

MINUTES OF THE MEETING

PUBLIC HEALTH, WELFARE AND SAFETY COMMITTEE

March 19, 1977

The twenty-eighth meeting of the Public Health, Welfare and Safety Committee was called to order in Room 405 of the State Capitol Building by Chairman Stan Stephens on Saturday, March 19, at approximately 11:00 A.M.

ROLL CALL: All members were present, with the exception of Senator Roberts.

CONSIDERATION OF HOUSE BILL 300: Representative Gunderson was introduced by Chairman Stephens. House Bill 300 was explained by Mr. Gunderson as a bill which would clear up many problems the radiologist technicians are having with a law Gunderson sponsored in the 1975 Session. After this 1975 legislation became law and was implemented last fall, it became apparent work needed to be done on the law this Session to correct problems in certain areas, mainly in the grandfather clause. Two bills were introduced this Session, aimed at the 1975 law - one was SB221, the other, HB300. Senate Bill 221 would repeal the whole statute - HB300 would correct the present law.

Larry Lloyd, Chief, Occupational Health Bureau, Department of Health and Environmental Services, testified first in support of HB300. Lloyd gave the history of the 1975 law, explaining that the grandfather clause in that Session's bill was drafted in a way that misconstrued the sponsor's intent - the error was not noticed until it was too late. HB300 will correct the section of the law that requires all applicants to complete a 24-month study. Mr. Lloyd said they feel that to repeal the law entirely would serve no purpose and it would be bad for public health; whereas HB300 would address three problems of the law that need attention, making the whole law workable. The Department supports HB300.

Don Pearson, President of the Montana Radiologist Technicians, testified next, supporting the bill. Pearson said the bill would assure more qualified care for patients. He read a letter from Dr. William J. Little, urging support of HB300, as well as submitting to the record three other letters supporting the bill (see Exhibits "A", "B", "C", and "D").

March 19, 1977

Chad Smith, representing the Montana Hospital Association, next spoke in support of this bill as it stands before the Committee. Smith said they now feel that the small as well as the larger hospitals can live with this bill.

Mary Lou Crawford of the Board of Radiologic Technicians testified in support of the bill.

Jerry Loendorf, Montana Medical Association, concurred with testimony of Chad Smith, adding that he feels it now presents a workable solution to the problems outlined.

No opponents appeared to testify on HB300.

Very few questions were asked. Mary Lou Crawford did respond to the question of what date the new licensing procedures would be effective ("Just as soon as the Governor signs the bill; we have everything ready so we can notify these people.).

ACTION ON HOUSE BILL 300: Senators Rasmussen and Olson made joint motions that HB300 BE CONCURRED IN - MOTION CARRIED by a 7 - 0 vote. (Senator Etchart will carry.)

CONSIDERATION OF HOUSE BILL 360: Chairman Stephens turned the meeting over to Representative Cooney. The Butte Representative explained his bill to Committee members by telling them exactly what Home Health Care is and why he thinks licensure of the home health care groups is needed in the State of Montana (see Exhibit "E"). Cooney also proposed amendments to his bill (see Exhibit "F") because, he said, when the bill was passed out of the House there were some problems - his amendments would clear up those problems with the bill's language.

Robert Howe, operator of a franchised Homemakers Upjohn facility in Billings, spoke next in support of the bill. (See Exhibit "G".) He supports this legislation because present Medicare, Medicaid regulations prohibit proprietary organizations such as Howe's from participating in the health insurance program unless they are licensed by the State. This bill would give these facilities that licensure.

Bill Ikart of the Department of Social and Rehabilitation Services, testified in support of the bill, saying his Department highly supports it. Ikart said it would fit in with their goals of keeping people in their communities and out of institutions, plus it would save taxpayers money by keeping patients in their own quarters. Ikart said, at the present time, he is prevented from contracting with home care groups such as Mr. Howe in Billings has.

March 19, 1977

Rod Gudgel, representing the Montana Nursing Home Association, testified in support of the bill with the sponsor's amendments. His Association voted unanimously last year for legislation of this type.

George Fenner, Administrator, Hospital and Medical Facilities Division of the Health and Environmental Sciences Department, spoke in support of the bill without amendments (see Exhibits "H"). Mr. Fenner's opinion is that he could not support the bill if the Committee accepts the Hospital Association's amendment (to be proposed).

Sister Elizabeth Henry, Administrator of West-Mont Home Health Care, Inc. testified next, strongly supporting the bill with no amendments except those of the sponsor. (See Exhibit "I".)

