

MEETING MINUTES
HUMAN SERVICES SUBCOMMITTEE
JANUARY 20, 1987

The meeting of the human services subcommittee was called to order on January 20, 1987 at 8:08 a.m. in room 108 of the state Capitol building by Chairman Cal Winslow.

ROLL CALL: All members of the committee were present.

DEPARTMENT OF SOCIAL AND REHABILITATIVE SERVICES (SRS)

(13b:180) Dave Lewis, director of the Department of Social and Rehabilitative Services (DSRS), presented an overview of the department and its budget (exhibit 1).

(13b:287) Lee Tickell, administrator of Economic Assistance (EA), delineated the division's bureaus and their responsibilities (exhibit 1 and 2). There are four (4) programs within EA: Assistance Payments, Eligibility Determination, County Assumption (administration only), and Medical Assistance.

(13b:365) EA has \$123 million of the \$171 million general fund (72%), and \$447 million of the total \$570 million SRS budget (78%). Twenty (20) services are provided by this division.

(13b:410) Mr. Tickell continued with the Food Stamp Program issuance and certification processes (exhibit 3). In FY 86 there were 31.5 million dollars worth of food stamps issued in Montana (100% federal funds). There was an average of 21,500 cases, with an average payment per case of \$122 per month worth of food stamps.

(13b:508) In response to a question from Sen Himsl, there is a contract for the Blackfoot Reservation where the tribe issues the food stamps. No state funds are involved. Cooperative agreements are in place with the seven (7) indian reservations for commodity distribution.

In response to a question from Chairman Winslow, Mr. Tickell replied that the rate of growth of new cases is about 2-3% per month.

Rep Connelly asked about fraud in the program. Mr. Tickell responded that the error rate is 7.8% in terms of food stamp issuance.

In response to an inquiry from Sen Himsl, Mr. Tickell stated the division is under an auditing schedule, internally and federally.

Mr. Tickell then spoke from his written testimony on Title IV-A Day Care (exhibit 4). A supplemental is being requested for this program.

(13b:663) Sen Himsel inquired about the source of funding for this program. Mr. Tickell stated it was 2/3 federal and 1/3 state funded.

(14a:000) Mr. Tickell then covered the food Stamp Job Search (exhibit 7) that is 100% federally funded. New federal efforts are being made by USDA under the Food Security Act of 1985 toward implementing new employment and training regulations. However these regulations are very burdensome to implement. Montana will not participate in this optional program.

In response to a question from Rep Bradley, Mr. Tickell stated the general trend is for people to remain a longer period of time on the food stamp program.

(14a:103) Mr. Tickell then covered the EA Division contracts (exhibit 6). The division maintains 240 contracts for delivery of services with a budget of over four (4) million dollars.

The Montana Legal Services Association contract (exhibit 5) was then discussed by Mr. Tickell.

(14a:164) Neil Haight, executive director of the Montana Legal Services, continued with the overview of the association, covering services provided, rationale, and savings.

Peter Blouke presented the expenditures included in the general assistance supplemental request: funds for benefits, Job Search and Training Program, burial costs and Workers' Compensation costs paid for general assistance recipients who are in work programs.

In response to a questions from Chairman Winslow, Mr. Tickell stated burial costs are paid in state supervised counties, as stated in the law; and Workers Compensation coverage is for actual time in the Workfare program.

(14a:372) Peter Blouke, LFA, informed the committee that the Non Resident General Assistance supplemental included an injury sustained by a non resident while hiking in Montana, and whose medical bill was \$116,000.

(14a:443) In response to an inquiry as to why the State medical expenditures are going up at the current rate, Mr Tickell replied that the people on the program include the 12 assumed counties and those people in the remaining 44

counties who incur catastrophic medical expenses. Discussion followed on the logistics of the program, people who would qualify for this program, and recovery of costs.

EXECUTIVE ACTION - SUPPLEMENTALS (14b:000)

Economic Assistance

Aid to Families with Dependent Children (AFDC)

Sen Manning made a motion to authorize expenditure of supplemental funds totalling \$8,489,866, with \$2,378,109 from the state general fund.

A voice vote was taken and the motion PASSED unanimously.

Day Care

Rep Bradley made a motion to authorize expenditure of supplemental funds totalling \$142,766, with \$48,203 from the state general fund.

A voice vote was taken and the motion PASSED unanimously.

General Assistance

Rep Connelly made a motion to authorize expenditure of supplemental funds totalling \$1,405,006, all state general fund.

A voice vote was taken and the motion PASSED unanimously.

Non Resident General Assistance

Sen Manning made a motion to authorize expenditure of supplemental funds totalling \$150,000, all state general funds, with the provision that those funds pending a court decision for a non resident's eligibility revert to the general fund if he is ineligible for non resident general assistance.

A voice vote was taken and the motion PASSED unanimously.

State Medical Claims Processing

(14b:100) Rep Bradley made a motion to authorize expenditure of supplemental funds totalling \$60,000 state general funds.

A voice vote was taken and the motion PASSED unanimously.

Medicaid Primary Care

Sen Manning made a motion to authorize expenditure of supplemental funds totalling \$20,743,685, with \$7,045,153 from the state general fund.

A voice vote was taken and the motion PASSED unanimously.

