MINUTES OF THE MEETING
APPROPRIATIONS COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

March 12, 1985

The meeting of the Appropriations Committee was called to order by Chairman Bardanouve on March 12, 1985 at 8:10 a.m. in Room 104 of the State Capitol.

ROLL CALL: All members were present.

(Tape 17:B:207)

HEALTH AND HUMAN SERVICES SUBCOMMITTEE

Representative Winslow, Chairman, Health and Human Services Subcommittee, went over their proposed budget which is outlined on Exhibit 1.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES (DHES): Representative Winslow went over the agency summary which begins on page 1 of Exhibit 1. He noted there is a considerable decrease in grants going to counties because there had been one-time federal funds that are no longer available.

Representative Winslow (320) went over the table on page 2 of Exhibit 1. He noted two new programs, the Cleft Palate Program and the Perinatal Program. He then went over the table on page 3 of Exhibit 1. The Diabetes Program is being phased out. Table 3 on page 4 of Exhibit 1 shows the various federal funds going to this department.

Director's Office: Representative Winslow read the narrative from page 5 of Exhibit 1. He said the Department has tried to charge fees for legal services but that was not working so that money has been replaced with general fund money. This way, they can receive some reimbursement from federal funds. There was a transfer of the Grants Program from the Clinical Office to the Director's Office. This transfer was the primary reason for the 7,013.9% increase in grants. Representative Winslow went over the grants which are outlined on page 6 of Exhibit 1.

Board of Health: Representative Winslow (409) read the narrative from page 7 of Exhibit 1.

Legal Services Bureau: Representative Winslow (418) read the narrative from page 8 of Exhibit 1. He then went over the transfer which is outlined on page 9 of Exhibit 1.

Financial Management Administration: Representative Winslow (456) read the narrative from page 10 of Exhibit 1.

Fiscal Services Bureau: Representative Winslow (479) read the narrative from page 11 of Exhibit 1. Chairman Bardanouve asked why this program can't be consolidated with the last program. Representative Winslow responded that this program is more specific and the Financial Management Administration Program supervises this program.

Records and Statistics Bureau: Representative Winslow (510) read the narrative from page 12 of Exhibit 1. He said this bureau is also supervised by the Financial Management Administration.

Environmental Sciences Division Administration: Representative Winslow (550) read the narrative from page 13 of Exhibit 1. RIT funds are used here at 6%. If federal funds come in, the RIT reverts.

Solid Waste Bureau: Representative Winslow (585) read the narrative from pages 14 through 16 on Exhibit 1. Representative Nathe asked if the state has a hazardous waste site. Representative Winslow responded that we do not but there is a modified request to study proposed sites for one.

(Tape 18:A:000)

Air Quality Bureau: Representative Winslow (030) read the narrative from page 17 of Exhibit 1. The 15% increase in general fund is due to maintenance of effort for EPA Air Quality funds.

Occupational Health Bureau: Representative Winslow (051) read the narrative from page 18 of Exhibit 1. There is a modified request for an X-Ray inspector. Chairman Bardanouve said this is a business expense and fees should be charged for this service. Dr. John Drynan, Director, DHES, said he would oppose charging fees because the doctors, dentists, etc., would pass on twice or three times the cost to their patients.

Water Quality Bureau: Representative Winslow (100) read the narrative from pages 19 and 20 of Exhibit 1. He explained the $30,000 each year for the Subdivision Program is just back-up funds in case the fees do not cover the costs. Representative Nathe said we are picking up federal funds with general fund in this area. Representative Winslow said that was the case. In FY 1983, this program actually went bankrupt because there were no contingency funds set aside.

Food and Consumer Safety Bureau: Representative Winslow (198) read the narrative from page 21 of Exhibit 1. License fees are included as state special revenue funds.

Management Services Administration: Representative Winslow (205) read the narrative from pages 22 through 24 of Exhibit 1.

There was some discussion regarding the charging of fees for some of these services. Representative Manuel said these services are for the general welfare of the citizens of the state and that is the responsibility of state government.

Microbiology Lab: Representative Winslow (274) read the narrative from page 25 of Exhibit 1. PKU testing should be self-supporting by FY 1986.

Chemistry Lab Bureau: Representative Winslow (300) read the narrative from page 26 of Exhibit 1.

Data Processing Bureau: Representative Winslow (306) read the narrative from page 27 of Exhibit 1.

Health Services and Medical Facilities Division Administration: Representative Winslow (312) read the narrative from pages 28 and 29 of Exhibit 1. The federal government said we have to increase our general fund for this program. FY 1984 only reflected three months of expenditures.

Dental and Risk Reduction Bureau: Representative Winslow (357) read the narrative from page 30 of Exhibit 1. There was some discussion regarding the Mouthrinse Program. Representative Waldron (395) asked why we can't just eliminate the FTEs and put the money out to grants to the local health departments. Dr. Drynan said the public health nurses cannot perform these services and it is more cost effective to have the dentist.

Nursing Bureau: Representative Winslow (463) read the narrative from pages 31 and 32 of Exhibit 1. The increases are totally federally funded. The Title XX money should read Title X money on page 32 of the exhibit.

Clinical Bureau: Representative Winslow (531) read the narrative from pages 33 through 35 of Exhibit 1. There was discussion regarding the Handicapped Children Program. That program pays expenses for newborns of indigent parents.

Representative Waldron said he has heard concern voiced by county commissioners that they are not receiving the same level of funds as they have in the past. Representative Rehberg said the counties benefitted from some one-time funds but those funds are no longer available. Representative Waldron said the funds used for the Perinatal Program could possibly be used to supplant those lost funds.

Dr. Drynan explained that Montana was chosen, along with ten other states, to receive sweep-up funds because of our good

Perinatal Program. After June 30, 1985, those funds are no longer available. He said the FTEs for this program have always been there and this is not a new program. Dr. Espeland (067) said he is the doctor in this program and he outlined his duties.

Ann Mary Dussault, Missoula County Commissioner, (101) presented figures to the committee that show the counties are not receiving as much as they have in the past. She said the counties can provide direct service rather than merely educational services, as the Perinatal Program provides. She said she felt the Perinatal Program as it is is not necessary.

Representative Winslow said the subcommittee recognized the problems the counties are experiencing but the past funding was only one-time and those dollars are gone.

Emergency Medical Services Bureau: Representative Winslow (236) read the narrative from page 36 of Exhibit 1.

Health Planning Bureau: Representative Winslow (245) read the narrative from page 37 of Exhibit 1.

Licensing and Certification Bureau: Representative Winslow (256) read the narrative from page 38 of Exhibit 1. He noted the federal government has encouraged the Department to increase the general fund portion for this area because we are at risk of being found out of compliance. If we are audited and found out of compliance, we could be fined and lose our funding.

DEPARTMENT OF LABOR AND INDUSTRY: Representative Winslow (322) went over the agency summary which is outlined on page 39 of Exhibit 1. He noted most of the funding in this department is federal funds.

Commissioner's Office: Representative Winslow (342) read the narrative from page 40 of Exhibit 1. This area is totally federally funded. The deputy commissioner position has been downgraded to an administrative assistant position.

Labor Standards Division: Representative Winslow (355) read the narrative from page 41 of Exhibit 1.

Appeals Division: Representative Winslow (353) read the narrative from page 42 of Exhibit 1.

Human Rights Commission: Representative Winslow (400) read the narrative from page 43 of Exhibit 1. There was a 13% increase in general fund, primarily due to position upgrades that came about because of a classification audit by the Personnel Division of the Department of Administration.

Employment Security Division: Representative Winslow (471) went over the agency summary which is outlined on page 44 of Exhibit 1. Taryn Purdy, Associate Analyst, Legislative Fiscal Analyst's Office, explained the double counting of JTPA grants. The grants are counted once when they come in and counted a second time when they are subgranted to the Job Service Offices.

Job Service: Representative Winslow (601) read the narrative from pages 45 and 46 of Exhibit 1.

Unemployment Insurance: Representative Winslow (680) read the narrative from page 47 of Exhibit 1.

(Tape 19:A:000)

Centralized Services: Representative Winslow (018) read the narrative from page 48 of Exhibit 1.

Job Training Partnership Act (JTPA): Representative Winslow (029) read the narrative from page 49 of Exhibit 1. This is the area where grants are counted twice. The 23.2% increase in general fund is primarily match money for the Dislocated Worker Program. There was discussion regarding this program and the Displaced Homemakers Program and the use of general fund money for match.

Workers' Compensation Division: Representative Winslow (087) read the narrative from pages 50 through 52 of Exhibit 1. There was some discussion regarding the administrative costs for the Crime Victims Fund. Representative Winslow said the administrative costs were not line-itemed. Also, those costs were based on the original request of $750,000. That was decreased to $340,000 by the subcommittee but the administrative costs were not adjusted to reflect the new figure. This will be done before executive action is taken on this budget.

