

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON HUMAN SERVICES

Call to Order: By Chairman Bradley, on February 1, 1989, at 8 a.m.

ROLL CALL

Members Present: All members were present.

Members Excused: None

Members Absent: None

Staff Present: Evan McKinney, LFA

Announcements/Discussion: Chairman Bradley told the committee they would cancel two field trips for the next week, and would confirm Fri, Feb 17 for Mountain View and Mon, Feb 21 for the Deaconess and a group home. She said they were still planning to go ahead with the meeting Thursday evening, and at 10 a.m. she had promised to hear Jerry Driscoll's bill, which if passed, would possibly affect decisions of the committee. Tentative Agenda, EXHIBIT 1, List of Questions, EXHIBIT 2.

DEPARTMENT OF HEALTH, AND ENVIRONMENTAL SCIENCES, Department overview.

Bill Opitz (061), Deputy Director, Board of Health, gave an overview of the Department, and handed out the chart showing how the divisions and bureaus worked, EXHIBIT 3. His testimony is attached as EXHIBIT 4.

Questions from the Committee:

Senator Keating (132) asked about protecting the natural resources and what the Department meant. Mr. Opitz answered that it was a part of the super fund for cleaning up hazardous waste which allows the states to be reimbursed by potentially responsible parties in the event through the super fund effort there were damages done at particular places that are irreplaceable. He

said they would define the problem and list alternatives to solve it. Senator Keating asked if this were as applied to Public Health or environment in general. Mr. Opitz said to Public Health, beyond that it might not be cost effective to do more. Senator Keating asked where the Dept. of Natural Resources fit in to this. He said Fish, Wildlife and Parks had done some. Senator Hofman asked if they were involved in the big settling ponds east of Anaconda? Mr. Opitz answered yes, they are. He said they have an remedial investigation and feasibility study on the Warm Springs Ponds and believed they have the technical lead for the Warm Springs Ponds.

Continuing with the Overview, Mr. Opitz said the main difference in the budgets is the indirect costs. He felt once the LFA and the Budget office could agree to an indirect rate the differences are minimal. He said the other item was the dues for their organization.

At the request of Chairman Bradley Evan McKinney explained the term indirect costs. (387) Mr. McKinney said they are still looking at the differences in indirect costs and are not ready to make a presentation yet. The indirect costs are for services that are provided for all parts of the Department. He said at the present the LFA and the Executive have significant differences in their indirect cost allocation plans. He said the question of indirect costs is really a policy question.

Mr. Huth, (430) from the budget department, agreed that it was a combination of both policy and numbers. He said the Executive is putting out a memo that will propose a change in indirects from what the House Appropriations voted on (on-going state special revenue). He said there were four departments listed in the memo, but with Health and Labor where they are predominately federally funded they felt it was more prudent to fund the indirect costs under the federal funding source instead of State Special Revenue.

Legal Division

Frank Crowley, (527) Chief Legal Council for DHES, and Assistant Attorney General, said they have 4 attorneys that are funded about 1/2 by general fund and 1/2 by other funds. He said there are also 2 attorneys that are federally funded who work in the Hazardous Waste Division, one with the Super Fund and one with underground storage tanks. He told of the work that is done by these attorneys on records, water, construction grants, air quality, solid waste, environmental work,

contracts, certificate of need, licensing, etc. He said they have a LEXES description in the budget and it is time saving when they have to answer legal questions on AIDS, for example. He told of the importance of the attorneys attending the national or regional meetings to keep up to date on what is happening with the new laws, etc.

Senator Van Valkenburg asked about the modified for putting \$200,000 a year on the Natural Resources law suit. He asked why it was a good idea to contract with Cogswell Wherley to represent the state. Mr. Crowley answered that it is a new area of law, and since passed in 1980 the Super Fund law has become the most important environmental program in the country. No one has had a lot of experience in this, and we just had to jump into it. On a mega site like the Anaconda ARCO Super Fund site which is the geographically largest Super Fund site in the country the Department was in over their heads. He said there are problems there that challenge the institutional and legal systems. He gave the example of the Berkley pit filling up, and what would happen to the water. He said there is no precedent for dealing with the problems. He said he needed help and some of the attorneys who had worked with these problems had started a firm in Denver, and that was the Cogswell Wherley firm. We needed them then and at the present time. They are a necessary adjunct to the state's legal staff.

Senator Van Valkenburg asked if this was where the money would be spent, or to chase the Burlington Northern around 12 different sites. Mr. Crowley said no, the only site that they were involved with was the one at Livingston. (Side 2, (000) Chairman Bradley said at the last session the committee had understood this would probably be the way they would go. Senator Van Valkenburg agreed to meet with Chairman Bradley, Mr. Crowley and Mr. McKinney to write language into the Appropriation bill on the appropriation which will clarify legislative intent in this area.

Senator Keating took over the Chair at this point. In answer to a question on how effective the legal action had been Bill Opitz said they had signed some agreements in November with ARCO and hoped to get more.

Ray Hoffman, Administrator of the Centralized Services Division of DHES, gave an overview of his division. He said they track grants and contracts, handle vital records and statistics, etc. His testimony is attached

as EXHIBIT 5.

Representative Cody asked about the contingency fund of \$50,000 (426) and was told if they ran out of money and something happened, like the AIDS epidemic that needed quick action on testing, that money would be available.

Charles Stohl, Chief of the Support Services Bureau of DHES, gave the overview for his bureau. His testimony is attached as EXHIBIT 6. He said they provide all of the support services to the Department and are responsible for the accounting.

Questions from the Committee:

Senator Hofman (735) asked about the up-dating of records for cancer patients and asked for an explanation. Mr. Sperry answered the primary intent is to accumulate statistical information on the effects of various treatment protocols.

Mr. Sperry, in answer to questions on the Vital Statistics said the intent nation wide is to get medical schools to provide some sort of formal training on cause of death and certification. He said for the most part, physicians had not received any training on how to complete a cause of death certification statement that would be useful to anyone trying to determine the cause of death. He said coroners have had no training and we try to assist them when we can.

Representative Cody asked if the reporting is mandatory, and Mr. Sperry said the Montana statutes dealing with vital statistics require the information on all these vital events shall be reported to the state on forms that are prescribed by the state.

Senator Van Valkenburg said he had Mr. Huth get some data in regard to divorce trends in the state and the information was the number of divorces has essentially been cut in half since 1983. We have gone from a high of around 8300 to approximately 4,000 a year. Mr. Huth answered that would not be consistent with what is considered normal divorces. Senator Van Valkenburg said this was information he had received from him and Mr. Huth said he would do a check on it. Senator Van Valkenburg said these figures were necessary since they would be dealt with in the committee later.

Representative Grinde asked if the sealed files were on adoption and was told yes, and of legitimization.

Representative Grinde asked if there was a bill being circulated now to allow this and was told yes, he thought HB or SB 20 or 91.

Mr. John Hawthorne, Chief of the Chemistry Laboratory Bureau in DHES, gave an overview of the Lab. He said they analyze water, air, hazardous waste, food, body fluids, etc. He said they do have a modified budget request entitled Safe Drinking Water Act Amendments, and discussed the ways they test water. EXHIBIT 8.

HEARING ON HOUSE BILL 296

Presentation and Opening Statement by Sponsor:

Representative Driscoll, sponsor of House Bill 296 explained his bill, EXHIBIT 9, and said this bill appropriates \$5 million for salaries for Direct Care providers in DD private non-profit corporations. The state decided to privatize Community based DD services in 1972 but appropriated insufficient money to pay the bill. He passed out EXHIBIT 10 and said the graph on the last page shows a comparison of wages. He said this bill would simply bring them up to the state entry level.

List of Testifying Opponents and What Group They Represent:

(555) John Filz, Ravalli, Provider and Co-Chairman of Developmental Disabilities Legislative Action Committee and the President of Ravalli Services Corporation, a non-profit community based service provider in the DD system for the past 13 years, and was the Executive Director for 12 1/2 years.