Medicaid - Rivendell facility

Rep Bradley made a motion to authorize expenditure of supplemental funds totalling \$1,500,000 in total funds, \$488,400 in state general funds.

A voice vote was taken and the motion PASSED unanimously.

Medicaid - Rivendell screening

Rep Bradley made a motion to authorize expenditure of supplemental funds totalling \$10,000 in total funds, \$2,500 in state general funds.

A voice vote was taken and the motion PASSED unanimously.

State Medical

(14b:176) Sen Manning made a motion to authorize expenditure of supplemental funds totalling \$2,547,951, 100% state general funds, with committee consensus that pending this supplemental's acceptance, Chairman Winslow will direct the full appropriations that the subcommittee will look further into this program.

A voice vote was taken and the motion PASSED, with Rep Connelly voting no.

Community Services

Foster Care

Rep Bradley made a motion to authorize expenditure of supplemental funds totalling \$1,997,463, with \$1,727,008 state general funds.

A voice vote was taken and the motion PASSED unanimously.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES (DHES)

Health Planning Bureau

Sen Manning made a motion to authorize expenditure of supplemental funds of \$35,713, 100% state general funds, for the Certificate of Need Program.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley absent.

DEPARTMENT OF LABOR

Workers Compensation Division

Sen Himsl made a motion to authorize expenditure of supplemental funds of \$20,702, 100% state general funds, for Social Security offset.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley absent.

(14b:333) Sen Manning made a motion to authorize expenditure of supplemental funds of \$313,064 and \$23,223 of state special revenue funds for FTE's.

A voice vote was taken and the motion PASSED unanimously.

Rep Bradley made a motion to authorize expenditure of supplemental funds of \$6,114, state special revenue funds, for consultant fees.

A voice vote was taken and the motion PASSED, with Rep Winslow voting no.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

Maternal/Child Health Grants

Funding

(14b:493) Rep Switzer made a motion to accept the LFA funding for 1988 and 1989.

A voice vote was taken and the motion PASSED unanimously.

WIC Modified Request - On Line Data Entry

Rep Bradley made a motion to accept the WIC modified of \$49,083 in 1988 and \$127,806 for 1989.

A voice vote was taken and the motion PASSED unanimously.

Preventive Health Services

Personal Services (15a:050)

Sen Himsl made a motion to accept 13.0 FTE for 1988 and 1989.

A voice vote was taken and the motion PASSED unanimously.

Rep Connelly made a motion to accept the LFA current level of \$393,652 for 1988 and \$394,243 for 1989 plus \$1,380 for insurance and an adjustment for a step increase.

A voice vote was taken and the motion PASSED unanimously.

Operating Expenses

Rabies

Rep Bradley made a motion to include the LFA allocation of \$1,133 in 1988 and \$1,300 in 1989 for inflation.

A voice vote was taken and the motion PASSED unanimously.

Health Promotion and Education

Rep Bradley made a motion to accept the LFA current level which includes \$618 for out-of-state travel.

A voice vote was taken and the motion PASSED unanimously.

Immunization

Rep Bradley made a motion to accept the executive which includes \$1,263 for out-of-state travel and \$383 for computer maintenance contracts.

A voice vote was taken and the motion PASSED unanimously.

Sexually Transmitted Diseases

Sen Manning made a motion to accept the executive which includes \$678 more out-of-state travel than LFA current level.

A voice vote was taken and the motion PASSED unanimously.

Dental

(15a:138) Sen Manning made a motion to accept the executive which includes \$589 in 1988 and \$691 in 1989 for inflation.

A voice vote was taken and the motion PASSED, with Rep Winslow voting no.

Perinatal

Rep Bradley made a motion to accept the LFA current level which allocates \$2,076 in 1988 and \$2,382 in 1989 for inflation.

A voice vote was taken and the motion PASSED unanimously.

End-Stage Renal Disease Program

Sen Manning made a motion to accept the LFA current level of \$125,000 per year.

A voice vote was taken and the motion PASSED unanimously.

Communicable Disease

Rep Bradley made a motion to accept the LFA current level of \$42,959 for 1988 and \$43,043 for 1989, which is 100% state general fund.

A voice vote was taken and the motion PASSED unanimously.

Equipment

Sen Harding made a motion to accept the LFA current level of \$5,900 for 1988 and \$327 for 1989.

A voice vote was taken and the motion PASSED, with Rep Bradley and Rep Winslow voting no.

Preventive Health Grants

Rape Crisis

Sen Manning made a motion to accept the executive of \$11,970 for each year of the biennium.

A voice vote was taken and the motion PASSED unanimously.

Health Prev.

Sen Manning made a motion to accept the executive of \$1,074 for each year of the biennium.

A voice vote was taken and the motion PASSED unanimously.

Modified Request - Montana AIDS Project

Sen Manning made a motion to accept the modification of \$84,046 for 1988 and \$84,030 for 1989.

A voice vote was taken and the motion PASSED unanimously.

Modified Budget - AIDS Funds

Rep Connelly made a motion to accept the modified request of \$10,334 in fiscal 1988 of federal funds to allow expenditure

of remaining grant funds on contracted services for AIDS counseling and testing.

A voice vote was taken and the motion PASSED unanimously.

Modified Budget - Behavioral Risk

Rep Connelly made a motion to accept the budget modification of \$11,000 per year of the biennium to establish a monthly system of surveillance for behavior health risks. The amount represents the first two (2) years of a five (5) year grant.

