

OVERVIEW OF SRS BY LFA AND OBPP

SUB-COMMITTEE: HUMAN SERVICES

FEBRUARY 6, 1979, - CAPITOL ANNEX

The meeting was called to order at 8:10 a.m. by Chairman Steve Waldron with the following members present:

Chairman Steve Waldron  
Senator Gary Aklestad  
Representative Bill Hand  
Representative Robert Marks  
Senator Pat Regan  
Senator Pete Story

Others present were: Linda Gamble, OBPP, Helena, MT.; Ron Weiss, OBPP, Helena, MT.; James Bompert, Helena, MT.; Bill Chapel, Helena, MT.; Sharon Butler, Clancy, MT.; Aage Hanson, DD, Helena, MT.; John W. McMahon, M.C., MMA, Helena, MT.; G. Brian Zios, MMA, Helena, MT.; Roland D. Pratt, MT. Optometric Association, Helena, MT.; John W. Barttett, MT. Foundation Med. Care, Helena, MT.

Chairman Steve Waldron requested the Legislative Fiscal Analyst, Curtis Nichols and the Executive from the Budget Office, Ron Curtis to discuss the budget for Social Rehabilitation Services.

The LFA looked at the budget and reported: Title #20 had been allotted \$10,000,000 for the current year and for the next few years. Title #20 is for Social Security funds. Title #20 is Federal money and the LFA has recommended this be matched with the 75% State and 25% Federal monies.

The other factors that are included are that the Social Services deal with profit and non-profit providers and set the amounts going to each. The recommendation of the LFA is to use the amount set as set by State. The cost of this program is going to be increased, but there will not be any additional programs added.

There are assistance payments which are used for State Staff, AFDC, Food Stamps and State Supplemental.

This is a costly program, but this year there is an anticipation of 6200 poverty families and they will be in need of a 10% increase. This increase is based on the poverty index. This index includes such programs as Foster Providers, General Assistance and Supplementary Income. It is determined from a living arrangement for example living in a Group Home whereby the State Supplement for the Group Home is \$104.00.

JW

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The recommendation for ADC by the Executive is 7.5%. The LFA did not allow any increases. The LFA did, however, recommend 10% for Providers; 20% for Institutional Providers; and a 2% was recommended for the non-resident by the General Assistance. SSI figures were based on the 1978 expenditure figure of 7.5% and this was felt as being sufficient.

The recommendation of the Executive was also a modified budget of \$190,000 to \$102,000 to replace the Montana Maintenance System. This program is obsolete.

The Executive further recommended that two FTE's be added to the Assistance Payments Program to help the revamped program of mailing food stamps along with the monthly welfare check. This has proved a more significant activity in the program as the participant is receiving both their needs at the same time. This is to be handled under the Administrative Support Program.

The Executive also stated there would be an increase in Foster Home rates.

The LFA representative stated the MMIS is connected to the Administrative Support Program. Further, that Social Services is staffed with 320 FTE's. Examples of these Services are: Day Care, Legal Services and Family Planning. It is designed to provide all social services needed, however, it is unreliable as the State doesn't make use of it. The LFA representative recommended that the funding be reduced to \$228,000.

The Executive representative indicated they were not a Social Service Bureau, but intended to point out how they checked into these services of the bureaus as the meeting progressed. To better understand the function of the service, an example of their services would be the Legal Services. \$200,000 is given to the director of the service; the legal work is based on the participant's income and can reach a salary figure of \$15,000. Most of the service is utilized by divorces.

Another service is Foster Children for Adoption. These children have physical problems and this has become a highly successful program in that the children are being adopted. The program has been budgeted for \$92,000.

A third program is Family Planning another highly successful program.

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Some of the monies for the program is received by the Health Department from SRS and was budgeted in the past for \$229,000. Alternatives must be studied for funding, however, as 4A is a source of funding as is Title #20.

There is 8.7 million in Title #20 to utilize 4A, but there are many restrictions. 4A is AFDC and one payment is made through Welfare and Day Care. The advantage being the parent can decide where to have the Day Care provided.