Dave Wanzenried, Commissioner of Labor, (163) said some private employers are pulling out of the fund due to a recent Supreme Court decision. He said the reason the caseload is still experiencing an increase is due to the number of lawyer assisted claims pending.

Representative Moore (179) asked why we are still putting money in for silicotic widows. He said, when this program was begun, it was thought that it would dry up in a few years. Representative Bardanouve agreed that he thought this program would dry up but it has not. Representative Quilici said there are still a number of workers and their widows who have not taken advantage of this program yet. Representative Menahan noted that gas station workers can get silicosis so this program may never dry up. There was some discussion on this issue.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES (SRS): Representative Winslow (298) went over the agency summary which is outlined on page 53 of Exhibit 1. He noted the subcommittee had to make some hard choices in this area of the budget.

Assistance Payments: Representative Winslow (342) read the narrative from pages 54 through 58 of Exhibit 1. The big problem in this program was the large amount of money needed for general assistance (GA). The subcommittee based their proposed budget on the passage of the GA bill which would cut all able bodied people under the age of 35 from GA. Also, there are now twelve state assumed counties.

There was a lot of discussion regarding the GA bill. If it passes, there will still be a $3.5 to $4 million impact to this budget. If that bill does not pass, an additional $5 million would have to be added to the present figures.

Representative Winslow (457) went over the table on page 55 of Exhibit 1. He noted there will be an impact from Senator Jacobsen's bill with a movement of people from GA to AFDC, which is 2/3 federally funded. The poverty level for both GA and AFDC are set at 49%. If that level is dropped to 47%, $800,000 savings can be realized.

The Low Income Energy Assistance Program does include some oil overcharge funds but those funds will be used up by FY 1987 and will no longer be available.

There was some discussion regarding the table on page 57 of Exhibit 1. Representative Winslow said the drastic increase in support payments were due to the court case. (The court case referred to was never explained in this meeting.)

(Tape 19:B:000)

Dave Lewis, Director, SRS, (032) said the increase in eligibility technicians was hoped to address the error rate and the tremendous growth in caseloads. Pat Godbout, Administrator, Audit and Program Compliance, said the error rate last year was 8%. Lee Tickell, Chief, Field Services Bureau, said, for every percentage point over the tolerance of 3% error rate in AFDC, it translates into about $400,000 of potential general fund sanctions.

The error rate is any technical error or issuance of food stamps to an ineligible person or overissuance of food stamps. It was noted that underissuance of food stamps is not included in the error rate.

Social Services: Representative Winslow (166) read the narrative starting on page 59 of Exhibit 1. This is the area that is decreased because of the 12 mills going directly to the general fund and the Social Services Block Grant being transferred to the Developmentally Disabled Division (DDD). Representative Winslow went over the programs which are outlined on pages 60 through 64.

Day Care: Representative Winslow (240) read the narrative for this program.

Child Abuse: Representative Winslow (255) read the narrative for this program.

Legal Services: Representative Winslow (264) read the narrative for this program.

Domestic Violence: Representative Winslow (275) read the narrative for this program. This reflects $7,000 in general fund for inflationary increases. The earmarked revenue is falling short of program costs.

Big Brothers and Sisters: Representative Winslow (303) read the narrative for this program.

Home Health and West Yellowstone: Representative Winslow (320) read the narrative for this program.

Refugee: Representative Winslow (363) read the narrative for this program.

Subsidized Adoption: Representative Winslow (367) read the narrative for this program. Norma Harris, Administrator, Community Services, said there are 35 children who can be placed now. These are legal adoptions for difficult to place children, i.e., handicapped, etc.

Supplemental Security Income: Representative Winslow (454) went over this program.

(Note: There were people who came from out of town to present testimony against the proposed cut of the general assistance program. Because they travelled such a distance, Chairman Bardanouve opened the meeting to public testimony.)

PUBLIC TESTIMONY ON GENERAL ASSISTANCE:

Helen Nicholls (509) presented the committee with written testimony on behalf of the Montana Low Income Coalition opposing the GA bill (Exhibit 2). In short, Ms. Nicholls said we are taking money from people who can't find jobs and, if the GA bill passes, these people will be on the streets and some may commit crimes or, even worse, suicide.

(Tape 27:A:000)

Jim Smith, Montana Human Resources Development Council (HRDC) Association, agreed with Ms. Nicholls' testimony. He said the HRDC directors are trying to get a handle on the GA bill impact. He said Cascade County will have about $600,000 impact next year in terms of loss of rent to landlords, loss of purchasing power, etc., and these losses will have a multiplier effect on the economy.

Representative Hand asked Ms. Nicholls if she could not find work somewhere besides Butte, which is very recessed anyway. Ms. Nicholls said her family is in Butte and they depend on her so, no, she cannot move.

END OF PUBLIC TESTIMONY:

(The committee resumed outlining the programs under the area of Social Services:)

Training: Representative Winslow (082) read the narrative for this program which is outlined on page 63 of Exhibit 1.

Foster Care: Representative Winslow (091) read the narrative for this program.

Representative Winslow (112) went over the modifieds for this agency which are outlined on page 64 of Exhibit 1. About $1 million will be saved by phasing in the social workers but he noted these positions will be on-line in FY 1989 and they will be part of the base. General fund is used to replace Social Services Block Grant funds going to the DDD.

Eligibility Determination: Representative Winslow (200) read the narrative from pages 65 and 66 of Exhibit 1. The FTE level for non-assumed counties was kept low to discourage counties from becoming assumed. Mr. Lewis said there are three counties that may become state assumed by the end of the second year of the biennium. They are Yellowstone, Gallatin, and Custer Counties. Chairman Bardanouve asked, if the economic climate gets better, can counties drop out of being state assumed. Ms. Godbout said, once a county is state assumed, they are that way permanently, with some exceptions.

Administration and Support Systems: Representative Winslow (300) read the narrative from page 67 of Exhibit 1.

County Assumption--Administration: Representative Winslow (323) read the narrative from page 68 of Exhibit 1.

Medical Assistance: Representative Winslow (339) read the narrative from pages 69 through 77. Peter Blauk, Senior

Analyst, Legislative Fiscal Analyst's Office, explained how the base was determined. Chairman Bardanouve was concerned about raising the Medicaid reimbursement percentage because of the recent loss of federal funds in many areas to the state. Mr. Lewis (456) said the federal government is going to cap Medicaid at the level the states received in FY 1984. He noted that many states are fighting this proposal but, if it passes, it would cost Montana about $5 million in the current biennium.

Representative Winslow (480) went over the Medical Assistance Grants and Benefits which start on page 70 of Exhibit 1.

(Tape 27:B:000)

Representative Moore (087) said the Medicaid Waiver Program is very worthwhile and will save us money in the long run.

Deficit Reduction Act: Representative Winslow (099) read the narrative from page 76 of Exhibit 1.

Representative Winslow (124) went over the modifieds for this area which are outlined on page 77 of Exhibit 1. This is a change of contract with a new provider. The old provider was Hancock/Dikewood Services and the new provider is Consultec, Inc. Jack Ellery, Administrator, Economic Assistance Division, (147) said bids are let and the lowest bid, Consultec, Inc., was accepted. Mr. Ellery said, in two years if he is still in his present position, he would propose to transfer this system to the state's mainframe computer. The state owns the software for the system. Mr. Ellery said there had been some problems with the Dikewood system.

Audit and Program Compliance: Representative Winslow (282) read the narrative from page 78 of Exhibit 1. He noted the modifieds for this agency would produce savings.

Vocational Rehabilitation: Representative Winslow (385) read the narrative from pages 79 and 80 of Exhibit 1. Bob Donaldson, Administrator, Vocational Rehabilitation Division, (444) said people are indeed benefitting by this program. Representative Miller said he had heard that some of the people in this program were overstepping their boundaries and were dipping into the medical aspect for which they are not qualified. Mr. Donaldson said he was not aware of any problems in this regard.

Representative Menahan said he was concerned about all the power we are giving to the directors of this department as well as the Department of Institutions. Chairman Bardanouve said we will have to deal with this issue at another time.

(Tape 28:A:000)

Disability Determination: Representative Winslow read the narrative from page 81 of Exhibit 1.

Visual Services: Representative Winslow (010) read the narrative from page 82 of Exhibit 1.

Developmental Disabilities: Representative Winslow (019) read the narrative from page 83 of Exhibit 1. He went over the services which are outlined on the table on page 84 and the modifieds which are outlined on page 85 of Exhibit 1.

PUBLIC TESTIMONY:

Bob Frazier (146) worked with the developmentally disabled team of the PFP and thanked the subcommittee for their work on the budget. He said the Vocational Rehabilitation Program at Montana State University places as many disabled students as able bodied students coming out of the same institution. He said the Extended Employment Program has not had any increases since 1974 and he was concerned because there are a lot of people waiting for those services. He said there are over 5,000 head-injured people in the state and those folks don't qualify for any of the present programs. He said those people need in-home services so they can remain in their homes.