A voice vote was taken and the motion PASSED, with Rep Winslow, Sen Manning, Rep Bradley, and Rep Connelly voting for, and Sen Harding, Sen Himsl, and Rep Switzer voting no.

The meeting was adjourned at 11:00 a.m. (15a:432)

A handwritten signature in cursive script, reading "Cal Winslow", is written above a horizontal line.

Cal Winslow, Chairman

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EXHIBIT
DATE 1-20-87
HB

DEPARTMENT OF SOCIAL & REHABILITATION SERVICES

Dave Lewis

Board of Social & Rehabilitation Appeals

OFFICE OF ADMINISTRATION

Ben Johns

CENTRALIZED SERVICES DIVISION

Pat Godbout

Information & Systems Bureau
Ken Curtiss

Fiscal Bureau
John Donwen

Support Services Office
Sandra Horpestad

AUDIT & PROG. COMPLIANCE DIVISION

Ron Brown

Audit Bureau
John Chappuis

Program Integrity Bureau
Eric Merdinger

COMMUNITY SERVICES DIVISION

Norma Harris

Management Operations Bureau
Gary Walsh

Budgets, Contracts, Payments Bureau
Doug Matthies

Field Services
Collins and Kerstein

Evaluation Unit
Frank Kromkowski

State Unit on Aging
Bob Bartholomew

OFFICE OF FAIR HEARINGS

Hank Flatow

DEVELOPMENTAL DISABILITIES DIVISION

Dennis Taylor

Field Services & Program Bureau
Larry Noonan

Management Operations Bureau
Mike Hanshew

ECONOMIC ASSISTANCE DIVISION

Lee Tickell

Intergovernmental Human Services Bureau
Jim Nolan

Management Operations Bureau
Dave Thorsen

Field Services & Program Management Bureau
Bonnie Frey

Medicaid Bureau
Jack Nielson

OFFICE OF LEGAL AFFAIRS

Russ Cater

REHABILITATIVE SERVICES DIVISION

Maggie Bullock

Disability Determination Bureau
Bill Volmer

Management Operations Bureau
Peggy Williams

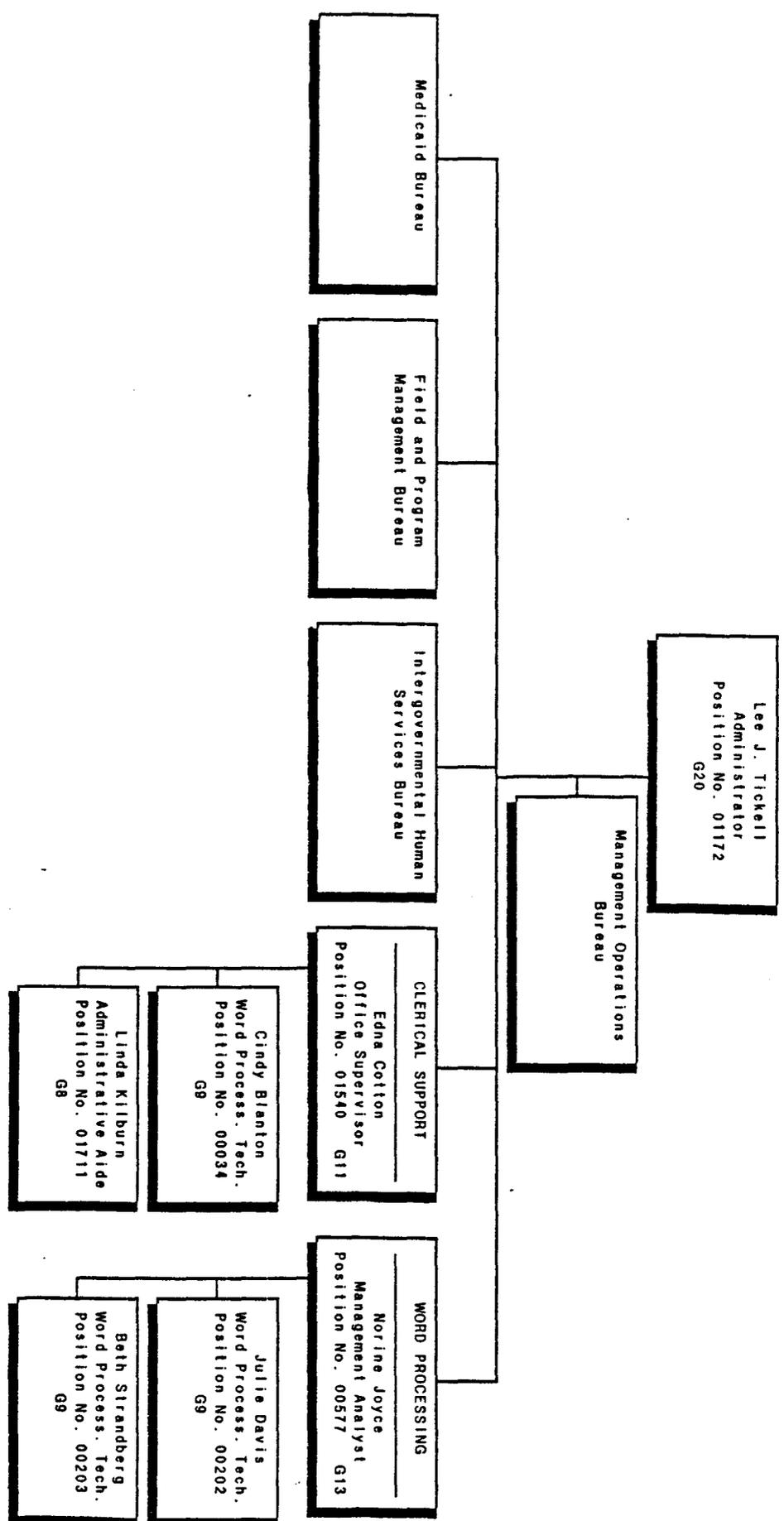
Field Services Bureau
Art Hart

OFFICE OF PLANNING, INFORMATION, & RELATIONS

Mary Blake

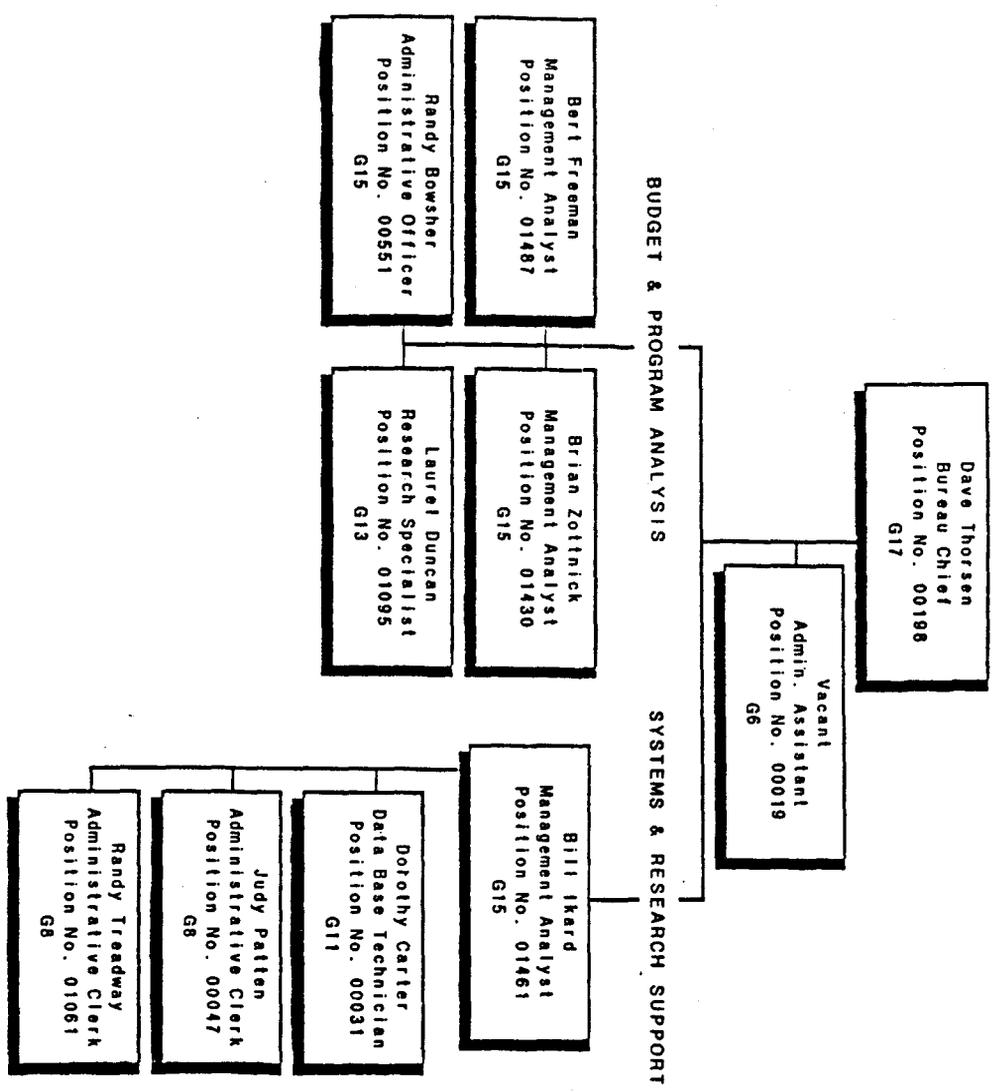
EXHIBIT 2
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DEPARTMENT OF SRS
 ECONOMIC ASSISTANCE DIVISION
 ORGANIZATIONAL CHART



December 9, 1986

EXHIBIT 2
DATE 1-20-87
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December 9, 1986

