

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION**

COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By CHAIRMAN BOB BACHINI, on March 20, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Bob Bachini, Chairman (D)
Sheila Rice, Vice-Chair (D)
Joe Barnett (R)
Steve Benedict (R)
Brent Cromley (D)
Tim Dowell (D)
Alvin Ellis, Jr. (R)
Stella Jean Hansen (D)
H.S. "Sonny" Hanson (R)
Tom Kilpatrick (D)
Dick Knox (R)
Don Larson (D)
Scott McCulloch (D)
Bob Pavlovich (D)
John Scott (D)
Don Stepler (D)
Rolph Tunby (R)
Norm Wallin (R)

Staff Present: Paul Verdon, Legislative Council
Jo Lahti, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

EXECUTIVE ACTION ON HB 989

Motion: REP. CROMLEY MOVED HB 989 DO PASS. REP. CROMLEY moved to amend HB 989 as presented with the bill.

Discussion:

REP. CROMLEY presented three amendments which were introduced with the bill. The amendment keeps the income to the General Fund constant with what it is now, based on average numbers of expected licensures.

Vote: Motion to amend passed unanimously. Rep. Larson absent.

Discussion:

REP. CROMLEY said based on the discussion yesterday, there was concern about the civil penalty and concern about a beer distributorship. Copies of the amendments were distributed to the committee. The proposed amendment would exclude wine, beer or soft drink warehouses, on the theory the containers are sealed and not the same as food being prepared for service. The second amendment strikes the part stating each day of violation would be a separate violation. The maximum civil penalty would then be \$500.

REP. PAVLOVICH intended to offer an amendment in that same category to change \$500 to \$100 per day.

REP. BACHINI explained the second amendment provided for one fine of \$500.

REP. SCOTT stated one Health Department violation is the temperature of hot water. The Department requires 140 degrees, and if the water heater heats only to 120 degrees, the fine is more than the cost of a water heater. Rep. Scott would like a warning such as "upon the third warning, there will be a fine" to give a person a chance to solve the problem.

REP. CROMLEY said warnings are given. Theoretically, it is a crime now. The civil penalty is less onerous.

REP. SCOTT asked Ms. Schwab about the second amendment relating to a \$500 fine. Would she object to "upon the third warning"?

Mitzi Schwab explained the court would be asked to assess a civil penalty if there has been an inspection and follow-up inspections in which the same violation has been cited over and over. The warnings have occurred previous to assessing a penalty. Before an action to file is taken, letters have been sent to the owner, with a ten day correction time allowed by the Administrative Rules.

REP. SCOTT asked if Ms. Schwab would object to something to the effect "upon failure to comply with written notice"?

Mitzi Schwab replied no. This is part of the judiciary system, so it would be separate from Administrative Rules. Mr. Selser can indicate how local health departments would apply this.

Will Selser said local departments do not levy the fine. The court does that. The "upon third warning" or "upon written notice" sections would be giving instructions to the court. A process is in place to inspect, reinspect, and work with the people in educational session, letters, and notices of violation before taking court action. The county attorney must allow a complaint to be signed. The dollar amount is not the effective tool. If a case has to go to the judicial system, the publicity

involved is the effective part.

REP. ELLIS is in favor of getting rid of the each day of the violation constitutes a separate violation. Is the \$500 is onerous enough? There is no fine until the case goes to court. A business has caused the system to go through the preparatory work and forced the county to use prosecutor time and go to court. The court action costs more than \$500. The whole system has been exhausted and the county is forced to go the additional step. The fine should be more, perhaps \$1,000.

REP. STELLA JEAN HANSEN said people from the committee say this is what is in the codes in other areas. It should be left the way it is.

REP. CROMLEY responded the civil penalty is only after a court process. Either civil or criminal penalty has to go to court to be collected. It is not automatically \$500, it is a maximum of \$500.

REP. BARNETT expressed concern yesterday for the beekeeping industry. Sponsor indicated willingness to work on amendments that would cover the problems. The beekeeping industry extracts honey July through September. The honey is then put in 55 gallon drums and stored in another part of the warehouse separate from the location of the extracting. None are open containers. The amendment does not exempt this type of warehouse. There is no way the food can be contaminated. The two required inspections a year would have to be between July and October to see how the food was handled. The bill does damage to the beekeeping industry as it currently is presented.

REP. TUNBY asked Ms. Schwab what the present law requires for penalties.

Mitzi Schwab said currently there is power of injunction and misdemeanor charges. The misdemeanor charges are for the first time offense of \$50 to \$100 per day, the second offense goes up slightly and the third offense can result in a jail term of 90 days. The penalties are criminal penalties. There are no civil penalties at this time.

REP. TUNBY said under present law, do some people pay and clear it up?

Mitzi Schwab can think of only three or four cases that have been filed in criminal court in the last two years. It was because the license fee was not paid. If the license fee is paid, there are no fines.