Chris Volinkaty, Lobbyist for Developmental Disabilities, both providers and consumers

Testimony: Mr. Filz (610) read from the testimony on EXHIBIT 10, and described a study that was made and referred to the table on page 3. He said on the average private providers ran from 45 to 50% less than staff in the state institutions and in surrounding states. He went through the positions and told the committee what the duties of each one was.

Chris Volinkaty said this money will go directly into direct care providers pay. Her testimony is attached as EXHIBIT 11. She said this was half of the increase it would take to bring them up to the salary of the employees at state institutions.

Questions from the Committee:

Rep. Cobb (654) asked if this was all contribution from the general fund, and Ms. Volinkaty answered there was a small amount of Title 19 match. Dennis Taylor said from Title 19 they could have a small amount for match but it was not much. Rep. Cody asked of the 1600 people how many people were served and was told 1600 was the total staff population. In answer to a question from Rep. Cody as to when the last pay raise had occurred, Ms. Volinkaty said at the last session this committee gave a 2 and 2 provider rate increase. As many people as possible used it for salary increases.

Senator Van Valkenburg asked if any of the members belong to a collective bargaining unit? Ms. Volinkaty answered there is one in Billings, and someone said they had withdrawn recently. In answer to a question as to whether they are paid differently she answered no, the money just isn't there. Rep. Grinde asked if there is any retirement or health plans. Ms. Volinkaty answered that most have some kind of health insurance although the employee contributes toward it. Some of the organizations have some sort of retirement. She said hers has one, Mr. Filz's does not.

Senator Keating said on the first page the conclusion is drawn that 2400 individuals are served 19 for million dollars whereas 190 are served at 11 million. He requested a comparison of the cost of a single client in Boulder compared to the same single client in community services so we would have a more accurate comparison. The community clients need less care and the broad comparison is rather meaningless. Senator Keating said community services work on a contract basis and he assumed there was a bidding process and was wondering why, in the bidding process they couldn't have had a raise in pay. Mr. Filz said some agencies have said that and have gone out of business. The Department has reorganized those agencies with people who were willing to take what the state offered. Ms. Volinkaty said they have the option of saying they will serve less, but then it puts people out on the street.

Senator Keating asked of the 296, how much was general fund, and he was told by Ms. Volinkaty it is general fund. Dr. Blouke said the Executive budget has a 2% provider fee in it. It shows the general fund for a 2% increase is \$302,000 out of a total of \$377,000 so approximately 75,000 would be federal, but a lot of the federal funds go for non labor costs, partly administrative costs. Senator Keating said, the 22% increase in salaries

included in the bill, the 2% generated by \$300,000 and it is 11 times that? Mr. Filz said the 2% provider rate increase that the Governor's executive budget is 2% of the entire benefits package. The 22% increase is the increase in simply the direct care salaries.

Closing by Sponsor: Representative Driscoll said the rehab position was being 5 cents an hour more than the pages in the Senate does.

Public Health Laboratory: Dr. Douglas Abbott, Chief of the Public Health Laboratory, DHES, gave his overview of the work done in the Lab. EXHIBIT 12, ((173)). He said they provide scientific services in support of national and state disease prevention and control programs. He went on to tell of specific work done by the lab and the necessity of treatment and prevention for high risk diseases.

Questions from the Committee: In answer to a question of HPLC, Dr. Abbot said it was High Performance Liquid Chromology. In answer to a question on the present instances of tuberculosis, she was told (266) they run 28 to 32 new cases a year. He said while we are a low incidence area, tuberculosis is a high impact disease and they find it still occurring in children. With the AIDS epidemic tuberculosis and related diseases are increasing because they become more susceptible. In answer to a question from Rep. Cody on statistics for T. B. on the reservation, she was told most of the cases are off the reservation now. He said they have 40 to 50% on the reservation.

ADJOURNMENT

Adjournment At: 10:55 a.m.



REP. DOROTHY BRADLEY, Chairman

DB/sk

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TENTATIVE AGENDA
HUMAN SERVICES SUBCOMMITTEE
ROOM 108

Friday Jan 06: Orientation of Subcommittee budgeting process, current level versus. modified requests, agenda, forms, time frames, future savings versus. current resources, etc.

DEPARTMENT OF LABOR AND INDUSTRY

Monday Jan 09: Agency orientation;
Worker's Compensation - All programs

Tuesday Jan 10: Employment Services - Job Service, Unemployment Insurance, Centralized Services, Employment Relations, Employment Policy, Human Rights, Job Training Partnership Act, General Assistance Training

Wednesday Jan 11: EXECUTIVE ACTION - Employment Services
EXECUTIVE ACTION - Workers Compensation

Thursday Jan 12: Modified Budget Requests

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Friday Jan 13: Agency Orientation;
Assistance Payments - Personal Services, Operating costs, Solar Bank, Food Stamps, Nonresident General Assistance, Legal Services, Burials, Training, Job Search, Day care.

Monday Jan 16: Assistance Payments - CSBG, Weatherization, LIEAP, General Assistance, AFDC.

Tuesday Jan 17: Eligibility Determination - Personal Services, operating costs.
EXECUTIVE ACTION - Assistance Payments except General Assistance and AFDC; Eligibility Determination.

Wednesday Jan 18: Administration and Support - Personal services, Operating cost.
County Administration - Personal Services, Operating Costs.
Audit and Compliance - Personal services, Operating Costs.
EXECUTIVE ACTION -
Administration and Support; County Administration;
Audit and Compliance.

- Thursday Jan 19: Medical Assistance - Personal services, Operating costs, DHES Survey, Indian Health, State Medical.
- Friday Jan 20: Medical Assistance - Waiver Services, Medicare Buy-in, Medicaid Institutions, Medicaid Nursing Home, Medicaid Primary care.
- Monday Jan 23: Medical Assistance - Federal Legislation, OBRA, Catastrophic Coverage. Nursing Homes, Primary Care, Medicare Buy-in.
- Tuesday Jan 24: Medical Assistance - EXECUTIVE ACTION - Personal services, Operating costs, Waiver Services, DHES Surveys, Indian Health, State Medical, Medicaid Institutions, current level Nursing Homes, current level Primary Care.
- Wednesday Jan 25: Audit and Compliance - Personal Services, Operating costs.
Disability Determination - Personal Services, Operating Costs.
Vocational Rehabilitations - Personal Services, Operating Costs, Benefits.
Visual Services - Personal Services, Operating Costs, Benefits.
- Thursday Jan 26: Developmental Disability - Personal Services, Operating Costs, Benefits.
DDPAC - Personal Services, Operating Costs, Benefits.
- Friday Jan 27: EXECUTIVE ACTION - Audit and Compliance,
Disability Determination, Vocational Rehabilitation,
Visual Services, Developmental Disabilities.
- Monday Jan 30: EXECUTIVE ACTION - Audit and Compliance,
Disability Determination, Vocational Rehabilitation,
Visual Services, Developmental Disabilities.
- Tuesday Jan 31: EXECUTIVE ACTION - AFDC, General Assistance, OBRA, Catastrophic Coverage Act, Welfare Reform Act, Primary Care, Nursing Homes.
- Wednesday Feb 01: Department of Health - Agency orientation.
Director's Office - All Programs
Centralized Services - All Programs
- Thursday Feb 02: Health Services Division - Division Administrator, Emergency Medical Services Bureau, Licensing & Certification Bureau
EXECUTIVE ACTION - Director's Office, Centralized Services
- Friday Feb 03 EXECUTIVE ACTION - AFDC, General Assistance, OBRA, Catastrophic Coverage Act, Welfare Reform Act, Primary Care, Nursing Homes.