Roberta Nutting (189) was on the seniors team of the PFP and said the Medicaid Waiver can actually save money if given the chance. She said the Medicaid Waiver makes the relatives responsible and that is good. She said she likes the idea of case management. She said she would rather have the choice to stay in her home if she wants. She closed by asking that this program be given a chance because it could be the answer to a lot of problems.

Tom Drooger (261) represented the children and youth team of the PFP. He was thankful that Support Services for Foster Care and the increased FTEs and social workers were accepted by the subcommittee. He asked that this committee reconsider two recommendations that the subcommittee did not include in their budget proposal. One is the subsidized adoption program. There are 30 children who could be eligible for subsidized adoption but that program is already at the limit set by the Legislature and it would take $130,000 additional for these additional people. The other program they would like reconsidered is in-patient alcohol and drug treatment for indigent youth. That request was for slightly over $1 million and Mr. Drooger asked that this program be reconsidered.

Chairman Bardanouve asked what the age limit was at Galen. Representative Winslow said the lowest age at that facility is 16 years of age.

Jim Smith, HRDC Directors' Association, (306) said they served on the economically needy team of the PFP. He said the people they represent are people who are just poor through no fault of their own. He said he felt the eligibility technicians were needed to help the clients get better, faster, and more efficient service. He said, if we want to avoid sanctions and the error rate, these positions are necessary. Mr. Smith's second concern was the proposed payment levels. He wanted the poverty level raised from 47% to 51%. He said even 51% is not very much money by anyone's standards but he asked that this be the rate set for payment levels.

Dave Lewis (398) closed with the Department's reaction to the subcommittee proposals. First and foremost, the Department came out of the subcommittee $7.5 million under the Governor's budget proposal. He differed from the subcommittee in the proposed GA bill. The Department proposed removing all able bodied people under the age of 50. The subcommittee set the age at 35 and allowed three payments a year for people between the ages of 35 and 50. That cost about $900,000 and Mr. Lewis said he felt that money could be better spent in other areas. He would like money put back into the Medicaid Waiver, Subsidized Adoption, and Alcohol and Drug Treatment for Indigent Youths Programs.

Adjourn: The meeting was adjourned at 9:30 p.m.

Francis Bardanouve

FRANCIS BARDANOUVE, Chairman

DAILY ROLL CALL

APPROPRIATIONS COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 12, 1985

| NAME | PRESENT | ABSENT | EXCUSED |
|---|---|---|---|
| BARDANOUVE | X | | |
| DONALDSON | X | | |
| BRADLEY | X | | |
| CONNELLY | X | | |
| ERNST | X | | |
| HAND | X | | |
| LORY | X | | |
| MANUEL | X | | |
| MENAHAN | X | | |
| MILLER | X | | |
| MOORE | X | | |
| NATHE | X | | |
| PECK | X | | |
| QUILICI | X | | |
| REHBERG | X | | |
| SPAETH | X | | |
| SWIFT | X | | |
| THOFT | X | | |
| WALDRON | X | | |
| WINSLOW | X | | |
| | | | |
| | | | |
| | | | |

CS-30

EXHIBIT 1
March 12, 1985
Health & Human Services

# NARRATIVE FOR HOUSE BILL 500
on the
Departments of Health and Environmental Sciences,
Labor and Industry, and
Social and Rehabilitation Services

March 12, 1985

Agency: Department of Health and Environmental Sciences

Program: Agency Summary

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 224.35 | 240.25 | 216.35 | 216.75 | 240.25 | 215.35 | 216.75 | (3.4) |
| Personal Services | $ 5,863,879 | $ 6,486,142 | $ 5,872,931 | $ 5,889,745 | $ 6,486,452 | $ 5,867,064 | $ 5,901,819 | .4 |
| Operating Expenses | 6,949,215 | 10,870,525 | 7,505,831 | 7,362,190 | 11,559,970 | 7,599,136 | 7,373,090 | 5.9 |
| Equipment | 174,301 | 142,129 | 86,435 | 95,867 | 10,655 | 17,878 | 12,305 | (4.5) |
| Grants | 5,437,300 | 5,871,611 | 5,682,050 | 5,737,731 | 5,927,764 | 5,716,148 | 5,739,506 | 5.5 |
| Total Exp. | $18,424,695 | $23,370,407 | $19,147,247 | $19,085,533 | $23,984,841 | $19,200,226 | $19,026,720 | 3.6 |
| FUNDING | | | | | | | | |
| General Fund | $ 3,486,390 | $ 3,761,154 | $ 3,298,854 | $ 3,452,813 | $ 3,685,258 | $ 3,241,618 | $ 3,473,233 | (1.0) |
| State Special Rev. | 1,292,364 | 1,999,200 | 1,717,102 | 2,056,599 | 2,093,724 | 1,746,338 | 2,016,597 | 59.3 |
| Federal Revenue | 13,645,941 | 17,610,053 | 14,131,292 | 13,576,121 | 18,205,859 | 14,212,270 | 13,536,890 | (.4) |
| Total Funding | $18,424,695 | $23,370,407 | $19,147,247 | $19,085,533 | $23,984,841 | $19,200,226 | $19,026,720 | 3.7 |

Program Description: The Department of Health and Environmental Sciences is responsible for promoting and protecting the health of Montanans through public health laws, environmental regulations and enforcement activities. It is composed of five divisions: The Director, Financial Management, Environmental Sciences, Management Services, and Health Services and Medical Facilities.

Current Level Budget: The Superfund and Hazardous Waste Dump Inventory Programs were appropriated for by the 1983 legislature, but are presented as modified requests in the 1987 biennium due to significant program expansion. Total expenditures rise 3.7 percent over the fiscal 1984 level.

## Funding

State special revenue rises due primarily to three factors: (1) the addition of resource indemnity trust fund monies as Section 15-38-202, MCA allocates 6 percent of all interest earned on the account to the department's Hazardous Waste Program in the Solid Waste Bureau; (2) increased utilization of the Junk Vehicle fund balance in the Solid Waste and Environmental Sciences Division Administration Bureaus; and (3) the reclassification of mircobiology and chemistry laboratory fee income, which had been classified as federal revenue, to state special revenue.

The department receives two federal block grants: (1) the maternal and child health and (2) preventive health block grants. Tables 1 and 2 summarize actual fiscal 1984 and appropriated fiscal 1985, 1986, and 1987 expenditures.

Table 1
Maternal and Child Health Block Grants

| | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Beginning Balance | $ -0- | $ -0- | $ -0- | $ 23,258 |
| Grant Award | 2,034,402 | 1,994,507 | 1,897,421 | 1,897,421 |
| Total Funds Available | $2,034,402 | $1,994,507 | $1,897,421 | $1,920,679 |
| Current Level Programs | | | | |
| Director's Division | | | | |
| Administration | $ 28,264 | $ 28,264 | $ 30,000 | $ 30,000 |
| Grants to Counties | 1,272,076* | 1,189,203** | 717,922 | 685,599 |
| Health Services Division | | | | |
| Administration | -0- | -0- | 23,683 | 23,727 |
| Nursing Administration | 25,146 | 25,971 | 28,000 | 28,000 |
| Family Planning | 25,787 | 27,334 | 28,000 | 29,000 |
| Clinical Administration | 36,574 | 41,257 | 105,756 | 80,634 |
| Handicapped Children | 646,555 | 682,478 | 700,276 | 725,191 |
| Newborn Transport | -0- | -0- | 66,000 | 66,000 |
| Total Current Level | $2,034,402 | $1,994,507 | $1,699,637 | $1,668,151 |
| Modified Programs | | | | |
| Mouthrinse | -0- | -0- | $ 15,000 | $ -0- |
| Cleft Palate | -0- | -0- | 52,500 | 52,500 |
| Perinatal | -0- | -0- | 107,026 | 200,028 |
| Total Modified Expenditures | -0- | -0- | $ 174,526 | $ 252,528 |
| Total Disbursements | 2,034,402 | 1,944,507 | 1,874,163 | 1,920,679 |
| Ending Balance | -0- | -0- | $ 23,258 | $ -0- |

*Includes budget amendment of $490,350
**Includes budget amendment of $586,762

Table 2
Preventive Health Block Grant

| | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Beginning Balance | $ -0- | $ -0- | $ -0- | $ 30 |
| Grant Award | 605,457 | 758,418 | 632,187 | 632,187 |
| Total Available | $ 605,452 | $ 758,418 | $ 632,187 | $ 632,217 |
| Current Level Programs | | | | |
| Director's Division | | | | |
| Rape Crisis | $ 10,260 | $ 11,542 | $ 11,970 | $ 11,970 |
| Administration | 44,975 | 44,975 | 43,557 | 48,645 |
| Management Services Division | | | | |
| Microbiology Laboratory | 33,999 | 34,000 | 34,000 | 34,000 |
| Health Services Division | | | | |
| Administration | -0- | -0- | -0- | -0- |
| Hypertension | 76,661 | 24,810 | -0- | -0- |
| Risk Reduction | 34,309 | 35,759 | 48,714 | 49,257 |
| Family Planning | 203,968 | 203,048 | 189,105 | 190,308 |
| Diabetes | 34,157 | 19,157 | -0- | -0- |
| Emergency Medical Services | 167,128 | 235,255 | 185,439 | 204,855 |
| EMS Grants to Counties | -0- | 149,872 | -0- | -0- |
| Total Current Level Expenditures | $ 605,457 | $ 758,418 | $ 522,935 | $ 549,203 |
| Modified Programs | | | | |
| Mouthrinse | $ -0- | $ -0- | $ -0- | $ 15,000 |
| Nursing | -0- | -0- | -0- | 35,414 |
| Family Planning | -0- | -0- | 11,649 | 11,653 |
| Perinatal | -0- | -0- | 97,573 | 20,791 |
| Total Modified Expenditures | -0- | -0- | $ 109,222 | $ 82,858 |
| Total Disbursements | 605,457 | 758,418 | 632,157 | 632,061 |
| Ending Balance | -0- | -0- | $ 30 | $ 156 |

Table 3 ws the total federal funds included in the Department of He h and Environmental Sciences appropriation for fiscal 1986 1987.