Will Selser said, from the counties perspective, this is a positive step to switch from a criminal to a civil penalty regardless of where the fee is set. When a party was taken to court, it was under criminal proceedings. The party did not want

to be label a criminal. If a civil penalty had been available, it would have been a much simpler process. That stage is not reached until an elaborate process of education, begging, demanding, etc., is completed.

REP. TUNBY referred to the amendment striking the penalty for each day. Is there a possibility that someone would just pay the fine and continue to go on with the same violation?

Will Selser said the value is publicity involved in a court proceeding. It is devastating for a business. The end stage is not used often, but it needs to be there. More than one day is not necessary. Multiple day fines have never been needed.

REP. KILPATRICK, going back to the first amendment about the wine, beer, soft drink, and taking the worst scenario that the cans and kegs are in a warehouse which is full of mice and pigeon droppings, but the containers are sealed. Is there a health problem? Do bartenders wash off the top of the can before it is served?

REP. PAVLOVICH said there is a concern. Things like that do happen.

REP. BACHINI said it is no different than a grocery store where you might find a food product which has been spilled.

REP. KILPATRICK said his concern is that the warehouses be checked once in awhile.

REP. PAVLOVICH stated delicatessens are not included.

REP. BENEDICT has not been in all warehouses, but he has been in several beer, wine and soft drink warehouses. Technology is to the point that large warehouses use shrink wrap on pallets and cases. Occasionally there might be a problem with damaged cans, but that would be the exception. The major concern is food preparation places.

REP. SCOTT asked if the two amendments could be separated.

REP. BACHINI replied with no objection, they could be separated.

REP. CROMLEY indicated it was fine with him.

REP. KILPATRICK asked if there is a temperature problem in pop and beer warehouses that has to be checked?

REP. LARSON stated that many manufacturers require beer to be refrigerated from the time it leaves the brewery.

REP. SCOTT said the cooling in a beer warehouse is to maintain the quality of the product. It will not poison a person if it is not kept cool.

Motion/Vote: REP. CROMLEY moved to amend HB 989 following outlets insert "but does not include a wine, beer or soft drink warehouse that is separate from facilities where bottling occurs", referred to as Amendment #1. Motion carried with Reps. Pavlovich, Kilpatrick, Scott, Larson, and McCulloch voting no.

Motion/Vote: REP. CROMLEY moved to amend HB 989 following \$500 strike "Each day of violation constitutes a separate violation", referred to as Amendment #2. Motion carried unanimously.

Motion: REP. PAVLOVICH moved to amend HB 989 on page 5, section 1, line 10, strike \$75 and insert \$50.

Discussion:

REP. PAVLOVICH stated the proposed increase is from \$30 to \$75 which is a 125 percent increase.

REP. STELLA JEAN HANSEN objects to the amendment. There is a law saying when a fee is set it has to cover costs. The testimony indicates the fees are far from covering the cost of inspections. Counties cannot hire people to do inspections if the expenses are not covered from the fees. There can be no additional local taxes under the constraints of I-105.

REP. ELLIS is against the amendment because it has been established inspections cost that much, perhaps even more. Tourism is becoming the number one industry in the state, and a bad experience in an eating establishment is devastating. Inspections protect the industry and the business.

REP. SCOTT spoke in favor of the amendment. A few years ago, fees proposed for attorneys practicing in the state were raised from \$5 to \$50, and there was a real rhubarb throughout the state. However, to do business, Rep. Scott has to pay \$2,200 in fees. The small operator suffers from the 125 percent increase.

REP. BARNETT spoke of inspectors being overworked with insufficient funding, proposing an increase to their workload. More and more work force can be created requiring more and more fees to fund the work force. He supports the amendment.

REP. KILPATRICK said the same thing reappears. Don't increase taxes. The fee is a tax paid by the little guy.

REP. BACHINI said that is one of the major complaints he hears from small business people is they are being nickeled and dimed to death.

REP. LARSON has 17 licenses to operate his business, a bar and restaurant, costing over \$2,700. He pays the same licenses the large establishment pays. Rep. Larson supports the amendment.

REP. STELLA JEAN HANSEN has served on the Board of Sanitarians

for a number of years, has attended environmental conferences in Bozeman, and has seen slide shows of what happens in establishments. One FTE is hired to inspect all the day care centers in Montana. The law says 15 percent must be inspected. Fees have to be prioritized. This is probably the most important fee you'll ever pay because this is the one that will protect your business from the devastation of salmonella and other things that can happen.

REP. BENEDICT does not think people representing industries during the hearing on this bill were concerned with the licenses as long as there was uniformity across the state.

REP. BACHINI said it was also stated that one person was speaking for a group representing a minority of the businesses.

Vote: Motion to amend the fees from \$75 to \$50 carried on roll call vote 11 to 5, with Reps. Benedict, Cromley, Hansen, Knox, and Tunby voting no. Reps. Stepler and Wallin absent.

