

MINUTES OF THE MEETING  
SUBCOMMITTEE AGENCY 1

February 18, 1977  
8:00 A.M.  
Room 225  
State Capitol Bldg.

The meeting was called to order by Chairman Bradley. Roll was taken with the following present: Representative Bradley, Representative Marks, Senator Stephens, Senator Story and Senator Thomas

HEALTH SERVICE DEPARTMENT -

Representative Bradley first discussed a joint resolution regarding the Public Law-93-641.

Dennis Taylor gave a few comments on the Health Systems Agency. He said much of the confusion that exists in health planning in the State of Montana comes from a problem in terms of federal laws drafted with the east coast in mind. The law is to incorporate into one program and provide for regional planning around the service area for health. He said there was a great duplication of effort with them and the state health plan.

Mr. Gildroy said very few federal laws take into consideration states like Montana. He gave a brief rundown on the Health Systems Agency. He said health was their number one priority and the big problem is how to involve the public. He said they have been very dedicated in trying to get the information to the people and involve them. He said they must have \$52,600 in order to get the health plan out to the people. This is the very least they can get by with from the state.

Representative Bradley told Mr. Gildroy there would probably be a public hearing on the resolution before any action would be taken.

Representative Marks asked Mr. Gildroy if he felt his structure could be more effective?

Mr. Gildroy replied yes. He said they had made a great deal of progress over the past year.

After a little more discussion, the committee moved to other topics scheduled.

COMMUNICABLE DISEASE CONTROL -

The LFA said the primary difference between the executive and LFA budget is we recommend additional funds to take over the tuberculosis case load at Galen. The length of stay required at Galen is too long. The Department says through community hospitals, the stay will be around 10 days.

Mr. Van Koten said we don't oppose that at all. We did not include it; if the community hospitals can handle it better, we are all in favor of it.

Senator Story asked if we have the assurance there will be a comparable reduction by the other sub-committee?

The LFA said they would have to be coordinated.

Senator Story then asked Representative Bradley if she had discussed it with the Chairman of the other committee? She replied she had not.

Senator Thomas asked if this would be a big savings.

The LFA said it should be a net savings. It would depend on the institutions ability to save variable costs. \$300,000 a year is the cost of treating persons at Galen.

Senator Stephens told Curt Nichols he was puzzled by the fact a person can spend 134 days at Galen when the complete treatment in the community would be 10 days, then they can return home. Why?

The LFA said tuberculosis is related to alcoholism, in a way.

Senator Stephens then said they are sort of treating 2 diseases, right. Mr. Nichols said in a way, they are. The community also treats alcoholism.

Senator Thomas asked if we remove the tuberculosis patients and alcohol patients from Galen, what will they do in Galen?

The LFA said he did not know the case load on alcoholics. There are 38 tuberculosis patients. What the plans of the other committee are, I don't know. They also have some mental patients over there.

Representative Marks moved to accept the LFA recommendation to coordinate with the other committee.

ALL AYES

MOTION CARRIED.

## HOSPITAL AND MEDICAL FACILITIES -

Mr. Van Koten said we don't have any conflict in this program. We are within \$1,000 in general fund appropriation. The 2nd year the LFA is \$1700 higher than we are. The Department feels they can live with a little less.

Curt Nichols said there was an error in the LFA recommendation. He let out 1/2 time position supported by federal funds. The FTE's should be increased to 41.2. The cost would be \$10,852 in 1978 and \$10,929 in 1979. As far as other effects, we have taken the same position on expending of emergency medical funds. We both approve federal funds and not general funds. We don't recommend expanding the program until we know where we are going. The Department has taken the position they want the general funds because the federal funds would not support the positions they wanted. He said another issue was in funding of highway alcohol testing. The Department wanted general funds. We recommend the highway traffic safety funds. That would be about \$50,000 a year out of highway safety.

Representative Bradley asked if we are assuming that in three years from now the state will take over \$600,000 a year for emergency medical services?