Table 3

Federal Funds - Department of Health and Enviormental Sciences

| Fund | Fiscal 1986 | Fiscal 1987 |
|---|---|---|
| 1. Indirect Revenue | $ 474,336 | $ 436,959 |
| 2. Death Index | 2,333 | 2,333 |
| 3. National Center for Health Statistics | 61,090 | 61,090 |
| 4. EPA Hazardous Waste | 175,826 | 176,254 |
| 5. Bureau of State Lands | 31,502 | 31,516 |
| 6. EPA Air Quality | 475,063 | 477,813 |
| 7. EPA Safe Drinking Water | 292,312 | 294,840 |
| 8. EPA 106 | 313,337 | 314,245 |
| 9. EPA 205g | 398,294 | 397,241 |
| 10. EPA 205j | 107,012 | 107,426 |
| 11. Film Library | 26,815 | 19,892 |
| 12. Data Processing | 36,213 | 33,600 |
| 13. Title X Family Planning | 787,340 | 787,030 |
| 14. Vaccination | 192,542 | 196,859 |
| 15. Venereal Disease | 52,346 | 52,334 |
| 16. Rabies Vaccine | 45,430 | 47,374 |
| 17. Women, Infants and Children | 5,451,752 | 5,449,067 |
| 18. Child Nutrition | 1,914,275 | 1,914,678 |
| 19. Health Planning | 213,258 | 213,916 |
| 20. Medicare Title XVIII | 182,470 | 184,010 |
| 21. Medicaid Title XIX | 120,003 | 121,059 |
| 22. Maternal and Child Health Block Grant | 1,699,637 | 1,668,151 |
| 23. Preventive Health Block Grant | 522,935 | 549,203 |
| Total Other Federal Funds | $13,576,121 | $13,536,890 |



tples:hes app par/4

Agency: Department of Health and Environmental Sciences

Program: Director's Office

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 |
| Personal Services | $278,722 | $ 301,727 | $301,759 | $ 301,759 | $ 302,425 | $302,461 | $ 302,461 | 8.3 |
| Operating Expenses | 292,278 | 168,029 | 182,946 | 159,309 | 168,520 | 185,713 | 160,894 | (45.6) |
| Grants | 10,260 | 638,509 | 11,970 | 729,892 | 663,571 | 11,970 | 697,569 | 7,013.9 |
| Total Exp. | $581,260 | $1,108,265 | $496,675 | $1,190,960 | $1,134,516 | $500,144 | $1,160,924 | 104.8 |
| FUNDING | | | | | | | | |
| General Fund | $497,761 | $ 396,169 | $405,752 | $ 387,511 | $ 392,300 | $407,985 | $ 384,710 | (22.2) |
| Federal Revenue | 83,499 | 712,096 | 90,923 | 803,449 | 742,216 | 92,159 | 776,214 | 862.2 |
| Total Funding | $581,260 | $1,108,265 | $496,675 | $1,190,960 | $1,134,516 | $500,144 | $1,160,924 | 104.8 |

Program Description: The Director's Office is responsible for overall management and program support for the Department of Health and Environmental Sciences.

Current Level Budget: General fund and operating expenses decline due to the expiration of two bills enacted by the 1983 legislature for the duration of one fiscal year: the Family Practice Residency, which provided training to physicians in family practice, and the Health Information Center which provided a centralized information source for professionals and lay persons. Expenditures totaled $112,400 in fiscal 1984. Legal expenses of $22,716 were deleted as part of the reorganization of the Legal Services Bureau. The legal expenses were funded by general fund and the federal maternal and child health and preventive health block grants.

Direct grants to counties are funded from the federal Maternal and Child Health block grant to provide services to women and children at health risk. The counties receive all monies of the Maternal and Child Health block grant which are not allocated to programs in the department of health. The federally mandated Rape Crises grants are funded by the federal Preventive Health block grant. The following table shows actual fiscal 1984 and appropriated fiscal 1985, 1986 and 1987 grant totals.

Table 1
Grants--Director's Office

| Recipient | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Rape Crisis | $ 10,260 | $ 11,542 | $ 11,970 | $ 11,970 |
| Grants to Counties | 1,272,076* | 1,189,203 | 717,922 | 685,599 |
| Total Grants | $1,282,336 | $1,200,745 | $729,892 | $697,569 |

*Budget amended $490,350 in fiscal 1984 and $586,762 in fiscal 1985. As per the intent of the legislature, this entire amount was allocated to the counties. During the 1985 biennium, these grants were in the Clinical Bureau.

Federal revenue consists of the two grants and administrative costs of $30,000 each year from the Maternal and Child Health block grant and $43,557 in fiscal 1986 and $48,645 in fiscal 1987 of the Preventive Health block grant.

Agency: Department of Health and Environmental Sciences | Program: Board of Health

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Personal Services | $2,800 | $ 3,150 | $ 4,200 | $ 3,150 | $ 3,150 | $ 4,200 | $ 3,150 | 12.5 |
| Operating Expenses | 6,017 | 15,488 | 17,455 | 15,488 | 15,488 | 17,927 | 15,488 | 12.5 |
| Equipment | -0- | -0- | -0- | -0- | -0- | -0- | -0- | 0.0 |
| Total | $8,817 | $18,638 | $21,655 | $18,638 | $18,638 | $22,127 | $18,638 | 111.4 |
| FUNDING | | | | | | | | |
| General Fund | $8,817 | $18,638 | $21,655 | $18,638 | $18,638 | $22,127 | $18,638 | 111.4 |

Program Description: The Board of Health is a quasi-judicial board appointed by the Governor to advise the department of health in public health matters.

Current Level Budget: Per-diem expenses of the board were raised $350 per year and other expenses were raised $1,638 per year to allow for a greater number of board meetings. The board is mandated to meet five times each year, but met only four times in fiscal 1984. The contract the board maintains with a private legal firm was restored to the fiscal 1984 appropriated level of $8,000 from the actual fiscal 1984 expenditures level of $455 in anticipation of additional lawsuits related to certificate of need. The Legal Services Bureau cannot represent the Board of Health in certain cases due to the possibility of a conflict of interest.



tpleg:hes app par/7

Agency: Department of Health and Environmental Sciences — Program: Legal Services Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 5.00 | 3.00 | 5.00 | 3.00 | 3.00 | 5.00 | 3.00 | (40.0) |
| Personal Services | $145,529 | $ 93,901 | $151,814 | $ 93,817 | $ 94,303 | $152,491 | $ 94,295 | (35.5) |
| Operating Expenses | 17,388 | 10,262 | 18,088 | 10,665 | 10,442 | 18,941 | 11,294 | (38.7) |
| Total | $162,917 | $104,163 | $169,902 | $104,482 | $104,745 | $171,432 | $105,589 | (35.9) |
| FUNDING | | | | | | | | |
| General Fund | $ -0- | $104,163 | $ -0- | $104,482 | $104,745 | $ -0- | $105,589 | 100.0 |
| Federal Revenue | 162,917 | -0- | 169,902 | -0- | -0- | 171,432 | -0- | (100.0) |
| Total Funding | $162,917 | $104,163 | $169,902 | $104,482 | $104,745 | $171,432 | $105,589 | (35.9) |

Language in Bill: The Department of Health and Environmental Sciences shall use the Attorney General's legal fee rate to charge federal programs for services performed by the Legal Services Division. Use of federal appropriation authority of $42,701 in fiscal 1986 and $52,472 in fiscal 1987 shall be used only to purchase legal services from the department of health legal services bureau. All legal services performed for federal programs shall be billed and all fees collected shall be deposited into the general fund.

Program Description: The Legal Services Bureau provides all aspects of legal representation to all divisions of the department of health with the exception of the Environmental Sciences Division.