Motion: **REP. PAVLOVICH** moved to amend HB 989 on page 8, line 5, under civil penalties, change \$500 to \$100.

Discussion:

REP. PAVLOVICH stated his concern was for small bars in isolated areas which have been in business for years. A \$500 fine for them is excessive.

REP. KILPATRICK said this fee is not just for this bill, the same amount is in the other bills and it is setting a precedence. The Health Department said they don't care if it is \$1 or \$100. Maybe it is a good idea to lower the fee.

REP. LARSON spoke against the amendment. Each day constitutes a second violation has been removed. The penalty is not to exceed \$500. The Health Department does need some kind of threat and this is a deterrent.

Vote: Motion to amend \$500 to \$100 failed on roll call vote 5 to 11, with Reps. Hanson, Kilpatrick, McCulloch, Pavlovich, and Scott voting aye.

Motion: **REP. LARSON** moved to amend HB 989, section 1, page 4, line 4, add a new 8, "charitable food service establishment means a church, school, senior citizen center, nonprofit service organization, fraternal organization, or organization not operated primarily for profit", renumbering the subsequent sections.

Discussion:

REP. LARSON said there was confusion when the bill was introduced whether it was to raise money for the sanitarian or if it was

really to help food services pass inspection. If food service establishments are to be inspected, let's get them all. This will expand the number of establishments to be licensed, it will make more money for the sanitarians, and everyone will be on a level playing field.

Paul Verdon is the bill being amended to refer to charitable food service establishments? What provisions of the bill should apply to the charitable food service?

REP. LARSON stated all the provisions of the bill should apply to these organizations.

Paul Verdon said **REP. LARSON** wants to amend subsection 7 defining food service establishments to include charitable food service establishments. A new subsection is not needed. Defining charitable food service establishments does nothing unless they are included in the bill.

REP. BENEDICT said on page 4, line 23, nonprofit organization is defined as any organization qualifying as a tax exempt. Somewhere there should be reference to nonprofit corporations.

Paul Verdon said the section being amended is the definition section for the whole chapter, so the nonprofit organization appears somewhere else in the chapter.

REP. HANSON pointed out this is a far reaching item to be included without giving those groups an opportunity to object or explain it. There should be notification to those affected.

REP. ELLIS said how do you protect safety unless you cover it all, but it is a large can of worms and the committee is poorly equipped to deal with the issue.

REP. TUNBY said it was his understanding that these organizations are inspected, but are not charged a fee. Rep. Tunby opposes the amendment.

REP. BARNETT sees many doubts in this bill.

Motion/Vote: **REP. BARNETT MOVED HB 989 BE TABLED.** Motion failed on roll call vote 6 to 10, with Reps. Barnett, Larson, McCulloch, Pavlovich, Scott and Bachini voting aye.

REP. BACHINI said this is a good example of a bill coming in late before a committee with technical things that need to be changed.

Vote: Motion to amend HB 989 to include charitable organizations failed.

Motion: **REP. LARSON MADE A SUBSTITUTION MOTION THAT HB 989 DO NOT PASS.**

Discussion:

REP. LARSON stated the gentlemen were correct. If nonprofit organizations were included, they deserve a chance to be heard. A large block of food service organizations are not included, and should be included. Health concerns are no less for them than for businesses selling for profit. The sanitarians inspect the nonprofit at no cost and profit making businesses subsidize those organizations.

REP. STELLA JEAN HANSEN thinks the bill should be passed. This is not the first time the bill has been before the committee. It has been worked on a long time, and the system would be better if the bill passed.

REP. KILPATRICK agrees with Rep. Larson's statement. Let's keep the bill the way it is. If the bill is killed there is nothing. Two years down the road, the bill can be changed.

REP. BACHINI asked **Ms. Schwab** if none of the bills passed, would inspections be done as they always has been?

Mitzi Schwab said she believes there will be some local jurisdictions that will say they didn't get anything they needed. We will do our own program.

REP. BACHINI asked what is it they needed? The \$30? The \$75? The \$50?

Mitzi Schwab thought the \$75 was the minimum needed to do a good program.

REP. BACHINI said mainly we're talking about is the dollars. There will still be the law in tact.

Mitzi Schwab said the law is in tact, but at this time it is basically a cooperative agreement between the state and counties. What may happen is some counties may decide they don't want to do it any more and give the responsibility back to the state to come up with resources to do it.

REP. CROMLEY agrees with Rep. Larson's concept, but it is a more controversial and different issue. The procedure here is very important. The mechanism set up for inspections is extremely important to the restaurant industry.

REP. PAVLOVICH thinks the bill should be killed.

REP. BARNETT supports the do not pass motion. So many things in the bill need to be addressed, and there should be greater input from industries that are involved.

REP. BENEDICT asked **Ms. Schwab** if the bill has been damaged by bringing the fee down from \$75 to \$50 to the point it will not

get money back to the counties and doing the program.

Mitzi Schwab said it is questionable, but every attempt would be made to make it work. It is not what counties need, but better accountability and providing minimum services to all establishments across the states should be saved.