John Bartlett, Board of Health, would like to see passage of the bill as written because he thinks all facilities in this group should be placed under Certificate of Need and, also, they should receive the 1122 review.

Chad Smith, representing the Montana Hospital Association, said his people take no position, either for or against, on this bill. However, his concern is that this bill requires unnecessary duplication of licensing. Smith proposed (see Exhibit "J") amendments. With these amendments, Smith said, ". . . We would have no further objections to the bill".

Representative Cooney closed, saying he objects to the amendments proposed by Chad Smith on the grounds that he feels we should license profit and non-profit agencies alike, if we are going to license at all. Cooney also feels that, in this way, the State can keep a handle on home health care agencies.

That concluded the witnesses' testimony.

Questions were many and varied - the Committee agreed that the testimony did not make it clear exactly what "home health care" meant, a more exact definition was needed. Committee members needed more information concerning the amendments proposed; what was involved in licensing only non-profit making organizations, only profit, or both (term "discriminatory" was used if applied to one group and not the other); Fenner said he objected to Smith's amendment because, for one thing, under federal government, the hospital's home health care facility has a separate number and he thinks it stands to reason that entity should then have a separate license; for another thing, Fenner said, "we are talking about a \$20 bill . . . ". Mr. Howe said the main difference in home health care versus nursing homes is one of residence, i.e., home health care goes into the patient's home and provides either a continuous health care program (which has been prescribed by a physician) or the care can consist of infrequent visits, round the clock care, etc. Organizations such as Mr. Howe's cannot qualify at the present time for monies paid through Medicare and Medicaid.

March 19, 1977

With licensing, these organizations would be qualified to receive funds from Medicare and Medicaid. Injections could be given by these organizations, with an order by a physician. Mr. Fenner said the apparent confusion seemed to be in defining the home health care agency - it is a separate entity - separate Board - separate policies. Volunteer organizations would not be covered under this legislation. The thrust of the bill is to license already existing agencies. Chad Smith said only a few hospitals offer the home health care (Columbus Hospital in Great Falls, for one) and added that this area of care through hospitals would be inspected - to which Sister Henry responded she did not think the hospital inspection is enough for that home care offered by hospitals.

A recess of this hearing was called because of time. Chairman Stephens requested Representative Cooney be prepared to come back to the Public Health Committee for further questions.

ACTION ON HOUSE JOINT RESOLUTION 73: Senator Watt moved HOUSE JOINT RESOLUTION BE CONCURRED IN - MOTION CARRIED, 7 - 0.

ACTION ON HOUSE BILL 805: Senator Norman moved an amendment (see Committee Report) which carried on a voice vote. Senator Rasmussen then moved this bill, AS AMENDED, BE CONCURRED IN - MOTION CARRIED, 4 to 3, 1 absent. (Senator Rasmussen will carry this bill on Senate floor.)

ADJOURNMENT: Chairman Stephens adjourned the meeting at 12:00 P.M. so members could go immediately to the Chambers.



STAN STEPHENS, Chairman

ROLL CALL

PUBLIC HEALTH, WELFARE AND SAFETY COMMITTEE

45th LEGISLATIVE SESSION - 1977

DATE: 3/19

TESTIFYINGSUPPORT,
OPPOSE OR
AMEND?

NAME:

REPRESENTING:

ON BILL #

(Please leave any prepared statement with Secretary)

<u>Debra Elizabeth Key</u>	<u>West-Mont Home Healthcare Dir.</u>	<u>HB 360</u>	<u>Support -</u>
<u>Larry L. Corp</u>	<u>Deby Health</u>	<u>HB 300</u>	<u>Support</u>
<u>John F. Corcoran</u>	<u>Prof. M. S.R. T.</u>	<u>HB 300</u>	<u>Support</u>
<u>Reid T. H. Key</u>	<u>Homemakers of Montana</u>	<u>HB 360</u>	<u>Support</u>
<u>William E. Key</u>	<u>Montana Hospital Association</u>	<u>HB 300</u>	<u>Support</u>
<u>William E. Key</u>	<u>Montana Hosp. Assn.</u>	<u>HB 360</u>	<u>Amend or Oppose -</u>
<u>Red Grudel</u>	<u>MNHA</u>	<u>HB 360</u>	<u>Support</u>
<u>Beazley M. Turner</u>	<u>Montana Health Dept</u>	<u>HB 360</u>	<u>Support</u>
<u>John W. Battell</u>	<u>Board of Health</u>	<u>HB 360</u>	<u>Support</u>
<u>Bill Gossel</u>	<u>S.R.S.</u>	<u>HB 360</u>	<u>Support</u>
<u>Tom + Dorothy Mt. and Son</u>		<u>HB 300</u>	<u>"</u>
<u>Chad Smith</u>	<u>Mt. Hosp. Assn.</u>	<u>300</u>	<u>"</u>
<u>Thygesen, Langford Edg. of Radiologic Tech.</u>		<u>300</u>	<u>"</u>

