

MINUTES OF THE MEETING
FINANCE AND CLAIMS
MONTANA STATE SENATE

April 13, 1977

The thirtyfifth meeting of the Senate Finance and Claims Committee met in room 331 on the above date. Roll call was taken, and the meeting was called to order at 8:07 A.M. by Senator Thiessen, Chairman. Senator Thiessen announced the current status of the budget as of the last calculation. He said with the bills passed, and those in committee it was in the neighborhood of \$414 million.

HOUSE BILL 725 was explained by Representative Brand. This was a bill to appropriate funds and establish a veterans' home at Twin Bridges. He said this would be contingent upon the availability of federal funds.

Bob Durkee spoke for the bill representing the VFW, and the American Legion. He said he would like to call attention to the Federal Act which has already passed the House of Representatives in Washington. They are adding \$5 million to the existing \$10 million each year. He said the V.A. people have been on the site at Twin Bridges. We know some of the structures are in need of repair but we feel we can stall off OSHA and some others until we can get established.

Amy Erb, Sheridan, R.C. & D. said they had presented to the House 386 signatures of people who really want the institution for a veterans home. She said Bill Daley had done a survey on the location and 100 miles in any direction there are a lot of veterans. She said some of the money could be obtained through sale of part of the land.

George Schotte, Butte area spoke for the Butte Chamber of Commerce and spoke in favor of the bill. He said he did not know why a veteran should have to go out of state to an institution, that Montana should be able to provide for it's own, and give them the opportunity of living close to their families, etc.

Moureen McAlear spoke in favor of the bill. She said she had served on a committee that had as its main purpose finding a use for Twin Bridges. She said the community would support this or any other use the Legislature saw fit to use the Twin Bridges institution for.

Senator Fasbender said that much work had been done by that group to find a use for Twin Bridges. He said in House Bill 494 there is an individual from Oregon who has been trying to develop homes throughout the northwest. It would be a center for retired people. As far as the committee could see at the time, we were very much interested in this.

Discussion was held on how many people would be in the building if it were a veterans home, how many beds they felt they would need, etc.

HOUSE BILL 654 was explained by Representative Meloy. He said two years ago the state was involved in a law suit, and this would

help to hold off more of them. He said this would keep young offenders from being evaluated under abnormal tense conditions, and not through them in with hardened criminals.

Robert Long, representing the Governor said with the amendments that had been put into this on the Senate floor he would strongly favor supporting this bill.

Senator Thomas said these kids had been tested and tested, and what they really need is treatment.

Representative Meloy said that is precisely why it needs to be done in the community.

HOUSE BILL 261 was explained by Representative Ramirez. He said you need to understand the bill to understand the fiscal note. He said any judge can give any sentence from one day to the maximum. He doesn't have to send the person to prison, he can put the person on probation. As a result there is a disparity in sentencing. This bill sets out persons who are convicted of crimes against a person would be sent to prison--rape, assault, etc.

Representative Gould spoke in favor of the bill.

Senator Fasbender asked if Representative Ramirez could tell him what percentage of people were in prison because of person related crimes as opposed to the others. He was told they had tried to get some figures, but had not been able to get the break down.

Discussion was held on available facilities, costs, prison population effects, chances of better non-recurrence of crimes, etc.

HOUSE BILL 781 was discussed, which was the bill by Representative Marks on state aid for sewer and water in the Boulder Housing area.

Motion by Senator Etchart that House Bill 781 do pass. He said this was in good faith on the part of the Legislature.

Motion was voted, passed.

HOUSE BILL 693, the bill by Representative Meloy on the National Conference of State Legislatures.

Motion by Senator Stephens that this bill be concurred in.

Discussion was held on this, and Senator Regan maintained the Legislature should follow the edict they had put before the other agencies and cut down on the memberships. She felt one or the other should be it. Senator Fasbender said he felt a lot of the work being done by the Council of State Governments was actually being done by the NCL.

Voted and passed, 9:23 A.M.

