

VISITOR'S REGISTER

HOUSE HUMAN SERVICES SUB COMMITTEE

BILL _____

DATE 2/7/83

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Brenda Schuyf	Glasgow	—		
Bob Perin	Helena	METC		
Joe Robertz	Helena	DD/LAC		
Ben John	Helena	SAS		
Ron Weiss	"	OBPD		
JOHN FILZ	Hamilton	—		
Linda Wardell	Helena	inter person		

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

MINUTES OF THE MEETING OF THE JOINT APPROPRIATIONS SUBCOMMITTEE
ON HUMAN SERVICES
February 7, 1983

Begin Tape 34 Side 1

The meeting was called to order by Vice-Chairman Pete Story with Rep. Menahan, Rep. Winslow, Sen. Aklestad and Sen. Story present. Chairman John Shontz arrived later during the meeting.

Also present were: Mr. John LaFaver and Ben Johns from the Department of Social and Rehabilitative Services; Joe Roberts, Lobbyist for the Legislative Action Committee for Developmentally Disabled and Ron Weiss from the Budget Office. Peggy Williams and Mason Niblack, Fiscal Analysts were also present.

DEVELOPMENTAL DISABILITIES DISCUSSION

Peggy Williams, Fiscal Analyst, began by explaining the two exhibits presented by the LFA. See exhibits 1, 2 & 5. Exhibit 1 is an overview of the department structure and what comprises the program. Exhibit 2 shows the 1982 actual, the 1983 appropriated funds, the executive and the current level and the differences for fiscal 1984 and 1985.

The major differences in administration are in personal services. The LFA is under the executive by \$7,000 because the LFA used the position tape as of September which does not include upgrades after September. See also exhibits 3 and 4 from the Department of SRS.

In travel, the LFA is more than the executive by \$16,000. The LFA did increase the travel base to make up for the DD Division's inability to travel during the special session.

In the category other expenses, the LFA is also above the executive. They did not delete several other expenses considered miscellaneous. The executive did. In the area of equipment, the executive requested \$16,800; the LFA included only \$3,000 as current level. The LFA would accept a computer terminal. The executive would also include a word processor. The LFA stated the Department had received two word processors last session which could be shared by every division within the department.

On benefits, Peggy explained that the differences are divided among current services, new services, and expanded services. The main difference in current services is \$20,000 on the day programs. The LFA understood that the EWS in Industry Programs would not be continued into the 1985 biennium. In new services, the LFA did not include intensive homes and vocational placements to call the committee's attention to what these programs cost. Intensive group homes are approximately 4 times more expensive than regular group homes.

On expanded services nothing is exhibited in the LFA budget because the LFA is dealing only with current level. The executive has requested \$145,000 for an increase in provider salaries, \$200,000 for foster homes and \$525,000 in 1984 to place 16 Boulder School residents.

Peggy explained the LFA's five issues. The first is that intensive homes are nearly 4 times as costly as regular group homes. While the cost of providing all services to a resident in intensive group homes is close to \$30,000 a year, the marginal cost of putting 25 residents back into Boulder is about \$23,000 per person per year. If only 2 or 3 residents are put into Boulder, the marginal cost is about \$5,000 per year per resident.

The second issue was that SRS was appropriated \$1.8 million last session to expand services in the 1983 biennium. To continue those services into the 1985 biennium, the LFA calculated it will cost \$4.9 million dollars. Peggy explained that it would be the same number of people, but a number of the slots had not been started till the end of the biennium, therefore they didn't have the full two years "gear-up" time. Mr. LaFaver disagreed however. When asked by Sen. Aklestad for the 1985 appropriation he was told by Mr. LaFaver that it was \$4,131,000, plus \$775,000 for two budget additions on medicaid for a total of \$4,936,000.

Peggy went on to explain that the LFA calculations show that the executive total request for benefits for DD in 1985 biennium is an increase of 27% over the cost of the 1983 biennium.