COMMITTEE ON

Public Health

DATE

3/19/17

BILL NO. 300

360

VISITOR'S REGISTER

NAME

REPRESENTING

Check One

Support Oppose

John Stark

Community Upsilon Blgs

360

Barbara Johnson

ROLL CALL

VOTE

SENATE COMMITTEE PUBLIC HEALTH, WELFARE AND SAFETY

45th LEGISLATIVE SESSION - 1977.

Date MARCH 19 Bill No. HJR73 Time 11:55

Joyce (Kelly) Allen
Secretary

STAN STEPHENS
Chairman

Motion: SENATOR WATT MOVED BE CONCURRED IN...

(include enough information on motion—put with yellow copy of committee report.)

ROLL CALL

VOTE

SENATE COMMITTEE PUBLIC HEALTH, WELFARE AND SAFETY

45th LEGISLATIVE SESSION - 1977.

Date MARCH 19

Bill No. HB300

Time 11:15

NAME S:

YES

NO

LEE, Robert

✓

LEE

RASMUSSEN, Tom

✓

RASMUS

OLSON, Stuart

✓

OLSON

HIMSL, Matt

✓

HIMSL

WATT, Robert

✓

WATT

ROBERTS, Joe

ABSENT

ROBER

NORMAN, Bill - V. Chm.

✓

NORMA

STEPHENS, Stan - Chairman

✓

STEPH

Joyce (Kelly) Allen

STAN STEPHENS

Secretary

Chairman

Motion: SENATORS RASMUSSEN AND OLSON, IN A JOINT MOTION,

MOVED HB300 BE CONCURRED IN...

(include enough information on motion—put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

MARCH 19

77

19

PRESIDENT
MR.

PUBLIC HEALTH, WELFARE AND SAFETY

We, your committee on
having had under consideration

HOUSE

300

Bill No.

HOUSE

300

Bill No.

Respectfully report as follows: That.....

BE CONCURRED IN.

DO PASS

(36)

STAN STEPHENS,

Chairman.

STANDING COMMITTEE REPORT

MARCH 19

19 77

PRESIDENT

MR.

PUBLIC HEALTH, WELFARE AND SAFETY

We, your committee on

HOUSE JOINT RESOLUTION

having had under consideration Bill No. 73

HOUSE JOINT RESOLUTION

Respectfully report as follows: That Bill No. 73

BE CONCURRED IN.

DEPARK

BA

STANDING COMMITTEE REPORT

MARCH 19

77

19

PRESIDENT

MR.

PUBLIC HEALTH, WELFARE AND SAFETY

We, your committee on

HOUSE

having had under consideration

805

Bill No.

HOUSE

Bill No. 905

Respectfully report as follows: That.....

third reading bill, be amended as follows:

1. Amend page 2, Section 1, line 17.

Following: "by"

Strike: "this section"

Insert: "subsection (1)"

AND, AS SO AMENDED, BE CONCURRED IN.

DOXASSEK

jl

TESTIFYINGSUPPORT,
OPPOSE OR
AMEND?

NAME: (Please leave any prepared statement with Secretary)	REPRESENTING:	ON BILL #	
Dee Elizabeth	West-Mont Home Health Care Assn.	HB 360	Support
Amy Corp	City Health	HB 300	Support
Don Pearson	Pres. M. S.R.T.	HB 300	Support
Robert D. Hoag	Homeowners support mutual hospital	HB 360	Support
William E. Peavy	Association	HB 300	Support
William E. Peavy	Montana Hosp. Assn.	HB 360	Amend OR Oppose
Red Gudgel	MNHA	HB 360	Support
Beazell M. Tamm	Montana Health Dept	HB 360	Support
John Battell	Board of Health	HB 360	Support
Bill Goss	S.R.S	HB 360	Support
Tom & Dorothy Mt. and son		HB 310	"
Chad Smith	M.H. Hosp. Assn.	300	"
Mary Lou Crawford	3-l of Radiologic Tech	300	"

DATE

3/19/17

COMMITTEE ON

BILL NO. 300

360

VISITOR'S REGISTER

ROLL CALL

PUBLIC HEALTH, WELFARE AND SAFETY COMMITTEE

45th LEGISLATIVE SESSION - 1977

DATE: 3/19

STANDING COMMITTEE REPORT

MARCH 19

77

19

PRESIDENT

MR.

