

MINUTES OF THE MEETING OF THE APPROPRIATIONS COMMITTEE
 March 19, 1983

The Appropriations Committee met at 8:00 a.m. on March 19, 1983, in Room 104, with Chairman Francis Bardanouve presiding. All members were present except Representative Thoft, who was absent. Judy Rippingale, Legislative Fiscal Analyst; Cliff Roessner, Senior Analyst; and Leo O'Brien, Assistant Analyst were also present. Testimony was heard on HB 187, but the bill was not heard officially. SECRETARY OF STATE, AUDITOR, ENVIRONMENTAL QUALITY COUNCIL, LEGISLATIVE COUNCIL (Travel & Membership Dues); and BOARD OF VISITORS budget items were reviewed. EXECUTIVE ACTION was taken on specific items in various agency budgets.

(Tape 7: Track 3:657)

HOUSE BILL 187: (Home care for the elderly). This was not a formal hearing, but because many senior citizens were under the impression the bill would be heard today, Chairman Bardanouve permitted them to testify because they had come from all over the state.

Proponents:

Charlie MAHONEY, former Legislator, supported the bill. He asked the Committee to consider appropriating \$250,000.

Henry JORGENSEN, President of Montana Retired Teachers Association, supported the bill. (Exhibit 1).

G.V. ERICKSON, President of the Senate, Legacy Legislature, supported the bill.

Walter TAYLOR, Legacy Legislature, supported the bill.

Helen MCGREGOR, Butte, supported the bill.

Robert NUTTING, Eureka, Legacy Legislature, supported the bill.

Representative WINSLOW expressed concern about the public receiving misinformation on the dates and times of hearings before the Committee. He cited today as an example. This concern was expressed after the proponents had departed.

SECRETARY OF STATE:

Administrative Rules of Montana Indexing Project: (Exhibit 2). Representative QUILICI reviewed the funding cut made at a previous meeting...(\$42,834 in FY '84 and \$44,198 in FY '85). Representative DONALDSON felt it was important to continue the project because this is the only index the average citizen would have for reference. Representative WINSLOW said it was important. He said \$80,000 has already been spent toward the project and it should now be a priority. Representative QUILICI questioned how many citizens actually look for this type of information. Representative MANUEL pointed out that this type of information is available from some departments... for instance, Commerce. Representative LORY made a motion to

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restore the two fiscal year amounts to this program which had been deleted at the meeting yesterday. A roll call vote was taken: Yes, 6; No, 9; Absent, 2. Motion failed.

Discussion: Representative DONALDSON asked where other areas might be cut from Rep. Quilici's subcommittee? Representative QUILICI said nearly every modified has been removed.

DEPARTMENT OF REVENUE:

Representative LORY said the modifieds still left in Revenue will cost about \$500,000 but testimony has shown it will return about \$28 million to the state. Judy RIPPINGALE said this type of return would be difficult to measure in terms of trying to pinpoint the revenues. Representative QUILICI said by adding the additional appraisers (in the modified request), the Director (Ellen Feaver) had testified they would bring in much more revenue than what it will cost in Personal Services, as far as salary, etc. Ms. FEAVER said some of the appraisers will bring in more revenue than others. For example, the industrial appraiser vs. the residential appraiser.

(Tape 7: Track 3:982)

ENVIRONMENTAL QUALITY COUNCIL:

Representative LORY said Contracted Services has been reduced in exchange for FTEs. He felt the FTEs were very much needed and should be in-house.

(Tape 7: Track 3:992)

AUDITOR:

Central Payroll: Representative HEMSTAD asked about the proposed agency payroll charges. Doug BOOKER, OBPP, presented a "Proposed Agency Payroll Charges for FY 1984 and FY 1985" paper. (Exhibit 3). He requested the Committee to approve spending authority for the agencies so they can pay Central Payroll. The charges are \$111,000 for FY '84 and \$81,000 for FY '85, approximately. Representative HEMSTAD made a motion to approve the spending authority for these costs. A voice vote was taken. The motion passed.

