

MINUTES OF THE MEETING OF
AGENCY 1

February 2, 1977
8:00 A.M.
Room 225
State Capitol Bldg.

HEALTH PLANNING AND RESOURCE DEVELOPMENT

The meeting was called to order by Chairman Dorothy Bradley. Roll was taken. Present: Representative Bradley, Representative Marks, Senator Roberts, Senator Stephens, Senator Story.

Mr. Jim Van Koten gave the executive budget. He said this was a small program and only had 12 1/2 FTE's. He said the big difference between the Executive and LFA is the LFA eliminated the federal funds of \$130,000.

Curt Nichols gave the LFA recommendation. The major difference is the \$130,000 in 1978 and \$135,000 in 1979 listed under contract service to be given to the Health Service Agency. The HSA is the result of a federal act of 1974; it is a non-profit corporation that will take over the health planning functions of the state. A federal mandate calls for money given to an agency can have no strings attached. They will also have approval over federal health funds, which includes the alcohol board.

He said also included in the executive proposal, but not in mine, are three positions. These people would be used in getting the mandate of the Health Planning Act. All Health Service Programs need review at least every 5 years. Since the HSA is also required to review health services we would be doing the same study twice. The general funds are the minimum amount that is required to continue the availability of federal funds. Expansion would come from federal funds.

Dr. Knight gave the background on this agency. This agency came about in 1974. The bill establishing this was passed to put all the health care plans in better order. He felt there was good cooperation between the HSA and Department of Health.

George Fenner gave a brief history of the organization. He said the Health Planning and Resource Development Division consisted of three bureaus. He said they work with the HSA and the responsibilities are joint; plan for health services. We work with them to develop a health plan for the State of Montana. He said they both have their own responsibilities.

Mr. Ralph Gildroy, Executive Director of the HSA spoke next. He was the first chairman of this agency. He said they had 5 health agencies in the beginning.

He said they work very close with the state agency to make this program effective. The budget for the first year was \$175,000; the second year it was increased to \$207,000 because of money budgeted out to the states. In drawing up the budget for next fiscal year it was based on the projected amount of what they will receive, \$286,000. He said the budget cuts he had made is indicated on the sheets Mr. Fenner passed out to the committee yesterday. He said travel is \$75,000 but that is the only way we can reach the people. In the sub areas we will have 18 member councils for planning and review. He said when the federal money is increased as we go along, we will cut back on what the state is requested to pay.

Senator Stephens asked Mr. Gildroy exactly what do you do? I want to know what is IT that you are going to try to get out to the people.

Mr. Gildroy said we are going to try to bring together all of the medical associations in the state.

Senator Stephens asked if they were going to unite these people in a bureaucracy. Are you going to make the rules or what?

Mr. Gildroy said they would be working closely with the State Agency.

Senator Stephens then said there are many agencies in the medical field. Will they have additional authority from the HSA?

Mr. Gildroy said no. This will be jointly. There is so much friction between the agencies, we will be able to alleviate a lot of that.

Representative Marks asked about the structure. You indicate you want 5 regions. How many sub areas do you have?

Mr. Gildroy said only 5. Only 1 that is staffed.

Representative Marks said you have 18 members on these sub area councils. Are they people who are consumers or do they deliver the goods?

Mr. Gildroy said 51 to 60% are consumers. The rest are providers.

Representative Marks asked how does this structure operate. Do they meet to discuss the problems?

Mr. Gildroy said yes, they would meet, and the planning will make sure that the desires of the sub area are met.

Representative Marks asked who received the travel money.

Mr. Gildroy said both the Governing board and sub area council.

Representative Marks asked how often and how many meet. Mr. Gildroy said about every month and approximately 94 people.

Dr. Knight made a few remarks on the structure. When someone plans a building, etc., it is presented to the HSA for approval. Then it would go to the State Agency for approval and then to HEW.

Senator Stephens said we are delivering bureaucracy to the people, not health care. Dr. Knight agreed that all of these health care programs have increased the bureaucracy in the Health Department.

Senator Story asked how much federal money would be lost if we wiped you out. No one could answer the question so he again asked just how much would they lose in federal dollars if we failed to provide the funds to meet the certificate of need, the federal statute requirement?

After some discussion, Mr. James said the \$231,000 expected just for planning. Almost \$2,000,000 construction money.