Peggy also noted as an issue that new numbers regarding expanded slots had been prepared since the original ones from last September. The new slot cost at a lower rate coupled to the lesser number of slots could possibly save \$570,000.

The last issue Peggy brought to the committee's attention was for the parents of DD persons or families who have the ability to pay perhaps be required to do so. There is a bill before the Legislature (HB543) which would require that services be paid for on an ability to pay basis. This would raise \$1.1 million according to the Governor's Council on Management. This ended Peggy's presentation.

Sen. Aklestad asked the Department to address the intensive group home situation. Mr. Jack Ellery did so, expressing his feeling that when the committee was talking about \$23,000 to serve a resident in an institution, they are using the marginal costs as a comparison and he didn't feel this was proper. He felt that \$50,000 was more reasonable. He said the cost to provide services in community-based intensive group homes was indeed \$30,000 average per year and this included all costs and felt that it favorable compared to \$50,000 in Boulder or other institutions. To Sen. Aklestad it looked like it was more costly.

He wondered if the individual client is getting proper service from the community based programs or as good as they were getting in institutions. He also wanted to know who made the decisions to create these "mini-Boulders" or intensive group homes across the state.

Mr. Ellery first responded about the level of care which intensive care facilities provide. He feels very good about the services they provide and that significant progress has been made. He noted that there was much discussion during the last regular session and last special session with regard to the \$1.8 million appropriations to develop 5 new group homes to serve 20 individuals in intensive care and to develop semi-independent living and additional day care program expansion. He feels that the division's costs are very close to the projected figures.

Responding to Rep. Winslow on the idea of putting more people into Boulder thus cutting the costs of intensive care, Mr. Ellery said he doubted very seriously if the facility could accommodate more than 15 to 20 more individuals without driving the unit cost out of sight. He felt that the premise that money could be saved by closing intensive group homes, placing these people in Boulder, thus providing openings for other individuals from the waiting list, is a false premise.

Sen. Aklestad asked why the division had made the decision to take 24 out of Boulder and put them into intensive care group homes rather than take 100 that are needy out in the community and wanting the service. Mr. Ellery said that first, they did not move 24 individuals out of institutions into the community. Second, had they not provided these services on this intensive level, the chances were that the only alternative would have been institutionlization at Eastmont or a nursing home. They felt it was more appropriate to provide services in community-based intensive homes because this is more consistent with the philosophy the state has had for the last 4 bienniums. He feels there is a clear mandate not to put individuals in institutions if there is another alternative.

Rep. Menahan asked about the kind of help that is hired for nursing homes and the type of care the clients receive and whether they were in day programs, etc. Mr. Ellery explained they were in day programs and the training is very intense and has been very productive. Sen. Aklestad asked how much of the \$1.8 million and the \$988,000 medicaid was used to bring additional clients into service out of the community or how much was used to put the 24 individuals into intensive group homes and Mr. Ellery replied \$660,000 annually.

Rep. Winslow asked if a child in Boulder is covered by medicaid and if clients in an intensive group home are covered by medicaid.

Mr. Ellery replied that some are and some aren't. He said the medical waiver they currently have is for a limited time. If the client is covered, each costs about 2/3rds of the cost without medicaid. The division would try to get a waiver for any homes opened in the future.

With regards to the equipment purchase, the division is requesting a word processor for the clerical support staff. The department believes they do a lot of report writing and the new equipment would be an improvement for them. They can and do use the pool word processors, but Mr. Ellery feels they could greatly improve their clerical staff with their own.

Mr. Ellery expressed concern about the \$4.9 million dollar increase figure is a result of expanded services and asked for further clarification. He does not believe the \$1.8 million turns into \$4.9. He pointed out the .9million medicaid amendment is not an expansion, but maintenance of existing services.