- Saturday Feb 04: EXECUTIVE ACTION - Modified Budget Requests, SRS.
- Monday Feb 06: Health Services Division - Family/Maternal Child Health Bureau, Health Planning & Resource Development Bureau
- Tuesday Feb 07: Health Services Division - Preventive Health Bureau
- Wednesday Feb 08: EXECUTIVE ACTION - Health Services Division
- Thursday Feb 09: Environmental Sciences Division - Division Administrator, Air Quality Bureau, Occupational Health Bureau, Food & Consumer Safety Bureau
- Friday Feb 10: Environmental Sciences Division - Junk Vehicle program, Superfund program, Hazardous Waste program, Underground Storage Tank program, Solid Waste program
- Monday Feb 13: Environmental Sciences Division - Water Quality Management program, Water Pollution Control program, Water Permits program, Construction Grants program, Ground Water program, Wastewater Operators program, Subdivision program, Safe Drinking Water program
- Tuesday Feb 14: EXECUTIVE ACTION - Environmental Sciences Division

DEPARTMENT OF FAMILY SERVICES

- Wednesday Feb 15: Family Services, Agency Orientation
Management Support - Personal Services, Operating Costs.
Community Services - Personal Services, Operating Costs.
- Thursday Feb 16: Community Services - West Yellowstone, Home Health, Child Abuse, Domestic Violence, Subsidized adoption, Big Brothers and Sisters. EXECUTIVE ACTION -
Management Support, Community Services Personal Services, Operating costs.
- Friday Feb 17: Community Services - Refugee, Alcohol and Drug, Day care, Supplemental Security Income, Aging.
EXECUTIVE ACTION - West Yellowstone, Home Health, Child Abuse, Domestic Violence, Subsidized Adoption, Big Brothers and Sisters.
- Monday Feb 20: Community Services - Foster Care, Children's Trust.
EXECUTIVE ACTION - Refugee, Alcohol and Drug, Day care, Supplemental Security Income, Aging.
- Tuesday Feb 21: Community Services - Foster Care.
Mountain View School - Personal Services, Operating Cost.
Pine Hills School - Personal Services, Operating Cost.

Wednesday Feb 22: EXECUTIVE ACTION - Foster Care, Children's Trust,
Mountain View School, Pine Hills School. Modified Budget
Requests.

RECONSIDERATION AND RECONCILIATION



JUDY RIPPINGALE
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA

Office of the Legislative Fiscal Analyst

STATE CAPITOL
HELENA, MONTANA 59620
406/444-2986

EXHIBIT 2
DATE 2-1-89

HB

January 31, 1989

Mr. Curt Chisholm, Director
Department of Institutions
1539 Eleventh Avenue
Helena, MT 59620

Dear Mr. Chisholm:

The following is a list of questions submitted by members of the Institutions and Cultural Education Subcommittee for the hearing on Thursday, February 2.

1. How many administrative positions, including directors, are there in the community based programs? What are their salaries?
2. What costs are incurred by SRS to supervise community based services? What are the Department of Family Services licensing costs? What additional costs of administration and supervision will be incurred by both agencies with the additional facilities?
3. How many DD group homes, including intensive group homes, are there? Where are they located? How many clients do they serve?
4. What training does the staff receive? Who provides this training?
5. What is the staff turnover in the community based programs? How is turnover calculated? What is the turnover at MDC?
6. How do the inspection and licensing requirements for ICFMRs differ from the requirements of community based programs, including those which qualify for the medicaid waiver?
7. What active treatment is required in community programs and how is it delivered?
8. How are communities, where DD community facilities are to be located, prepared for this addition?
9. How do the persons involved, including the DD client and direct care and administrative staff, benefit from placement in the community?
10. What are the plans for serving the current waiting list? How is the waiting list compiled? Upon what criteria is it based?

11. What accountability do community group homes have to the state of Montana concerning time and money expended? Who specifically is responsible for evaluating programs and total expenditures?
12. Do federal regulations allow for a transition period for an ICFMR out of compliance with medicaid standards to maintain certification while a plan for changing the nature of or downsizing the facility is being implemented?
13. What are the terms of participation by the state in the Montana Health Facility Authority bond program? What would construction of the additional group homes cost?

If you have any questions, please contact me.

Sincerely,



Taryn Purdy
Associate Fiscal Analyst

Madame Chairperson and members of the Human Services Joint Sub-Committee, for the record my name is Bill Opitz, Deputy Director of the Department of Health and Environmental Sciences. We look forward to the opportunity of working with the members of this Committee to improve the health of our fellow Montanan's and the environment in which we work and play.

We would like to thank you for your past support of the Department. For that support you have our unqualified commitment to make your task here pleasant and constructive. Our intention is to be as brief as possible in order that the Committee may deal with policy issues per the Chairperson's statement at the initial meeting.

The Department consists of the Director's unit and three divisions. As you can see by the organizational chart, the Director's unit also consists of the legal and personnel units, a hearings officer, and a number of advisory councils. The Director acts as the secretary to the Board of Health. The Board consists of seven members appointed by the Governor.

The Environmental Sciences and Health Services Divisions have five bureaus each, while there are four bureaus in the Centralized Services Division. As you review these 14 bureaus, you may want to keep three questions in mind.

- (1) How is this bureau contributing to the prevention of disease and damage to the environment?
- (2) How is this bureau improving the public health of Montanan's?
- (3) How is this bureau assisting in the cleanup of past transgressions to the environment?

As I mentioned at our first meeting, DHES would like to emphasize prevention and minimize the heavy hand of regulation. We can point to many cases over the last two years that were brought to resolution through hard negotiations based on the facts. We are committed to that approach and would resort to litigation in only those instances where there are irreconcilable differences.

There are two budget modifications associated with the Director's program. The first involves \$200,000 per year for the Natural Resources Lawsuit. This modification provides for the continuation of a contract to represent the state of Montana on a pending civil action against the responsible parties for destruction, loss of or injury to the natural resources of the state. The second modification is for a FTE in the personnel unit. This person is needed to assist the personnel officer in all her duties plus emphasize department training activities. The cost of this modification is \$24,684.00 per year.

Thank you for your attention. If there are any questions to this point, I'd be happy to address them now. If not, I would like to proceed with the current level budgets for the Director's office, the Board of Health and the legal unit.

TESTIMONY FOR JOINT APPROPRIATIONS SUBCOMMITTEE
CENTRALIZED SERVICES DIVISION FY 1990-1991
FEBURARY 1, 1989

OVERVIEW:

MADAM CHAIRMAN AND MEMBERS OF THE COMMITTEE, FOR THE RECORD BY NAME IS RAY HOFFMAN, ADMINISTRATOR OF THE CENTRALIZED SERVICES DIVISION, DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES.

THE CENTRALIZED SERVICES DIVISION PROVIDES A WIDE VARIETY OF SUPPORT SERVICES FOR THE DEPARTMENT. THE DIVISION CONSISTS OF THE FOLLOWING AREAS;

1. DIVISION ADMINISTRATION IS RESPONSIBLE FOR OVERALL DIVISION MANAGEMENT, CONTRACT NEGOTIATIONS, FISCAL OFFICER FOR GRANTS AND CONTRACTS, BUDGET NEGOTIATIONS AND FISCAL TRACKING.
2. SUPPORT SERVICES BUREAU PROVIDES ADMINISTRATIVE SUPPORT AND CONTROL OF THE CENTRALIZED ACCOUNTING FUNCTION.
3. VITAL RECORDS AND STATISTICS BUREAU OPERATES THE MONTANA VITAL STATISTICS SYSTEM AND THE CENTRAL TUMOR REGISTRY.
4. PUBLIC HEALTH LABORATORY BUREAU PROVIDES PUBLIC HEALTH SERVICES IN TESTING AND CONSULTATION.
5. CHEMISTRY LABORATORY BUREAU WHICH PROVIDES ANALYTICAL TESTING AND CONSULTATIONS.

AS IDENTIFIED ON PAGES 147-149 OF THE EXECUTIVE BUDGET, THE DIVISION CONSISTS OF 60.50 F.T.E. EACH YEAR OF THE BIENNIUM AND A REQUESTED BUDGET OF \$2,636,995 IN FISCAL YEAR 1990 AND \$2,313,650 FOR FISCAL YEAR 1991. THE FUNDING OF THE PROGRAMS CONSISTS OF GENERAL FUND, FEDERAL GRANTS, FEE FUNDS, BLOCK GRANT AND INDIRECT COSTS ASSOCIATED WITH ADMINISTRATIVE CHARGES TO ALL DEPARTMENT PROGRAMS.