Senator Story then asked how they pick the 94 people on the various boards.

Mr. Gildroy said they are elected in each area. It is advertised through papers, and news agencies. Senator Story then asked if they had had a meeting recently. Mr. Gildroy said in December we had a series of meetings in Eastern Montana. Senator Story then asked how many people attended. Mr. Gildroy said between 40 and 50. Providers are more interested than consumers. Senator Story went on asking many question about how they were elected. Mr. Gildroy stressed they are elected, not appointed.

Senator Story then asked how, after you have your election, do the people get their input? Mr. Gildroy said from his department. Senator Story then said, "In fact, you go out, you recruit the people, you feed them what you want, is that correct?" Mr. Gildroy did not agree entirely.

Representative Marks then asked about the structure of this agency.

Mr. Gildroy replied -

- 42 member Governing Board (22 consumers and 20 providers)
- 5 Professionals (1 from Ex. Division, 2 Health Planning Division, 3 associate planners)
- 2 Support people (secretary)
- 1 Field Staff (In Eastern Montana)
- 1/2 time secretary
- 94 Advisory Council members.

Representative Marks then said, you have 17 members on your Executive Committee, (members are chosen from the Governing Board entirely). He then asked what they did the Governing Board did not do?

Mr. Gildroy said the Governing Board takes care of all the interim things between the quarterly meetings. The Executive Board has the power to act for the Governing Board. The Governing Board determines the policy. There are 16 members in the Executive committee.

Representative Marks then asked if you have any more committees.

Mr. Gildroy said they had two more standing committees on the Governing Board - 1 planning development committee and 1 program committee.

Representative Marks then asked what is in the State Agency.

Mr. Gildroy listed the following:

- 1 Administrator Division (consists of 3 bureaus)
- 1 Bureau Chief
- 1 Unit Supervisor for planning
- 1 Unit Supervisor for Research Development
- 2 Health Planners
- 1 Part time Engineer
- and support staff.

Representative Marks said 11 or 12 people? Mr. Gildroy agreed.

Representative Marks said what he is trying to do is find out what the relationship is between the HSA and the Health Planning and Resource Bureau.

Mr. Fenner said they are advisory - we are regulatory.

Senator Stephens said he had been getting complaints from people in the Alcohol Centers. They feel their money is being channeled through the bureaucracy and very little was reaching them.
Why Not?

Mr. Fenner said they had not been in place long enough to look at all of these problems. The Department of Institutes would have to answer these questions.

Dr. Knight mentioned there was some disarray between the alcohol and mental health departments. There has been some problems.

Senator Story asked how many periodicals does the Department of Health have.

Mr. Fenner said just one, "The Treasure State Health", plus occasional periodicals.

Representative Marks asked if the 5 sub areas were fully organized. Mr. Gildroy said not yet. He then asked if they had an organization here in Helena. Mr. Gildroy replied yes. Elections will be held February 23.

Representative Marks asked for a list of the people elected for their committees.

Representative Bradley said in all of this discussion, I still don't understand to whom you are responsible. Can I go vote?

Mr. Gildroy said yes, she could vote.

Representative Bradley asked again how they advertise. Mr. Gildroy said newspapers, radio, TV, etc. He said they advertise very heavy.

Representative Marks asked if this is going to be the organization that will pass judgement on the legislation for the development of institutions.

Mr. King, Chief of the Bureau made a few comments. He said hopefully both the HSA and the State Agency would have input into the legislature on such problems. Also the HSA does not have approval or disapproval authority. They recommend to the State Agency. We make the decisions.

Senator Stephens mentioned the hospital built up in Havre and talked about the cooperation they had from the State Agency. If there is another bureaucracy, I wonder if that hospital would have been built as expeditiously.

Mr. Gildroy felt there would have been no holdup - We only have 60 days to act in that time frame.

Mr. Brass talked about their funding. He said they had asked for \$377,000. \$52,000 we are giving to HSA. We need their input out in the field. We have reduced FTEs requested. He said they are asking for \$45,611 from general funds.

Mr. Van Koten then asked Mr. Brass if he had reduced his budget since it was presented to him? Mr. Brass said yes.

After a little more discussion among the committee, the meeting was adjourned until 4:00 this afternoon.

Dorothy Bradley
Dorothy Bradley, Chairman