

APPROPRIATIONS - FINANCE & CLAIMS

SUB-COMMITTEE: HUMAN SERVICES

FEBRUARY 8, 1979 - CAPITOL ANNEX

A subcommittee was called to order at 8:20 a.m. by Vice Chairman Pete Story with the following members present:

Senator Gary Aklestad
Senator Pat Regan
Senator Pete Story

Chairman Waldron officially called the meeting to order at 8:30 a.m. with all members present except Representative Robert Marks.

Others present were: Ben Johns, Deputy Director of the Office of Administration for SRS; Richard Hulme, Chief Budget Officer of SRS; Joe A. Baumgardner, Administrator for Visual Services Division; W. R. Donaldson, Administrator of Rehabilitative Services Division; Aage Hansen, Association for Developmentally Disabled; Art Hart, Chief of the Rehabilitative Services Bureau; Ron Weiss, OBPP; Jack Carver, Coalition for Handicapped; Howard Parke, Billings District 65; Keith Colbo, Director of SRS; Bill Nelson, National Kidney Foundation; Bonnie Nelson, Kidney Program; William Kane, Kidney Program; Representative Budd Gould; and Curt Nichols, LFA.

Mr. Keith Colbo, Director of SRS, addressed the subcommittee on matters left from the day before. This included: 1) The individual who told the subcommittee that he was on sick leave had actually terminated his employment; 2) Mr. Colbo gave Senator Regan a booklet with the requested information on how other states handle Veteran's Affairs; 3) Statistics were gathered on the Veteran's Affairs Division and a handout was given; 4) A handout was given on the last two years work load for the contracted secretaries at Fort Harrison along with a copy of these secretaries' contract. Mr. Colbo said that such a contract would not be signed by him and that the contract should be discontinued or changed. 5) Copies of field reports for Veteran's Affairs were passed around for the subcommittee to view. Mr. Colbo explained that the nursing home audits could and should have a standard method of reporting but a standard chart of accounts was not feasible.

VOCATIONAL REHABILITATION SERVICE

Chairman Waldron began by reading portions of an audit for this program. He pointed out that the program had potential problems and hoped they had been worked out.

Curt Nichols, LFA, gave an overview of the program. He

EW

explained that this service is responsible for the rehabilitation of physically and mentally disabled persons who show the potential of going back into the work field. They also are responsible for a Renal Dialysis Program and sheltered workshops. Mr. Nichols explained that the differences between the LFA Budget and the Executive Budget were: 1) The Executive Budget deleted 6.0 FTEs during the hiring freeze and 2) The Executive Budget appropriated \$185,000 for FY 80 and \$196,000 for FY 81 in the Renal Dialysis Program whereas the LFA recommended continued funding at \$100,000. This is entirely general fund money; there is no federal match. The LFA did not recommend increased spending because there is a new law that is just coming out which will effect the amount of money medicare may contribute to this program.

Ron Weiss, OBPP, agreed that the Executive Budget was much higher on the Renal Program. Ron did mention that no one was sure how much aid the federal government will give.

Mr. Colbo spoke on behalf of the program. He disagreed strongly that there are problems in this division. He pointed out that the audit was from FY 76 and that considerable changes have taken place.

Bob Donaldson, Administrator of Rehabilitative Services, spoke about the program. He said the Renal Dialysis Program needed the funds. The Medicaid Program has passed a new law, but no one knows to what extent it will affect the program. He told the subcommittee that if they run out of money, services will have to be cut back or denied. He suggested a budget somewhere between the two budgets.

Mr. Colbo did not feel that the new Medicaid law would accomplish all that the LFA hoped it would. Mr. Donaldson told the subcommittee that they service about 80 clients right now. The program has asked for \$200,000 to run a full year. He felt the direction the new law was going to take was to force doctors to use more home dialysis machines rather than hospital care. Montana already is ahead in this area and the federal funding won't effect Montana much. William Kane, a dialysis patient, told the subcommittee that last FY they ran out of funds in February through June. They had to cut back the program. Mr. Kane requested the subcommittee to fully fund the program. Representative Gould spoke on behalf of the Renal Program. When the program ran out of money the program decided to fund only new individuals for training on the dialysis machine for home use. He felt it was a very good program and one of the Legislature's finer accomplishments.

Aage Hansen spoke in support of the Governor's Budget on the

Voc.-Rehab. Program. He felt the Extended Employment Service was well worth the money. He told the subcommittee that for every dollar spent on training, the state received ten thousand back in taxes. The Extended Employment Program helps people who do not fit into other categories. Blind, deaf, mentally retarded and mentally disabled persons are helped.

Mr. Donaldson was questioned on the sheltered workshops which are funded in this program. There are eight sheltered workshops in Montana. The workshops serve a two fold purpose: one to rehabilitate those with potential to become workers and two to evaluate clients as to their ability and potential. They determine the functional level of the individual and where he will go from the workshop. Voc-Rehab purchases services from the workshops. Namely these services are: 1) Vocational Evaluation; 2) Work adjustment training and 3) Extended employment or sheltered employment.

Vocational evaluation is where they decide what the individual is capable of. The work adjustment training helps individuals work on attitudes and behaviors before going into the work force. The extended employment or sheltered employment aids persons not capable of going into the regular work environment. The workshops do not do the same thing as DD because they work with people who do fit the DD criteria.

Bob Hall the Executive Director for the Helena Industries spoke on behalf of the workshops. They serve about 135 to 140 clients in Helena at this time. About 40% are developmentally disabled; 40% mentally ill and 20% physically handicapped, alcoholics, drug abusers and others. They do their evaluation with a very sophisticated system called HESTER. They put their data in the computer and receive back a list of possible jobs the individual would be capable of. (Career projections) They also do placement and follow-ups. He felt they were far ahead of other states in this program.

Senator Aklestad requested a list of their employees, their duties and salaries. Chairman Waldron did point out that the workshop was a private, non-profit organization and not subject to the subcommittee. Mr. Hall did not object and will supply the list.

Jack Carver, Coalition for Handicapped, told the subcommittee that the Medicaid law would only effect those clients who were looking for a kidney transplant. He supported the Renal Dialysis Program and supported full funding. The number of renal patients is growing.

2/10/79

VISUAL SERVICES

Curt Nichols gave a brief overview. This program is responsible for vocational rehabilitation of the blind. This service is under the same act as the Vocational Rehabilitation and there is a federal match of 80-20. Under this service is the Visual Services Medical Program. This is fully state funded and provides treatment to prevent blindness, funds for surgery to restore sight as well as funds for prosthetic devices. The majority of the Medical Services' clients are children. The difference between the LFA Budget and the Executive Budget was the amount funded for the Visual Services Medical Program. The LFA held the budget at \$50,000 while the Executive Budget increased funding to \$65,000.

Ron Weiss explained to the subcommittee that they gave the program a 15% increase.


Joe Baumgardner, Administrator of Visual Services, spoke on behalf of the program. The program does have an eligibility criteria which depends on income and obligations of the family. It is a type of sliding scale. In some instances they request persons to aid in the assistance.

Representative Budd Gould spoke on behalf of the program. He feels it is the best in the nation. It is a model program and he feels it should not be included with Voc-Rehab. He recommended that the subcommittee look favorably on the requested funds.

The chairman told the subcommittee that they would meet at 7:00 a.m. on Saturday morning. He is also considering starting morning meetings at 7:00 a.m.

The meeting was adjourned at 10:10 a.m.

Respectfully submitted:



Steve Waldron, Chairman
Approved