REP. ELLIS has expressed his belief that more work in the area of inspections is important and this bill will fund that. In regard to Rep. Barnett's concern, a lot of things are not addressed by current law and only the things changed with this law will be changed. It will not improve the situation to throw the bill out.

REP. TUNBY believes the bill is a step in the right direction. He is against the do not pass motion.

Vote: Motion that HB 989 do not pass failed 6 to 10 with Reps. Barnett, Larson, McCulloch, Pavlovich, Scott and Bachini voting aye.

Motion/Vote: **REP. CROMLEY MADE A SUBSTITUTE MOTION THAT HB 989 AS AMENDED DO PASS.** Motion carried by roll call vote 11 to 5 with Reps. Larson, McCulloch, Pavlovich, Scott and Bachini voting no.

EXECUTIVE ACTION ON HB 988

Motion: **REP. CROMLEY MOVED HB 988 DO PASS.** **REP. CROMLEY** moved to amend HB 988 as presented yesterday on allocation of fees, and to delete the daily violation and make the maximum civil penalty \$500.

Vote: Motion to amend HB 988 carried 10 to 6 with Reps. Knox, Cromley, Dowell, Ellis, Tunby and Hansen voting no.

Motion/Vote: **REP. PAVLOVICH MADE A SUBSTITUTION MOTION HB 988 AS AMENDED BE TABLED.** Motion failed by roll call vote 3 to 13 with Reps. Larson, Pavlovich and Bachini voting aye.

Motion/Vote: **REP. PAVLOVICH MOVED TO AMEND HB 988 ON PAGE 3, LINE 10, STRIKE \$50 AND INSERT \$40.** Motion carried 10 to 6 with Reps. Knox, Cromley, Dowell, Ellis, Tunby, and Hansen voting no.

Motion: **REP. CROMLEY MADE A SUBSTITUTION MOTION HB 988 AS AMENDED DO PASS.** Motion carried with Reps. Pavlovich, McCulloch, Larson and Bachini voting no.

EXECUTIVE ACTION ON HB 987

Motion: **REP. CROMLEY MOVED HB 987 DO PASS.** **REP. CROMLEY** moved to amend HB 987 on allocation of fees and to delete bed and breakfasts, and to delete the daily violation.

Vote: Motion to amend passed unanimously.

Motion: REP. PAVLOVICH moved to amend HB 987 on page 6, line 16, strike \$50 and insert \$40.

Discussion:

REP. CROMLEY spoke against the amendment. Restaurants and this group were the same before, both \$30. Restaurants have increased to \$50. This group should also be increased to \$50.

Vote: Motion to amend HB 987 from \$50 to \$40 passed 9 to 8, with Reps. Knox, Benedict, Cromley, Dowell, Ellis, Tunby, Wallin and Hansen voting no.

Motion/Vote: REP. CROMLEY MADE A SUBSTITUTE MOTION THAT HB 987 AS AMENDED DO PASS. Motion carried 13 to 4 with Reps. Larson, McCulloch, Pavlovich and Bachini voting no.

EXECUTIVE MEETING

Motion: REP. SCOTT MOVED TO REQUEST A COMMITTEE BILL DRAFT TO ASSESS A FEE ON VIDEO GAMES.

Discussion:

REP. SCOTT stated the function of the fee would be to fund SB 37 regarding juvenile detention and treatment centers.

REPS. PAVLOVICH, LARSON and BACHINI supported the motion.

REP. BENEDICT said we are voting on the concept of getting the bill out of draft stage and on the table.

REP. BACHINI replied this is a request to draft a bill, then the hearing will be held on the bill.

Paul Verdon said there will be two more chances at the bill. It will come to the committee for approval to be introduced, then after that it will be referred to a hearing.

Vote: Motion to request a bill be drafted failed 10 to 5, with Reps. Barnett, Ellis, Hanson, Knox and Wallin voting no. (Committee bill requests must have 2/3 vote of the full committee.)

REP. SCOTT said talk about the fee amount is premature. The bill has not been drafted. The motion requested permission to do that. After the bill was drafted, the committee could go over it.

REP. ELLIS said leadership has already asked to suspend the rules in order to handle all the legislation already before us. There is a tremendous amount of legislation and in some cases it is discussed at length. Totally new legislation for the committee when it is nearly done with the legislative session is too late and poorly conceived.

REP. SONNY HANSON said he knew what he was voting for when he voted against it. This proposal is tax money for the General Fund for redistribution and is not to establish taxes for inspection and operation of the systems. They are entirely different, and the fact that rates were raised on the others is comparable.

EXECUTIVE ACTION ON SB 394

Motion: REP. PAVLOVICH MOVED SB 394 BE CONCURRED IN. REP. PAVLOVICH moved to amend SB 394. EXHIBIT 1.

