

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - 1st SPECIAL SESSION

SUBCOMMITTEE ON HUMAN SERVICES & AGING

Call to Order: By Rep. Dorothy Bradley, Chair, on January 4, 1992, at 8:05 a.m.

ROLL CALL

Members Present:

Rep. Dorothy Bradley, Chair (D)
Rep. John Cobb (R)
Rep. John Johnson (D)
Sen. Tom Keating (R)
Sen. Dennis Nathe (R)

Members Excused: Sen. Mignon Waterman, Vice Chair (D)

Members Absent: None

Staff Present: Taryn Purdy, Senior Fiscal Analyst (LFA)
Carroll South, Senior Fiscal Analyst (LFA)
Sandra Whitney, Senior Fiscal Analyst (LFA)
Jeanne Krumm, Committee Secretary

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

EXECUTIVE ACTION - NO. 9 DOMESTIC VIOLENCE 8% REDUCTION Tape 1, Side A, 270

Motion/Vote: SEN. KEATING moved to accept the Executive Budget Proposal of a \$10,800 reduction in FY92 and FY93. MOTION FAILED with REPS. BRADLEY, COBB, JOHNSON and SEN. NATHE voting no.

Discussion: REP. COBB said that the committee has to decide if they want to cut the \$10,800 each year. SEN. NATHE asked if there is money now. REP. COBB said no, there is only \$8,000 spending in the next biennium.

SEN. NATHE asked what is the difference in the two programs. Doug Matthies, said they are one program, but there are two sources of funding that go into this program. A domestic violence program that we contract with local organizations to provide shelters and a general fund appropriation that goes into an earmarked account for domestic violence.

SEN. NATHE asked why are we are cutting 8% from this program. **Mr. Matthies** said the 8% is 8% of the general fund for a year. In the earmarked account we have appropriated \$35,000 a year, but have only collected about \$26,000 or \$27,000 over the last two years. That cash balance would be used to get the \$35,000 appropriation money. **Mr. South** said in the appropriation report, the amount of money appropriated for domestic violence includes the general fund and is being reduced and funded by three different funding sources: federal grants at \$50,000 a year; \$35,000 from 1% of the fines and forfeitures collected in Justice Court; and 50% of other fines for domestic abuse.

REP. BRADLEY asked why general fund money was put into this program. **Mr. Matthies** said there has been general fund money in the program all of the time.

REP. BRADLEY asked if the legislature gave the program an inflationary increase this past session. **Mr. Matthies** said no.

EXECUTIVE ACTION - NO. 11 RESIDENTIAL TREATMENT CONTINUUM

Tape 1, Side A, 0100

Motion/Vote: **REP. COBB** moved to \$150,000 out of the continuum of care money to Department of Family Services. MOTION CARRIED UNANIMOUSLY.

Discussion: **REP. COBB** said that this money was put aside to try to develop better placement for children. **REP. BRADLEY** said that if the continuum is developed, we are giving them the incentive to develop the program with the dollars that would be saved, because the children would not be going to the most expensive kind of care.

REP. COBB said the plan is to get more federal money or get more federal reimbursement recoveries. DFS has to either contract or ask the federal government for this money which will take some work. The legislature needs to give DFS approximately \$300,000 to either consult or do the work by getting the federal government to match the dollars. The legislature could give DFS \$150,000 of general fund and SRS could match that with the federal money right now and that would take care of the \$300,000. If nothing is done, there will not be a continuum of care. The legislature could at least leave DFS \$150,000 to do the continuum of care so DFS could get the work done.

REP. BRADLEY asked if the committee does this, what will happen. **REP. COBB** said that if the committee gives DFS \$150,000, SRS will match that with another \$150,000 federal money. Then DFS can contract out to bring in the people that can change our state Medicaid plan or apply to the federal government how they can get Medicaid money for some of these services that were paid general fund for.