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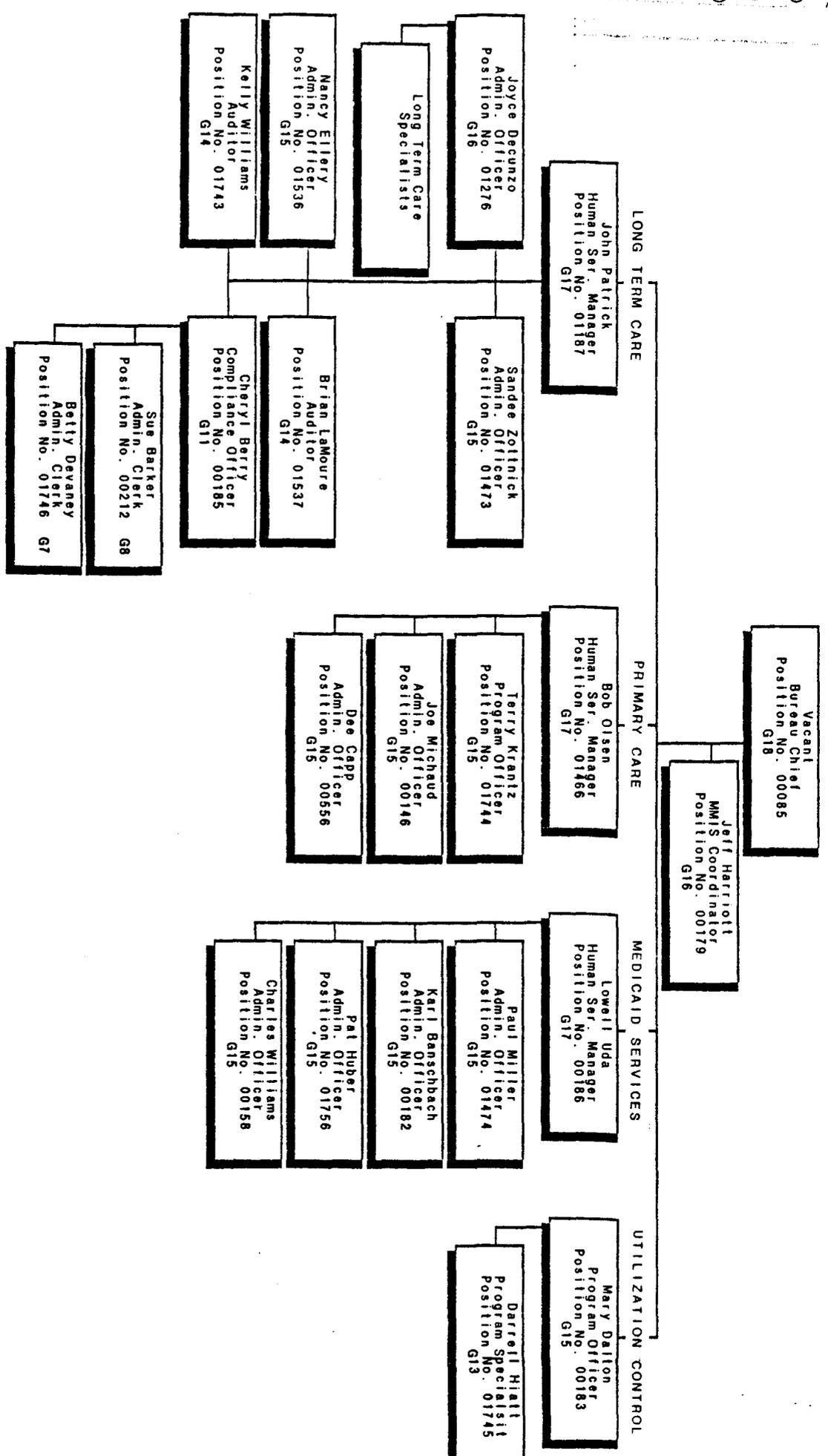