(Tape 7: Track 3:1037)

ENVIRONMENTAL QUALITY COUNCIL:

Representative BENGTON asked for justification of the 3 FTEs. Debbie SHIRAH, EQC, said the agency is so overloaded with studies now, they cannot adequately oversee the impact process. Representative BENGTON asked if the Department of Natural Resources performed this service? Ms. SHIRAH said the DNRC prepares these statements in some cases, but it is up to the EQC to evaluate them. Representative BENGTON questioned the impact of this type of review. Ms. SHIRAH said there has not been much impact because of lack of FTEs to adequately make the reviews.

(Tape 7: Track 4:1069)

DEPARTMENT OF ADMINISTRATION:

Training: Representative STOBIE made a motion to delete 2 FTEs (Exhibit 4).

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from the Training program, leaving 1 FTE at current level. A roll call vote was taken: Yes, 7; No, 9; Absent, 1. The motion failed.

Representative BARDANOUVE supported the Training program. He feels it is an important function because of the number of employees in state government. Representative WINSLOW also supported the training effort, feeling it is a "preventive" effort to avoid problems supervisors may come across when working with their employees. Representative STOBIE feels it is worthwhile, but should be postponed for a couple of years.

(Tape 7: Track 3:1132)

LEGISLATIVE COUNCIL:

(Travel and Dues)

Representative MARKS asked the Committee to consider fees the Legislature pays to belong to the National Council of State Legislators (NCSL). He said the Legislature is spending \$250,000 a year in dues to belong to NCSL and the Council of State Governments (CSG), including the costs associated with travel to the meetings. He recommended the Legislative Council review the money being spent on this. (Exhibit 5).

Members of the Committee agreed there must be justification for any travel. Representative MENAHAN said perhaps CSG has more in common with Montana. He felt their meetings were beneficial, as opposed to the national organization. Ms. RIPPINGALE said her travel to NCSL has been extremely beneficial. It is her opinion her staff could not have done nearly as well with the Special Session, nor this Session, had it not been for information gathered at these meetings. In some cases, she said, Montana is even a fore-runner in setting national policy. Representative ROUSH said he has attended many programs which have been extremely beneficial. He noted this type of travel and training is a priority in the private sector. With the amount of money the Legislature must deal with in running the state, and meeting only every two years, it is essential to have this outside information and input, he said.

Representative MENAHAN felt the press usually picked up on "travel" stories. He did not think this should have any influence on whether or not the Legislature travels. He said if it proves beneficial, it should be done.

Representative STOBIE recommended the subcommittee again review the Legislative "travel and dues paid" for any further cuts which might be made. Representative QUILICI concluded by saying they would do that. Representative BARDANOUVE said he would like the subcommittee to do this.

(Tape 7: Track 3:1301)

BOARD OF VISITORS: Representative BENGTON asked for justification of the 5 FTEs. (Exhibit 6). Kelly MORRIS, from the Board, said

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there has been an increase in grievances. She attributed this to an increase in population and more awareness of human rights. She said the majority of complaints comes from Warm Springs.

The meeting recessed at 10:00 a.m.

A handwritten signature in cursive script, reading "Francis Bardanouve", written over a horizontal line.

FRANCIS BARDANOUE
Chairman

ps

Mr. Chairman and Members of the Committee:

EXHIBIT 1
2/19/83 a.m.
Full Committee

I support HB 187. My name is Henry Jorgensen. I am president of the Montana Retired Teachers Association with 1600 members, was a member of the Planning Committee for the Legacy Legislature, and am an ex-officio member of the American Association of Retired Persons Legislative Committee. I am a retired teacher and school administrator.

These organizations all have as their top legislative priority providing health care and home services that will enable people for whom adequate care can be provided in the home to avoid hospitalization and institutionalization.

I am very much aware of and can sympathize with members of this committee who have a very difficult task of sifting through money requests, evaluating the needs of the state, and establishing priorities for appropriating limited funds.

I support the bill for two reasons:

1. The skyrocketing costs of hospital and nursing home care is providing a relentless drain on Medicare and Medicaid funds as well as the patient who pays for the first day of hospital care which now averages over \$300. Hospitals and nursing homes are wonderful to have when needed. However, in many cases home health care offers a money saving alternative for many patients and for Medicare and Medicaid.
2. My second reason for supporting the bill is that people generally express a preference for the independence and familiarity of their home environment.