Current Level Budget: This bureau was reorganized in order to provide stability to the funding base and ensure that all programs of the department of health would have adequate legal resources. Previously, programs were allocated funds for legal expenses based upon the availability of funds and the program's anticipated needs. The programs would then reimburse legal services on a $42.50 per hour basis. This system did not always ensure that each program would have adequate funds to meet legal needs as they arose. Also, income of the Legal Services Bureau could be erratic.

The reorganization deletes all general fund legal support from each program with the exception of the Environmental Sciences Division. Within that division all legal fees are eliminated. One FTE lawyer and 1 FTE legal support staff and related expenses are transferred to the Water Quality, Solid Waste and Air Quality Bureaus to handle all legal work of the division. The positions and related expenses are supported by the funds mix in each of the Bureaus.

Table 1
Expenses Movement

| Program | Transferred from Legal Services Fiscal 1986 | Transferred from Legal Services Fiscal 1987 | Deleted From Fiscal 1986 | Deleted From Fiscal 1987 |
|---|---|---|---|---|
| Water Quality | $39,986 | $40,251 | $ 66,478 | $ 69,802 |
| Solid Waste | 14,234 | 14,326 | 26,883 | 28,227 |
| Air Quality | 14,218 | 14,310 | 15,646 | 16,428 |
| Division Administration | -0- | -0- | 3,375 | 3,544 |
| Occupational Health | -0- | -0- | 1,152 | 1,210 |
| Food and Consumer Safety | -0- | -0- | 11,030 | 11,581 |
| Total | $68,438 | $68,887 | $124,564 | $130,792 |

In addition, two modified requests were approved to add .5 FTE lawyer to the Solid Waste and Air Quality Bureaus.

Table 2
Modified Additions

| | | |
|---|---|---|
| Solid Waste | $15,414 | $15,420 |
| Air Quality | 15,414 | 15,420 |
| Total | $30,828 | $30,840 |

The general fund support to legal expense of all other programs of the department were deleted, totaling $29,035 in fiscal 1986 and $32,748 in fiscal 1987. The remaining federal funds totaling $42,701 in fiscal 1986 and $52,472 in fiscal 1987, will be used specifically for legal expenses. As they were paid, the funds will be deposited into the general fund.

If a program is 50 percent supported by federal funds, the rate paid will be 50 percent of the hourly fee. When the legal funds are deleted, the program receives free legal assistance.

The remaining FTE and expenses of the Legal Service Bureau are supported by general fund.

Agency: Department of Health & Environmental Sciences

Program: Financial Management Administration

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| Personal Services | $ 94,925 | $ 93,169 | $ 93,220 | $ 93,220 | $ 93,250 | $ 93,302 | $ 93,302 | (1.8) |
| Operating Expenses | 46,565 | 52,339 | 52,980 | 52,751 | 54,687 | 55,875 | 55,585 | 13.3 |
| Equipment | -0- | -0- | -0- | -0- | -0- | -0- | -0- | -- |
| Total Exp. | $141,490 | $145,508 | $146,200 | $145,971 | $147,937 | $149,177 | $148,887 | 3.2 |
| FUNDING | | | | | | | | |
| General Fund | $ 55,138 | $ 45,508 | $ 30,331 | $ -0- | $ 17,937 | $ 11,656 | $ -0- | (100) |
| Federal Revenue | 86,352 | 100,000 | 115,869 | 145,971 | 130,000 | 137,521 | 148,887 | 74.3 |
| Total Funding | $141,490 | $145,508 | $146,200 | $145,971 | $147,937 | $149,177 | $148,887 | 3.2 |

Program Description: This program provides technical fiscal support to all other programs within the department of health.

Current Level Budget: The department negotiates an indirect cost rate with the federal government each year. This rate, which equaled 13.1 percent in fiscal 1984, 8.7 percent in fiscal 1985, 17.6 percent in fiscal 1986, and is expected to equal 17 percent in fiscal 1987, is applied against that portion of federal and state funds used to fund personal services, with the exception of federal block grants and National Center for Health Statistics funds. If a program is 50 percent federally funded, 50 percent general funded, the indirect rate is applied against the 50 percent of personal services supported by federal funds. The resulting amount is then taken by this bureau and the Fiscal Services Bureau to fund agency-wide administrative costs. The rate negotiated depends upon a number of factors, including previous rates, total administrative costs and the sufficiency of previous levels of indirect funds. In fiscal 1984, this bureau was partially funded by general fund due to the comparatively low indirect rates. The program will be completely funded by indirect charges in the 1987 biennium, eliminating all general fund support. The reduction in general fund does not cause a corresponding increase in general fund elsewhere in the department. The rise in operating expenses is due to an increase of $6,870 in Department of Administration insurance expenses.

Agency: Department of Health and Environmental Sciences

Program: Fiscal Services Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 0.00 |
| Personal Services | $238,983 | $246,446 | $246,582 | $246,582 | $246,948 | $247,099 | $247,099 | 3.2 |
| Operating Expenses | 69,701 | 107,826 | 81,660 | 81,784 | 66,170 | 41,454 | 40,973 | 17.3 |
| Total Exp. | $308,684 | $354,272 | $328,242 | $328,366 | $313,118 | $288,553 | $288,072 | 6.4 |
| FUNDING | | | | | | | | |
| Federal Revenue | $308,684 | $354,272 | $328,242 | $328,366 | $313,118 | $288,553 | $288,072 | 6.4 |

Program Description: The Fiscal Services Bureau maintains the accounting system and provides centralized purchasing, mailroom, cashier, and auditing functions for the department of health.

Current Level Budget: Operating expenses rise in fiscal 1986 due to the addition of audit costs of $42,000. Audit costs were $32,908 in fiscal 1984. This program is entirely funded by indirect charges.

Modified Recommendations: Child Nutrition 1 FTE child nutrition auditor and operating expenses totaling $25,000 in fiscal 1986 and 1987, was approved. The position, which was added by budget amendment in fiscal 1984, is mandated by the federal government and funded by federal child nutrition funds.

Agency: Department of Health and Environmental Sciences

Program: Records and Statistics Bureau

| | FY 1984 | - - - Fiscal 1986 - - - | | | - - - Fiscal 1987 - - - | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 14.5 | 13.5 | 13.5 | 13.5 | 13.5 | 13.5 | 13.5 | (6.9) |
| Personal Services | $295,537 | $281,135 | $281,303 | $281,303 | $281,568 | $281,747 | $281,747 | (4.8) |
| Operating Expenses | 59,637 | 70,936 | 61,718 | 67,059 | 81,476 | 64,123 | 78,041 | 12.4 |
| Equipment | -0- | 17,916 | 728 | -0- | -0- | 728 | -0- | 0.0 |
| Total | $355,174 | $369,987 | $343,749 | $348,362 | $363,044 | $346,598 | $359,788 | (1.9) |
| FUNDING | | | | | | | | |
| General Fund | $210,481 | $234,295 | $198,326 | $212,670 | $227,418 | $201,175 | $224,162 | 1 |
| State Special | 81,360 | 72,269 | 82,000 | 72,269 | 72,203 | 82,000 | 72,203 | (11.2) |
| Federal Revenue | 63,333 | 63,423 | 63,423 | 63,423 | 63,423 | 63,423 | 63,423 | .1 |
| Total | $355,174 | $369,987 | $343,749 | $348,362 | $363,044 | $346,598 | $359,788 | (1.9) |

Program Description: The Records and Statistics Bureau maintains the state's vital statistics system, produces statistical publications and analyses based upon this data, and provides statistical and consultative services.

Current Level Budget: A 1 FTE programmer position was deleted from current level at the department's request, resulting in the personal services decrease. Microfilming and computer processing charges were raised $3,849. A one-time expense of $9,905 was added in fiscal 1987 to print the vital statistics forms, which are updated every ten years.

State special revenue consists of fees charged to the public for copies of birth and death certificates. The total amount available is anticipated to decrease primarily due to a higher rate of indirect costs taken. The department contracts with the National Center for Health Statistics each year to provide them with health data. This contract totals $61,090 each year of the biennium. The balance of federal revenue consists of the Center for Disease Control Death Index totaling $2,333 each year.

Modified Recommendations: System Update A modified request of $21,848 in fiscal 1986 and $3,996 in fiscal 1987 of general fund to update the bureau's data entry capability was approved. The modified consists of $17,916 in equipment and $3,932 in operating expenses in fiscal 1986 and $3,996 in operating expenses in fiscal 1987.