Discussion:

Pat Melby said these amendments were drafted after working with Blue Cross/Blue Shield, the Health Insurance Association of America, and other providers to make the bill acceptable to everyone. No one is real happy with it, so it must be a good compromise. The first amendment was requested by Mr. Hopgood of the HIAA to insure this bill did not cover routine claims administration. Amendments 2 through 9 were to make clear utilization review of health care services by an insurance company did not always have to be performed by a physician. The bill as it reads now would require a physician to review everything. This encourages the use of a health practitioner trained in the particular area. Numbers 10 and 11 have to do with the time frames for an appeal by a patient who has had an initial denial. Right now the patient has 30 days, this would give them at least 30 days. Number 11, extends the time for an insurance company to make a decision after medical records are received from 30 to 60 days.

REP. BACHINI has notations on Amendment #4 and #7 that Mr. Hartman opposes the amendments.

Dave Hartman, subsequent to the hearing on Friday, has been able to confer with legal representatives for private firms operating nationwide to provide utilization review services. They said they could comply with SB 394, as amended in the Draft #4, March 14 document, with the possible exceptions of the more exotic practices in Montana including naturopathic treatment and acupuncture. Mr. Hartman withdrew the objections raised on Friday on these proposed amendments and SB 394 as amended.

REP. PAVLOVICH stated item # 13 of EXHIBIT 1 was proposed by the Montana Dental Association with the concurrence Pat Melby.

Discussion:

Roger Tippy stated the proponents did not intend the bill to cover the peer review. If someone has a problem with the procedure of a dentist and a complaint is filed, mediation procedure is the first step. Common sense judgments are applied, involving all parties. Blue Cross/Blue Shield or other third

parties can ask the dental association to set up mediators for a peer review. Wording in the early part of the bill was very broad and proponents agreed to an amendment remove that as it creates a formal structure rather than mediation in a hometown.

Pat Melby said Mr. Tippy is correct, this bill was not intended to include the process of peer review, which is different than the peer review of utilization review. Dentists are not exempt from utilization review, only the peer review which is a different process.

Vote: Motion to amend carried unanimously.

Motion: REP. PAVLOVICH MADE A SUBSTITUTION MOTION SB 394 AS AMENDED BE CONCURRED IN.

Discussion:

REP. CROMLEY has concern if a patient himself wishes to review the medical services being provided, he may be prevented from doing so.

Pat Melby said this bill applies to the review of a health care service provided by a health care provider by an insurance company who has the contract to pay for the health care service if the service is medically necessary. The process involves sending initial health care service records to the utilization reviewer, usually a contractor of the insurance company, to make a determination whether the service is necessary, and tell the patient if the insurance will not pay for it. Page 4, lines 9 through 15, says the review will be utilized directly or indirectly in order to determine whether the health care services will be paid, covered or provided. It does not cover the instance where a patient has gone for a second opinion.

REP. TUNBY said apparently there is no one here from SRS concerned about the two amendments.

REP. BACHINI said the amendments SRS submitted have not been addressed.

Pat Melby indicated there were two sets of amendments. The first would exempt medicaid from utilization review. The second was proposed in the event medicaid was not exempt, to clarify the same things clarified in the proposed amendments. Mr. Melby met with Nancy Ellery at SRS on the amendments. Ms. Ellery said SRS would like to be excluded from the bill, but they could live with it with amendments.

REP. BENEDICT said previously when someone is not here to propose or support their amendments, the committee let the amendments go by the wayside. If it had been important to SRS, they would have been here.

Vote: Motion that SB 394 as amended be concurred in carried unanimously.

ADJOURNMENT

Adjournment: 10:20 A.M.



BOB BACHINI, Chair



JO LAHTI, Secretary

BB/jl

2:30
3-20-91
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HOUSE STANDING COMMITTEE REPORT

March 20, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 989 (first reading copy -- white) do pass as amended .

Signed: Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

- 1. Title, line 9.
Following: "OF"
Insert: "A PORTION OF"
- 2. Page 4, line 13.
Following: "outlets"
Insert: ", but does not include a wine, beer, or soft drink warehouse that is separate from facilities where brewing occurs"
- 3. Page 5, line 10.
Strike: "\$75"
Insert: "\$50"
- 4. Page 5, line 13.
Strike: ". The balance"
Insert: ", 6% of the fees into the general fund, and 9%"
- 5. Page 5, lines 13 and 14.
Strike: "must be deposited in"
Insert: "into"
- 6. Page 8, lines 5 and 6.
Strike: "Each day of violation constitutes a separate violation."

2.20
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HOUSE STANDING COMMITTEE REPORT

March 20, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 988 (first reading copy -- white) do pass as amended .

Signed: _____


Bob Bachini, Chairman

And, that such amendments read:

1. Title, line 11.

Following: "OF"

Insert: "A PORTION OF"

2. Page 3, line 10.

Strike: "\$50"

Insert: "\$40"

3. Page 3, line 14.

Strike: ". The balance"

Insert: ", 9% of the fees into the general fund, and 6%"

4. Page 3, line 15.

Strike: "must be deposited in"

Insert: "into"

5. Page 5, lines 24 and 25.

Strike: "Each day of violation constitutes a separate violation."