DURING THE CURRENT BIENNIUM THE DEPARTMENT PROCESSED IN EXCESS OF 68 BUDGET AMENDMENTS ADDING \$7,629,396 OF ADDITIONAL FUNDING. THIS SIGNIFICANT INCREASE IN ADDITIONAL OR EXPENDED PROGRAMS HAS PLACED A TREMENDOUS BURDEN ON THE CENTRALIZED SERVICES DIVISION FOR ADDITIONAL SERVICES ASSOCIATED WITH PAYMENT OF CLAIMS, PURCHASING OF EQUIPMENT AND SUPPLIES, CONTRACT DEVELOPMENT AND NEGOTIATIONS AND FINANCIAL REPORTING. BECAUSE OF THE ADDITIONAL SERVICES THE DIVISION HAS REQUESTED MODIFICATION TO ITS EXISTING BUDGET.

THE ONLY DIFFERENCE BETWEEN THE EXECUTIVE BUDGET AND THE LEA RECOMMENDATION FOR THE DIVISION ADMINISTRATION BUDGET IS IN THE AREA OF TRAVEL. BECAUSE OF THE MULTITUDE OF GRANTS THE DEPARTMENT ADMINISTERS, AS FINANCIAL OFFICER I AM CALLED UPON TO NEGOTIATE WITH THE FEDERAL GOVERNMENT THE AMOUNT OF FUNDS

MONTANA WILL RECEIVE, WHICH IS CURRENTLY IN EXCESS OF \$25,000,000. THE FEDERAL GOVERNMENT, AT TIME, REQUIRES FACE TO FACE NEGOTIATIONS EITHER IN DENVER OR WASHINGTON D.C.. THE EXECUTIVE HAS ALLOWED A TOTAL OF \$6,135 FOR TRAVEL WHILE THE LFA HAS RECOMMENDED -0-. THE EXECUTIVE BUDGET WILL ALLOW THREE TRIPS TO DENVER AND ONE TRIP TO WASHINGTON D.C.

AS YOU PROCEED WITHIN THE DEPARTMENT OF HEALTHS BUDGET YOU WILL NOTE THE DEPARTMENT IS RESPONSIBLE FOR A WIDE VARIETY OF FEDERAL PROGRAMS AND FEDERAL FUNDING SOURCES. EACH GRANT HAS SPECIFIC REQUIREMENTS OF HOW THE FUNDS ARE TO BE SPENT, ACCOUNTED FOR, AND THE DIFFERING LEVELS OF STATE PARTICIPATION (MATCHING).

ONE OF THE MOST CONFUSING FUNDING SOURCES IS INDIRECT COSTS. CURRENT THE AGENCY IN CONJUNCTION WITH THE EXECUTIVE AND THE LFA ARE ATTEMPTING TO RECONCILE THE DIFFERENCES BETWEEN THE TWO BUDGETS. HOPEFULLY AN AGREEABLE APPLICATION OF HOW INDIRECTS ARE ARRIVED AT, APPLIED AND FUNDED WILL BE REACHED. UNTIL THAN A WIDE VARIATION EXISTS BETWEEN TO TWO BUDGETS.

AT THIS TIME I WOULD LIKE TO INTRODUCE:

MR. CHUCK STOHL - SUPPORT SERVICES BUREAU CHIEF
MR. SAM SPERRY - VITAL RECORDS/STATISTICS BUREAU CHIEF
MR. DOUG ABBOTT - PUBLIC HEALTH LABORATORY BUREAU CHIEF
MR. JOHN HAWTHORNE - CHEMISTRY LABORATORY BUREAU CHIEF

WHO WILL GIVE YOU PRESENTATIONS ON THE INDIVIDUAL BUREAUS.

EXHIBIT 6
DATE 2-1-89
HB _____

SUPPORT SERVICES BUREAU
DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

Madam chairman and members of the subcommittee, my name is Charles Stohl, I am chief of the Support Services Bureau of the Department of Health and Environmental Sciences.

You have a handout that shows the composition of the Support Services Bureau with the associated duties and responsibilities. These handouts give a breakdown of services by each unit of the Bureau. In as few words as possible I will try to explain the functions of the Support Services Bureau.

This bureau provides all of the supports services to the Department. There are no monies received or funds expended by the Department that do not go through this bureau. We are responsible for the accounting, financial reporting and records maintenance for all funds received and expended by the Department.

The Department of Health and Environmental Sciences has obtained budget amendments for approximately \$7,600,000 since July 1, 1988. Most of these funds are being requested to be carried into the next biennium to continue support of the federal programs. These programs put an additional burden on the Support Services Bureau. We must process all of the financial transactions, keep the accounting records, procure supplies, equipment, and services, handle their mail and freight needs, assist them with their data and word processing needs, and produce accurate federal financial reports for each federal program. These additional services can only be provided by adding staff to the Support Services Bureau so that an adequate accounting of federal funds expended can be provided to the federal government.

We have one modified request for a programmer/analyst and related costs to assist us to get caught up with computer programing needs and to maintain our data processing programs and the computer network. We also have a request to carry into the next biennium two FTE's, that are currently requested by budget amendment, to handle the increases in mail volume, number of items purchased and received, and for maintaining accurate accounting records for the increased volume of transactions generated by the new federal programs.

If additional federal dollars and programs are added in the upcoming biennium we will need to add more staff to assure that the additional funds are accounted for properly. This will mean that we will need the ability to budget amend funds into our budget for these purposes as the new federal funds are added by budget amendment.

The following areas are of concern in our base budget due to the differences in the Governor's office of budget and program planning's and the legislative fiscal analyst's budget presentations:

- (1) contracted services
 - (a) \$5,859/\$5,969 this appears to be the amount that is requested for our subscription service to the Department of Administration's Information Services Division (ISD) for computer support. This amount is assessed by ISD for providing support for this bureau's computers. This amount is needed for continuing support from ISD. It also lets us use a discount rate for attending ISD classes.
- (2) supplies and materials
 - (a) \$4,163/\$4,163 these are supplies and materials needed for maintaining the in-house computer network.(paper, ribbons, repair parts, replacement items, etc.)
- (3) communications
 - (a) \$2,578/\$2,578 this is the amount needed to connect the in-house computer network to communicate with other agencies and the public.(modems, line charges, etc)
- (4) repair & maintenance
 - (a) \$1,963/\$1,963 this is needed for maintenance contracts on our computers, printers, typewriters, mail equipment and delivery van.
- (5) other expenses
 - (a) \$808/\$1,063 this is for the indirect cost assessed to the film library unit.
- (6) equipment
 - (a) \$17,425 this is to replace a postage machine and a delivery van. These pieces of equipment are both old and almost worn out. The delivery van is a 1975 GMC with 156,627 miles. The new items would increase production and avoid work related accidents.

ed, C2 5/20/80

SUPPORT SERVICES BUREAU

PROGRAM GOALS

PROVIDE SUPPORT SERVICES FOR THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

PROGRAM OBJECTIVES

TO PROVIDE FINANCIAL ACCOUNTABILITY
TO MAINTAIN CENTRAL ACCOUNTING RECORDS
TO PRODUCE EXPENDITURE REPORTS FOR ALL FEDERAL GRANTS
TO PROVIDE CENTRAL PROCUREMENT/PURCHASING FUNCTION
TO PROVIDE CENTRAL MAIL FUNCTION
TO PROVIDE CENTRAL AUDIT FUNCTION
TO PROVIDE CENTRAL CASHIER FUNCTION
TO PROVIDE WORD PROCESSING SERVICES
TO PROVIDE DATA PROCESSING SERVICES
TO PROVIDE FILM LIBRARY SERVICES

The Support Services Bureau contains the following units:

- (1) Financial Unit.
 - (a) Financial reporting section
 - (b) Accounts receivable section
 - (c) Accounts payable section
 - (d) Cash Receipts section
 - (e) Purchasing and receiving section
 - (f) Mail section
 - (g) Audit section
- (2) Word Processing Unit.
- (3) Data Processing Unit.
- (4) Film Library Unit.

Each of these units provides a service to the Department and to the general public.