A poll was taken to show if the members would prefer to not be in the Council of State Governments, at 9:26 A.M. This will affect the budget in H.B. 145. Judy Rippingale, fiscal analyst was asked to prepare the amendment to be presented on the floor of the Senate.

HOUSE BILL 525 the bill by Representative Mular which pertained to Railroad planning and assistance was discussed.

Senator Himsl said he wondered when we hadn't been able to run a motor pool how we thought we could manage a railroad.

Senator Fasbender said in discussing this bill we should bear in mind that when they close down all over Montana, we are also losing the taxes as well as their services. Basically what they are doing is hauling grain for farmers in Montana. I do not agree that the state should get into the business of running a railroad, but I think that the state should have some chance to try to plan for the changes. It might pay in some instances to bargain so that we might lose the taxes but still have the services rather than to lose both.

Motion by Senator Regan to pass consideration of this bill for today. Voted and passed.

HOUSE BILL 295 was a bill by Representative Ellis to publish three unpublished legislative journals.

Motion by Senator Regan that this bill do pass.
Voted and passed, unanimous, 9:37 A.M.

HOUSE BILL 502, was a bill sponsored by Representative Brand to appropriate funds for participation in the medal of Honor program.

Motion by Senator Regan that this bill do not pass.. She said she did not feel it correct for the state to appropriate money to a private organization.

Voted and passed.

HOUSE BILL 569, sponsored by Representative Waldron as a bill to help the displaced homemakers.

An amendment that had been passed in the House Appropriations Committee and had not gotten onto the bill was suggested to the committee as follows: Amend page 7, line 7, following "until" strike March 15, 1979 and insert June 30, 1979. Amend page 7 following line 8 by inserting: Section 04--there is a new RCM section that reads as follows: "Subject to federal funding. The appropriation made by this act is subject to receipt of federal funds. If federal funds are not received, the moneys appropriated in section 11 of this act shall revert to the general fund." Renumber subsequent sections.

Motion by Senator Regan to amend as above. Voted, passed.

Motion by Senator Regan the bill as amended, be concurred in.
Voted and passed.

The meeting was adjourned, there will be another meeting on adjournment today.


Thieszen
SENATOR THIESSEN, Chairman

ROLL CALL
FINANCE AND CLAIMS COMMITTEE
45th LEGISLATIVE SESSION 1977

8 AM
Date 4-13-77

NAME	PRESENT	ABSENT	EXCUSED
THIESSEN, CH	✓		
HIMSL, V.C.	✓		
STORY	✓		
ETCHART	✓		
KOLSTAD	✓		
LOCKREM	✓		
NELSON	✓		
SMITH	✓		
STEPHENS	✓		
FASBENDER	✓		
BOYLAN	✓		
FLYNN	✓		
MEHRENS	✓		
REGAN	✓		
ROBERTS	✓		
THOMAS	✓		

SENATE

F + C

COMMITTEE

BILL 1916

VISITORS' REGISTER

DATE

4-13-77

654,725,261

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

DATE: March 15, 1977

FROM: Representative Joe Brand

RE: Testimony on HB 725

Mr. Chairman and members of the Committee.

House Bill 725 establishes the now vacated childrens' home at Twin Bridges as a veterans' home and provides for the construction of 60 additional veterans' home units. The intent of HB 725 is to provide room and board for approximately 100 veterans--approximately 40 veterans immediately and 60 additional veterans upon completion of the remodeling of the Twin Bridges home. It is not the intent of HB 725 to provide nursing care or to be a nursing home for veterans.

Sections 1 through 4 of HB 725 amend the statutes concerning the veterans' home at Columbia Falls; these amendments simply provide that there are two Montana veterans' homes--one at Columbia Falls and one at Twin Bridges--whose "primary function is to provide home and subsistence for honorably discharged veterans."

Sections 5 through 13 delete references to the Montana Childrens' Center at Twin Bridges and, where appropriate replaces them with references to the "Montana veterans' homes."

Section 14 appropriates \$175,600 for operational expenses and Section 15 appropriates \$350,000 for the cost of remodeling the Twin Bridges home to accommodate 60 veteran residents.

