attached

REP. R. BUDD GOULD,

Chairman

INTERIM STUDY OF WELFARE, MEDICAID, AND GENERAL ASSISTANCE SYSTEM

1. Page 1.

Following: line 19

Insert: "WHEREAS, House Bill No. 537 refers a constitutional amendment to the people that, on their approval, would allow the Legislature to determine welfare and human service benefits, but for the 51st Legislature to make those determinations it is necessary that priorities be examined and information on welfare be available before the 1989 Session begins; and"

2. Page 1, line 22.

Following: "534,"

Insert: "House Bill No. 2,"

JMS
FIRST

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EXHIBIT #1
DATE 4-9-87
HJR # 53

Amend House Joint Resolution No. 53
Rep. Gould

1. Page 1.

Following: line 19

Insert: "WHEREAS, House Bill 637 refers a consitutional amendment to the people that upon their approval would allow the Legislature to determine welfare and human service benefits, but for the 51st Legislature to make those determinations it is necessary that priorities be examined and information on welfare be available before the 1989 Session begins; and"

LEGISLATIVE ACTION

AGENCY: DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

PROGRAM: ASSISTANCE PAYMENTS

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive	Legislature	Executive	Legislature	
FTE	47.50	48.75	48.75	48.75	48.75	1.25
Personal Services	\$ 1,182,928	\$ 1,390,340	\$ 1,391,248	\$ 1,390,956	\$ 1,391,938	17.61
Operating Expenses	1,694,631	4,753,478	5,622,021	2,280,442	2,762,685	231.75
Equipment	32,769	416,363	1,912	423,847	7,910	-94.17
Total Operating	\$ 2,910,328	\$ 6,560,181	\$ 7,015,181	\$ 4,095,245	\$ 4,553,958	141.04
Benefits						
Food Stamps	\$ 24,386	\$ 28,892	\$ 28,892	\$ 30,048	\$ 30,048	18.48
Burials	0	0	92,000	0	92,000	100.00
Nonresident GA	29,999	30,000	0	30,000	0	-100.00
Solar Bank	58,651	187,500	187,500	187,500	187,500	219.69
Training	71,910	183,787	150,000	183,787	150,000	108.59
Legal Services	99,999	50,000	100,000	50,000	100,000	0.00
TEFAP	139,713	0	0	0	0	-100.00
Job Search	153,523	361,752	361,752	491,752	491,752	135.63
Day Care	579,027	687,694	687,694	687,694	740,326	18.77
CSBG	1,207,849	1,309,485	1,309,485	1,361,864	1,361,864	8.41
Weatherization	1,705,905	1,854,924	1,854,924	1,929,121	1,929,121	8.74
General Assistance	4,586,618	5,031,455	3,818,256	6,030,218	4,797,864	-5.82
LIEAP	9,728,665	11,031,693	9,769,268	11,031,693	9,769,268	0.42
AFDC	33,786,383	40,392,994	41,433,799	43,029,684	44,598,407	22.63
Total Benefits	\$52,172,628	\$61,150,176	\$60,295,026	\$65,043,361	\$63,141,630	15.57
TOTAL EXPENSES	\$55,082,956	\$67,710,357	\$67,310,207	\$69,138,606	\$67,695,588	22.20
FUNDING						
General Fund	\$16,591,311	\$18,521,139	\$17,317,861	\$19,114,974	\$18,453,031	9.83
Federal Revenue	38,491,615	49,189,218	43,760,916	50,023,632	46,508,780	27.53
TOTAL FUNDING	\$55,082,926	\$67,710,357	\$67,310,207	\$69,138,606	\$67,695,588	22.20