4A has had problems as the Department was not aware that the mothers were on other training programs.

The recommendations of the Executive were as follows: Legal Services is funded \$200,000, recommended \$100,000; Family Planning was receiving Title #20, \$230,000, recommended \$155,000; Subsidize Provider is funded \$92,950. This includes nursing homes and institutional programs. Twelve social workers were hired to do screening to help prevent these people from entering nursing homes if at all possible because of the expense of the homes. For the FTE's it is recommended \$185,000.

The Eligibility Determination, Food Stamps, Medical Assistance programs are given County and Federal Funds. These figures will have to be adjusted as most of the FTE's were raised from grade 7 to grade 8; they were technicians. These people are scattered over the State of Montana and the pro-ration is 50 - 50.

The pay for these individuals is somewhat complicated and not very administratively good. The State sets the grade level. There is a program in Administration, but there is a County involved computation to this particular program and it is mixed for some of the plans are better some places than others.

Administration and Support are under the direct office of the Payroll. There are five field supervisors who act as liaison with the director; they have field supervisors within their own programs. It was not recommended that the field supervisors be eliminated. Personnel Legal Services for the Department is recommended to be eliminated. This would be approximately \$220,000. The elimination removes two attorneys and one intern.

The County employees were reduced from 107 FTE's to 101 FTE's; these were County Eligibility employees, Technicians and Social Workers. There has been a recommendation for ten employees for the auditor's staff.

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As there has been some Management Office programs, a woman from Colorado has been hired to replace the present manager.

A list of specifics was given the Executive indicating the Sub-Committees desire of qualifications for each of the employees.

An example of contracts was given by the LFA: Day Care. This program ministers medical service. The Administration recommended 6 FTE's to help show the provider and the recipients that the funds were not being misused; this will help to see whether an eligible person is "receiving" from an eligible provider. This works out to  $7\frac{1}{2}$  to  $6\frac{1}{2}$  per year.

It was recommended that something be done to keep hospital costs in line with inflation.

Another item is State Institutions. Nursing Home Care is rebased to 1977 to a figure which was based on 8% and  $7\frac{1}{2}\%$ . Subsequently, the increases were much larger. Pharmacy figures were frozen and as a consequence Nursing Homes were recommended in 1977.

There is a disagreement between the LFA, Executive and the Chairman because there is an increased cost of living plus an increased cost of Medicare.

The Executive pointed out that there is a significant difference in the Medical index. The Medicade Analyst was preferred by the Executive to do the detail modifying of the Medicade budget which is going to be reduced. The recommendation for reduction is from \$100,000 to \$50,000 General Fund and contract for physicians and nurses for the nursing homes.

The LFA is working with the Medicade people and recommendations by the LFA and Medicade people conclusions will be given at a later date for the Sub-Committee.

Vocational Rehabilitation is responsible for people who are injured but can still work. They do counseling, training and have medical services for these people. The recommendation is Case Service which is based on 1978. This is a charge to clients for their services.

There is a need of \$100,000 for kidney dialysis. At present, the Social Security has some funding for the kidney dialysis program.

The Sheltered Employment persons are not qualified to go into Vocational Rehabilitation.

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Vocational Rehabilitation does some of the DD screening.

The LFA stressed that there would be a major difference in the program and therefore anticipated a larger funding would be needed.

The Executive stated that the funds were under Vocational Rehabilitation, not Title #20, yet there were many titles in the fund. The Executive allowed the Case Services base to be 9%; left some in General Funding and believed that for the Montana Federal funding it was to be 2.9 and 3.1 million.

The LFA questioned the Executive as to whether there was too much funding.

The Executive said there was enough in their budget to match with the recent Social Security changes, but that they would have to see what these changes would be.

The LFA wanted to know if it would be more logical to place the Department in the Department of Health.

The Executive answered that there quite a few "special" programs but it would probably be better in the Department of Health.

The meeting was adjourned by Chairman Steve Waldron until Wednesday, February 7, 1979, at the hour of 8:00 a.m.

*Steve Waldron*