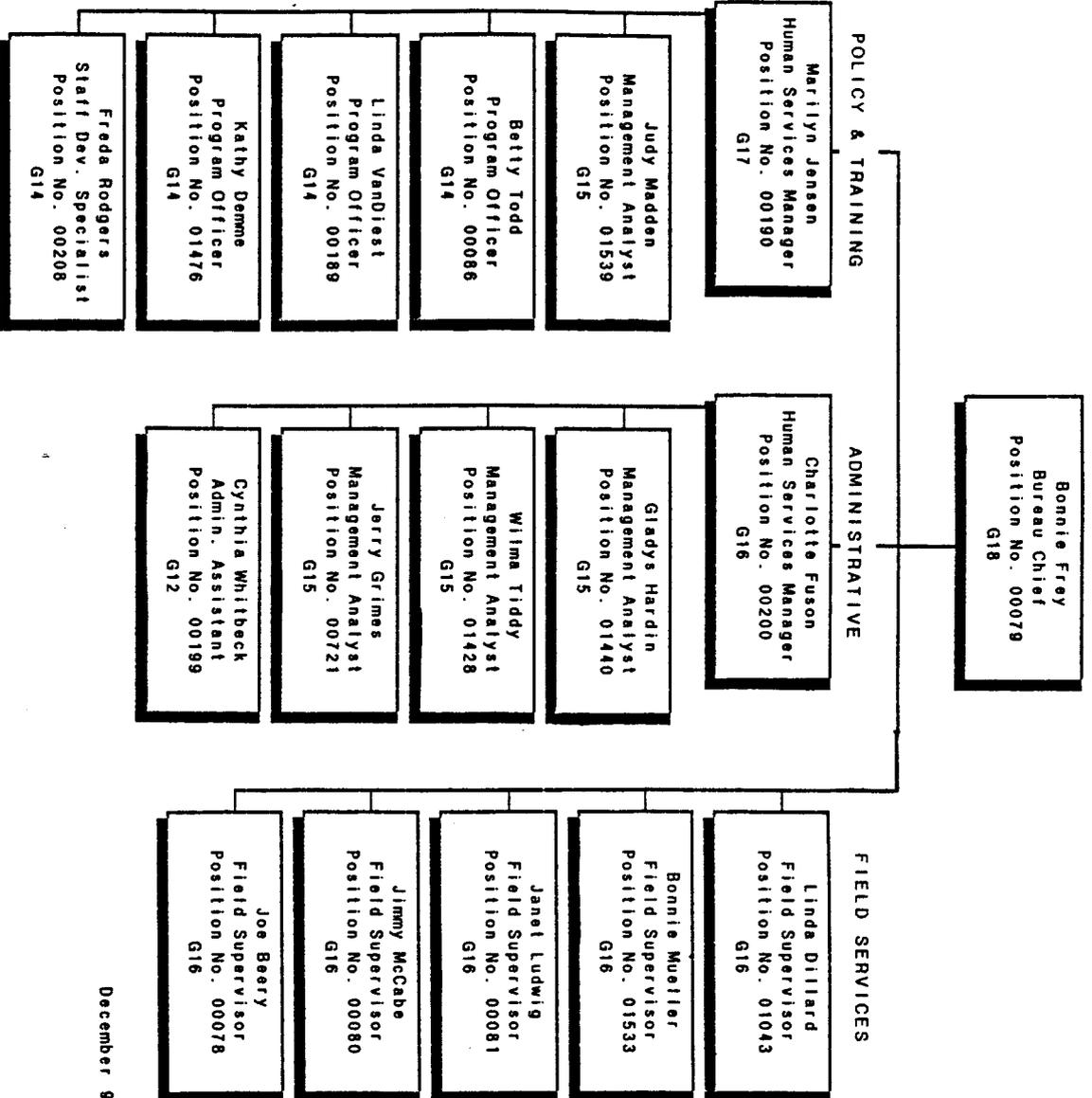
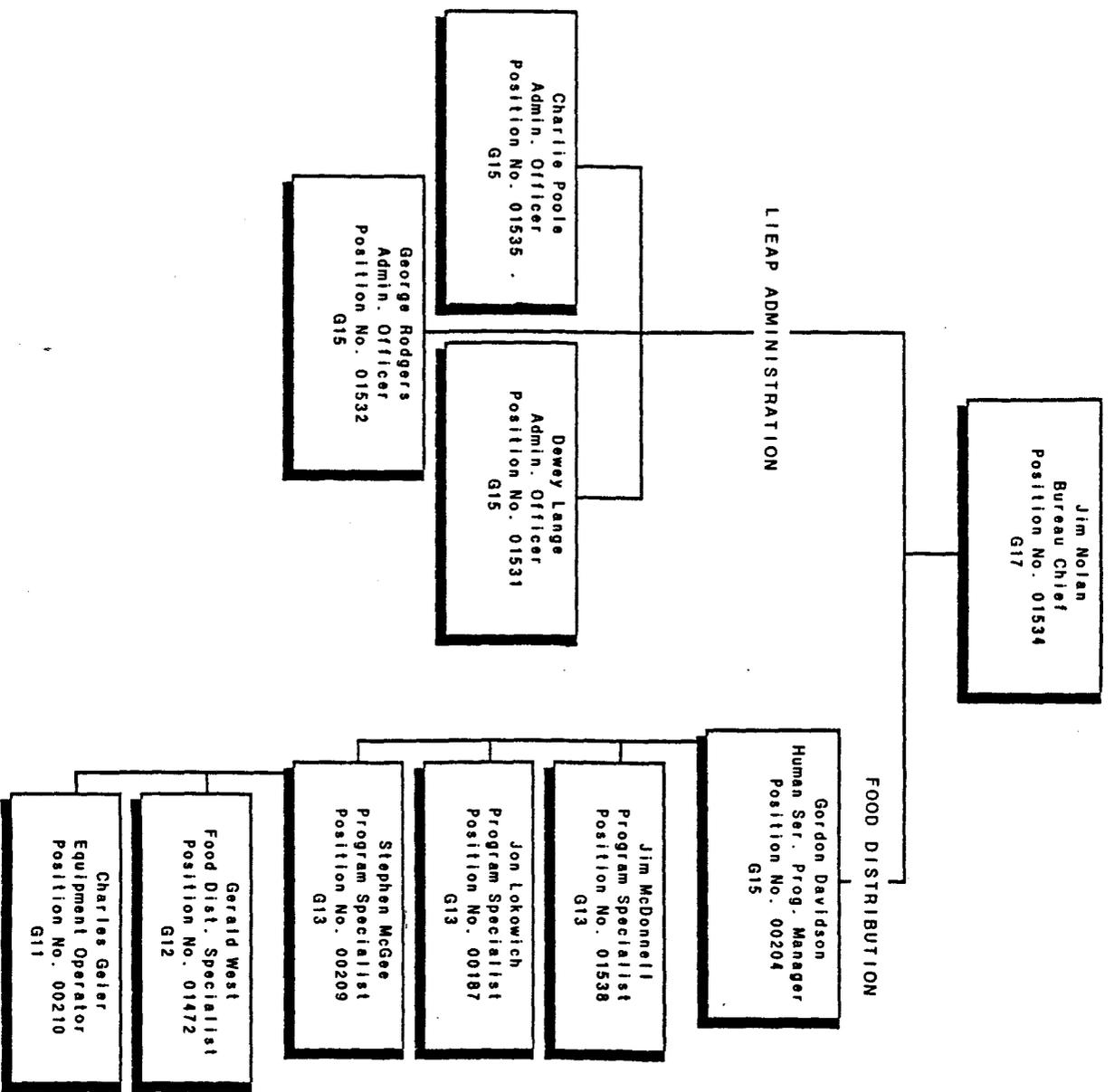