Tom Olson, Director, Department of Family Services, said that DFS has funded for family based service programs. In July of 1993, DFS is planning on developing a four bed group home for long-term seriously emotionally disturbed children in the state. DFS has had to hold some of the money back, but that doesn't mean DFS is not making progress. What DFS envisions doing is not to use the money to necessarily fund the continuum of care. DFS wants to be able to provide more money for treatment for children. Right now there is a shortfall in our foster care budget, which DFS needs to cut down. DFS is spending too much general fund money on services for children that can be paid for out of federal funds.

Jim Smith, Montana Child Care Association, said a year ago the key to utilization of all of this continuum of care money was speed and being on line with as many of these programs as humanly possible as of July 1, 1992. DFS deserves credit for getting in place what they have in this time. Given everything that has and hasn't happened with continuum of care money, this proposal is good and should be endorsed by the committee. Minimal savings the first year and marginal savings the second and third years.

Julia Robinson, Director, Department of Social and Rehabilitation Services, said that SRS is planning on working on this issue. The majority of general fund money is in public schools. Medicaid has run projects where SRS helped finance some of the severely disturbed children being placed out of the home.

SEN. KEATING asked if DFS was going to accomplish this out of the money that they had and what happens if somehow this gets cut. **Mr. Olson** said that it wouldn't destroy the effort, but it would slow it down. There are certain things that DFS can do internally, by giving assistance to bring that money available for the children who are in crisis situations.

SEN. KEATING asked does DFS have a ten year existing budget fund that could be used as a match in order to attract more federal money for this program. **Mr. Olson** said no, DFS does not have funds available right now to do that. DFS would keep private funding to see if they can tap that source. If not, DFS would do with the existing staff.

Paulette Kohman, Montana Council for Maternal Child Health (MCMCH), said there is the concept of continuum of care, and MCMCH endorses that. Continuum of care means that we have early intervention services, as well as these high end services. That concept, whatever kind of money it takes, is something that will serve our children in the long run and better our budget. The other concept of the federal spending and the matching and creative financing should not be mixed in with continuum of care so that the one doesn't depend on the other, although they are both important to serve the needs of children. We don't need to worry about the matching right now, although it will show up eventually in the Medicaid budget. The continuum of care should be funded with some state funds to get it started.

REP. COBB said that there is concern that we are trying to give to human services all general fund money. We need to allow staff to do more continuum of services because these children are having the federal government pay this continuum of care. We can wait longer, but all that this will do is put in more general fund money while it is getting smaller and smaller all of the time. This will also allow other departments to try to develop an overall plan that we use all of this money.

Ms. Kohman said that the \$150,000 plus the \$150,000 from SRS and \$300,000 from the general fund can be spent without getting federal match for that particular money just to develop the program. **REP. COBB** said there would be \$150,000 general fund and SRS has said they could match it with \$150,000 to go out and try to get federal recovery for Medicaid to get this program going. **Ms. Robinson** said that SRS has no problem matching that money.

Motion/Vote: **REP. COBB** moved to accept the Executive Budget Proposal of a \$599,919 reduction in FY92 and a \$165,259 reduction in FY93. MOTION CARRIED UNANIMOUSLY.

Discussion: **Ms. Kohman** said that if we don't have money to start getting the treatment services developed in the communities, then all of the work we do in preparing for federal matching and creative financing is going to be delayed another year or two because that development isn't in place. The development of the continuum is just as important as development of the budget to increase the federal match.

Mr. Smith said a year ago the real key was to get as much on line as quickly as possible. The further we went past July 1991 the more at risk this appropriation was. This \$599,919 is money that has not been spent. Appropriating this money to DFS now isn't doing DFS any favors. This is one of the few times where throwing money at the problem isn't going to help the situation.