There are presently 20 agencies throughout the state that have been licensed to provide home health care services by the licensing division in the State Department of Health. These services are provided by professional personnel under the direction and supervision of a physician. In some areas of the state these agencies also provide auxiliary services such as homemaking and chore services which do not require professionals. In other areas these services are provided by separate agencies. The proposed legislation in HB 187 is to provide funding for these services since Medicaid and Medicare funds cannot be used for that purpose although whether or not a person can be cared for in the home is often dependent on such funding. In HB 424 SRS is seeking permission in a limited number of cases to use Medicaid funds to provide these auxiliary services.

To demonstrate how the system operates I would like to cite how it works in the area comprised of Lewis & Clark, Broadwater, Meagher, Park, and Jefferson counties served by West Mont and in Lewis & Clark County where the auxiliary home care services were taken over by the City county health department earlier in the year.

West Mont employs approximately 100 people on a full time or part time basis for the 5-county area and serves an average of 350 people a month. When it was providing homemaker and health aide services they constituted about 25 % of the home visits, 50 % were nursing visits, and 25 % were other services including such things as physical, respiratory, occupational, and speech therapy. The agency also provides

medical equipment. Services for developmentally disabled in group homes are also provided by West Mont as well as by the city-county health department.

The extensive home health care program of West Mont requires a budget of \$750,000 a year. Funding is derived from Medicare and Medicaid payments which follow strict eligibility guidelines, patient insurance, private payments on a sliding scale based on income, and charity contributions and miscellaneous income which in 1982 totaled \$23,000. In addition the agency received a portion of the \$250,000 appropriated two years ago for the biennium for auxiliary home care services. The end of the past year produced a deficit of \$7,000 which together with charities received would have totaled \$30,000.

The Lewis & Clark city-county health department now provides the major part of the auxiliary homemaking and related services including services to retirement homes and developmentally disabled who have been transferred from Boulder to group homes. About three-fourths of its services are funded by the federal government and one-fourth by the state.

Census information indicates 5,900 people of the 130,000 over age 60 in the state reside in Lewis & Clark County. Of these 360 reside in subsidized housing. About 100 developmentally disabled persons reside in group homes or semi-independent living. About 150 receive services from the health department "as needed".

Services provided by the health department under the health care auxiliary program include personal care, homemaking chore services, transportation, and information about available community services. Education is considered one of the most important services as it pertains to nutrition, medication, knowledge and understanding about the individual's health problems, and information for family members on nursing care.

Both agencies have experienced a pinch in funding and have indicated that there is a great potential for expanding home health care service as its availability becomes known and people become accustomed to it.

The extent of need for funding is difficult to ascertain. But there are three factors that have a bearing. The administrator in SRS for the program indicates that applications from area and local agencies in the present biennium have been more than triple the amount available.

Secondly, with such a new program the extent of services provided has lacked uniformity with some areas receiving limited or no services.

Thirdly, federal funding which has provided much of the support for human services is being shifted to the states to an extent that is unpredictable.

In conclusion, I would like to say that money appropriated for this program differs uniquely in that it is money spent to save money. Without it Medicare and Medicaid funds are seriously strained, welfare funds may be overtaxed, and individuals may be deprived of essential health care services as private insurance costs become prohibitive.

March 15, 1983

TO: Representative Bardanouve
FROM: Legislative Fiscal Analyst Staff
SUBJECT: Possible Areas of Reduction in Subcommittee Budgets

A. LEGISLATIVE, JUDICIAL, AND ADMINISTRATIVE

<u>Fiscal 1984</u>	<u>General Fund Savings</u> <u>Fiscal 1985</u>	<u>Agency/Description</u>
\$ 42,834	\$ 44,198	1. <u>Secretary of State</u> - Administrative Rules of Montana Indexing Project - The project was started in the current biennium and a skeleton index has been developed. Delaying the finish of the project until the 1987 biennium would not seriously affect the current operation.
131,389	133,907	<u>Department of Justice</u> 1. <u>Legal Services</u> - This would eliminate the anti-trust activity in the legal services division. The program was started with federal funds in the 1979 biennium and has been carried with general fund the last two bienniums with very little collections being added to the general fund.
15,150	15,150	1. <u>Field Services</u> - The committee allowed \$250 per year for uniforms for highway patrol officers. Reducing the amount allowed to the current level of \$175 per year reduces general fund by \$15,150 per year.
67,823	71,897	2. <u>Field Services</u> - The committee allowed the purchase of 67 new patrol cars each year of the biennium. Reducing the number of new cars to 60 each year would save the amounts indicated.
76,901	51,227	3. <u>Field Services</u> - Two highway traffic safety officers were approved to travel the state and visit schools, informing students on safe driving and driving while drinking.