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 DATE 7-20-87



December 9, 1986

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DATE 1-20-87
FILE _____



DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
ECONOMIC ASSISTANCE DIVISION

EXHIBIT 3
DATE J-20-87
HB _____

FOOD STAMP PROGRAM - ISSUANCE

The Department of Social and Rehabilitation Services acts as the State agency responsible for the administration of food stamp issuance services within the State. The Field and Program Management Bureau (F&PMB) is responsible for timely and accurate issuance of coupons to eligible households in accordance with provisions of the Food Stamp Act and regulations. To fulfill this responsibility F&PMB has established an issuance and accountability system which ensures:

1. Only certified households receive benefits.
2. Coupons are accepted, stored and protected after delivery to receiving project points within the State.
3. Program benefits are distributed in correct amounts on a timely basis.
4. Coupon issuance and reconciliation activities are properly conducted and accurately reported to FNS, USDA.

The State contracts with Security Armored Express for the bulk storage of six to ten million dollars worth of food coupons. Security Armored Express is responsible for the receiving of coupons from USDA, storage and shipping to individual issuance points. It is each county's responsibility to provide issuance services to eligible households. Each county contracts separately with the State or subcontract the services out to issue food coupons. Contracted services are reimbursed by either a projected budget actual cost basis or by a transaction rate amount. The current standard reimbursement rate per transaction is \$1.90. The issuing agents include such entities as post offices, an Indian reservation, a bank, Human Resource Development centers, treasurers offices, clerk and recorder offices, and welfare offices. Administrative costs are federally matched 50%. Certain Indian areas may receive enhanced funding of 75%.

In FY86 approximately 21,537 households were served monthly by FSP at an average of \$122 coupon value per person. Subsequently, a statewide total of \$31,508,409 of coupon value was spent to feed the less fortunate and increase distribution of agriculture within the State of Montana at year end.

LEGIS2/019

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
ECONOMIC ASSISTANCE DIVISION

FOOD STAMP PROGRAM - CERTIFICATION

The Food Stamp program is designed to supplement low-income households by providing coupons that can be redeemed for food products. To qualify for food stamps, households (except those with an elderly or disabled member) must meet both gross income and net income guidelines and must fall below the assets ceiling.

Gross income is a household's total, nonexcluded income before deductions are made. A non-elderly/disabled household's gross income cannot exceed 130 percent of poverty level. If elderly/disabled live as part of another household, that special household's gross income cannot exceed 165 percent of poverty level for determination of eligibility of the elderly/disabled and his/her spouse.

From July 1, 1986, through June 30, 1987, gross income limits for non-elderly/disabled households are:

One-person household	\$ 581 monthly
Two-person household	785
Three-person household	988
Four-person household	1,192

Net income is gross income minus any allowable deductions (such as the 20 percent earned-income deduction, the child care/excess shelter deduction, the standard deduction, and--for elderly or disabled--excess medical deduction). A household's net income cannot exceed the limits below:

One-person household	\$ 447 monthly
Two-person household	604
Three-person household	760
Four-person household	916

Resource Limits

\$2,000 for all households with no members over the age of sixty.

\$3,000 for households of one or more which include one member age sixty or over.

The amount of coupons a household receives to purchase food are based on the household's net monthly income. To determine this amount the Thrifty Food Plan amount (as designated below) is reduced by 30% of the household's net monthly income.

<u>Household Size</u>	<u>Thrifty Food Plan</u>
1	\$ 81
2	149
3	214
4	271

EXHIBIT 4
DATE 1-20-89
HB _____

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
ECONOMIC ASSISTANCE DIVISION
TITLE IV-A DAY CARE

In addition to the basic AFDC grant, day care payments are provided for children of recipients who are attending employment related training or are in need of protective services.

These children must be between six weeks and twelve years of age and must be in licensed or registered facilities.

Title IV-A day care payments may not exceed \$160 per child per month.

Special Child Care -- Special child care payments up to a maximum of \$11 per day per child for full time care, or a maximum of \$1.25 per hour per child for part-time care (5 hours or less per day) may be allowed when physical or emotional handicaps require extra attention by the provider. These services may be provided to children 0-17 years of age. The need for special/exceptional child care must be verified by the social worker and authorized in writing by the District Social Services Supervisor III.

LEGIS2/020

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
Economic Assistance Division

EXHIBIT 5
DATE 1-20-87
HB _____

MONTANA LEGAL SERVICES ASSOCIATION

Funding: \$99,999 FY86 to complete service began in that year.
\$50,000 for FY 87 (reduced from \$100,000 by February special session)
Biennium Total \$149,999 General Fund

Service Provided: This contract provides legal assistance for general assistance recipients who claim disability in applying for and/or appealing decisions on Social Security disability eligibility. Service is provided by Montana Legal Services Association (MLSA) in the 12 State administered counties: Cascade, Deer Lodge, Flathead, Lake, Lewis and Clark, Lincoln, Mineral, Missoula, Park, Powell, Ravalli and Silver Bow. Clients must be referred to MLSA by County Human Services Offices.