The LFA said not that much. About \$500,000 of that will be for equipment purchased. The state would not have to absorb that part.

Representative Bradley then asked who would? Mr. Nichols said we could say we are at a satisfactory level right now on equipment.

Representative Marks asked if it would be 2-3 years before this would happen? The LFA thought about 3 years.

Mr. Redpath, from the Department of Health, said there would be continuing grants for two years at least. All indications are that it is mainly for equipment and radio networks throughout the state.

Representative Marks asked Mr. Redpath if he thought at the end of that time, they will have the safety equipment, ambulances, etc. needed?

Mr. Redpath said yes, they are making contracts with local governments and matching requirements from local governments are being established.

Representative Marks said most of that is non-recurring for a long time.

Mr. Redpath said he would think the ambulances would last at least 5 years. Radio networks should also last a long time.

The LFA said we should look at a combination function with the civil defense division.

Representative Bradley asked how they could try to promote that in the state.

Representative Marks thought maybe there will be a resolution requiring an interim study on these areas. Maybe we could include this. He talked about a bill coming out moving institutions to S.R.S. Maybe we should have a study on all of these areas.

Senator Stephens moved to accept the LFA budget.

The LFA mentioned his budget was higher than the executive budget. The executive thinks he has the funds to support the same programs. If they do have the funds, my recommendation would have included them.

Representative Marks asked if the motion includes the 1/2 time person. Senator Stephens said yes.

Representative Bradley said she would suggest we adjust the general fund downward and take the federal funds the executive has found available.

Senator Stephens said he would include this in the motion.

Question -

Ayes - ALL

MOTION CARRIED

#### HEALTH PLANNING AND RESOURCE DEVELOPMENT -

Mr. Van Koten said first of all, the executive budget in this program is 18 to 19 thousand higher in general funds, which is sort of unusual. The main reason for this is that they had some grant money from general funds in the past biennial which we gave them credit to use in the coming biennial. We approved a federal modification calling for 3 people to be funded by federal funds. We felt the Health Systems Agency was vital to the state health plan. The Health Systems Agency has revised federal funds from \$132,000 to about \$50,000 so the federal funds could be reduced by about \$80,000 each year, but the big problem is what happens to the HSA. We recommend federal funds, the LFA has not.

Mr. Nichols said one difference is the executive included \$130,000 in 70 and \$135,000 in 79 for the HSA, plus 3 additional employees for the health planning division at the state level. We do not recommend them. He also said the law says that anyone that gives money to the HSA can in no way require any duty from them. That doesn't seem to be a rational approach to deal with anyone. However, that is federal funds.

Representative Marks asked the LFA if that 260 recommendation you have there, does that include all health plan and resource budget including contract?

The LFA said no, it doesn't include contract for HSA. They have a 12 man staff. It includes the certificate of need people. It is my understanding that the certificate of need people remain a state responsibility.

Mr. Taylor said the Montana code provides that is the responsibility of the Department of Health.

Senator Stephens said if we give them the federal funds the LFA recommends, I would presume they would be back in after the session is over with a budget amendment.

The LFA said if you have considered and rejected, they can not do it.

Mr. Van Koten asked if this isn't approved, would it jeopardize the federal funding in the future? The LFA said there was no requirement that the state support the HSA. This is a federal program with the state providing supplementary money.

Mr. Redpath said through the testimony you have heard this year, we have put \$130,000 in the HSA and next year about \$52,000. From that point on, I don't know. Why is the money coming through us to them? Why are they not getting all the funds from the federal government.

Mr. Taylor said it partially relates to the relationship between the CHP organizations. He gave a brief summary of the agency.

The LFA said it seemed to him at the hearings the HSA was only talking about the remaining staff.

Mr. Taylor said instead of having 5 staff area wide, they only have one now. The funds would also be used to support the local effort.

Representative Marks said they had \$75,000 in there for travel also. He asked if the LFA recommendation is adopted and these monies go from health to contracts, will HSA continue under federal funds at the level that they are now?