(1) It is not the intent of HB 725 to establish a nursing home; and (2) the total operating cost of the Veterans' Home at Columbia Falls in fiscal year 1976 was only \$667,727--and the Columbia Falls Home does provide "nursing care" for approximately 30% of its residents, while HB 725 does not contemplate nursing care for any resident. Therefore, it seems to me that the fiscal note might include some expenses for nursing care that should not be included. (See the attachment that outlines personal services and operating costs for the Twin Bridges Veterans' Home as prepared by the budget office).

Mr. Chairman, I might also point out that \$395,584 of the \$661,362 spent at Columbia Falls in fiscal year 1976 was reimbursed to the state from the VA Administration and patient fees. I would expect that a similar percentage would be reimbursed for operational expenses at the Twin Bridges Home.

The need for another veterans domicile facility in Montana has been apparent for some time. There are over 100,000 Montana veterans:

Page 2
March 15, 1977

the majority of these are World War II veterans who are in the 50 or 60 year old age group. There are an additional 100 Montana veterans who presently reside in veterans homes in Oregon and South Dakota who would like to reside in Montana. Furthermore, the veterans' home at Columbia Falls presently has 130 veteran residents and has a perennial waiting list.

The Twin Bridges Home presents an excellent opportunity. It is an excellent facility with 23 buildings and a 220 acre complex valued at over \$3,000,000. And it is now vacant. It is begging to be used, Montana veterans need a home of this type.

In short, the need for a veterans' home exists; the facility is there and economy dictates that we use the existing facility rather than undergo the high cost of new construction.

Mr. Chairman, there are several items attached to this memorandum that provide additional information. These items include:

- (1) an outline of operating costs prepared by the budget office;
- (2) a series of memos between the Governor's Office, the VA office, and the Budget office that discuss various aspects of the proposal to use the Twin Bridges Home as a Veterans' Home; and
- (3) a question and answer sheet provided by the VA and dealing with Veterans' Homes.

Budget : Planning Office

TWIN BRIDGES VETERANS HOME

BUDGET FISCAL YEAR 77-78

Personal Services

<u>FTE</u>	<u>TITLE</u>	<u>Grade</u>	<u>Salary</u>	<u>Total</u>
1	Superintendent I	17	\$ 18,922	\$ 18,922
1	Accountant III	13	13,072	13,072
1	Clerk Typist IV	7	7,500	7,500
1	Registered Nurse IV	14	14,332	14,332
5	Nurses Aids	7	7,500	37,500
5	Custodial Workers II	6	6,832	40,992
1	Maintenance Foreman I	12	13,465	13,465
3	Cook II	8	8,222	24,666
5	Food Service Worker II	6	6,832	34,160
2	Maintenance Worker II	9	9,022	18,044
TOTAL SALARIES				222,653
2% Step Increases				4,453
14% Fringe Benefits				31,794
TOTAL PERSONAL SERVICES				<u>\$258,900</u>

Operational Costs

Food @ \$1.50 per day per resident	\$ 19,710
Supplies @ .50 per resident day	6,570
Utilities	23,900
Gas	\$ 15,000
Electricity	6,500
Phone	2,400
Laundry @ 24 cents per 1.5 lb. per resident day	4,730
Miscellaneous 25 cents per resident day	3,285
Insurance	<u>4,954</u>
TOTAL OPERATIONAL COSTS	<u>\$ 63,149</u>
TOTAL BUDGET First Fiscal Year	<u>\$322,049</u>
Fiscal Year Two @ 10% Increase	354,253
Long Range Building - Initial Remodeling	25,000
Potential Reimbursement for 18 months certification 85% eligible residents	\$ 81,301

STATE OF MONTANA

Office of the Governor

Budget and Program Planning

Thomas L. Judge

Governor

Michael G. Billings

Director

Capitol Building - Helena, Montana 59601

January 4, 1977

To: Keith Colbo
From: Gene Huntington *Gene Huntington*
Re: Twin Bridges Veterans Home Proposal