He also questioned the \$570,000 savings figure. Peggy Williams explained that the LFA had received a request in September for the number of slots that were planned to be in place at the end of this biennium. They were given an updated request late in January. When you take the average cost per slot developed in January versus the costs projected in September and you multiply it times the number of slots you end up with a savings of \$270,000 in FY84 and \$293,000 in 1985. The department wishes to discuss this figure with the LFA further.

End of Tape 34 Side one Begin Tape 34 Side two

Rep. Winslow asked Mr. Ellery about parents' ability to pay and if they would pay for services. Mr. Ellery replied that it was something they would have to look at and also the cost of collecting this amount. He said the \$1.1 million figure represents 100% of all the services that are being provided right now. When asked if various homes do "fundraisers" to help support their services, he told the committee they are doing just this in many areas. Chairman Shontz expressed his feeling that this was a program in which there has been more community involvement than any other, but that one of the problems is, the more the state attempts to manage the services provided, the less incentive they provide for these kinds of activities. Rep. Winslow, however, felt it was something that needs to be looked at.

Chairman Shontz asked the department to address the provider salary modification issue further. Mr. Ellery responded that, for a long time the salaries paid for group home care have been low and that at the last session \$100,000 was requested to raise them. They are requesting \$300,000 for the biennium. A salary study showed that, with benefits, the group home staff receives

He wondered how they could be so much cheaper than to send clients out-of-state. Mr. Ellery said the cost of providing the service from a home would just be cheaper than an institution.

The last area of discussion was the budget level request to provide community-based services for taking 16 individuals out of Boulder River School. Chairman Shontz explained to the committee that the Institutions subcommittee had already made a decision that as of July 1, 1983 16 people will move from Boulder and that they had removed the slot funding for the institution for the full biennium.

Mr. Ellery stated that he would not have sufficient funding in this biennium to start up three group homes for these 16 individuals.

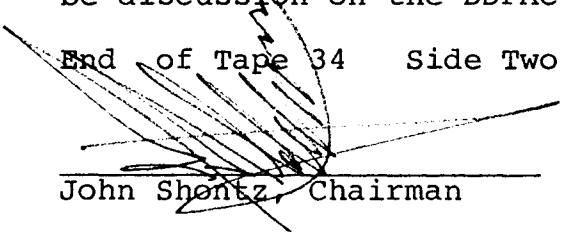
Mr. Ellery said that his understanding of the plan calls for removing 25 people from Boulder, closing up one cottage, and reducing FTE by 29.

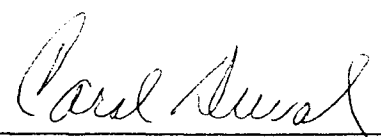
A discussion ensued on the existing waiting list for intensive care patients and whether or not they were better off in the families homes or if the department should maintain the level at Boulder so these people would have a place to go if absolutely necessary. Rep. Menahan felt there are some patients who may not want to go from Boulder to another place and he feels the patient or his family should have some say about what they want to do.

Joe Roberts, Lobbyist, added that there is a commitment act in the state and no administrator actually decides what individual goes or where. It is up to a judge to decide. He pointed out that the commitment act has a mandate for the least restrictive environment and it has to be looked at individually every-time.

The meeting was adjourned at 10 a.m. Tomorrow's meeting will be discussion on the DDPAC.

