

March 2, 1979

## HUMAN SERVICES COMMITTEE PROCEEDINGS

A meeting of the Human Services Committee was called to order by Chairperson Polly Holmes in the Capitol Annex at 1:30 p.m. with all members present except Representative Jay Fabrega who was absent.

The following bills were scheduled to be heard: Senate Bills 61, 100, 186, 376 and 398.

SENATE BILL 100 - Representative William Menahan said he is cosponsor with Senator Bill Norman and that Senate Bill 100 presents proposed amendments to Title 50, Chapter 5, part 1, 2, 3 and 4 of Montana Codes Annotated. The proposed amendments will correct some problems which were identified in the recodification process of our present law and also some problems which have been identified by the Department in administering this law in the last four years. Representative Menahan read from written testimony which is Exhibit 1.

Other proponents to Senate Bill 100 were:

George M. Fenner, representing the Department of Health and Environmental Sciences, is responsible for administering the Certificate of Need and Health Facility Licensure and Certification programs. Mr. Fenner spoke in support of this bill and written testimony is Exhibit 2.

Joanne Dodd, Billings, President, Montana Nurses Association, offered their support and prepared testimony is Exhibit 3. They had participated in the Senate hearing and in the sub-committee preparing the statement of intent.

Ralph Gildroy, Executive Director of the Montana Health Systems Agency, Inc., Helena, spoke briefly and written testimony is Exhibit 4.

Janet P. Kovalchik, representing the Montana Association of Home Health Agencies, said they are in support of Senate Bill 100 and additional comments are on Exhibit 5.

Chad Smith spoke on behalf of the Montana Hospital Association. They are in support of this bill. There were some procedural matters that had to be corrected in the Senate committee and it has been corrected to their satisfaction and is acceptable.

See Visitors' Register for other people present at the hearing who indicated their support - Exhibit 6.

There were no opponents.

Senator Norman said he sponsored this bill with Representative Menahan and there are two things in this bill; there is 24 million dollars and that is funding for the health department. Should they not comply the federal funds would be in jeopardy.

This bill influences all health care facilities in the state. This is an extension of what is in the statutes. The home health agencies, what is called an HMO, are two new areas of need. Hospitals, nursing home facilities are already under the certificate of need. There is a lengthy statement of intent because there is considerable rule-making authority in the bill and the committee is at liberty to amend that.

Representatives Feda and Hemstad came in.

There were questions by the committee.

Representative Gould noted that Mr. Fenner had mentioned kidney disease centers and asked if there are any in the state. Mr. Fenner said they are located in hospitals in Billings, Great Falls, Missoula and Helena. There could be free-standing kidney centers in Montana and they would come under the certificate of need.

Representative Keyser asked Senator Norman if under the repealers had they built back in the denial of application. Senator Norman said he presumed so, the legal council they had in committee in the Senate was directed to do so. Maybe this committee would like to check to see if it was done.

There were no other questions and the hearing closed on Senate Bill 100.

SENATE BILL 186 - Senator Norman, sponsor, said this is a very small bill and doubted if there are any opponents. On page 2, line 15, is all there is to the bill. What is happening, in foster homes where there are children and aged adults, the foster parent must give medication on occasions. It was found there was doubt as to whether the foster parent could do this. So it became a legal matter. The nurses became interested and when it was pointed out the foster parent would be acting as legal parent there was no opposition.

Edward Mares, representing the Montana Nurses Association, spoke in support of Senate Bill 186. This is an amendment to the Nurse Practice Act. The Board of Nursing is currently working on major changes for the next legislature and they are going to ask that the exemptions to the Nurse Practice Act be by administrative rule.

Mary Blake, representing the SRS, spoke in support and written testimony is Exhibit 7.

There were no opponents to Senate Bill 186 and there were no questions by the committee.

The hearing closed on Senate Bill 186.

SENATE BILL 61 - Senator Norman, chief sponsor, said this bill relates to alcoholism and health insurance. There is great preoccupation by the Legislature with the subject of drinking. They use to settle it by charges of vagrancy and this was not a very satisfactory way to handle this problem. A few sessions ago they changed drunkenness from a crime to illness. What is happening is that alcoholics are coming to a doctor and hospital to seek treatment. Almost every family is touched with this problem now, so there is an effort in this bill to encourage health insurance plans to offer coverage for alcoholism. On page 1, line 17, it sets out the intent of the bill. On line 24 the inpatient hospital treatment is defined. On page 2, line 10 the definition of out-patient is defined. On line 14 this treatment in this bill covers what would have to be prescribed by a physician. There are licensed treatment centers and only those centers have anything to do with this bill.

On page 3, lines 7 through 24, we are speaking of some of the technicality of the insurance programs. They amended the bill and much of the opposition has quieted. It asks that health insurance carriers in the state offer a plan to the individual or to be offered to a group. There is nothing mandatory. The lid and limit is on lines 17, 19, and 24. This bill encourages people to consider having coverage for alcoholism and to do so under private insurance carriers.

Proponent, Josephine M. Driscoll, Insurance Department, the Health Insurance Association, said they support this bill.