- (1) Financial Unit.
 - (a) Financial reporting unit
 - (1) This section is responsible for:
 - (a) maintaining the Departments accounting system.
 - (b) producing federal expenditure reports.
 - (c) producing financial reports.
 - (b) Accounts receivable section
 - (1) This section is responsible for:
 - (a) billing all persons that owe the Department money for any work performed or licenses issued.
 - (b) maintaining records of all accounts receivable transactions.
 - (c) pursuing collection of aged accounts receivable.

SUPPORT SERVICES BUREAU

PROGRAM GOALS

PROVIDE SUPPORT SERVICES FOR THE DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

PROGRAM OBJECTIVES

TO PROVIDE FINANCIAL ACCOUNTABILITY
TO MAINTAIN CENTRAL ACCOUNTING RECORDS
TO PRODUCE EXPENDITURE REPORTS FOR ALL FEDERAL GRANTS
TO PROVIDE CENTRAL PROCUREMENT/PURCHASING FUNCTION
TO PROVIDE CENTRAL MAIL FUNCTION
TO PROVIDE CENTRAL AUDIT FUNCTION
TO PROVIDE CENTRAL CASHIER FUNCTION
TO PROVIDE WORD PROCESSING SERVICES
TO PROVIDE DATA PROCESSING SERVICES
TO PROVIDE FILM LIBRARY SERVICES

The Support Services Bureau contains the following units:

- (1) Financial Unit.
 - (a) Financial reporting section
 - (b) Accounts receivable section
 - (c) Accounts payable section
 - (d) Cash Receipts section
 - (e) Purchasing and receiving section
 - (f) Mail section
 - (g) Audit section
- (2) Word Processing Unit.
- (3) Data Processing Unit.
- (4) Film Library Unit.

Each of these units provides a service to the Department and to the general public.

- (1) Financial Unit.
 - (a) Financial reporting unit
 - (1) This section is responsible for:
 - (a) maintaining the Departments accounting system.
 - (b) producing federal expenditure reports.
 - (c) producing financial reports.
 - (b) Accounts receivable section
 - (1) This section is responsible for:
 - (a) billing all persons that owe the Department money for any work performed or licenses issued.
 - (b) maintaining records of all accounts receivable transactions.
 - (c) pursing collection of aged accounts receivable.

- (c) Accounts payable section
 - (1) This section is responsible for:
 - (a) paying all of the bills of the Department.
 - (b) maintaining control of contracts and payments on contracts.
 - (c) maintaining accounting records of all payment transactions.
- (d) Cash Receipts section
 - (1) This section is responsible for:
 - (a) the receipt and deposit of all cash received by the Department.
 - (b) maintaining records of all cash receipts.
- (e) Purchasing and receiving section
 - (1) This section is responsible for:
 - (a) procuring all supplies, equipment and services needed by the Department.
 - (b) documenting receipt of all supplies and equipment received by the Department.
 - (c) maintaining records of purchase transactions.
- (f) Mail section
 - (1) This section is responsible for:
 - (a) processing all outgoing mail and freight to assure the proper rates and the least expense method of delivery is used.
 - (b) processing and delivery of all incoming mail, freight, and supplies.
 - (c) accounting for the cost of all outgoing mail and freight.
- (g) Audit section
 - (1) This unit is responsible for:
 - (a) establishing a system to assure that all required audits are received.
 - (b) reviewing audits received from subcontractors to assure that the audits meet all requirements.
 - (c) initiating action to recover funds if an audit shows that funds were spent in error.

(2) Word Processing Unit.

- (1) This unit is responsible for:
 - (a) assisting the agency's operating units to produce large volume documents:
 - (b) assisting operating units with daily output if the units cannot keep pace with the workload.

(3) Data Processing Unit.

(1) This unit is responsible for:

- (a) coordinating agency data processing.
- (b) reviewing requests for new equipment and software.
- (c) writing computer programs.
- (d) trouble shooting problems that other units have with their computers or programs.
- (e) operating the Departments data processing network.

(4) Film Library.

(1) This unit is responsible for:

- (a) scheduling films for use by Department personnel and by other health professionals.
- (b) maintaining the Departmental film library and equipment.

PERFORMANCE INDICATORS

	FY87	FY88	PROJ. FY89	PROJ. FY90	PROJ. FY91
CLAIMS PAID	8,348	8,472	11,024	14,344	14,559
NO WARRANT TRANSFERS	500	630	794	1,000	1,015
ACCOUNTS RECEIVABLE	4,209	4,571	4,964	5,391	5,472
CASH RECEIPTS	27,458	28,074	28,704	29,348	29,788
ENCUMBRANCE ESTIMATES	459	566	698	861	874
JOURNAL VOUCHERS	900	926	953	980	995
PURCHASING (APO'S)	1,524	1,983	2,580	3,357	3,408
PURCHASING (PO'S)	64	35	64	65	66
PRINTING	1,031	926	832	747	758
BIDS	27	58	125	268	272
PRINTING (PO'S)	30	24	28	32	32
CENTRAL STORES ORDERS	300	422	594	835	848
OTHER PURCHASE TRANS.	290	294	299	303	308
WORD PROCESSING LINES	1,702,253	1,794,077	1,890,854	1,992,852	2,022,745
CONTRACTS	344	475	656	906	980
FILMS SCHEDULED	3,298	2,956	3,000	3,045	3,055

FISCAL YEAR 1988 & 1989 BUDGET AMENDMENTS

NUMBER	PROGRAM	FTE	DOLLARS	PURPOSE
88-16	08	1.00	103,318	AIDS
88-18	03		5,000	BLM AGREEMENT
88-19	05	0.25	15,000	MINING PERMIT ENFORCEMENT
88-20	05	2.00	100,000	NPS MANAGEMENT PROGRAM
88-26	08		30,000	AZT
88-29	04	0.76	100,000	LUST TRUST
88-30	05		77,000	GOLDEN MAPLE MINING
88-31	03		77,000	PM 10 FLATHEAD
88-32	08		6,150	BEHAVIORAL RISK
88-34	05		100,000	CLARK FORK ALGAE STUDY
88-37	04		127,000	LIVINGSTON GAS SPILL
88-43	07	1.07	63,912	CHILDREN HLTH CARE NEEDS
88-44	07		121,634	FAM PLAN SPEC INITIATIVE
88-45	08	0.50	70,972	AIDS CTS
88-47	07		5,000	OBSTETRICAL CONFERENCE
88-48	03		20,873	AIR QUALITY PM10
88-49	05		29,468	CABIN CREEK IJC
88-50	03		99,750	ASBESTOS INSPECTIONS
88-51	02	0.46	34,291	CHLAMYDIA TESTING
88-52	02	0.38	42,201	INDIRECTS
88-53	08	0.68	50,000	TOBACCO STUDY
88-54	05		189,761	SAFE DRINKING WATER
88-56	02	0.76	24,380	RECORDS/STATISTICS
88-57	05		72,725	ADVANCE OF ALLOWANCE
88-58	08	3.34	328,776	AIDS
88-59	03		16,146	AIR QUAL PM 10
88-60	04	4.41	450,000	LUST TRUST
88-61	05		38,803	GROUND WATER (106)
88-63	01		300,000	REMEDIAL ACTION
88-72	04		10,787	SUPERFUND CORE MATCH
88-74	02	1.00	26,148	CENTRALIZED SERVICES
88-76	07		367,487	CHILD NUTRITION
88-78	05	1.13	25,000	MINING PERMITTEE ENFORCEMENT
88-84	05		15,000	CUT BANK
89-02	05		30,000	CLARK FORK
89-03	02	1.00	35,290	CHLAMYDIA TESTING
89-05	05	2.00	112,750	NPS MANAGEMENT PGM
89-10	07		35,203	MCH BLOCK
89-16	07	0.75	47,586	CHLD SPEC HLTH NEEDS
89-17	08		3,594	BEHAVIORAL RISK
89-18	08	1.50	92,097	CHRONIC DISEASE
89-19	02	0.76	22,484	CSD STAFF INDIRECT
89-20	07		26,269	FAM PLANNING
89-21	08		25,000	LOW BIRTHWEIGHT
89-22	07	1.13	37,593	MCH STAFF DEVELOPMENT
89-23	08		12,258	STD
89-24	08	3.50	305,818	AIDS GRANT
89-25	02	0.50	12,823	CENTER HLTH STATISTICS
89-27	05		104,746	DRINKING WATER
89-28	01	0.38	13,532	PERSONNEL INDIRECTS

