

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

February 2, 1977 - Room 225

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The meeting of the Appropriations Subcommittee on Institutions was called to order at 8:00 a.m. by Chairman Gerke. Other members present were:

Senator Mark Etchart  
Representative Harry Hansen  
Representative Art Lund  
Representative Howard Ellis

Senator Flynn was absent. Tom Briggs, Legislative Fiscal Analyst, was present. Representative Bardanouve was present for part of the meeting.

The chairman stated that the subject of today's meeting is THE VETERAN'S HOME IN COLUMBIA FALLS, MONTANA.

Tom Briggs distributed summary sheets on the Veteran's Home showing FY-76 expenditures, executive budget recommendations and LFA recommendations. He stated that there were two issues to be covered in this meeting: cost recommendations and funding mechanism. We have recommended that the Veteran's Home be funded through Medicare and Medicaid and the current Veteran's Administration reimbursement program.

In the LFA budget recommendation, we have shown general fund coverage for non-reimbursement costs for the next biennium. Also there is shown an interest and income account which must be spent before general fund moneys.

Dick Walsh, Superintendent of Montana Veteran's Home, said he would take exception with the Medicare and Medicaid recommendation. Domiciliary residents of the home are totally self-care people. They would not be able to qualify for Medicare and Medicaid coverage.

Bob Durkee, representing Veterans of Foreign Wars, said they have a great pride in this home and feel perhaps it is misplaced under the Department of Institutions, since it is not an institution, rather a home. He also said that the Board of Institutions agreed that residents at the home could retain \$87.50 from their monthly pension for their own use. Medicaid would reduce that amount down to \$25 a month that a resident could retain from his pension. They are against this type of program for the home residents. VFW would also like to be advised as to the final decision of the committee.

John Sloan, representing Disabled American Veterans, also spoke in opposition to this proposed change.

Joe Crosswhite, member of the Advisory Committee of the Veteran's Home, spoke in opposition to this proposed change. He said the residents of the home are classed as residents of Columbia Falls and are welcomed in their town.

Dick Walsh said the \$87.50 that each resident is allowed to keep from his pension is low, but adequate. Anything less than this would not be acceptable.

Mr. Walsh explained that the first \$87.50 of pension a resident receives each month, he retains. From that amount to \$300 pension, the resident pays the state a graduated amount scaled upward, with a maximum of \$128.50 to the state of Montana.

There was a discussion held on the amount of resources a veteran can have to qualify to be a resident at the home. According to the VA's code, for a veteran to be eligible for reimbursement at the home, if he has a nonservice disability, he has to be unable to afford domiciliary outside. There is no limit for a service-related disability. Mr. Walsh said that any veteran can become a resident no matter what his assets or income are.

Also there was a discussion on what resources a person can have to qualify for Medicaid. It was stated that \$1500 is a maximum a person can have to qualify for Medicaid. Tom Briggs said a person could have \$25,000 of real property and an automobile worth a maximum of \$1200, also.

Mr. Durkee explained that a pension is for non-service connected disability. A graduated scale is used based on their countable income.

He explained that compensation for a service-connected disability is not attachable. This cannot be counted unless the veteran volunteers this.

The Veteran's Administration reimburses the State of Montana for the care of each resident. Domiciliary reimbursement is a maximum of \$5.50 per day per resident or one-half of the cost, whichever is less. Then each member pays the difference between the reimbursement and the total daily cost, according to his ability. If they can afford it, residents pay the full amount. The chairman requested a breakdown on the number of residents, how many pay the full amount, how many pay the difference, etc.

Tom Briggs suggested to the chairman that a representative of the Department of Social and Rehabilitation Services be requested to speak to the committee on the Medicaid program.

Chairman Gerke requested that Bob Durkee check into what can be done in the area of adjusting the residents' amount of reimbursements from personal income resources to the state as an alternative to the Medicaid program. Also suggested Herman Hahn, State Home Program Coordinator of the VA in Washington, D.C., be contacted on this.

With regard to the budget for the next biennium, Karen Wilson went into detail on each item:

Personal Services - They feel this is inadequate. A vacancy savings was used and it is felt that there will be no vacancy savings. She explained that last year there was a vacancy savings because a physical therapist could not be hired for a major part of the year. They feel this will not happen again. Tom Briggs stated that one salary of a grade 13 would not account for the large difference between his recommendation and their request. He said he also had included increases on the pay plan, and it still leaves a difference of approximately \$40,000 to be resolved. It was suggested that this be reconciled by Karen Wilson and Tom Briggs later.

Contracted Services - Karen Wilson said this is adequate.

Supplies - They consider this amount low because of increased costs. They requested it match the agency request.

Utilities - This amount might be a little low because of rates rising very fast. Chairman Gerke said the committee is checking rates with the utility companies for all the institutions and will adjust each one accordingly if needed.

Repairs - Approximately \$10,000 was requested for care and maintenance of the water tower. Tom Briggs said he was advised that this cost would be covered in the Department of Administration budget, but would check into this again.

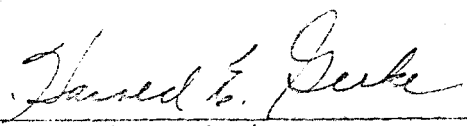
All other items were found to be adequate.

The Veteran's Home water system was mentioned. This comes under the long range building program. This is a very high priority item. Another well is needed and a new water line. Also a 60-bed wing will be in the long range building program.

Mr. Walsh reported that the farm is projected to be a paying proposition from this year forward. They have six acres of garden, twelve acres of potatoes and 60 acres of rotated crops.

Mr. Chisholm suggested that the Department of Institutions prepare a proposal to clarify some of the items regarding the nursing area and offer a proposal as to suggestions of how it could be run. It was agreed that this would be helpful to the committee.

Meeting adjourned at 9:45 a.m.

  
Harold Gerke, Chairman

WITNESSES FOR 2/2/77 MEETING  
APPROPRIATIONS SUBCOMMITTEE  
INSTITUTIONS

NAME

TITLE

Jack White

Capt Mont Vets Home

Bob Durkin

VFW

Tom Collier

DAV

Loren Wilson

DoI

Harry Carlson

DoI

Jim Hansen

DoI

CURT CARSHOLM

DoI

Howard Schwartz (Midvale)

~~Private~~ Private Citizen

Bob Jensen

Vets Home

Joe Genswiler

Advisory Comm. of Veterans Home

D. Cooper

OPPP