M:REP:a1

AGENCY: STATE AUDITOR

PROGRAM: CENTRAL PAYROLL DIVISION

RE: PROPOSED AGENCY PAYROLL CHARGES FOR FY 1984 and FY 1985

<u>Agency Code</u>	<u>Agency Name</u>	<u>FY 1984</u>	<u>FY 1985</u>
2110	Judiciary	\$ 510	\$ 466
3101	Governor's Office	69	63
3201	Secretary of State	136	124
3401	State Auditor	126	115
3501	Superintendent of Public Instruction	2,533 1126	2,315 824
4107	Board of Crime Control	634	580
4108	Highway Traffic Safety	442	404
4110	Department of Justice	13,521 5278	12,357 3577
5114	Montana Arts Council	114	104
5116	State Library	492	450
5117	Historical Society	565	516
5201	Fish, Wildlife & Parks	19,748 8585	18,050 6213
5301	Health & Environmental Sciences	9,858 4910	9,010 3765
5401	Highways	100,479 42,467	91,838 30,346
5501	State Lands	3,250 2408	2,970 2077
5603	Livestock	5,151 2256	4,708 1640
5706	Department of Natural Resources	6,035 2646	5,516 1924
5801	Revenue	3,832 3574	3,502 3229
6101	Administration	16,227 8212	14,831 6335
6105	Teachers Retirement System	433	396
6201	Agriculture	2,537 1111	2,318 806
6401	Institutions	1,118	1,022
6402	Boulder River School & Hospital	118	108
6405	Eastmont Training Center	108	98
6407	Mountain View School	85	77
6408	Pine Hills School	295	270
6409	State Prison	842	770
6412	Warm Springs-Galen	161	147
6501	Department of Commerce	4,362 1558	3,987 1015
6601	Labor & Industry	2,266 2086	2,071 1880
6602	Employment Security Division	29,695 11,712	27,140 8397
6603	Workers Compensation Division	7,723 2822	7,058 2072
6701	Adjutant General	679	621
6702	Disaster & Emergency Services	572 253	523 185
6901	Social & Rehabilitation Services	23,353 10,397	21,344 7611

TOTAL

\$ 258,069 40,235
11,361
\$ 235,869 8,072
5,896

These are the
amounts in Central payrolls
revolving fund
and the total amount
needed in other agencies

AGENCY: STATE AUDITOR

PROGRAM: CENTRAL PAYROLL DIVISION

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6701	Adjutant General	679	621
6702	Disaster & Emergency Services	572	523
6901	Social & Rehabilitation Services	23,353	21,344
TOTAL		\$ 258,069	\$ 235,869

These are
the amounts
currently in the
budgets

AGENCY: STATE AUDITOR

PROGRAM: CENTRAL PAYROLL DIVISION

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6702	Disaster & Emergency Services	572	523
6901	Social & Rehabilitation Services	23,353	21,344
TOTAL		\$ 258,069	\$ 235,869

Additional
amounts
needed in
the agencies

111361
81072
51896

Agency: Department of Administration

Program: Training

	FY 1982 Actual	-----Fiscal 1984-----		-----Fiscal 1985-----		
		Executive	Current Level	Executive	Current Level	
			Subcommittee		Subcommittee	
FTE	.50	3.00	3.00	3.00	1.00	3.00
Personal Ser.	\$ 12,190	\$ 78,162	\$ 78,164	\$ 77,987	\$ 27,695	\$ 77,937
Operating Exp.	35,767	45,904	45,904	48,587	29,959	48,587
Equipment	661	-0-	-0-	-0-	2,365	-0-
Total Exp.	\$ 48,618	\$ 124,066	\$ 120,068	\$ 126,574	\$ 60,019	\$ 126,524
	=====	=====	=====	=====	=====	=====
FUNDING:						
General	\$ -0-	\$ 58,434	\$ 56,427	\$ 58,316	\$ -0-	\$ 56,242
Revolving	48,618	65,632	67,641	68,258	60,019	70,282
Total Funding	\$ 48,618	\$ 124,066	\$ 120,068	\$ 126,574	\$ 60,019	\$ 126,524
	=====	=====	=====	=====	=====	=====

The Training Program is to be the central coordinator for general training activities throughout state government.