PUBLIC HEALTH, WELFARE AND SAFETY

We, your committee on
having had under consideration

HOUSE

300

Bill No.

STANDING COMMITTEE REPORT

MARCH 19

19 77

MR. **PRESIDENT**

We, your committee on **PUBLIC HEALTH, WELFARE AND SAFETY**

having had under consideration **HOUSE JOINT RESOLUTION** Bill No. **73**

Respectfully report as follows: That **HOUSE JOINT RESOLUTION** Bill No. **73**

BE CONCURRED IN.

RE-PASS

601

STANDING COMMITTEE REPORT

MARCH 19

77

19

PRESIDENT

PUBLIC HEALTH, WELFARE AND SAFETY

We, your committee on

HOUSE

805

Bill No.

ing had under consideration

HOUSE

805

Bill No.

spectfully report as follows: That.....

third reading bill, be amended as follows:

1. Amend page 2, Section 1, line 17.

Following: "by"

Strike: "this section"

Insert: "subsection (1)." 11

AS SO AMENDED, BE CONCURRED IN.

REASSEY

Radiology
MEDICAL ARTS BUILDING
Suite 102
Kalispell, Montana 59901
Phone 756-2175

March 18, 1977

Senator Stan Stephens
Chairman Public Health Committee
Capitol Station
Helena, Montana 59601

Dear Senator:

As a physician, I feel I have an obligation to do my part in promoting improved quality of medical care and as a Radiologist I am concerned most about the quality of x-ray studies taken both in Hospital X-ray Departments and in private physician offices. I feel that anything one can do to improve the quality of the x-ray study taken therefore improves the quality of the final diagnosis reached for each individual patient.

In my opinion, HB 300 seems a step in the right direction to improving medical care in Montana by establishing some criteria of excellence required for people who actually take the x-ray study. In the case of registered technicians, this excellence is somewhat guaranteed by the quality of training they have undergone but, since many people doing x-ray work are not registered technicians, it seems that HB 300 would at least establish some quality control particularly in the future.

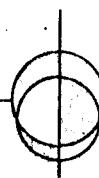
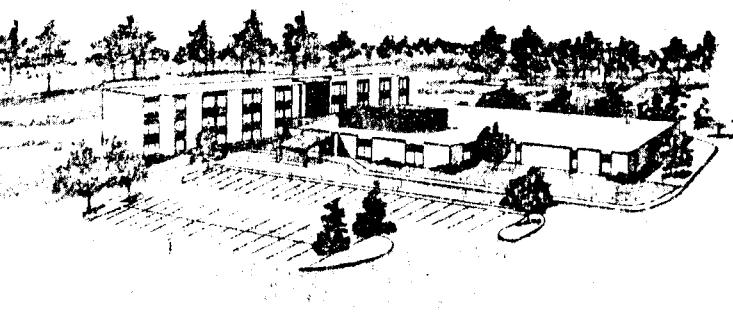
I would appreciate your support in passing HB 300.

William J. Little, M.D.
Sincerely yours,

William J. Little, M.D.
Radiologist

WJL:jb

E X H I B I T "B"



of Flathead Health Center, Inc.

KALISPELL REGIONAL HOSPITAL

KALISPELL MONTANA 59901
PH: 755-5111

George W. Clark
Administrator

Eugene G. Johnson
Associate Administrator
Financial Services

Thomas O. Metzger
Associate Administrator
Institutional Services

Frances C. Clark
Associate Administrator
Director of Nursing

Stan Stephens

Helena, Montana

Dear Mr. Stephens:

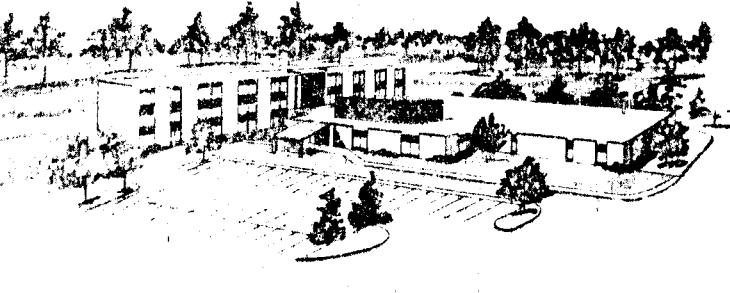
House Bill 300 is an effort to provide the people of Montana with the best possible medical care available. I urge you to share in my support of this bill.

Thank you.