DEPARTMENT: Department of Health and Environmental Sciences — PROGRAM: Environmental Sciences Division Administration

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 0.00 |
| Personal Services | $ 98,517 | $102,624 | $102,632 | $102,729 | $102,873 | $102,882 | $102,979 | 4.2 |
| Operating Expenses | 13,814 | 10,903 | 15,994 | 10,916 | 10,889 | 15,984 | 11,020 | (20.7) |
| Total | $112,331 | $113,527 | $118,626 | $113,645 | $113,762 | $118,866 | $113,999 | 1.2 |
| FUNDING | | | | | | | | |
| General Fund | $ 59,002 | $ -0- | $ 59,002 | $ -0- | $ -0- | $59,055 | $ -0- | (100.0) |
| State Special | 22,171 | 78,763 | 25,084 | 113,645 | 78,881 | 27,094 | 113,999 | 412.5 |
| Federal Funds | 31,158 | 34,764 | 34,540 | -0- | 34,881 | 32,717 | -0- | (100.0) |
| Total | $112,331 | $113,527 | $118,626 | $113,645 | $113,762 | $118,866 | $113,999 | 1.2 |

Program Description: This bureau is responsible for overall administrative, management, and coordinating support for the Environmental Sciences Division.

Current Level Budget: Operating expenses decline due to less travel, Governor's inflation factors, and the removal of $3,000 in legal expenses as a result of the reorganization of the Legal Services Bureau. This bureau will now use the services of the 1.0 FTE division lawyer and 1.0 FTE legal support staff supported by the Air Quality, Solid Waste, and Water Quality Bureaus.

This bureau does not receive a specific federal grant, but incorporates portions of grant monies received by other bureaus of the division. The federal funds are incorporated as they become available. In fiscal 1984 the bureau used EPA Montana Operator's Certification funds, EPA East Helena Blood Lead Study funds, EPA Hazardous Waste funds, and EPA Safe Drinking Water funds. Since it is not known how much if any federal funds would be available for this bureau in the 1987 biennium, they have been replaced by state Resource Indemnity Trust (RIT) and Junk Vehicle funds from the Solid Waste Bureau due to the surety of their availability. If federal funds become available during the biennium, they will replace state RIT funds. Any federal matching requirements will be met with Junk Vehicle funds. RIT funds become statutorily available to the Environmental Sciences Division beginning in fiscal 1986. This new availability allowed for the total replacement of general fund in this biennium.

Agency: Department of Health and Environmental Sciences

Program: Solid Waste Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 13.3 | 19.0 | 11.0 | 11.5 | 19.0 | 11.0 | 11.5 | (13.5) |
| Personal Services | $ 341,363 | $ 486,976 | $ 294,821 | $ 305,612 | $ 487,598 | $ 295,298 | $ 306,115 | (10.5) |
| Operating Expenses | 530,186 | 2,298,762 | 229,328 | 213,773 | 2,977,817 | 240,094 | 219,716 | (59.7) |
| Equipment | 1,316 | 14,604 | 1,500 | 6,405 | -0- | -0- | -0- | 386.7 |
| Grants | 574,165 | 782,885 | 782,885 | 782,885 | 814,983 | 814,983 | 814,983 | 36.4 |
| Total Exp. | $1,447,030 | $3,583,227 | $1,308,534 | $1,308,675 | $4,280,398 | $1,350,375 | $1,340,814 | (9.6) |
| FUNDING | | | | | | | | |
| General Fund | $ 125,991 | $ 75,172 | $ 75,435 | $ 73,128 | $ 75,029 | $ 76,056 | $ 72,962 | (42.0) |
| State Special Rev. | 705,871 | 1,328,056 | 1,061,393 | 1,059,721 | 1,420,105 | 1,097,431 | 1,091,598 | 50.1 |
| Federal Revenue | 615,168 | 2,179,999 | 171,706 | 175,826 | 2,785,264 | 176,888 | 176,254 | (71.4) |
| Total Funding | $1,447,030 | 3,583,227 | $1,308,534 | $1,308,675 | $4,280,398 | $1,350,375 | $1,340,814 | (9.6) |

Language in Bill: Resource Indemnity Trust funds allocated to the Department of Health and Environmental Sciences as per 15-38-202, MCA, received in excess of $358,240 in fiscal 1986, and $417,192 in fiscal 1987 are appropriated for use by the Solid Waste Bureau for the Hazardous Waste and Superfund Programs.

Program Description: This bureau is responsible for the licensing, inspection, and enforcement duties concerning the 200 waste disposal sites in the state; enforcement of federal and state hazardous waste statutes; and the junk vehicle recycling program.

Current Level Budget: The Superfund and Hazardous Waste Dump Inventory Programs were appropriated for by the 1983 legislature, but are included as modified requests for the 1987 biennium due to a substantial program expansion. Therefore, 2.3 FTE and related operating expenses of $409,009 were removed from current level.

Two .25 FTE legal support personnel and expenses totaling $14,234 in fiscal 1986 and $14,326 in fiscal 1987 were transferred to this bureau as part of the reorganization of the Legal Services Bureau. Legal fees of $26,883 in fiscal 1986 and $28,227 in fiscal 1987 were commensurately removed. Funds totaling $10,000 each year of the biennium were added to plan and design an in-state hazardous waste dump site.

The Junk Vehicle Program contracts with counties to provide free junk vehicle graveyards and provides grants to the counties for their upkeep. The income from the sale of the vehicles as scrap metal supports administration of the program and the grants to counties. A total of $100,000 of junk vehicle funds is included in operating expenses as a contingency should the price of steel fall and the program no longer be self-sufficient.

State special revenue consists of Resource Indemnity Trust and junk vehicle funds. As per Section 15-38-202, MCA, starting in fiscal 1986 6 percent of all interest from the Resource Indemnity Trust (RIT) fund will be available to match federal superfund and hazardous waste funds. Federal revenue consists of EPA hazardous waste funds, which require a 25 percent state match. Table 1 shows the Resource Indemnity Trust fund for the Health Department.

Table 1
Resource Indemnity Trust Funds

| | Current Level Fiscal 1986 | Current Level Fiscal 1987 | Modified Fiscal 1986 | Modified Fiscal 1987 |
|---|---|---|---|---|
| Beginning Balance | $ -0- | $ 8,155 | -0- | -0- |
| Anticipated Revenue | 366,395 | 412,556 | -0- | -0- |
| Total Available | $366,395 | $420,711 | -0- | -0- |
| Disbursements | | | | |
| Hazardous Waste | $ 58,610 | $ 58,754 | $ 33,871 | $ 32,295 |
| Superfund | -0- | -0- | 203,858 | 264,122 |
| Legal | -0- | -0- | 5,138 | 5,140 |
| Division Administration | 56,763 | 56,881 | -0- | -0- |
| Total Disbursements | $115,373 | $115,635 | $242,867 | $301,557 |
| Balance | $251,022 | $305,076 | $ 8,155 | $ 3,519 |

Table 2 shows the current level cash flow for the junk vehicle account.

Table 2
Junk Vehicle Funds

| | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Beginning Balance | $1,609,051 | $1,641,624 | $1,237,554 | $ 799,574 |
| Revenue | 738,459 | 620,000 | 620,000 | 620,000 |
| Total Available | $2,347,510 | $2,261,624 | $1,857,554 | $1,419,574 |
| Disbursements | | | | |
| Junk Vehicle | $ 705,851 | $1,001,585 | $1,001,111 | $1,032,844 |
| Division Administration | 22,187 | 22,485 | 56,869 | 56,987 |
| Total Disbursements | $ 728,038 | $1,024,070 | $1,057,980 | $1,089,831 |
| Adjustment | 22,152 | -0- | -0- | -0- |
| Ending Balance | $1,641,624 | $1,237,554 | $ 799,574 | $ 329,743 |



TPLEC:bas app par/15

Modified Re endations: (1) Hazardous Waste - 1 FTE environmental en er, 2 FTE environmental specialists, a .5 FTE administr ve aide, and operating expenses totaling $135,486 in fiscal 1986, $33,871 of RIT and $101,165 of EPA hazardous waste funds; and $129,181 in fiscal 1987, $32,295 of RIT and $96,886 of EPA hazardous waste funds, was approved due to a change in federal regulations bringing more businesses under the jurisdiction of the Hazardous Waste Program.

(2) Hazardous Waste Dump Inventory 1.5 FTE, an environmental specialist and an administrative aide, and related expenses totaling $41,941 in fiscal 1986 and $41,801 in fiscal 1987 of EPA hazardous waste dump inventory funds to complete the Hazardous Waste Dump Inventory project were approved.

(3) Superfund 2.0 FTE environmental engineers and expenses totaling $2,082,558 in fiscal 1986, $203,858 of RIT and $1,878,700 of superfund, and $2,759,270 in fiscal 1987, $264,122 of RIT and $2,495,148 of superfund, to continue the cleanup of Milltown and Silverbow Creek superfund projects and expand the program to include new sites on the federal superfund list were approved.

(4) Lawyer A .5 FTE lawyer and expenses totaling $15,414 in fiscal 1986 and $15,420 in fiscal 1987 to handle all legal needs of this bureau and other bureaus of the Environmental Sciences Division was approved. The position is supported by general fund totaling $5,138 in fiscal 1986 and $5,140 in fiscal 1987; the remaining costs are funded by RIT, EPA hazardous waste and junk vehicle funds.