Two FTE were added to provide training programs for all supervisors and managers in state government. They will be funded out of the general fund. The program was authorized for a 1.0 FTE in fiscal 1982. However, only a .5 FTE was dedicated to the program functions that year. The training program had been funded through a revolving fund in fiscal 1982.

Agency: Legislative Council

Program: _____

	FY 1982 Actual	-----Fiscal 1984-----		-----Fiscal 1985-----	
		Executive	Current Level	Executive	Current Level
FTE	48.75	44.50	44.00	56.00	56.50
Personal Ser.	\$1,059,770	\$1,185,206	\$1,185,206	\$1,453,800	\$1,453,800
Operating Exp.	1,155,734	1,362,247	1,362,247	864,146	864,146
Equipment	61,422	31,944	31,944	13,538	13,538
Total Exp.	\$2,276,926	\$2,579,397	\$2,579,397	\$2,331,484	\$2,331,484
FUNDING:					
General	\$1,856,722	\$2,051,257	\$2,051,257	\$2,152,484	\$2,152,484
Revolving	420,204	528,140	528,140	179,000	179,000
Total Funding	\$2,276,926	\$2,579,397	\$2,579,397	\$2,331,484	\$2,331,484

Language:

The general fund appropriation for fiscal 1984 includes the following amounts that are biennial appropriations: NCSL travel, \$96,000; CSG travel, \$35,000; interim studies, \$75,000; Forestry Task Force, \$25,000; Revenue Oversight Committee, \$25,000; Administrative Code Committee, \$25,000; Capitol Building and Planning Committee, \$5,000; Salary Commission, \$3,000; Five State Legislative Conference, \$12,000; Five State Water Task Force, \$6,400.

Comments:

The Legislative Council is responsible for the preparation of reports and recommendations for various standing and select committees of the legislature. The council also prepares proposed legislation.

FTE levels are reduced 4.25 FTE from fiscal 1982 due to the completion of the codification project, completion of a Con-Con project, and reductions in staff of .25 in the Legal Services Division.

Interim study costs have been funded at \$75,000 for the biennium. Travel expenses of \$20,916 have been transferred to the Governor's Office. This travel is related to the National Conference of Commissions on Uniform State Laws (NCCUSL). The Governor appoints the members of the commission.

Agency: Governor's Office Program: Board of Visitors

FY 1982	-----Fiscal 1984-----			-----Fiscal 1985-----			
	Actual	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee
FTE	1.00	1.00	1.00	1.50	1.00	1.00	1.50
Personal Ser.	\$25,374	\$28,199	\$28,396	\$37,306	\$28,135	\$28,353	\$37,230
Operating Exp.	22,139	35,602	24,412	35,510	36,740	25,793	38,883
Equipment	-0-	-0-	-0-	1,050	-0-	-0-	-0-
Total Exp.	\$47,513	\$63,801	\$52,808	\$75,866	\$64,875	\$54,146	\$76,113
FUNDING:							
General	\$47,513	\$63,801	\$52,808	\$75,866	\$64,875	\$54,146	\$76,113
Total Funding	\$47,513	\$63,801	\$52,808	\$75,866	\$64,875	\$54,146	\$76,113

The Mental Disabilities Board of Visitors is a five-member board which is charged with the responsibility of monitoring the condition and activities of various state mental health facilities. The board has one full-time staff person, charged with the administrative duties relating to the board.

The general fund appropriation increases by 51 percent over the biennium. This increase is caused by the addition of a .5 FTE administrative aid and additional operating expenses. During fiscal 1982 the agency reviewed only seven of the ten facilities which it is responsible to review. The subcommittee therefore authorized additional operating expenses to accommodate review of all ten facilities.

VISITOR'S REGISTER

HOUSE

COMMITTEE

BILL

DATE March 19, 1983
a.m.

SPONSOR

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.