

APPROPRIATIONS - FINANCE & CLAIMS

SUB-COMMITTEE: HUMAN SERVICES

FEBRUARY 14, 1979 - CAPITOL ANNEX

The meeting was called to order at 7:10 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: See attached list.

Dr. Mark Mozer, Montana Psychological Association, gave testimony on the Medicaid Program. Approximately 1% of Medicaid goes to psychotherapy. Dr. Mozer felt that use of medical care was inflated by emotional problems. Psychotherapy can reduce that inflated use. Psychotherapy is geared towards getting people off of welfare and Medicaid which saves more general fund money. If the program has to be cut, he suggested several methods that could be used but still retain the benefits of the program. These included cutting hours allowed back from twenty to about six to eight. Aiding only deinstitutionalized persons and children and cutting out welfare adults.

SOCIAL SERVICES

Social services pays for the staff of the county social service workers. They also handle a number of grants including a million dollar grant to the universities for social services studies, Legal Services, Family Planning, Subsidized Adoption and Day Care. LFA recommends \$200,000 per year for legal services keeping it constant with current level. The Executive Budget only funds \$100,000 per year. The OBPP felt this area was one they could cut. The LFA recommends \$229,500 for Family Planning. This is the same level as in FY 78. Subsidized Adoption is funded by the LFA at a \$30,000 level for 80 and \$45,000 for FY 81. The Executive Budget funded the program at \$92,950. The LFA recommends cutting funding for the Social Services Reporting System. This would cut \$139,000 for FY 80 and \$143,000 for FY 81. Curt Nichols, LFA, did not feel it was doing a sufficient job and a smaller system would suffice. LFA also did not recommend a supplement for twelve social workers that help screen nursing home patients. He did not feel they had justified the success of this effort. The Executive Budget included both the Social Services Reporting System and the twelve FTEs. The grant money

2/14
X

for the universities is federal pass-through monies. It is Title XX training money and must be used in an education fashion. It cannot be used in other areas such as Family Planning. Norma Vestre, Chief of the Social Services Bureau, told the subcommittee that the grant money is partially used to educate social workers in the department.

Senator Story questioned Ms. Vestre on other programs that were comparable to Social Services such as Senior Citizen Out-Reach and Meals on Wheels. These programs are in SRS but under a different program. Norma did not feel they duplicated services.

Keith Colbo spoke on behalf of the program. He first explained to the subcommittee that the department has submitted a new revised budget for Day Care Services. They initially tried to switch funding from Title XX to Title IV-A. The switch would have involved increased federal funding and they found it was not a good budget.

Mr. Colbo explained that they had requested \$100,000 for the Legal Services budget. They felt this budget could be cut. The department had decided they would rather cut this budget and ask for the Social Service Reporting System. The reporting system was their priority between the two budgets. He admitted that the reporting system was not working up to par. There had been no clear responsibility set previously; however there is now one person responsible for the system. They could also use tie lines and terminals from this system for the MIMS system. Mr. Colbo said the system the LFA suggested would work, but would strip the SRS of needed management information.

Mr. Colbo felt that the Montana Foundation for Medical Care had justified the additional twelve FTEs, Medical Social Workers. These social workers work in a team to screen potential nursing home patients and determine if there are alternative methods of placement. Their duty is to check out the most appropriate care for the individuals. Although the twelve social workers were denied by the last Legislature, the Governor approved a supplemental. Mr. Colbo felt that alternative care was much cheaper than a nursing home for the state. A data survey that SRS did on the first six months showed the program to be very cost effective. They feel they have saved approximately \$70,000. This included the salaries of the twelve social workers. They also tried to figure in other services used by people not in nursing homes.

Mr. Colbo next commented on the Subsidized Adoption Program. This program is designed to aid parents who adopt handicapped children. They can receive aid up to two years, but generally they are on the program a short time. The program was set up

111

two years ago by HB 232 and the Executive Fiscal Office funded the program at that level. Norma Vestre spoke on the program. She felt it needed to be funded at the current level to be effective. They were funded to place forty children and still have placed only 23. She felt there was cost savings in foster care of \$375,000.

The differences in Family Planning were in estimations of federal funding available. The money is Title XX. The Executive expected 8.77 million dollars and the LFA expected 10.17 million dollars of these funds.

Dick Hulme tried to explain the SRS method for cutting programs back. They tried to cut back programs with more than one funding source and leave those programs with strictly Title XX monies.

Chairman Waldron called the attention back to Day Care. He was concerned with one proposal to cut CETA and use the funds for Day Care at the Glasgow Family Training Center. Herb Waltermire, Deputy Administrator of Employment Services Bureau, told the subcommittee that CETA funds could not be used for Day Care.

James Zion, Montana Day Care Association, spoke on behalf of the program. He agreed with the LFA that funding should come from Title XX. He did not think the department's recommendation that non-working AFDC people be funded under Title IV-A was a good idea and felt that it would create problems. He felt the new rules such as, only persons in Vo-Tech training in a field with positions available in the community can receive aid or only students within one year of graduation can get in the program were not good. Also Title IV requires a state match.

Chairman Waldron asked Keith Colbo if the required match would cause tax increases within the communities. Mr. Colbo did not feel the match was significant enough to cause problems.

Neil Haught and Ward Shanahan spoke on behalf of the Montana Legal Services. They both pointed out that the program has not asked for or received an increase since the beginning of the program. If the program is cut to \$100,000 per year, they will have to cut back attorneys and probably close two or more offices. The rural areas were the most likely to suffer. The service handles only civil matters and refers fee generating cases to private attorneys on a contingency basis. Mr. Shanahan pointed out to the subcommittee that they would only be cutting \$50,000 general funds for the biennium by cutting the program to \$100,000 per year. The department fails to mention that it is a 3-1 match and the majority of the money is federal. The

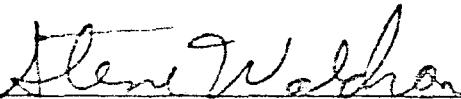
JW

Human Services
February 14, 1979
Page 4

program has twelve offices located in Missoula, with two attorney; Butte, with two attorneys; Bozeman, with one attorney; Billings, with three attorneys, one is a supervisory attorney; Hardin, with one attorney; Miles City, with two attorneys; Wolf Point, with two attorneys; Havre, with one attorney; Cut Bank, with one attorney; Lewistown, with two attorneys; Helena, with one attorney; and Great Falls with two attorneys. There is also an Administrative Office in Helena with four people.

The meeting was adjourned at 9:55 a.m.

Respectfully submitted:



Steve Waldron, Chairman
Approved

bes