Sincerely,

Mary Chapweske, R.T.
Mary Chapweske, R.T.

E X H I B I T "C"



of Flathead Health Center, Inc.

KALISPELL REGIONAL HOSPITAL

KALISPELL MONTANA 59901
PH: 755-5111

Richard A. Clark
Architect

Elspeth C. Johnson
Associate Architect
Architectural

Elspeth C. Johnson
Associate Architect
Architectural

Elspeth C. Johnson
Associate Architect
Architectural
Director of Nursing

March 17, 1977

Senator Stan Stephens
Helena, MT

Dear Senator Stephens:

I am writing in regards to House Bill No. 300 now up for consideration in the Senate. I urge you to vote in favor of this.

Sincerely,

Greg Bahny
Chief Technologist
Kalispell Regional Hospital

E X H I B I T "D"

b6

1510 6th Avenue West
Kalispell, Montana 59901

March 17, 1977

Senator Stan Stephens
Helena, Montana 59601

Dear Senator Stephens:

Would you please vote in favor of house bill #300. Thank-you.

Sincerely,

Cayle Heino R.T.

Cayle Heino R.T.
Secretary of Flathead Radiological Society

E X H I B I T "E"

I WOULD LIKE TO BRIEFLY EXPLAIN TO YOU WHAT HOME HEALTH CARE IS BEFORE I DISCUSS THE LICENSURE OF HOME HEALTH CARE AGENCIES, WHICH IS THE INTENT OF HOUSE BILL 360.

HOME HEALTH CARE IS DESIGNED TO PREVENT UNNECESSARY INSTITUTIONALIZATION OF PEOPLE. IT BRINGS HEALTH AND ASSISTIVE SERVICES NEEDED BY AN INDIVIDUAL OR FAMILY INTO THE HOME.

MANY TIMES INDIVIDUALS ARE INSTITUTIONALIZED IN ORDER TO MEET HEALTH NEEDS THAT COULD BE MET AT HOME IF THIS PART-TIME SERVICE WAS AVAILABLE. A PERSON NEEDS HOME HEALTH CARE:

1. WHEN THE ACUTELY ILL PATIENT DOES NOT NEED THE COMPLEX CARE PROVIDED BY A HOSPITAL;
2. WHEN A PATIENT REQUIRES PROLONGED CONVALESCENCE, BUT CANNOT AFFORD THE EXORBITANT COSTS;
3. WHEN A PATIENT WITH A LONG-TERM ILLNESS IS IN NEED OF SUPPORTIVE CARE, AND;
4. WHEN A PATIENT WITH A TERMINAL ILLNESS WOULD BE HAPPIER AND CAN BE CARED FOR ADEQUATELY AT HOME.

ALL HOME HEALTH AGENCIES IN MONTANA AT THE PRESENT TIME OFFER NURSING AND HOMEMAKER-HOME HEALTH AID CARE TO PERSONS IN THEIR PLACE OF RESIDENCE. THE LARGE MAJORITY OF AGENCIES ALSO PROVIDE THE FOLLOWING SERVICES: PHYSICAL THERAPY, OCCUPATIONAL THERAPY, SPEECH THERAPY, NUTRITIONAL COUNSELING, AND RESPIRATORY THEREAPY. ALL AGENCIES PROVIDE MEDICAL SUPPLIES AND ANY NEEDED MEDICAL EQUIPMENT FOR THEIR PATIENTS.

THERE ARE CURRENTLY NINE MEDICARE CERTIFIED HOME HEALTH AGENCIES IN MONTANA; TWO ARE HOSPITAL BASED IN GREAT FALLS, ONE IS A FREE-STANDING, PRIVATE AGENCY IN HELENA, AND SIX ARE CITY-COUNTY HEALTH DEPARTMENT NON-PROFIT AGENCIES IN MISSOULA, HAMILTON, KALISPELL, SIDNEY, BUTTE, AND BILLINGS.

INCOME FOR CERTIFIED AGENCIES COMES LARGELY FROM MEDICARE AND MEDICAID REIMBURSEMENTS. HOWEVER, SERVICES ARE AVAILABLE TO ANYONE IN NEED OF THEM.

AGENCIES ARE USUALLY ABLE TO CARRY SOME NON-PAYING PATIENTS THROUGH THE USE OF SUCH FUNDS AS UNTIED WAY AND PRIVATE CONTRIBUTIONS.

COUNTY AGENCIES RECEIVE SOME FUNDS FROM THE COUNTY.