The LFA said they would have \$50,000 less. He felt their first effort would be to get more money from the federal government. He didn't know what they would do.

Mr. Redpath said Region 8 has \$231,000 available for comprehensive health planning grants to us for next year. Mr. Gildroy will get \$52,000. We have to have a minimum of \$58,000 to get the match at current level plus the transfer in of the Hill Burton construction facilities. We are looking at \$145,000 in general fund and \$231,000 federal funds which would keep this program at current level. We would like to have these 3 people added to the staff.

Representative Marks asked if we don't fund \$50,000 how much would they have to operate in the state?

Mr. Redpath said he did not know what other funding sources they have.

Representative Marks said he was not sure he understood, but if we go with the LFA, would HSA get any money from the federal government?

The LFA said the HSA gets its money outside of this budget. They have over \$200,000 promised to them from the federal government regardless of what we do here.

Representative Bradley said she finds this even more out of control than she thought. One thing, she said, she objects to in granting these funds to HSA is we can not put any strings on this program. No matter what we do, they will get their funds. Why?

Mr. Van Koten said no one could explain for sure.

Representative Marks asked if the \$200,000 is per biennium? The LFA said no, per year.

Representative Marks said they would support the 9 people they have plus travel, is that right?

The LFA said yes, I believe it is about \$150,000 for staff per year.

Mr. Redpath mentioned the salaries are very good, because they keep hiring people from us.

There was some open discussion about the salaries and how they are set up.

Senator Stephens mentioned it seems like the HSA is taking care of their own health.

Representative Marks said it looked like about \$19,000 for the 6 directors each and \$30,000 for Mr. Gildroy.

Representative Marks made a motion to accept the LFA recommendation.

Mr. Redpath said it would take \$57,750 in order to receive the \$231,000 available for health planning in Montana. What we want is \$125,000 general funds level in order to get the \$231,000 available from Region 8. This would include the \$52,000 we would pass on to Mr. Gildroy.

Representative Marks asked if there was a difference of opinion between the LFA and Mr. Redpath?

Mr. Redpath said the LFA established \$128,000 level from general funds. We say to receive the \$231,000 we have to put up \$58,000 which would staff our people plus the Hill Burton Construction people. We need \$143,000 from the general fund.

The LFA said we are both trying to say the same thing. I am not recommending the level of federal funds they are. I would be glad to go to the Department and go through everything with them.

Mr. Redpath said he thought someone should contact Region 8 to see what the problem would be if that money is not passed on to Mr. Gildroy.

After a little more discussion, Representative Bradley suggested not making a decision until next week. All agreed.

#### HEALTH SERVICES - -

Mr. Jim Van Koten asked if this could be postponed until Ron Wise could be here as he was more informed.

The LFA said in terms of the priority budget, what we recommend is basically at current level (B level) funding everything through item 18. We took federal funds out of C levels and recommend expansion of WIC food program of about \$300,000 a year with additional federal funds available. We recommend expansion for the infant screening program that is general funds.

Handicap children program we recommend \$96,000 and \$102,000 additional. Dental Program is federal funds.

We recommend B level plus these mentioned.

Representative Bradley thought we should look at each and take each one individually. Handicap children first.

Senator Thomas said he would like to offer the possibility of increase in this portion because it pays for itself in the long run. Every year, midway through the year, they run out of funds which causes a great hardship on many children. If we increase this to \$70,000 can we match this with federal funds, or what?

The LFA said that is where you will be talking about adding \$150,000 to the current level.

Senator Thomas said he also would like to line item this because it is very easy to use this money for administrative purposes.

He said about 18% of the budget is for administrative costs, therefore, wants to line item the funds.

After a little more discussion, the meeting was adjourned until 8:00 a.m. next Monday.

Dorothy Bradley  
Dorothy Bradley, Chairman

Nina Kosmas, Sec.