HOUSE STANDING COMMITTEE REPORT

March 20, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 987 (first reading copy -- white) do pass as amended .

Signed: _____

Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Title, page 1, lines 9 through 11.
Following: "HOMES;" on line 9
Strike: remainder of line 9, line 10 in its entirety, and line 11 through "LICENSURE;"
2. Title, page 1, lines 13 and 14.
Strike: "BED AND BREAKFASTS AND"
3. Title, page 1, line 15.
Following: "OF"
Insert: "A PORTION OF"
4. Title, page 2, line 1.
Title, page 2, line 6.
Strike: "BED AND BREAKFASTS,"
5. Page 3, line 16 through page 4, line 8.
Strike: subsections (1) through (3) in their entirety
Renumber: subsequent subsections
6. Page 4, line 15.
Page 5, lines 2 and 3.
Page 5, line 24.
Strike: "bed and breakfast,"
7. Page 6, line 16.
Strike: "\$50"
Insert: "\$40"
8. Page 6, line 19.
Strike: ". The balance"
Insert: ", 9% of the fees into the general fund, and 6%"

March 20, 1991
Page 2 of 2

9. Page 6, line 20.

Strike: "must be deposited in"

Insert: "into"

10. Page 9, lines 21 and 22.

Strike: "Each day of violation constitutes a separate violation."

HOUSE STANDING COMMITTEE REPORT

March 21, 1991

Page 1 of 2

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 394 (third reading copy - blue) be concurred in as amended .

Signed: Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Title, line 12.

Strike: "PHYSICIAN"

Insert: "HEALTH CARE PROFESSIONAL"

2. Page 4, line 15.

Following: "provided."

Insert: "Utilization review does not include routine claim administration or determination that does not include determinations of medical necessity or appropriateness."

3. Page 4, lines 16 through 20.

Strike: subsection (5) in its entirety

4. Page 6, line 17.

Strike: "BY A UTILIZATION REVIEW AGENT AS"

Insert: "that is made on appeal or reconsideration as provided in [section 6] and that is adverse to a patient or to an affected health care provider may not be made on a question relating"

5. Page 6, lines 20 through 22.

Strike: lines 20 through 22 in their entirety

Insert: "a health care service without prior written findings, evaluation, and concurrence in the adverse determination by a health care professional trained in the relevant area of health care. Copies of the written findings, evaluation, and concurrence must be provided to the patient on request as provided in Title 33, chapter 19."

6. Page 6, line 23 through page 7, line 6.

Strike: subsection (2) in its entirety

Renumber: subsequent subsection

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7. Page 7, line 7.

Following: "determination"

Insert: "made on appeal or reconsideration, as provided in
[section 6],"

8. Page 7, line 9.

Strike: "physician"

Insert: "health care professional"

9. Page 7, line 11.

Strike: "physician or other"

10. Page 7, lines 11 and 12.

Strike: ", as the case may be,"

11. Page 8, line 6.

Following: "has"

Insert: "at least"

12. Page 8, line 10.

Insert: "30"

Insert: "60"

13. Page 10, line 19.

Following: line 18

Insert: "(3) A peer review procedure conducted by a professional
society or association of providers is exempt from the
provisions of [sections 1 through 9]."

EXHIBIT 1

3/20/91

#B 394

Amendments to Senate Bill No. 394
Third Reading Copy

For the House Committee on Business and Economic Development

Prepared by Paul Verdon

March 20, 1991

1. Title, line 12.

Strike: "PHYSICIAN"

Insert: "HEALTH CARE PROFESSIONAL"

2. Page 4, line 15.

Following: "provided."

Insert: "Utilization review does not include routine claim
administration or determination that does not include
determinations of medical necessity or appropriateness."

3. Page 4, lines 16 through 20.

Strike: subsection (5) in its entirety

4. Page 6, line 17.

Strike: "BY A UTILIZATION REVIEW AGENT AS"

Insert: "that is made on appeal or reconsideration as provided in
[section 6] and that is adverse to a patient or to an
affected health care provider may not be made on a question
relating"

5. Page 6, lines 20 through 22.

Strike: lines 20 through 22 in their entirety

Insert: "a health care service without prior written findings,
evaluation, and concurrence in the adverse determination by
a health care professional trained in the relevant area of
health care. Copies of the written findings, evaluation,
and concurrence must be provided to the patient on request
as provided in Title 33, chapter 19."