Larry Zanto, Department of Institutions, said they had something to do with the drafting of this bill and they are not breaking any new ground with this bill. The insurance carriers have been operating this type of coverage. This bill serves as an encouragement.

There were no opponents on Senate Bill 186 and Senator Norman closed on Senate Bill 186.

There were questions by the committee.

Representative Tropila asked Senator Norman in your whole presentation you didn't mention drug addiction. Senator Norman said drug addiction could be included.

Representative Robbins to Senator Norman: "How much do you think this would increase the cost of insurance to the average person?" Senator Norman said there were facts and figures but what it comes down to is it depends on who you talk to and they came up with \$1.35 per month per family.

There were no other questions and the hearing closed on Senate Bill 61.

SENATE BILL 376 - Senator McCallum, sponsor, said this is a simple bill requiring response of public assistance if they do not report their income as they are suppose to they will be required to repay 125%. If the department makes an error of overpayment then there is no penalty. There has been quite a bit of trouble throughout the state on this.

Ron Bartsch, from the Department of Revenue, said the primary thing with this bill is that the offense be litigated and charges have to be brought against the offender. It was felt there should be some penalty in the law. It is designed to attempt to defray some of the expenses in the fraud and abuse in the welfare system. There is 7 million dollars per month in assistance to recipients and this is an attempt to cover all litigated fraud.

There were no opponents to Senate Bill 376.

Senator McCallum in closing said this was heard in the Judiciary Committee and there is some stricken language and thought it legally in good shape.

There were questions by the committee.

Representative Rosenthal to Mr. Bartsch: "What percentage do you say is obtained fraudulently?" Approximately 6% in Montana. It is larger in California (15%) and New York (50%).

Representative Azzara came in.

Representative Robbins to Mr. Bartsch: "Do you have any idea how much this costs us?" The Department of Revenue has several functions and this is a small function with 20 investigators and their breakdown amounts to about \$8,000 per month and of that 50% is reimbursed by federal government and actual cost to the state is \$4,000 per month presently.

Representative Stobie left the meeting.

SENATE BILL 398 - Senator Blaylock, sponsor, was unable to be present to make the opening remarks and Chad Smith, representing the Montana School Boards Association, spoke for him. Mr. Smith said he also has an interest in this bill as a representative of the Montana School Boards Association, which was instrumental in working toward the 19-year drinking age. These changes are mandated by virtue of constitution change. Several sections of the liquor law had to be amended. In looking at the bill 18 years appears and it has been changed to 19 years and it addresses those obtaining liquor license and selling to individuals and those who are attempting to purchase liquor.

There were no other proponents or opponents to Senate Bill 398.

Representative Azzara to Mr. Smith: "On page 1, line 22, subsection (b) are you suggesting that a licensed retailer or

anyone who can package or unpackage cannot sell to an intoxicated person?" In answer Mr. Smith read the title of the bill and said that is not addressed in this bill.

The hearing closed on Senate Bill 398.

The committee went into executive session to take action on the following bills:

SENATE BILL 398 - Representative Dozier moved a do pass on Senate Bill 398; question. The motion carried unanimously, Representative Stobie had left a written vote of yes. Representative Fabrega was absent. Representative Dozier will carry Senate Bill 398 on the floor of the House.

SENATE BILL 376 - Representative Gesek moved a do pass on Senate Bill 376; question. The motion carried unanimously. Representative Stobie left a written vote of yes. Representative Fabrega was absent. Representative Bennett will carry Senate Bill 376.

SENATE BILL 186 - Representative Bennett moved a do pass on Senate Bill 186; question. The motion carried unanimously. Representative Fabrega was absent and Representative Stobie was not present. Representative Bennett will carry Senate Bill 186.

SENATE BILL 100 - A motion was made for a do pass. During discussion Representative Hemstad said she received a letter from the Columbus Hospital in Great Falls and since she was not present when Senate Bill 100 was heard she wanted to know what the bill would do to the bill if it was recommended that the provision to approve the certificate of need was deleted and there was another recommendation in the letter. Representative Rosenthal suggested she hand the letter to the researcher and have her look at it. If there are problems she could present those to Representative Menahan. Representative Gould asked Kerry if he was satisfied with the repealers or should it be researched before the committee vote on the bill. Representative Keyser moved that the researcher look at this and report back to the committee; question. Motion carried.

SENATE BILL 61 - Representative Feda moved for a do pass on Senate Bill 61; question. The motion carried unanimously by the members present. Representative Bennett will carry Senate Bill 61.


Chairperson Polly Holmes informed the committee there only two other bills to be heard by the committee and the committee will meet at 12:30 p.m. next Wednesday, March 7, 1979.

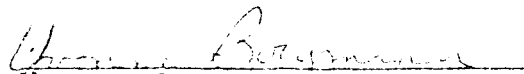
March 2, 1979

Page 6

Senator Himsl had asked the committee to be flexible on his bill so they may change the meeting to Friday.

The meeting adjourned at 3:00 p.m.

  
POLLY HOLMES, Chairperson

  
Yvonne Borgmann, Secretary