End of Tape 34 Side Two


John Shontz, Chairman


Carol Duval, Secretary

MAIN Program

01 ASSISTANCE PAYMENTS	02 SOCIAL SERVICES	03 ELIGIBILITY DETERMINATION	04 ADMIN AND SUPPORT	07 MEDICAL ASSISTANCE	09 AUDIT AND PROGRAM COMPLIANCE	10 VOCATIONAL REHAB	11 DEBILITY DETERMINATION	13 VISUAL SERVICES	14 DD	15 DOPAC	30 VETERAN'S AFFAIRS
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|---------------------------------|--|-----|-----|----------------------|-----|------------------------|-----|------------------------|-----|-----|-----|
| 1. AFDC | 1. Foster Care | N/A | N/A | 1. "Buy-In" | N/A | 1. Section 110 | N/A | 1. Section 110 | N/A | N/A | N/A |
| 2. LIERP | 2. Day Care | | | 2. DUES Savings | N/A | 2. SSUI Trust | | 2. SSUI Trust | | | |
| 3. Weatherization | 3. Child Abuse and Neglect | | | 3. Indian Health | | 3. SSI | | 3. SSI | | | |
| 4. Community Serv. Block Grant | 4. Legal Services | | | 4. Personal Disease | | 4. Extended Employment | | 4. Extended Employment | | | |
| 5. WorkCare (Subst) | 5. Family Planning (moves to Health) | | | 5. Medicaid | | 5. CETA | | 5. Visual Medical (GF) | | | |
| 6. Day Care | 6. Subsidized Adoption | | | (a) Nursing Home | | | | 6. Donations to Blind | | | |
| 7. Food Stamp - Outroom | 7. Spouse Abuse | | | (b) Inst. Nurs. Home | | | | | | | |
| 8. Food Stamp - In-house | 8. Soc. Serv. Training | | | (c) Medical "Other" | | | | | | | |
| 9. Training | 9. Family Teaching Center (Melrose) | | | | | | | | | | |
| 10. Summer Food Commodities | 10. SSI | | | | | | | | | | |
| 11. Non-Resident General Assst. | 11. Infor-Service | | | | | | | | | | |
| 12. Grants-In-Aide | 12. Home Health w/rt Emulation | | | | | | | | | | |
| | 13. Big Bros & Sis (Adm. to Youth) | | | | | | | | | | |
| | 14. Soc. Learning Treatment (W. Yellowstone Proj. 1) | | | | | | | | | | |
| | 15. Aging Services | | | | | | | | | | |

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EXHIBIT 1
2/7/83

1 JFA
2-17-83

H 2 LFA
2-17-83

PROGRAM: DEVELOPMENTAL DISABILITIES
LFA page 857

ADMINISTRATION

	1982		1983		1984		1985		Difference
	Actual	FTE	Approp.	FTE	Executive	Current Level	Executive	Current Level	
Personal Services	\$ 897,996	39.25	\$ 1,007,023	39.25	\$ 1,009,926	\$ 1,002,794	\$ 1,008,860	\$ 1,001,291	\$ (7,569)
O.E.									
Contracted Services	\$ 53,248		\$ 39,361		\$ 81,526	\$ 79,320	\$ 86,418	\$ 82,905	\$ (3,513)
Supplies	4,908		6,489		5,088	5,507	5,393	5,834	441
Communications	30,175		38,674		39,961	38,372	46,649	44,925	(1,725)
Travel	67,531		92,990		72,876	89,616	75,741	93,478	17,737
Rent	62,987		60,049		68,751	68,747	72,877	72,870	(7)
Repairs	969		1,830		1,089	1,085	1,154	1,149	(5)
Other	1,831		1,811		107	2,058	113	2,173	2,060
Total	\$ 221,649		\$ 241,204		\$ 269,398	\$ 284,699	\$ 288,345	\$ 303,333	\$ 14,988
Equipment	4,533		1,250		16,800	3,000	-0-	-0-	-0-
Total Admin.	\$ 1,124,178		\$ 1,249,477		\$ 1,296,124	\$ 1,290,493	\$ 1,297,205	\$ 1,304,624	\$ 7,419
Funding									
General Fund	\$ 289,816		\$ -0-		\$ 324,031	\$ 96,765	\$ 406,562	\$ 153,057	\$ (253,505)
Social Services BG	834,362		1,249,477		972,093	1,193,728	890,643	1,151,567	260,924
Total	\$ 1,124,178		\$ 1,249,477		\$ 1,296,124	\$ 1,290,493	\$ 1,297,205	\$ 1,304,624	\$ 7,419