THERE ARE SOME VERY SOUND AND VALID REASONS FOR THE HOME HEALTH CARE LICENSURE PROVIDED FOR IN HOUSE BILL 360. FIRST, IT WOULD PROMOTE QUALITY HOME HEALTH SERVICES IN THE STATE. AT PRESENT, THE ONLY MONITORING OF HOME HEALTH AGENCIES IN MONTANA IS THROUGH THE STATE HEALTH DEPARTMENT'S CERTIFICATION OF AGENCIES WHICH WISH TO PARTICIPATE IN THE MEDICARE/MEDICAID PROGRAM. NON-PROFIT AGENCIES WHICH CHOOSE NOT TO SEEK CERTIFICATION AND PROFIT AGENCIES, WHICH ARE PROHIBITED BY LAW FROM BEING CERTIFIED UNLESS THEY ARE LICENSED BY THE STATE, ARE REGULATED BY NO OUTSIDE AGENT. HOME HEALTH IS THE ONLY MAJOR SEGMENT OF THE HEALTH SYSTEM IN MONTANA THAT IS UNREGULATED BY THE STATE. SECTION TWO OF MY BILL PROVIDES FOR LICENSING OF AGENCIES.

SECONDLY, SECTION THREE OF THIS BILL PROVIDES A CERTIFICATE OF NEED REQUIREMENT FOR HOME HEALTH. AT PRESENT HOME HEALTH IS NOT REGULATED BY ANY CERTIFICATE OF NEED REQUIREMENTS.

AS AN INCREASING NUMBER OF AGENCIES DEVELOP, CAREFUL PLANNING WILL BE NEEDED TO SEE THAT THE NUMBER OF AGENCIES IN AN AREA IS PROPORTIONATE TO THAT AREA'S NEEDS AND TO PREVENT THE PROLIFERATION OF NEW AGENCIES IN AN AREA ALREADY ADEQUATELY SERVED.

THIS BILL WOULD ENABLE PROFIT AGENCIES TO QUALIFY FOR CERTIFICATION UNDER AND PARTICIPATION IN THE MEDICARE/MEDICAID PROGRAM. THIS IS A CONTROVERSIAL AREA AS THERE IS QUESTION AS TO WHAT EXTENT PROFIT INTERESTS SHOULD BE INVOLVED IN THE PROVISION OF HEALTH CARE. HOWEVER, I OFFER TWO ARGUMENTS IN FAVOR OF THEIR PARTICIPATION IN THE MEDICARE/MEDICAID PROGRAM:

1. AT PRESENT MEDICARE AND MEDICAID RECIPIENTS BEING SERVED BY PROFIT HOME HEALTH AGENCIES ARE UNABLE TO TAKE ADVANTAGE OF THEIR HEALTH BENEFITS UNDER THESE PROGRAMS. THIS SEEMS SOMEWHAT DISCRIMINATORY.
2. IF PROFIT AGENCIES WERE ABLE TO RECEIVE MEDICARE MEDICAID FUNDS, THEY MIGHT BE MORE WILLING AND ABLE TO EXPAND TO SOME OF THE CURRENT UNSERVED AREAS OF THE STATE AND MAKE HOME HEALTH MORE AVAILABLE TO MONTANANS.

WITH THE EVER INCREASING COST OF INSTITUTIONAL HEALTH CARE THE NEED FOR LOW-COST ALTERNATIVES IS GREAT. HOME HEALTH CARE CAN PROVIDE SUCH AN ALTERNATIVE. LICENSURE OF THIS PROGRAM UNDER HOUSE BILL 360 WILL PROVIDE FOR EXPANSION OF HOME HEALTH SERVICES IN ORDER TO INCREASE THEIR ACCESSIBILITY AND AVAILABILITY TO ALL MONTANANS WHICH IS NECESSARY IF OUR STATE IS TO ADEQUATELY RESPOND TO IT'S CITIZENS TOTAL HEALTH NEEDS.

There is no reason why my service should be excluded from reimbursement, provided, I meet the same standards that are required of medicare certified home health agencies. H.B. 360 would give me the opportunity to earn this right.

Thank you for the opportunity to appear at this hearing.

E X H I B I T "G"

H.B. 360

My name is Robert D. Howe and I am the manager of Homemakers Health Care Services of Montana, Inc. in Billings. This is a small Montana corporation owned entirely by my wife and myself. We have a franchise from Homemakers Upjohn that has been assigned to our corporation allowing us to offer our services in the name of Homemakers Upjohn. Our office is one of 215 offices either owned and operated or are franchised by Homemakers Upjohn. This makes them collectively the largest single provider of home health care in the United States. I have been in operation since November 1973, prior to that I was with the Billings Deaconess Hospital for 25 years. The last 18 years of which I was the administrator.