89-28	01	0.38	13,532	PERSONNEL INDIRECTS
89-29	04		83,676	HAZARDOUS WASTE
89-30	04		50,700	UST
89-31	03		29,951	AIR QUALITY PM10
89-32	05		98,000	ADVANCE OF ALLOWANCE
89-36	01		125,000	BN LIVINGSTON
89-50	07		813,234	CHILD NUTRITION
89-51	07		660,786	WIC
89-52	04		200,000	DOD CLEAN UP
89-54	03		95,511	AIR QUALITY
89-55	04		9,421	UST
89-56	04		500,000	LUST
89-57	05		156,878	WQ 106
89-58	07		472,394	MCH BLOCK
89-64	08	-0.50	(65,691)	AIDS GRANT REDUCTION(89-24)
89-65	08	0.2		

EXHIBIT 7
DATE 7/1/89
HB Sen Sub-Com

BUREAU OF RECORDS AND STATISTICS

Testimony for the Joint Appropriations Subcommittee FY 90 and FY 91 Budget

OVERVIEW

The Bureau of Records and Statistics has responsibility for: (1) the operation on Montana's Vital Statistics System; (2) the administration of the department's responsibilities under the Abortion Control Act; and (3) the operation of the state's central tumor registry under the Tumor Registry Act. Taken together, these responsibilities involve the collection, preservation and use of information concerning births, deaths, fetal deaths, marriages, divorces, adoptions, induced abortions, diagnosed malignant tumors and treatment provided cancer patients.

The collection of this information involves: (a) the design, printing, stocking and distribution of birth certificates, death certificates, fetal death certificates, reports of marriage, reports of divorce, adoption certificates, reports of induced abortion and abstracts of cancer patients' medical records; (b) the training and monitoring of persons who must complete these forms - hospital staff, physicians, coroners, attorneys, Clerks of Court, lay midwives and funeral directors; and (c) data reduction, data entry and computer system maintenance for each of these types of documents.

The preservation of this information involves: (a) the physical filing (storage) of birth, death and fetal death certificates and the sealed files for adoption and legitimation - these records are physically maintained forever; (b) the microfilming of all records of all types; and (c) the creation, protection and maintenance of magnetic files of all records of all types.

The use of this information involves: (a) the legal corrections (amendments) applied to birth, death and fetal death certificates; (b) the follow-up and updating of records of cancer patients; (c) the preparation of statistical reports on demand of data in all of these files; (d) the production and distribution of annual statistical reports on all of these files; the searching of files and the issuance of certified copies of birth, death and fetal death certificates; and (e) the creation of magnetic statistical files from all of these records for various federal state agencies, for components of the Montana University System, and for medical/epidemiological research facilities throughout the United States.

A major facet of the Montana Vital Statistics System is the registration of births, deaths and fetal deaths. This involves the direct supervision of 58 local registrars in the state; direct supervision of 56 Clerks and Recorders in Montana; the training of 300-400 physicians and coroners in techniques of cause-of-death certification; coordination/cooperation with the U.S. Passport Agency, the Social Security Administration and the U.S. Immigration Service to control fraudulent access to social welfare systems, American passports and American citizenship; and enforcement of Montana law designed to protect the privacy of Montana's citizens.

BUREAU OF RECORDS AND STATISTICS

Statistical summary of bureau records management and services provided.

Certificates physically maintained (indexed, protected and accessed):

Births (1910-1988)	991,000	
Deaths (1910-1988)	475,000	
Fetal Deaths (1910-1988)	13,000	
Sealed Files (1964-1988)	30,000	
TOTAL	1,509,000	(growth rate: 19,200/year)

Microfilmed records maintained (indexed, protected and accessed):

Certificates from above	1,509,000	
Marriages (1944-1988)	314,000	
Divorces (1944-1988)	137,000	
Induced abortions (1974-1988)	45,000	
Cancer patients (1979-1988)	25,000	
TOTAL	2,030,000	(approximately 1,800,000 of these are in magnetic form on computers.)

Services provided to the public from these records in 1988:

22,313 pieces of mail requesting access to the records. All of this was answered.

17,485 telephone calls regarding access.

4,000 counter-service customers were provided copies of certificates.

17,000 physical accesses to the files for searches. This is performed by staff.

Performed 1,307 corrections and amendments to certificates at no charge to the public.

Compiled, printed and distributed 700 annual statistical reports.

Supplied counties with 82,000 blank certificates and report forms.

Collected \$92,000 in fees for certified copies of certificates.

Received over \$100,000 in contractual payments for statistical data from the federal government.

Staffing:

The bureau has 15.0 Current Level FTEs and 1.0 Modified Level FTEs.

BUREAU OF RECORDS AND STATISTICS

FY 90-91 BUDGET

1. For this discussion of the bureau's budget, I refer the committee to pages 148-149 of the Executive Budget, which provides a brief description of the Bureau of Records and Statistics and the executive budget for the bureau.
2. The \$9,731 difference between the executive budget and the LFA recommendation in Contracted Services represents monies to be used to print and distribute a two-year supply of vital statistics forms that are used by the counties to meet their statutory reporting requirements to the department.

These forms are blank certificates of Live Birth, Death and Fetal Death as well as reports of marriage, divorce, induced abortion, and adoption. The bureau typically must print and distribute approximately 82,000 forms per year. This is usually done in the first fiscal year of each biennium. The Vital Statistics System of Montana cannot operate without these documents.

3. The \$1,000 difference between the executive budget and the LFA recommendation in Travel represents monies to be used for the vital statistics director to attend a contractually-mandated evaluation and planning meeting with the Centers for Disease Control yearly.

The bureau is contracted with the Centers for Disease Control to provide vital statistics data to the federal vital statistics system. This contractual arrangement with the federal government provides in excess of \$100,000 per year to the state of Montana. The continuation of this contract is contingent upon the bureau's meeting all requirements of the contract, including the mandatory evaluation and planning meeting.

4. The executive budget requests 1 modified for the bureau.

This modified request is due to an increase in the amount of vital statistics data requested by the Centers for Disease Control, which in turn resulted in an increase in the contract amount paid to the state. In order to meet these new contractual requirements, the bureau requires an additional 1.0 FTE for the increased data processing work and some enhancements in data processing equipment. Also, the bureau must conduct additional training of local data providers and update instructional manuals for the vital statistics system.

1 House BILL NO. 296
2 INTRODUCED BY David M. Husted
3

4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING MONEY TO
5 THE DEVELOPMENTAL DISABILITIES DIVISION OF THE DEPARTMENT OF
6 SOCIAL REHABILITATION SERVICES TO INCREASE SALARIES OF
7 DIRECT SERVICE STAFF IN THE COMMUNITY-BASED DEVELOPMENTAL
8 DISABILITIES PROGRAM; AND PROVIDING AN EFFECTIVE DATE."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 NEW SECTION. **Section 1.** Appropriation. The following
12 amounts are appropriated from the general fund to the
13 developmental disabilities division of the department of
14 social and rehabilitation services to increase salaries of
15 direct service staff in the community-based developmental
16 disabilities program to the minimum entry level for
17 comparable state positions:

18	Fiscal year 1990	\$2,490,975
19	Fiscal year 1991	\$2,540,795

20 NEW SECTION. **Section 2.** Effective date. [This act] is
21 effective July 1, 1989.

-End-

EXHIBIT 8
DATE 2-1-89
HB _____

INTRODUCED BILL
HB 296



TESTIMONY ON THE
CHEMISTRY LABORATORY BUREAU
BEFORE THE JOINT APPROPRIATIONS SUBCOMMITTEE
FEBRUARY, 1989

~~Madam~~ Chairperson and members of the Committee, I am John Hawthorne, Chief of the Chemistry Laboratory Bureau in the Department of Health and Environmental Sciences.