PROGRAM: Developmental Disabilities -- Benefits

	FY 1984		FY 1985		Difference
	Exec.	LFA	Exec	LFA	
<u>Current Services</u>	<u>83</u>				
Day Programs	5536357	5515817	5868538	5846766	21772
Transportation	794130	794130	841778	841778	-0-
Adult Home	2306944	2306944	2445361	2445361	-0-
Child Home	798334	798334	846234	846234	-0-
Semi-Independent	727483	727483	771132	771132	-0-
Respite Care	242577	242577	257132	257132	-0-
Family Services	987470	987470	1046718	1046718	-0-
Eval & Diagnosis	422102	422102	447428	447428	-0-
Adapt Equipment	62729	62729	66493	66493	-0-
Totals	11878126	11857586	12590814	12569042	21772

\$ 995,295

<u>New Services</u>	
Intensive Homes	572819
Voc. Placement	592859
Totals	623278

1,187,551

<u>Expanded Services</u>	
Provider Salary	145600
Foster Home	200000
BRS & H Clients	524616
Totals	870216

623,288

REPORT EDSR100
 DATE : 01/08/83
 TIME : 16/25/25

OFFICE OF BUDGET & PROGRAM PLANNING
 EXECUTIVE BUDGET SYSTEM
 AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

AGENCY : 6901 DEPT SOCIAL & REHAB SERVICES
 PROGRAM : 14 DEVELOPMENTAL DISAB PROGRAM
 CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 84	LFA FY 84	DIFF. FY 84	SUB-CMT. FY 84	OBPP FY 85	LFA FY 85	DIFF. FY 85	SUB-CMT. FY 85
0000	FULL TIME EQUIVALENT (FTE)	39.25	39.25			39.25	39.25		
1100	SALARIES	848,012	842,062	-5,950		845,755	838,855	-6,900	
1400	EMPLOYEE BENEFITS	124,234	123,052	-1,182		125,425	124,756	-669	
1500	HEALTH INSURANCE	37,680	37,680			37,680	37,680		
	TOTAL LEVEL	1,009,926	1,002,794	-7,132		1,008,860	1,001,291	-7,569	
2100	CONTRACTED SERVICES	81,526	79,320	-2,206		86,418	82,905	-3,513	
2200	SUPPLIES & MATERIALS	5,088	5,507	419		5,393	5,834	441	
2300	COMMUNICATIONS	39,961	38,372	-1,589		46,649	44,924	-1,725	
2400	TRAVEL	72,876	89,616	16,740		75,741	93,478	17,737	
2500	RENT	68,751	68,747	-4		72,877	72,870	-7	
2700	REPAIR & MAINTENANCE	1,089	1,085	-4		1,154	1,149	-5	
2800	OTHER EXPENSES	107	2,052	1,945		113	2,173	2,060	
	TOTAL LEVEL	269,398	284,699	15,301		288,345	303,333	14,988	
3100	EQUIPMENT	16,800	3,000	-13,800					
	TOTAL LEVEL	16,800	3,000	-13,800					
7100	TO INDIVIDUALS		11,857,586	11,857,586			12,569,042	12,569,042	
7200	FROM STATE SOURCES	13,039,851		-13,039,851		13,710,245		-13,710,245	
	TOTAL LEVEL	13,039,851	11,857,586	-1,182,265		13,710,245	12,569,042	-1,141,203	
	TOTAL PROGRAM	14,335,975	13,148,079	-1,187,896		15,007,450	13,873,666	-1,133,784	
01100	GENERAL FUND	12,742,956	11,578,137	-1,164,819		13,522,757	-12,323,313	-1,199,444	
03042	PUBLIC WELFARE-GRANTS	387,500	376,214	-11,286		387,500	398,786	11,286	
03045	SOCIAL SERVICES XX BLOCK GRANT	972,093	1,193,728	221,635		890,643	1,151,567	260,924	