6. Page 6, line 23 through page 7, line 6.

Strike: subsection (2) in its entirety

Renumber: subsequent subsection

7. Page 7, line 7.

Following: "determination"

Insert: "made on appeal or reconsideration, as provided in
[section 6],"

8. Page 7, line 9.

Strike: "physician"

Insert: "health care professional"

9. Page 7, line 11.

Strike: "physician or other"

10. Page 7, lines 11 and 12.

Ex. 1
3/20/91
HB 394

Strike: ", as the case may be,"

11. Page 8, line 6.

Following: "has"

Insert: "at least"

12. Page 8, line 10.

Insert: "30"

Insert: "60"

13. Page 10, line 19.

Following: line 18

Insert: "(3) A peer review procedure conducted by a professional society or association of providers is exempt from the provisions of [sections 1 through 9]."

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91 ROLL CALL VOTE
 BILL NO. HB 989 NUMBER 1

MOTION: For Pantovich amendment
reducing fee from 75 to 50

NAME	AYE	NO
REP. JOE BARNETT	✓	✓
REP. STEVE BENEDICT		✓
REP. BRENT CROMLEY		✓
REP. TIM DOWELL	✓	
REP. ALVIN ELLIS, JR.	✓	
REP. STELLA JEAN HANSEN		✓
REP. H.S. "SONNY" HANSON	✓	
REP. TOM KILPATRICK	✓	
REP. DICK KNOX		✓
REP. DON LARSON	✓	
REP. SCOTT MCCULLOCH	✓	
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT	✓	
REP. DON STEPLER		
REP. ROLPH TUNBY		✓
REP. NORM WALLIN		
REP. SHEILA RICE, VICE-CHAIR	✓	
REP. BOB BACHINI, CHAIRMAN	✓	
TOTAL	11	5

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HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE Mar. 20 1981 ROLL CALL VOTE BILL NO. H. B. 228 NUMBER 2

MOTION: Pass an amendment

to reduce some from 400 to 100

Motion passed

NAME	AYE	NO
REP. JOE BARNETT		✓
REP. STEVE BENEDICT		✓
REP. BRENT CROMLEY		✓
REP. TIM DOWELL		✓
REP. ALVIN ELLIS, JR.		✓
REP. STELLA JEAN HANSEN		✓
REP. H.S. "SONNY" HANSON	✓	
REP. TOM KILPATRICK	✓	
REP. DICK KNOX		✓
REP. DON LARSON		✓
REP. SCOTT MCCULLOCH	✓	
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT	✓	
REP. DON STEPPLER		
REP. ROLPH TUNBY		✓
REP. NORM WALLIN		
REP. SHEILA RICE, VICE-CHAIR		✓
REP. BOB BACHINI, CHAIRMAN		✓
TOTAL	5	11

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

ROLL CALL VOTE

DATE March 20, 1991 BILL NO. HB 989 NUMBER 3

MOTION: Barnett to Table 989

(Motion fails 6-10)

NAME	AYE	NO
REP. JOE BARNETT	✓	
REP. STEVE BENEDICT		✓
REP. BRENT CROMLEY		✓
REP. TIM DOWELL		✓
REP. ALVIN ELLIS, JR.		✓
REP. STELLA JEAN HANSEN		✓
REP. H.S. "SONNY" HANSON		✓
REP. TOM KILPATRICK		✓
REP. DICK KNOX		✓
REP. DON LARSON	✓	
REP. SCOTT MCCULLOCH	✓	
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT	✓	
REP. DON STEPPLER		
REP. ROLPH TUNBY		✓
REP. NORM WALLIN		
REP. SHEILA RICE, VICE-CHAIR		✓
REP. BOB BACHINI, CHAIRMAN	✓	
TOTAL	6	10

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91 ROLL CALL VOTE
 BILL NO. HR 979 NUMBER 41

MOTION: Fallon - E.D.

Vote failed 6-10

NAME	AYE	NO
REP. JOE BARNETT	✓	
REP. STEVE BENEDICT		✓
REP. BRENT CROMLEY		✓
REP. TIM DOWELL		✓
REP. ALVIN ELLIS, JR.		✓
REP. STELLA JEAN HANSEN		✓
REP. H.S. "SONNY" HANSON		✓
REP. TOM KILPATRICK		✓
REP. DICK KNOX		✓
REP. DON LARSON	✓	
REP. SCOTT MCCULLOCH	✓	
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT	✓	
REP. DON STEPPLER		
REP. ROLPH TUNBY		✓
REP. NORM WALLIN		
REP. SHEILA RICE, VICE-CHAIR		✓
REP. BOB BACHINI, CHAIRMAN	✓	
TOTAL	6	10

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HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91 ROLL CALL VOTE BILL NO. HB 049 NUMBER 5

MOTION: to amend the bill

Motion carried 11-5

NAME	AYE	NO
REP. JOE BARNETT	✓	
REP. STEVE BENEDICT	✓	
REP. BRENT CROMLEY	✓	
REP. TIM DOWELL	✓	
REP. ALVIN ELLIS, JR.	✓	
REP. STELLA JEAN HANSEN	✓	
REP. H.S. "SONNY" HANSON	✓	
REP. TOM KILPATRICK	✓	
REP. DICK KNOX	✓	
REP. DON LARSON		✓
REP. SCOTT MCCULLOCH		✓
REP. BOB PAVLOVICH		✓
REP. JOHN SCOTT		✓
REP. DON STEPPLER		
REP. ROLPH TUNBY	✓	
REP. NORM WALLIN		
REP. SHEILA RICE, VICE-CHAIR	✓	
REP. BOB BACHINI, CHAIRMAN		✓
TOTAL	11	5