In response to your inquiry concerning waivers necessary to convert the Twin Bridges facility into a Veterans Home, I have outlined below the steps necessary to develop a Veterans Home. I believe the process required for the proposal can best be illustrated through the following outline:

1. Establish a State Program

- A. The legislature should establish authority and funding (100% state) to operate a Veterans Home for one year.
- B. State building code authorities (Health, Fire Marshal and Building Regulation) would approve certain facilities for occupancy.
 - 1. From previous reports and correspondence it would appear that the two new cottages and portions of "Meadowlark" could be approved.
 - 2. Only those facilities that have *reasonable chance of being subsequently approved by V.A. should be occupied.*
- C. The staff would need to be hired and facilities would need to be prepared for occupancy.
- D. Veterans potentially eligible for V.A. reimbursement would be admitted as residents of the facility.

Keith Colbo

-2-

January 4, 1977

II. Securing V.A. Recognition and Reimbursement

- A. After residents are admitted and the program is underway, application would be made to V.A. for reimbursement.
- B. V.A. would inspect the facilities and approve or disapprove them for reimbursement.
- C. *Following the V.A. inspection the state could request waiver of requirements covering minor deficiencies in the residential facilities.*

III. Securing V.A. funds for Renovation of Existing Facilities

- A. After the institution was approved for reimbursement for care, the institution would become eligible for V.A. funds (65% funding) for renovating facilities.
- B. Facilities that were to be renovated would be required to meet all code requirements upon completion of the renovation.

GH:cm

cc: Amy Erb
Clarence Hester

S L JUDGE
Sternon
State of Montana
Office of The Governor
Helena 59601

OCTOBER 20, 1976

MEMORANDUM

TO: Mike Billings, Director
Office of Budget and Program Planning

FROM: Keith L. Colbo, Executive Assistant

SUBJECT: Proposal for Veteran's Home at Twin Bridges

I have reviewed the report by the Department of Administration on the proposed conversion of the former Childrens Center to a Veterans Home. It would appear from the report and the notes prepared by Gene Huntington that the conversion is feasible and within reasonable cost restrictions. The questions that remain deal with firm commitments from the federal agency.

Please firm up as soon as possible the program requirements and waivers that might be expected by the Veterans Administration. I would like this data so that the Governor can make his final budget decisions with the best possible information available. Thank you.

cc: Amy Erb

Mr. Gene Huntington
Program Analyst
Budget and Program Planning
Office of the Governor
State of Montana
Capitol Building
Helena, Montana 59601

Dear Mr. Huntington:

I am responding to your letter of October 22, 1976, to Mr. Herman Hahn, State Homes Program Coordinator, regarding compliance with the provisions of VA Regulation 6184, 2., b., in connection with your ongoing study of the feasibility of converting the Twin Bridges facility into a State veterans domiciliary.

As you know, the buildings of the facility are not in compliance with the current (1973) Life Safety Code, NFPA 101, for the type of occupancy intended. The Veterans Administration cannot waive the requirement for Life Safety Code compliance for buildings occupied by residents of a home.

As discussed with Mr. Billings during my visit in August 1975, and as indicated in VA Regulation 6181, the VA can participate in the remodeling of facilities in an existing, i.e., VA recognized, State home up to 65 percent. In order to gain such recognition, the State would have to establish a domiciliary operation in a building which meets the criteria of the current Life Safety Code. After inspection and recognition of the facility by the VA for the purpose of VA per diem aid, the VA can then participate in the remodeling of other buildings on the grounds of the home to meet the Life Safety Code and such other requirements in the cited VA construction regulation that are required for VA participation in a State home construction project. I would like to add that we attach great importance to patient privacy, i.e., housing veterans in rooms with connecting bathrooms, as opposed to outmoded barracks type accommodations with congregational bathrooms. This is reflected in the VA's current approach to new domiciliary construction and the remodeling of our older facilities.

Please do not hesitate to contact Mr. Hahn if you require further assistance.