exhibit 3
 2/2/83

REPORT EBSR.00
 DATE : 01/08/83
 TIME : 16/25/25

OFFICE OF BUDGET PROGRAM PLANNING
 EXECUTIVE BUDGET SYSTEM
 AGENCY/PROGRAM/CONTROL --- BUDGET WORKSHEET

AGENCY : 6901 DEPT SOCIAL & REHAB SERVICES
 PROGRAM : 15 DEVELOPE DISAB ADVIS COUNCIL
 CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	OBPP FY 84	LFA FY 84	DIFF. FY 84	SUB-CMT. FY 84	OBPP FY 85	LFA FY 85	DIFF. FY 85	SUB-CMT. FY 85
0000	FULL TIME EQUIVALENT (FTE)	1.00	2.00	1.00	---	1.00	2.00	1.00	---
1100	SALARIES	22,190	38,556	16,366	---	22,105	38,408	16,303	---
1400	EMPLOYEE BENEFITS	3,269	5,560	2,291	---	3,296	5,653	2,357	---
1500	HEALTH INSURANCE	960	1,920	960	---	960	1,920	960	---
	TOTAL LEVEL	26,419	46,036	19,617	---	26,361	45,981	19,620	---
2100	CONTRACTED SERVICES	8,097	8,889	792	---	8,583	9,418	835	---
2200	SUPPLIES & MATERIALS	337	109	-228	---	357	116	-241	---
2300	COMMUNICATIONS	3,443	6,474	3,031	---	3,796	7,006	3,210	---
2400	TRAVEL	13,640	14,446	806	---	14,121	14,956	835	---
2500	RENT	2,047	2,047	---	---	2,170	2,169	-1	---
2700	REPAIR & MAINTENANCE	1,106	1,105	-1	---	1,172	1,171	-1	---
2800	OTHER EXPENSES	2	610	608	---	2	371	369	---
	TOTAL LEVEL	28,672	33,680	5,008	---	30,201	35,207	5,006	---
6100	FROM STATE SOURCES		170,284	170,284	---		168,812	168,812	---
6200	FROM FEDERAL SOURCES	194,909		-194,909	---	193,438		-193,438	---
	TOTAL LEVEL	194,909	170,284	-24,625	---	193,438	168,812	-24,626	---
	TOTAL PROGRAM	250,000	250,000	---	---	250,000	250,000	---	---
03039	PUBLIC WELFARE	55,091	86,052	30,961	---	56,562	87,774	31,212	---
03042	PUBLIC WELFARE-GRANTS	194,909	163,948	-30,961	---	193,438	162,226	-31,212	---
	TOTAL PROGRAM	250,000	250,000	---	---	250,000	250,000	---	---

PROGRAM: DDPAC ADMINISTRATION

	1982	1983	1984	1985	Differenc	Differenc	Differenc
	Actual	Appropriated	Executive	Current Level	Executive	Current Level	Differenc
FTE	41652	46093	1.00	2.00	1.00	2.00	1.00
Personal Serv	7916	12042	8097	8889	792	9418	835
--O. E. --	97	450	337	109	(228)	357	(241)
Contract Serv	5754	4000	3443	6474	3031	3796	3210
Supplies	13511	17331	13640	14446	806	14121	835
Communications	1823	1934	2047	2047	0	2170	(1)
Travel	985	90	1106	1105	(1)	1171	(1)
Rent	545	5460	2	610	608	2	369
Repairs	30631	41307	28672	33680	5008	35201	5006
Other	31	100	0	0	0	0	0
Equipment	30631	41307	55091	79716	24625	56562	24626
Total Adm.							

Admin. Funding	0	0	0	0	0	0	0
General Fund	72314	72314	55091	79716	24625	56562	24626
Federal *			55091	79716	24625	56562	24626
Total							

GRANTS

Grants	194909	170284	(24625)	193438	168812	(24626)
Funding Federal *	55563	55563	170284	(24625)	193438	(24626)

* Developmental Disabilities Services Act

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2-7-83