Rationale: If persons receiving general assistance are eligible for Social Security disability payments both the client and the State benefit from the determination and payment by Social Security. Since: Social Security disability payments are larger than payments allowed by general relief, do not require monthly eligibility redetermination and are paid with federal funds, transferring cost from the State General fund.

To date, during the 1986-87 biennium (July 1, 1985 through October, 1986) the contract has

Referred:	304
Outcome:	
Favorable	60
Unfavorable	10
Client withdrew	6
% completed	79%
Still in process	228
Cost to general fund	\$43,507.50

Savings: based on 212.00 monthly payment for 24 month average.
212 X 60 X 24 = \$305,280

If percentage successful remains constant, 79% or 180 of the still in process cases will be transferred to S.S.I., saving the State an additional estimated amount of 915,840 (\$212 X 180 cases X 24 months).

MONTANA LEGAL SERVICES ASSOCIATION

801 N. LAST CHANCE GULCH
HELENA, MONTANA 59601
(406) 442-9830

EXHIBIT 5
DATE 1-20-87
NO _____

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JAN 19 1987

RUSSELL LAVIGNE JR
MANAGING ATTORNEY

NEIL HAIGHT
DIRECTOR

ECONOMIC ASSISTANCE

January 19, 1987

STATUS

Contract To Represent G.A. Recipients On SSI Applications

There have been 84 successful cases to date: this will save the state at least \$210,000.

Applying the 78% rate to the remaining cases the state will save a minimum of \$687,500.

The return to the state on each case is approximately 10-1.

Successful applicants for SSI disability benefits are adjudged likely to be disabled for at least 12 months. The normal minimum saving to the state for each successful case is about \$2500 during the 1st year. Added to this will be back benefits collected (on extended cases \$1200 to \$2000) and medicaid (more likely for disabled persons).

Total cases referred as of 1-16-87:		387
Closed Cases		108
Successful	84	
Lost	7	
Client moved, etc.	17	
Success rate-all closed cases:	78%	
Open Cases		279
Hearing held - awaiting decision	71	
Awaiting hearing	94	
Earlier Stages	110	

Total billed to date - (including closed cases and current status on open cases.) \$60294.52

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
Economic Assistance Division

EXHIBIT

6

1-20-87

DIVISION CONTRACTS

(Contract costs are included in both operating costs and benefits and claims.) During each SFY, the Division enters into over 500 contracts to carry-out the programs for which it is responsible. These contracts represent a budget in excess of \$11,500,000.00. This figure does not include the Medicaid Claims processed by Consultec.

Of the 500-plus contracts, approximately half are in Program 01, Assistance Payments, representing a dollar figure of over \$6,900,000 and include the CSBG, LIEAP, Weatherization, Solar Bank, Weatherization Training, Needy Family, TEFAP (Cheese), Capital Leasing, Food Stamp, IV-A Training, and Job Search Programs. Also included are the commodity contracts for the area agencies on aging and charitable institutions.

There are nearly 240 contracts in Program 07, Medical Assistance, representing a budget of over \$4,000,000.00. These contracts provide for services in Medicaid Peer Review; HCPCS Consultation; Indian Health; MMIS Implementation and Operations; Compass Testing of MMIS; and Utilization Control in Inpatient, Acute Care and Long-Term Care Facilities; Fair Hearings; Medicaid Audits; Preadmission Screening for Nursing Home Patients; Medicaid Waiver; and, Start-Up; physical exams for GA determinations of infirmity. Not included in the dollar amount but in the number of contracts are Long-Term Care Provider Agreements; and contracts for Family Planning, Mental Health, Home Health; Rehabilitation Services; Personal Care/RN Supervision; Medicaid Waiver and Home Dialysis.

There are less than twenty (20) contracts in Program 06, State Assumption, but they represent a budget of over \$400,000.00. Services in this program include FS Computer Record-keeping; State Medical Claim Screening and Processing; State Medical Dental Peer Review; FS operations in State Assumed Counties and Utilization Control in State Assumed Counties.

FOOD STAMP JOB SEARCH

Contract with Job Service Division, Department of Labor and Industry
October 1, 1985 through September 30, 1986
\$215,195 100% Federal funds

Food Nutrition Services, USDA, current contract October 1, 1986 through
March 31, 1987 is for 6 months only @ \$107,598.

Services Provided: This contract provides assistance to and supervision of food stamp recipients in a federally required, structured search for employment. Service is provided in accordance with manual guidelines by Job Search offices in Cascade, Flathead, Lewis and Clark, Missoula, Silver Bow and Yellowstone Counties. Food stamp recipients who are not exempt are referred to Job Service by the County Office of Human Services. Recipients are disqualified from participation in the Food Stamp Program for 2 months if they do not comply.

Rationale: More Food Stamp recipients can find employment if personal guidance and assistance is available. Employment reduces or eliminates the need for food stamp assistance and helps the recipient or family to a better standard of living with less reliance on assistance programs.

Statistics: for the period October 1, 1985 through September 30, 1986

referred	4,271
assessed	2,875
referred to other programs	212
entered job search	2,600
employed	1,310 (31%)
disqualified	1,019 (24%)