SEN. KEATING said if the \$150,000 appropriation is utilized early then it is possible that we could be receiving federal funds to increase the amount of money that you have for the continuum of care program. With this proposal there may be some supplementals in this area. **Mr. South** said the money is approximately \$1.7 million a year appropriated to DFS to develop a continuum of service and to provide the general fund Medicaid match for residential psychiatric services. HB 2 requires that of the \$1.7 million, \$650,000 will be set aside for a residential site. That leaves approximately \$1.1 million per year for development of continuum of service. If we take \$600,000 out now that still leaves \$500,000 the first year to be spent on continuum of service. If you take \$100,000 out the next year that is still in access of \$1 million in 1993 for the continuum of service.

Judith Carlson, said that this may add administrative money and take out service money for the children. There should be a substitute motion that would keep the direct service money in for

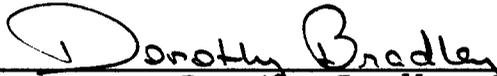
the service to children in the FY93 with the idea that the federal funds are not going to be developing that soon.

REP. BRADLEY said that the committee is basically leaving this intact and is taking out what has not been spent.

SEN. KEATING said that the administrative money is necessary to obtain more hands on money.

ADJOURNMENT

Adjournment: 9:40 a.m.



Dorothy Bradley, Chair



Jeanne Krumm, Secretary

DB/jk

HOUSE OF REPRESENTATIVES
HUMAN SERVICES SUBCOMMITTEE

ROLL CALL

DATE 1-4-92

NAME	PRESENT	ABSENT	EXCUSED
REP. JOHN COBB	✓		
SEN. TOM KEATING	✓		
REP. JOHN JOHNSON	✓		
SEN. DENNIS NATHE	✓		
SEN. MIGNON WATERMAN, VICE-CHAIR			✓
REP. DOROTHY BRADLEY, CHAIR	✓		

1993 Biennium Adjustments

Legislative Budget Action

Executive Budget Proposal

9/11/0000000.LBP

Difference (Leg. - Exec.)

Description	Pgm	Fiscal 1992		Fiscal 1993		Fiscal 1992		Fiscal 1993		Fiscal 1992		Fiscal 1993	
		General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Personal Services 6% VS Training Funds	01	(93,878)		(98,229)				93,878				98,229	
Personal Services 4% VS Parental Assets Rule	02	(7,500)		(30,000)				7,500				30,000	
Delay Foster Care Rate Inc.	02	(335,104)		(348,545)				335,104				348,545	
Day Care Rate Increase	02	(233,693)		(928,493)				233,693				928,493	
Corrections Div. Operating	02	0		(194,772)				0				194,772	
Cap Alcohol & Drug Treatment	02	(38,708)		(58,083)				38,708				58,083	
Domestic Violence 8% Red.	02	(20,000)		(20,000)				20,000				20,000	
Big Brothers 8% Red.	02	(12,100)		(13,300)				12,100				13,300	
Resid. Treatment Continuum	02	(10,800)		(10,800)				10,800				10,800	
Foster Care Increase	02	(13,860)		(14,553)				13,860				14,553	
Personal Services 3% VS Personal Services 2% VS	03	(599,919)		(165,259)				599,919				165,259	
Appropriation Bills	04	2,202,939		0				(2,202,939)				0	
		(54,684)		(56,422)				54,684				56,422	
		(65,424)		(67,812)				65,424				67,812	
HB 569 - MIS	01	(260,750)						260,750					
HB 371 - Aging 50%	02	(100,000)						100,000					
HB 491 - Respite Care 50%	02	(50,000)						50,000					
HB 569 Revenue Increase	02	(75,697)	75,697	(75,697)	75,697			75,697	(75,697)			75,697	(75,697)
Disc. Federal Recovery	02	(295,931)	295,931	(324,962)	324,962			295,931	(295,931)			324,962	(324,962)
Totals		(\$65,109)	\$371,628	(\$2,406,927)	\$330,074	\$0	\$0	\$65,109	(\$371,628)	\$2,406,927	\$0	(\$330,074)	

EXHIBIT

DATE 1-4-92

HB