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91 ROLL CALL VOTE BILL NO. HB 978 NUMBER 1

MOTION: Table HB 978 as amended

NAME	AYE	NO
REP. JOE BARNETT		✓
REP. STEVE BENEDICT		✓
REP. BRENT CROMLEY		✓
REP. TIM DOWELL		✓
REP. ALVIN ELLIS, JR.		✓
REP. STELLA JEAN HANSEN		✓
REP. H.S. "SONNY" HANSON		✓
REP. TOM KILPATRICK		✓
REP. DICK KNOX		✓
REP. DON LARSON	✓	
REP. SCOTT MCCULLOCH		✓
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT		✓
REP. DON STEPPLER		
REP. ROLPH TUNBY		✓
REP. NORM WALLIN		
REP. SHEILA RICE, VICE-CHAIR		✓
REP. BOB BACHINI, CHAIRMAN	✓	
TOTAL	2	13

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91 ROLL CALL VOTE
 BILL NO. 49597 NUMBER 1

MOTION: 24 1997 re amended to pass

Motion number 13-4

NAME	AYE	NO
REP. JOE BARNETT	✓	
REP. STEVE BENEDICT	✓	
REP. BRENT CROMLEY	✓	
REP. TIM DOWELL	✓	
REP. ALVIN ELLIS, JR.	✓	
REP. STELLA JEAN HANSEN	✓	
REP. H.S. "SONNY" HANSON	✓	
REP. TOM KILPATRICK	✓	
REP. DICK KNOX	✓	
REP. DON LARSON		✓
REP. SCOTT MCCULLOCH		✓
REP. BOB PAVLOVICH		✓
REP. JOHN SCOTT	✓	
REP. DON STEPPLER		
REP. ROLPH TUNBY	✓	
REP. NORM WALLIN	✓	
REP. SHEILA RICE, VICE-CHAIR	✓	
REP. BOB BACHINI, CHAIRMAN		✓
TOTAL	13	4

HOUSE OF REPRESENTATIVES

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE 3/20/91 ROLL CALL VOTE BILL NO. ante bill NUMBER 1

MOTION: J Scott to ~~request~~ request
ante bill be drafted

(REQUIRES 2/3)

Motion fails

NAME	AYE	NO
REP. JOE BARNETT		✓
REP. STEVE BENEDICT		
REP. BRENT CROMLEY	✓	
REP. TIM DOWELL	✓	
REP. ALVIN ELLIS, JR.		✓
REP. STELLA JEAN HANSEN	✓	
REP. H.S. "SONNY" HANSON		✓
REP. TOM KILPATRICK	✓	
REP. DICK KNOX		✓
REP. DON LARSON	✓	
REP. SCOTT MCCULLOCH	✓	
REP. BOB PAVLOVICH	✓	
REP. JOHN SCOTT	✓	
REP. DON STEPPLER		
REP. ROLPH TUNBY	✓	
REP. NORM WALLIN		✓
REP. SHEILA RICE, VICE-CHAIR	✓	
REP. BOB BACHINI, CHAIRMAN	✓	
TOTAL	11	5

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

BILL NO. HB 989

DATE MARCH 19, 1991

SPONSOR(S)

REP. CROMLEY

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Charles Brooks	MT Retail Assoc	X	
Leon Stalcup	MT Restaurant Assoc	X	
Pete Frazier	CITY - CO. HEALTH DEPT C.T. FALLS	✓	
Ken Smith	Central MT Health Dist	✓	
Dan Powers	Butte-Silver Bow	✓	
Dan Samuel	Butte-Silver Bow	✓	
Mitzi Schwab	DRES	X	
Jim Cuda	Missla County	X	
Tim Read	MT Environmental Health Assoc	X	
Roger Tippy	MT Beer & Wine Wholesalers		X
Bonnie Tippy	MTICA		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

BILL NO. HB 987

DATE MARCH 19, 1991 SPONSOR(S) REP. CROMLEY

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PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Pete Frazier	CITY-CO HEALTH DEPT GT FALLS	X	
Ken Smith	Central Mt Health Dist Jonestown	X	
Dan Powers	Butte-Silver Bow	X	
De Duncanson	Butte-Silver Bow	X	
Bobbi Uecker	The Sanders - Helmer's Bed & Breakfast	X ^{as provided}	
Judith Carlson	LAST CHANCE MOTEL		X
Mitzi Schwab	DRES	X	
Jin Casper	MISSOULA CO	X	
TIM READ	Montana Envir/Health Assoc	X	
Bonnie Tisig	MIKA		X

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