The first chemistry laboratory in the Department of Health was an industrial hygiene lab for the collection and analysis of workplace related samples, mostly from Montana's mineral industry. The scope of its functions has expanded to meet the needs of the state and the passage of environmental laws has broadened that scope considerably. Indeed, environmental analytical chemistry is blossoming with no sign of wilting. The Chemistry Laboratory analyzes a wide variety of materials including water, air, hazardous wastes, food stuffs, and body fluids for an ever widening variety of contaminants. These contaminants include metals such as lead and arsenic, minerals such as nitrate, fluoride and sulfate, and organic compounds such as the pesticide endrin and benzene, a constituent of gasoline. The demand for organic analyses, in particular, has skyrocketed. At the beginning of this decade, we were testing for less than a dozen organic compounds; today there are literally hundreds of compounds of interest. To accomplish our analytical task, we rely heavily on modern instrumental techniques. In 1976, our laboratory performed 2,800 tests per FTE. In 1988, the number of tests per FTE had risen to 4,800, an increase of over 70 percent. There are many reasons for this increase in productivity, but by far the most important has been the recent advance in automated instrumentation.

The only differences between the LFA and OBPP current level budgets are in the areas of vacancy savings and indirect costs. Those two offices are working out those differences.

The Chemistry Laboratory does have one modified budget request entitled Safe Drinking Water Act Amendments. Changes in the Safe Drinking Water Act mandate additional testing of organic compounds. This increase as well as additional samples from sources such as the Underground Storage Tank program will greatly increase the demand for organic analyses. As the demand for these tests has changed, so too has the methodology. Gas chromatography (GC) has been a proven method of analysis for years. It separates mixtures of compounds so that they can be detected and measured one by one. GC works well when a few compounds are sought but becomes unreliable when many compounds are involved. Mass Spectrometry is a technique that identifies organic compounds and measures their concentration. The interfacing or combination of these techniques, commonly called GC/MS, allows analysts to measure and identify a great number of compounds in a particular sample. These instruments are computer controlled for demanding, productive analyses. As productive and useful as GC/MS is, however, it is still a sophisticated technique that requires constant attention. For this reason and because sample load for these analyses is expected to be high, an additional FTE is needed. 1200 to 2000 samples are expected over the biennium at a cost of 150 to 500 dollars per sample. Funds for this program will be fee funds. However, a general fund start-up loan is requested. The general fund loan will be paid back within the biennium.

CHEMISTRY LABORATORY SUMMARIES AND PROJECTIONS
BY FISCAL YEAR

	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>(FY 1989)</u>	<u>(FY 1990)</u>
Inorganic tests	27,204	22,976	24,536	25,000	25,000
Organic tests	537	757	4,735	5,000	25,000
Total tests	27,741	23,733	29,271	30,000	50,000

CHEMISTRY LABORATORY SUMMARIES AND PROJECTIONS
BY FISCAL YEAR

	<u>(FY 1991)</u>
Inorganic tests	25,000
Organic tests	50,000
Total tests	75,000

A SPECIAL REPORT TO THE 1989 MONTANA LEGISLATURE

January 1989

AN IMMINENT CRISIS:

**The Status of Salaries for Direct-Care Staff
in Montana Nonprofit Corporations Serving
People with Developmental Disabilities**

EXHIBIT 10
DATE 2/1/89
HB Bismarck State Sub Com

In 1972, the Montana Legislature invested a tremendous effort to deinstitutionalize Montana citizens with developmental disabilities. In support of this challenge, communities in every corner of the state established nonprofit corporations to provide services to people so as to assure their community integration, normalized lifestyle, and maximal independent functioning. Today, approximately 46 such corporations, through contracts with the Montana Department of Social and Rehabilitation Services, serve approximately 2400 individuals at a cost of \$19,396,255.00 annually. These costs compare with cost of Montana Developmental Center serving 190 at \$11,842,820.00 per year in Montana.

Although the superior cost-effectiveness of community-based services over institutional cost-effects are reflective of national comparisons, the differences are, in part dangerously artificial. The significantly reduced costs are made possible only through grossly inadequate salaries paid to corporation staff--salaries that have fallen further and further behind.

A formal study has recently been completed examining this very serious problem. The study was jointly conducted by the Montana Association of Independent Disabilities Services (M.A.I.D.S. -- the state-wide provider organization) and the Developmental Disabilities Division of S.R.S., and was funded by the Montana State Developmental Disabilities Planning and Advisory Council.

The study, completed over a ten-month period, was conducted in two phases and was administered by a nine-member steering committee comprised of representatives of both M.A.I.D.S. and D.D.D.. Phase I, implemented with rigorous technical assistance from the Montana Department of Administration (D.Ad.), consisted of a comprehensive cross-referencing of all job descriptions for direct-care staff from nonprofit corporations, and further cross-referenced with those of state institution staff. Further, on-site audits were conducted for 25% of all corporations to verify the accuracy of a representative sample of all job descriptions. These audits were also conducted by D.Ad. personnel. Phase I yielded a seven-position continuum of job classifications reflecting differences in responsibilities. This classification allowed for direct comparisons with state institution staff.

Phase II was a survey completed with all Montana D.D. Providers Nonprofit Corporations. The survey was constructed, distributed, collected, analyzed, and summarized by Arthur Young Human Resources Consulting Group, a professional research firm from Minneapolis, Minnesota. The survey required that each participant corporation reveal comprehensive information about general compensation (e.g., existence of pay scales, pay raises and incentive for inflation, merit training, and longevity, etc.), as well as salary data specific to each job classification in the continuum (i.e., hourly wage paid for each employee within the classification). These data were then directly compared, classification-by-classification, with comparable positions in state institutions.

The primary results of the study show an average 46% gap between what direct-care staff from Montana D.D. nonprofit corporations are paid (for the same duties) compared with their counterparts in state institutions. (See attached graph displaying these differences across all seven classifications.) This astounding difference underscores the urgency of the situation. The integrity of Montana's commitment -- and the very services themselves -- are in very real jeopardy. Unless the Montana Legislature can increase contract rates to enable and insure substantial salary increases to staff, Montana will be unable in the very near future to maintain its constitutional commitment to community-based services.