Sincerely yours,

RICHARD N. FILER, Ph.D.
Acting Assistant Chief Medical
Director for Extended Care

VETERANS ADMINISTRATION
STATE HOME PROGRAM
Questions - Answers

1. What is a State home?

The term "State home" means a home established by a state for war veterans disabled by age, disease, or otherwise, who by reason of such disability, are incapable of earning a living. It also includes a home which furnishes nursing home care for such veterans.

2. Can a State home furnish more than one level of care?

Yes, a State home may furnish domiciliary, nursing home and hospital levels of care. A home which furnishes more than one level of care must provide such care in clearly designated areas within the home so that the quarters of patients and members are not intermingled.

3. Who establishes a State home?

The establishment, control and administration of a State home is the responsibility of the state which it serves.

4. How is a State home established?

Generally, veterans service organizations and interested state officials encourage the legislature to enact legislation for establishment of a State Veterans Home and to appropriate funds for its operation.

5. What assistance from VA is available in the establishment of a State home?

a. VA will provide guidance and consult with representatives of the State to insure the facility will meet regulations for VA recognition and Federal aid payments under provisions of Title 38 USC 641.

b. VA cannot participate in the cost of land or purchase of a facility.

6. Can a building in an existing State facility be approved as a State home?

Building(s) in an existing facility may qualify provided they are established and operated as a separate entity (State Home). It is permissible to purchase services, i.e., dietetic, engineering laundry and professional care from existing facility.

7. Can a facility providing only hospital care be recognized by VA as a State home?

No, a State home must provide primarily domiciliary and/or nursing home care for war veterans.

8. What are the veteran admission requirements to a State home?

- Admission requirements are determined by the state.
- Following admission, an application VA Form 10-10, "Application for Medical Benefits" is sent to VA to establish a veterans eligibility for payment of VA per diem.

9. What Federal funds are available to a state for the operation of a State home?

Under provisions of Title 38, USC 641, VA participates by making per diem payments to states for three levels of care furnished war veterans as follows:

- Domiciliary Care - up to one-half the cost of care not to exceed \$4.50 per day.
- Nursing Home Care - up to one-half the cost of care not to exceed \$6.00 per day.
- Hospital Care - up to one-half the cost of care not to exceed \$10.00 per day.

10. Can the state assess or charge veterans for the cost of their care?

Yes, the state-operated facility may establish a maintenance charge system and collect from the pension, compensation or other income of veterans.

11. Is there a limit on the amount collected from veterans?

No. However, the amount collected from, or on behalf of, veterans in the aggregate plus the amount of Federal aid payments cannot exceed the cost of care to the state.

12. If a veteran in a State home requires hospitalization in another facility, can VA continue per diem payments?

No. VA per diem payments are limited to care provided within the State home facility.

1. Under Public Law 88-450, can VA participate with states to construct nursing home care facilities for war veterans?
 - a. Yes. VA may participate in 65% of cost to construct facilities in State homes to furnish nursing home care to war veterans, provided VA construction standards are met.
 - b. Such cost may include architect fees, supervision, inspection and equipment.

2. How can a state obtain VA regulations, instructions and application forms for construction projects under P.L. 88-450?

Write to: Department of Medicine and Surgery (136)
Veterans Administration
Washington, D. C. 20420

3. Is there a limit on number of nursing home care beds to be constructed with VA participation?

Yes. The maximum may not exceed 2½ beds per 1,000 war veteran population in the state.

4. Who is responsible for a construction project?

The state is primarily responsible.

The state employs an architect, and submits plans for VA review and commitment of federal funding prior to letting contract. During construction, which is supervised by the state, reimbursement claims may be submitted to VA for payment. Five per cent of VA commitment is withheld pending VA inspection and final audit of project.

5. May other than war veterans occupy nursing home care constructed facilities under P.L. 88-450?

Yes. 10% of bed occupants at any one time may be other than war veterans receiving nursing home care.