Agency: Department of Health and Environmental Science — Program: Air Quality Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 17.50 | 19.50 | 17.50 | 18.00 | 19.50 | 17.50 | 18.00 | 2.90 |
| Personal Services | $ 471,306 | $548,457 | $498,173 | $508,948 | $549,748 | $499,371 | $510,172 | 8.0 |
| Operating Expenses | 419,943 | 241,386 | 246,408 | 217,774 | 242,679 | 256,898 | 218,814 | (48.2) |
| Equipment | 111,154 | 6,305 | 5,500 | 5,500 | 400 | 5,000 | 5,000 | (947.2) |
| Grants | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 | 95,000 | 0.0 |
| Total Exp. | $1,097,403 | $891,148 | $845,081 | $827,222 | $887,827 | $856,269 | $829,986 | (24.6) |
| FUNDING | | | | | | | | |
| General Fund | $ 280,110 | $326,071 | $ 310,657 | $320,657 | $326,077 | $310,657 | $320,657 | 14.5 |
| Federal Funds | 817,293 | 565,077 | 1,051,089 | 506,565 | 561,750 | 545,612 | 509,329 | (78.8) |
| Total Funding | $1,097,403 | $891,148 | $ 845,081 | $827,222 | $887,827 | $856,269 | $829,986 | (24.6) |

Program Description: The Air Quality Bureau is responsible for maintaining outdoor air quality levels considered safe to the public health and welfare through permit review, inspections, monitoring, and information dissemination.

Current Level Budget: Three temporary projects that were appropriated for by the 1983 legislature and completed in fiscal 1984 have been removed from current level: 1) United Minerals variance; 2) Scobey Air Monitoring; 3) East Helena Blood Lead Study. The three projects totaled $190,498 in operating expenses and $101,969 in equipment. A .5 FTE legal support staff and operating expenses totaling $14,218 in fiscal 1986 and $14,308 in fiscal 1987 were added as part of the reorganization of the Legal Services Bureau. Legal expenses of $15,646 in fiscal 1986 and $16,428 in fiscal 1987 were correspondingly removed from current level. Grants are made to local governments with approved programs that perform air monitoring. General fund increases due to maintenance of effort provisions in federal law, which state that state contributions must equal the prior year's level in order to receive the EPA air quality grant. The figure of $320,657 represents the anticipated level of expenditure in fiscal 1985. Federal revenue consists of the EPA air quality grants, expected to total $475,063 in fiscal 1986 and $477,813 in fiscal 1987, and Bureau of State Lands, which supports a shared FTE. This source totals $31,502 in fiscal 1986 and $31,516 in fiscal 1987.

Modified Recommendations: (1) Tribal Air Monitoring Project--A modification was approved to continue the Tribal Air Monitoring Project, started by budget amendment in fiscal 1984, which monitors air quality on Indian reservations. The project is supported by EPA air quality funds totaling $48,412 in fiscal 1986 and $48,509 in fiscal 1987.

(2) Lawyers--A .5 FTE lawyer at a cost of $15,414 in fiscal 1986 and $15,420 in fiscal 1987 of EPA air quality funds was approved to provide legal support exclusively to this bureau.

(3) Scobey Air Monitoring Project--A continuation of the Scobey Air Monitoring Project totaling $15,000 in general fund in fiscal 1987 was approved to monitor air quality from the Saskatchewan Power plant, which emits pollutants. This expenditure will not raise the EPA Air Quality grant maintenance of effort requirements because it is not considered part of the federal program.

Agency: Department of Health and Environmental Sciences

Program: Occupational Health Bureau

| | FY 1984 | - - - - Fiscal 1986 | - - - - | - - - - | - - - - Fiscal 1987 | - - - - | - - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 4.00 | 5.00 | 4.00 | 4.00 | 5.00 | 4.00 | 4.00 | 0.00 |
| Personal Services | $125,285 | $152,570 | $124,269 | $124,269 | $152,691 | $124,269 | $124,380 | (.8) |
| Operating Expenses | 40,693 | 53,738 | 50,092 | 46,373 | 53,651 | 47,637 | 47,661 | 14.0 |
| Equipment | 1,900 | 14,500 | 2,200 | 2,200 | -0- | -0- | -0- | 15.8 |
| Total Exp. | $167,878 | $220,808 | $176,561 | $172,842 | $206,342 | $171,906 | $172,041 | 3.0 |
| FUNDING | | | | | | | | |
| General Fund | $167,878 | $220,808 | $176,561 | $172,842 | $206,342 | $171,906 | $172,041 | 3.0 |

Program Description: This bureau is responsible for administering the Radiological and Occupational Health Programs. Primary emphasis is on the inspection of x-ray machines and the provision of measurement and technical expertise to ensure safety in homes and workplaces.

Current Level Budget: Operating expenses rise due to the addition of $2,000 each year of the biennium to purchase lab gas that had previously been stockpiled for the Beckman Low Level Alpha Beta counter, and the addition of $2,700 for the purchase of a maintenance contract on laboratory equipment. Legal expenses of $1,152 in fiscal 1986 and $1,210 in fiscal 1987 were removed as part of the reorganization of the Legal Services Bureau.

Modified Recommendations: (1) X-Ray Inspector There are currently over 2,000 x-ray units in the state. A modified request to add 1 FTE x-ray inspector and related expenses totaling $41,072 in fiscal 1986 and $34,084 in fiscal 1987 was approved to help alleviate the workload of the health physicist who currently inspects the units. This expansion is funded by general fund.



TPLFC:bes app par/18

Agency: Department of Health & Environmental Sciences

Program: Water Quality Bureau

| | FY 1984 | - - - - Fiscal 1986 | - - - - | - - - - | - - - - Fiscal 1987 | - - - - | - - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 37.25 | 40.25 | 37.25 | 38.25 | 39.25 | 36.25 | 38.25 | 2.7 |
| Personal Services | $ 994,362 | $1,132,675 | $1,042,615 | $1,079,759 | $1,107,572 | $1,027,044 | $1,082,182 | 8.6 |
| Operating Expenses | 327,753 | 431,999 | 360,716 | 306,423 | 372,896 | 377,908 | 316,798 | (6.5) |
| Equipment | 271 | 10,805 | 6,500 | 6,500 | 3,100 | 1,700 | 1,700 | 2.3 |
| Grants | 154,357 | 200,420 | 197,960 | 200,420 | 200,420 | 197,960 | 200,420 | 29.8 |
| Total Exp. | $1,476,743 | $1,775,899 | $1,607,791 | $1,593,102 | $1,683,988 | $1,604,612 | $1,601,100 | 7.9 |
| FUNDING | | | | | | | | |
| General Fund | $ 211,213 | $ 304,861 | $ 216,010 | $ 293,972 | $ 305,558 | $ 218,307 | $ 296,531 | 39.2 |
| State Special Rev. | 168,066 | 177,115 | 222,232 | 188,175 | 177,538 | 211,420 | 190,817 | 12.1 |
| Federal Revenue | 1,097,464 | 1,293,923 | 1,169,549 | 1,110,955 | 1,200,892 | 1,174,885 | 1,113,752 | 1.2 |
| Total Funding | $1,476,743 | $1,775,899 | $1,607,791 | $1,593,102 | $1,683,988 | $1,604,612 | $1,601,100 | 7.9 |

Program Description: This bureau is responsible for Montana's safe drinking and water pollution laws, the Subdivision Program, wastewater operator licensing, water quality management, and administration of the federal construction grants program.

Current Level Budget: One FTE lawyer position and related expenses totaling $39,986 in fiscal 1986 and $40,251 in fiscal 1987 was transferred to this bureau as part of the reorganization of the Legal Services Bureau. Commensurately, $65,656 in fiscal 1986 and $68,921 in fiscal 1987 in legal costs were removed from operating expenses. Laboratory expenses of $10,056 in fiscal 1986 and $10,558 in fiscal 1987 were added.

General fund rises due to two factors: 1) the Subdivision Program, which had been entirely funded by developer fees, was allocated $30,000 each year to supplement the fee income and provide some stability to the funding base; 2) the Water Quality Management section's general fund contribution was increased from $36,039 in fiscal 1984 to $94,679 in fiscal 1986 and $97,558 in fiscal 1987. The section is partially funded by federal 205j funds, which will be available at a reduced level in the 1987 biennium from the level available in the 1985 biennium. The increase in general fund will allow the section to maintain current level operations.

State special revenue includes subdivision developers fees of $168,736 in fiscal 1986 and $171,077 in fiscal 1987; and waste water operators certification fees of $19,439 in fiscal 1986 and $19,740 in fiscal 1987. Federal revenue consists of the following:

Table 1
Federal Funds--Water Quality Bureau

| Fund | Recipient | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| 205j | Water Quality Mgmt. | $ 155,962 | $ 107,012 | $ 107,426 |
| 205g | Construction Grants Water Pollution Control | 286,085 | 398,294 | 397,241 |
| 106 | Water Pollution Control | 377,733 | 313,337 | 314,245 |
| Safe Drinking Water | Safe Drinking Water | 276,364 | 292,312 | 294,840 |
| Total | | $1,096,144* | $1,110,955 | $1,113,752 |

*Balance of federal revenue of $1,320 is a one-time payment from Champion International

Safe drinking water requires a 25 percent state match, 106 funds require a maintenance of effort equal to the 1971 level of effort, and 205g funds require the 106 fund 1977 maintenance of effort.