I am here to speak in favor of H.B. 360:

Present medicare regulations prohibits proprietary organizations like mine (the people who pay taxes) from participating in the health insurance program unless they are licensed by the State. Why this is I do not understand because this does not apply to proprietary hospitals or extended care facilities. Last year my organization provided 35,540 hours of care. This included services by Registered Nurses, Licensed Practical Nurses, Orderlies, Companions and Domestics; and from one hour visits to around the clock by shift or live-ins. We do not confine our service to a "part time or intermittent basis" as many of the Medicare home health providers do. We have experienced situations where individuals using a service of ours which would not be eligible for medicare coverage, but at time they do require skilled nursing care which we could provide. However, to have the skilled nursing care reimbursed by their health insurance, they must go to the local medicare provider. This fragmentates the service and detracts from the continuity of the care that would be possible by a single agency.

E X H I B I T "H"

Testimony HB360 Licensing and Regulation Home Health Agencies

George M. Fenner, Administrator, Hospital and Medical Facilities Division
Department of Health and Environmental Sciences

Public Health Committee - Senate
Saturday, March 19, 1977

I am attaching herewith my testimony as a proponent for this proposed legislation presented to the Public Health Committee in the House of Representatives on Thursday, February 10, 1977 which I request be included as a part of my testimony before this committee.

I have since become concerned that the opponents to this proposed legislation in the House would attempt to achieve their purpose by amending the bill in the Senate. The proposed amendment furnished to me yesterday, seems from my layman point of view to exclude nonprofit, exempt from taxation organizations from being included under any of the provisions of this proposed legislation. If this is the case, the legislation will not accomplish what I believe is important as it will exclude nonprofit health care facilities from Certificate of Need and ultimately result in a proliferation and duplication of Home Health Services within any given community.

I can commiserate with the existing health care facility now operating a home health agency and under this legislation required to have an additional license for the home health agency which would be burdensome. However, any allegation that the facility would be subjected to additional licensing regulations promulgated by the Department is unfounded inasmuch as the legislation submitted provides that the Federal Conditions of Participation for Home Health Agencies will be the licensing regulations. Therefore, existing Home Health Agencies located in licensed health care facilities will be subjected to the same regulations they now must comply with.

I support on behalf of the Department of Health the legislation as originally proposed and urge your "do pass" recommendation; however, if the amendment is adopted and excludes Home Health Agencies operated by nonprofit, tax exempt organizations from the Certificate of Need provisions of this legislation, I oppose the bill as amended and urge your unfavorable consideration.

E X H I B I T "H"

Testimony HB360 Licensing and Regulation Home Health Agencies

George M. Fenner, Administrator, Hospital and Medical Facilities Division
Department of Health and Environmental Sciences

Public Health Committee - Senate
Saturday, March 19, 1977

I am attaching herewith my testimony as a proponent for this proposed legislation presented to the Public Health Committee in the House of Representatives on Thursday, February 10, 1977 which I request be included as a part of my testimony before this committee.

I have since become concerned that the opponents to this proposed legislation in the House would attempt to achieve their purpose by amending the bill in the Senate. The proposed amendment furnished to me yesterday, seems from my layman point of view to exclude nonprofit, exempt from taxation organizations from being included under any of the provisions of this proposed legislation. If this is the case, the legislation will not accomplish what I believe is important as it will exclude nonprofit health care facilities from Certificate of Need and ultimately result in a proliferation and duplication of Home Health Services within any given community.

I can commiserate with the existing health care facility now operating a home health agency and under this legislation required to have an additional license for the home health agency which would be burdensome. However, any allegation that the facility would be subjected to additional licensing regulations promulgated by the Department is unfounded inasmuch as the legislation submitted provides that the Federal Conditions of Participation for Home Health Agencies will be the licensing regulations. Therefore, existing Home Health Agencies located in licensed health care facilities will be subjected to the same regulations they now must comply with.

I support on behalf of the Department of Health the legislation as originally proposed and urge your "do pass" recommendation; however, if the amendment is adopted and excludes Home Health Agencies operated by nonprofit, tax exempt organizations from the Certificate of Need provisions of this legislation, I oppose the bill as amended and urge your unfavorable consideration.

We are concerned that with national emphasis and the possible availability of developmental funds that for-profit Home Health Agencies will be developed in those areas already providing a service. This would diffuse services to the extent that neither Home Health Agency could be financially sound, and ultimately both will be doomed to failure or costs will rise out of reach. We believe Certificate of Need must be included as a part of this legislation on the basis that the project review of facilities and services in the health care industry must be as inclusive as possible.