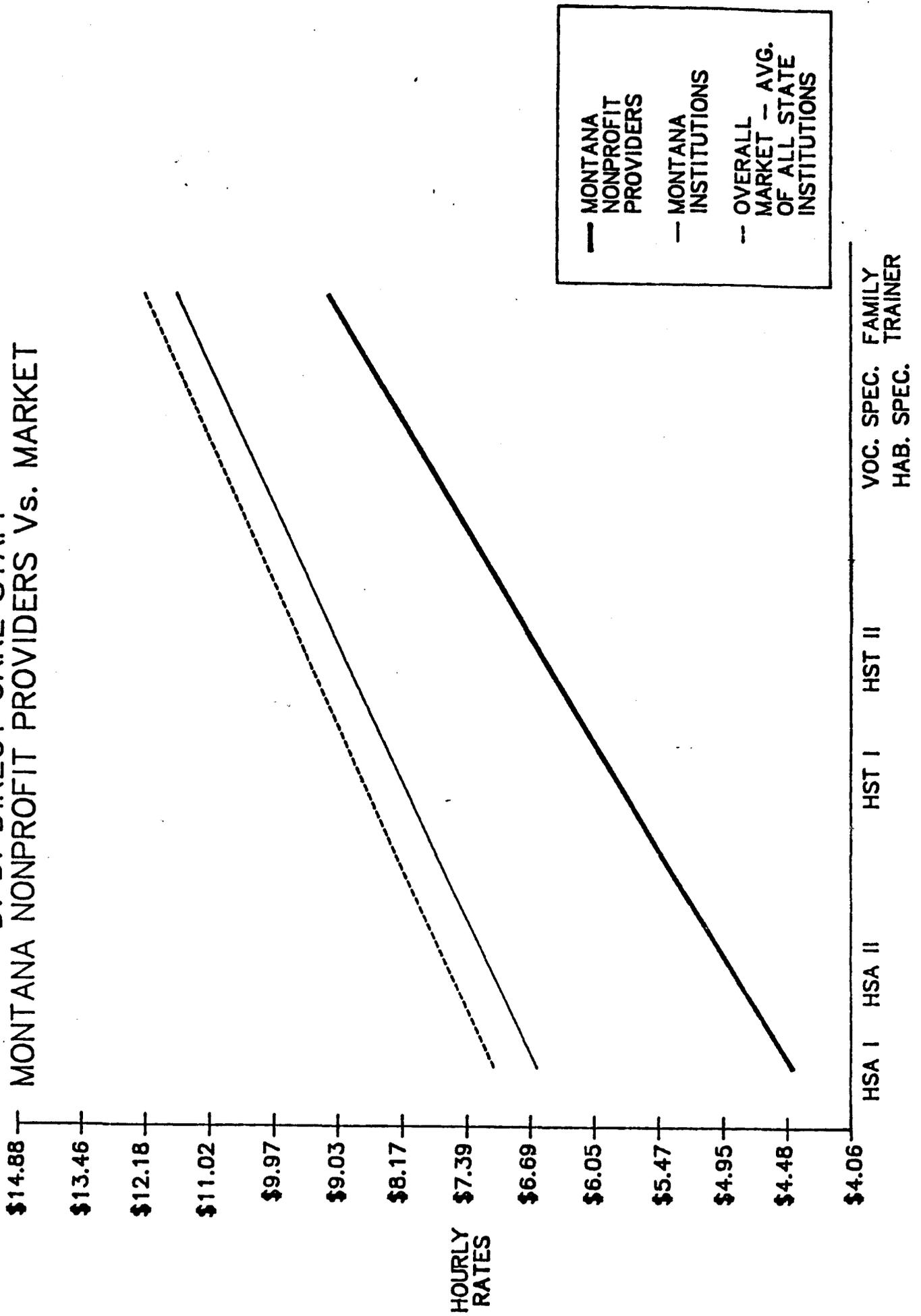
The attached table displays the increased costs necessary to bring direct-care staff from Montana D.D. Nonprofit Corporation, relative to state institution staff, to: (1) minimum, entry-level salaries; (2) midway between minimum and average salaries; (3) average salaries; and (4) maximum salaries.

MONTANA ASSOCIATION OF INDEPENDENT DISABILITIES SERVICES AND DEVELOPMENTAL DISABILITIES DIVISION
 DIRECT-CARE STAFF SALARIES AND BENEFITS STUDY
 DECEMBER 1988
 INCREASES NEEDED TO RAISE ANNUAL SALARIES RELATIVE TO MONTANA STATE-INSTITUTIONS SALARIES
 FOR COMPARABLE POSITIONS

Job Title	To State Minimum Entry Levels	Midway Between State Minimum & Average Salaries	To State Average Salaries	To State Maximum Salaries
Family Trainer	\$ 92,079	\$ 226,909	\$ 361,750	\$ 409,971
Vocational Specialist	152,929	223,512	293,506	369,971
Habilitation Specialist	278,742	482,700	684,958	905,912
Hab. Services Technician II	290,658	542,795	791,430	1,040,065
Hab. Services Technician I	456,681	759,887	1,063,093	1,426,192
Hab. Services Aide II	604,124	743,884	879,136	1,695,155
Hab. Services Aide I	319,478	372,372	423,150	801,870
TOTALS	2,194,692	3,352,059	4,497,024	6,649,135
Mandated Benefits (8.7%)	190,938	291,629	391,241	578,475
Other Benefits (4.8%)	105,345	105,345	105,345	105,345
TOTAL	2,490,975	3,749,033	4,993,610	7,332,955
% Salary Increase	22%	34%	46%	67%

NOTES: Mandated Benefits include FICA, Worker's Compensation, and Unemployment Insurance.
 Other benefits include items such as health insurance.

D. D. DIRECT CARE STAFF MONTANA NONPROFIT PROVIDERS Vs. MARKET



264

NAME Cris Volinkaty BILL NO. 296
ADDRESS 485 Park DATE 2/1/89
WHOM DO YOU REPRESENT? MAIDS, PARENTS, DIRECT SERVICE STAFF
SUPPORT OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: Tax-ME!

1. DD Conference - Direct Care - no management
2. More money - Not MProf., Judges, State Employees
 - * Our situation is worse
 - Top priority for providers
 - 2nd priority for Parents behind full funding of Spec. Ed.
3. The bill is 1/2 of average
1/2 sufficient as incentive & good faith
4. In 1972 Crisis at Boulder - salary & working conditions bad
 - * Institutions - present Crisis of de-certification "Why didn't you tell us?"
 - ↓ This started Community based programs
 - * Primarily started w/ kids from the 60's that were looking for social value of work.
 - * We set up a model program
5. We recruit teachers
 - * In adult services
 - certified teacher - single mom w/ 3 kids
 - qualified for food stamps - reduced price school lunch
6. A skilled job - yrs to develop skills
 - * get people up to speed & then they leave
 - * People who could be career professionals have no incentive
7. Beginning nurse 11.25 hr - same background & human service
8. If teacher 6thous more for 9mo
 - * No step increases
9. Merit increase - tops
10. That Blind Mtn View increased last sessio.
11. High support for living wage

PUBLIC HEALTH LABORATORY
FEBRUARY 1, 1989

EXHIBIT 12

DATE 2/1/89

Hansen Dev Sub Comm

My name is Dr. Douglas Abbott, Chief of the Public Health Laboratory, Department of Health and Environmental Sciences.

The Public Health Laboratory has been providing scientific services in support of national and state disease prevention and control programs since 1917. The laboratory has been providing these services under a variety of organization names including for several years the Microbiology Bureau which is what the present budget document still calls it.

Programs in the Public Health Laboratory involve a number of disease prevention activities. We provide disease and disease risk surveillance for local, state and federal agencies through clinical, environmental, and reference laboratory testing. We also conduct epidemiological testing and outbreak investigation to control communicable diseases. We also test every newborn child in the state for metabolic diseases including galactosemia, phenylketonuria, and congenital hypothyroidism. Along with the direct scientific services we also provide consultation and training programs, as well as laboratory approval, certification, and registration programs.

Our proposed budget for this coming biennium includes several modification requests. Overall the purpose of these requests is to allow the department to update and improve laboratory capabilities in response to rapidly changing demands on our services. All of the costs associated with these modification requests would be funded with fee funds. Specifically these requests are for the following.

Updating and improving the laboratory capabilities for several high impact disease problems. In particular to improve Herpes screening in high risk patients during pregnancy to prevent infections in neonates. Funding for communications and data support associated with AIDS testing programs. Updating Mycoplasma and Ureaplasma diagnostic procedures to minimize these infections in high risk newborns. Modernizing procedures in vector borne diseases to allow more rapid response to outbreaks of tick and mosquito borne diseases. Providing immunity status testing for immunizable diseases to better support the Department's Immunizable Disease Control Program. Improving the diagnosis of tuberculosis and related diseases in response to the problems associated with the AIDS epidemic. Equipment is also requested for the adoption of DNA probe and HPLC technology to the diagnosis of tuberculosis. Providing modern diagnostic procedures for the diagnosis of streptococcal diseases to improve outbreak control.

The department is also asking to continue the Chlamydia screening

program in high risk patients. By continuing an aggressive diagnosis and control program we can minimize the increase in disease rates in adults and prevent the development of disease in newborns.

We have also asked for an increase in our spending authority for our water testing programs. The Environmental Protection Agency has proposed a variety of changes in testing procedures and protocols that could significantly increase our water testing load and supplies costs.

VISITORS' REGISTER

Human Services SUBCOMMITTEE

BILL NO. DHES Budget #B-100 DATE 2/1/89

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Doug Abbott	DHES	/	
John D. Hawthorne	DHES	✓	
Sam H. Sperry	DHES	/	
Ray Hoffman	DHES	/	
Karen Lenders MD	Memet		
Charles Stohl	Health	✓	
Bill Opitz	DHES	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.