6. What are the recapture provisions of Public Law 88-450?

If the state does not operate constructed facilities for 20 years to principally furnish nursing home care to war veterans, 65% of the then value of such facilities may be recovered by the U.S.

7. Can VA participate in construction of State home facilities to provide hospital or domiciliary care?

Yes, under PL 91-178, VA can assist in remodeling modification and alteration of existing hospital or domiciliary facilities. If prescribed standards are met and no expansion of facilities is involved VA may participate in 65% of cost of project.

8. How long must a state operate a facility which has been "remodeled" with VA participation under PL 91-178?

The facilities must be used to furnish hospital or domiciliary care principally to war veterans for a period of 7 years.

9. May equipment be provided when constructing hospital or domiciliary facilities under Public Law 91-178?

Yes, however it may not be movable but must be at least semi-permanently attached to the building and must be provided as part of a construction contract.

10. Is there a limit to the amount of funds which the VA can commit to construction of hospital or domiciliary facilities?

Yes, the VA may commit to any one state no more than 20% of the amount appropriated by Congress for the fiscal year.

PASSED US House on Roll Call 4/4/77

Union Calendar No. 61

95TH CONGRESS
1ST SESSION

H. R. 3695

[Report No. 95-112]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 1977

Mr. SATTERFIELD (for himself and Mr. HAMMERSCHMIDT) introduced the following bill; which was referred to the Committee on Veterans' Affairs

MARCH 23, 1977

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend title 38 of the United States Code in order to revise and improve the program of making grants to the States for the construction, remodeling, or renovation of State home facilities for furnishing hospital, domiciliary, and nursing home care for eligible veterans, and for other purposes.

1 *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*
2 That subchapter V of chapter 17 of title 38, United States
3 Code, is amended by deleting section 644 in its entirety.

5 SEC. 2. Subchapter III of chapter 81 of title 38, United
6 States Code, is amended—

7 (1) by amending section 5031 (c) to read as
8 follows:

1 "(c) The term 'construction' means the construction of
2 new nursing home or domiciliary facilities, the expansion,
3 remodeling, or alteration of existing hospital, nursing home
4 care, or domiciliary facilities, and the providing of initial
5 equipment for any such facilities.;"

6 (2) by amending section 5034 (d) to read as
7 follows:

8 "(d) The term 'cost of construction' means the amount
9 found by the Administrator to be necessary for a project
10 of construction of facilities defined in section 5031 (c), in-
11 cluding architect fees, but not including the cost of acquisi-
12 tion of land.;"

13 (3) by amending section 5032 to read as follows:

14 "The purpose of this subchapter is to assist the several
15 States to construct State home facilities for furnishing nurs-
16 ing home care or domiciliary care to veterans, and to assist
17 the several States to remodel, modify, or alter existing hos-
18 pital, nursing home, or domiciliary facilities in State homes
19 providing care and treatment for veterans."; and

20 (4) by amending section 5033 to read as follows:

21 "(a) There is hereby authorized to be appropriated
22 \$15,000,000 for the fiscal year ending September 30, 1978,
23 and a like sum for the succeeding fiscal year. Sums appro-
24 priated pursuant to this section shall be used in such manner
25 as deemed appropriate by the Administrator for making

1 grants to States which have submitted, and have had ap-
2 proved by the Administrator, applications for carrying out
3 the purposes of section 5032 of this title.

4 "(b) Sums appropriated pursuant to subsection (a) of
5 this section shall remain available until expended.".

6 SEC. 3. The heading at the beginning of subchapter III
7 of chapter 81 is amended by inserting "HOSPITAL, DOMI-
8 CILIARY, and" before "NURSING HOME CARE".

9 SEC. 4. The table of sections at the beginning of chapter
10 17 of title 38, United States Code, is amended by deleting
11 in subchapter V the following:

12 "644. Authorization of appropriations."

13 SEC. 5. The table of sections at the beginning of chapter
14 81 of title 38, United States Code, is amended by inserting
15 in the heading of subchapter III: "HOSPITAL, DOMICILIARY,
16 AND" before "NURSING HOME CARE".