It is true that the regulations published Friday, January 21, 1977, relating to capital expenditure review, Certificate of Need, and review of new institutional health services do exclude Home Health Agencies from project review; however, I would caution those nonprofit hospitals or nursing homes who contemplate establishing Home Health Agencies that, by our interpretation, they are subject to 1122 Review regardless of whether this proposed legislation passes inasmuch as they will be providing a new Institutional Health service. Therefore, the only agencies affected by the Certificate of Need portion of this bill would be new free-standing Home Health Agencies.

E X H I B I T "H-1"

Testimony -- H.B. 360, Licensing and Regulation - Home Health Agencies

George M. Fenner, Administrator, Hospital and Medical Facilities Division,
Department of Health and Environmental Sciences

Public Health Committee, House of Representatives

Thursday, February 10, 1977

All segments of the health care delivery system, including programs for the aging, programs relating to deinstitutionalization, professional standards review organizations and others, are emphasizing the need to develop alternates to institutional care.

A proven alternative is Home Health Agency services. The primary function is to provide nursing and other services to individuals in their own living situation.

In Montana, Home Health Agencies have been slow in developing, and for the most part are limited in scope of services provided. There are nonprofit organizations located in Great Falls (2), Billings, Butte, Helena, Missoula, Hamilton, Sidney, and Kalispell.

Federal statutes require that Home Health Agencies receiving reimbursement through Medicare and Medicaid must be nonprofit organizations unless they are licensed by the state. If a for-profit Home Health Agency is licensed and otherwise meets the Conditions of Participation for Home Health Agencies as developed by the Social Security Administration and is so certified, they can qualify for reimbursement from the federal programs.

There is one for-profit Home Health Agency in Montana owned or franchised through the Upjohn Corporation located in Billings. It is not licensed because we have no licensing authority; therefore, it is not required to meet any state or federal regulations. Nor it is eligible to receive Medicare or Medicaid reimbursement. The services it provides are available only to those individuals who are able to pay.

We believe that Home Health Agency services should be expanded, particularly in rural and sparsely populated areas. We have seen very little expansion of Home Health services in the past eight years.

E X H I B I T "H-2"



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
REGION VIII
FEDERAL OFFICE BUILDING
19TH AND STOUT STREETS
DENVER, COLORADO 80294

March 15, 1977

Refer to: IHI-R8-LJR
(HI-18-MT)

SOCIAL SECURITY
ADMINISTRATION

George Fenner, Administrator
Hospital & Medical Facilities Division
Department of Health & Environmental
Sciences
State Capitol
Helena, Montana 59601

Dear Mr. Fenner:

At your request the following information is furnished and may be used for whatever purpose you deem necessary.

Home Health Agencies owned and operated by "for profit" (non tax exempt) organizations must be licensed by the state in which they function and must meet the Federal Conditions of Participation for Home Health Agencies before they can be certified to participate in the Title XVIII (Medicare) program.

It is emphasized that such proprietary Home Health Agencies must be licensed by the state agency having appropriate authority in this area and will not be eligible to participate in Medicare simply because the facility within which they operate is licensed as a health care facility; i.e., a hospital or a nursing home.

I trust this will clarify the matter for you. Please contact me at once if any of the foregoing is not clear.

Sincerely yours,

Leon J. Rollin
Program Officer, State Operations
Bureau of Health Insurance

E X H I B I T "I"

To: Senate Public Health Committee

From: Sr. Elizabeth Henry R.N.
Administrator of West-Mont Home Health Care, Inc.

Re: HB 360

Date: March 19, 1977

My name is Sr. Elizabeth Henry. I am the administrator of West-Mont Home Health Care, Inc. here in Helena. I am here in opposition to any amendments to this bill except Rep. Cooney's minor changes. My reasons are:

1. Home Health, although intimately connected with the other segments of the health delivery system, is distinctly separate. It is important that it be uniformly regulated whether it be hospital based, nursing home based or community based. It should not be considered as just another department in an institution.
2. It is my understanding that unless a home health agency is separately licensed regardless of where it is located it cannot receive Medicare reimbursement unless it is non-profit. This would discourage proprietary hospitals and nursing homes from entering the industry.
3. It is my understanding that this new law will not increase the amount of visitation to our hospital based home health agencies by the Department of Licensure and Certification. During their present certification visitation, the licensure review will be carried out at the same time. The hospital industries fear that this bill will increase their time taken away from patient care appears to be unfounded.

I respectfully request that you leave the bill intact with no major changes.