Modified Recommendation: (1) Clark Fork - The state monitors the Clark Fork River for contaminants emanating from Champion International. A modified request to add 1 FTE environmental specialist and operating expenses to complete the project at a cost of $93,004 in fiscal 1986 of federal 106 funds was approved.

(2) Groundwater Pollution Control - Complaints of ground water pollution are under the jurisdiction of this bureau and have increased in recent years. Federal 106 funds totaling $92,778 in fiscal 1986 and $92,842 in fiscal 1987 were approved to expand the Groundwater Pollution Control Program by 1 FTE environmental engineer and operating expenses.



TPLFC:hcs app nar/20

Agency: Department of Health & Environmental Sciences

Program: Food and Consumer Safety Bureau

| | FY 1984 | - - - - Fiscal 1986 | - - - - | - - - - | - - - - Fiscal 1987 | - - - - | - - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 10.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | (10.0) |
| Personal Services | $281,100 | $275,419 | $275,649 | $275,649 | $276,294 | $276,551 | $276,551 | (1.9) |
| Operating Expenses | 60,886 | 52,665 | 64,624 | 52,684 | 53,364 | 67,099 | 54,087 | (13.5) |
| Equipment | 155 | 155 | 500 | 155 | 155 | -0- | 155 | 0.0 |
| Grants | 181,841 | 204,000 | 204,000 | 204,000 | 206,000 | 206,000 | 206,000 | 12.2 |
| Total Exp. | $523,982 | $532,239 | $544,773 | $532,488 | $535,813 | $549,650 | $536,793 | 1.7 |
| FUNDING | | | | | | | | |
| General Fund | $342,141 | $328,239 | $340,773 | $328,488 | $329,813 | $343,650 | $330,793 | (3.9) |
| State Special Rev. | 181,841 | 204,000 | 204,000 | 204,000 | 206,000 | 206,000 | 206,000 | 12.2 |
| Total Funding | $523,982 | $532,239 | $544,773 | $532,488 | $535,813 | $549,650 | $536,793 | 1.7 |

Program Description: This bureau is responsible for (1) issuing licenses to food establishments, hotels, motels, trailer parks, pools and spas, and (2) training and support services to local health inspectors.

Current Level Budget: A 1 FTE word processor operator position was transferred to the word processing pool of the Management Services Division. The major cause of the decrease in operating expenses of 13.5 percent is the removal of $10,000 in legal fees due to the reorganization of the Legal Services Bureau. Grants to counties are from the local board inspection fees account. All hotels, motels, tourist and retirement homes, and rooming houses pay a fee of $30, of which 85 percent goes into the account and the balance to the general fund. Counties are reimbursed from the fund to pay their local inspection costs. The increase in grants is due to an anticipated increase of 175 licensed establishments.

Agency: Department of Health & Environmental Sciences

Program: Management Services Administration

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 8.5 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 5.9 |
| Personal Services | $172,173 | $186,126 | $186,121 | $186,121 | $186,250 | $186,249 | $186,249 | 2.3 |
| Operating Expenses | 42,313 | 46,277 | 45,867 | 48,075 | 49,116 | 49,318 | 50,898 | 13.6 |
| Equipment | 48,520 | 8,400 | 8,400 | 8,400 | -0- | -0- | -0- | (82.7) |
| Total Exp. | $263,006 | $240,803 | $240,388 | $242,596 | $235,366 | $235,567 | $237,147 | (7.8) |
| FUNDING | | | | | | | | |
| General Fund | $164,973 | $165,931 | $159,761 | $167,781 | $164,336 | $160,844 | $166,255 | 1.7 |
| State Special Rev. | 48,520 | 18,000 | 30,000 | 48,000 | 18,000 | 30,000 | 51,000 | (1.1) |
| Federal Revenue | 49,513 | 56,872 | 50,627 | 26,815 | 53,030 | 44,723 | 19,892 | (45.7) |
| Total Funding | $263,006 | $240,803 | $240,388 | $242,596 | $235,366 | $235,567 | $237,147 | (7.8) |

Program Description: This program is responsible for word processing services for the health department, maintenance and distribution of audio visual aids to private and public health organizations, and administration of the chemistry and microbiology laboratories.

Current Level Budget: The number of FTE increases due to the transfer of 1 FTE word processor operator from the Food and Consumer Safety Bureau and 1 FTE office manager position from the Data Processing Bureau, and the deletion at the agency's request of 1 FTE administrative clerk and .5 FTE film library clerk.

The increase in operating expenses is due to maintenance contracts on existing equipment of $1,585 in fiscal 1986 and $1,664 in fiscal 1987 and an increase in rent of $664 in fiscal 1986 and $1,040 in fiscal 1987 over the fiscal 1984 level. The rent figure represents an increase of $2,987 in fiscal 1986 and $3,108 in fiscal 1987 due to a reallocation of space. Equipment is a film maintenance machine, funded by film library fees.

State special revenue is water test fees and laboratory fee income of the microbiology and chemistry laboratories. In the 1987 biennium $18,000 of the water test fees will be used to fund this program each year. The remainder of the fees will be for the support of the microbiology lab. Table 1 shows the fund balance for water test fees.



TPLFC:bas app.nar/22

Table 1
Water Test Fees

| | FY 84 | FY 85 | FY 86 | FY 87 |
|---|---|---|---|---|
| Beginning Balance | $ 84,440 | $ 70,905 | $ 70,905 | $ 35,584 |
| Revenue | 99,875 | 61,530 | 70,000 | 70,000 |
| Total Available | $184,315 | $132,435 | $140,905 | $105,584 |
| Disbursements | | | | |
| Administration | $ 48,520 | $ -0- | $ 18,000 | $ 18,000 |
| Microbiology Lab | 51,797 | 61,530 | 75,400 | 75,400 |
| Chemistry Lab | 9,628 | -0- | -0- | -0- |
| Indirect Costs | -0- | -0- | 11,921 | 11,514 |
| Total Disbursements | $109,945 | $ 61,530 | $105,321 | $104,914 |
| Adjustments | (3,465) | -0- | -0- | -0- |
| Ending Balance | $ 70,905 | $ 70,905 | $ 35,584 | $ 670 |

Table 2 shows the fund balance for laboratory fee income.

Table 2
Laboratory Fees

| | FY 84 | FY 85 | FY 86 | FY 87 |
|---|---|---|---|---|
| Beginning Balance | $ 12,953 | $ 54,432 | $ 95,938 | $ 35,934 |
| Revenue | 190,891 | 204,800 | 243,800 | 193,800 |
| Total Available | $203,844 | $259,232 | $339,738 | $229,734 |
| Disbursements | | | | |
| Administration | $ 34,895 | $ 20,082 | $ 30,000 | $ 33,000 |
| Chemistry Lab | 114,398 | 143,212 | 200,217 | 171,013 |
| Microbiology Lab | -0- | -0- | 50,000 | -0- |
| Indirect Costs | -0- | -0- | 23,587 | 22,902 |
| Total Disbursements | $149,293 | $163,294 | $303,804 | $226,915 |
| Adjustments | 119 | -0- | -0- | -0- |
| Ending Balance | $ 54,432 | $ 95,938 | $ 35,934 | $ 2,819 |



TPLEG:hes app nar/23

Laboratory fee income had been classified as federal revenue in the 1985 biennium, but will be classified as state special revenue in the 1987 biennium. Fiscal 1986 revenue includes $50,000 biennial contingency fund, included in the microbiology laboratory.

Federal revenue consists of film library fees, which are charged to the Department of Institutions and the Clinical and Emergency Medical Services Bureaus of the Health Services Division. Charges are based upon the funds needs of the film library and are expected to total $26,815 in fiscal 1986 and $19,892 in fiscal 1987.

Agency: Department of Health & Environmental Sciences

Program: Microbiology Lab Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 9.00 | 0.00 |
| Personal Services | $231,881 | $234,019 | $234,096 | $234,096 | $234,343 | $234,428 | $234,428 | 4.1 |
| Operating Expenses | 97,610 | 91,349 | 93,883 | 143,254 | 91,940 | 98,202 | 96,424 | 47.6 |
| Equipment | -0- | 7,000 | 7,400 | 7,400 | -0- | -0- | -0- | 100 |
| Total Exp. | $329,491 | $332,368 | $335,379 | $384,750 | $326,283 | $332,630 | $330,852 | 17.0 |
| FUNDING | | | | | | | | |
| General Fund | $243,691 | $222,968 | $230,773 | $225,350 | $216,883 | $228,024 | $221,452 | (7.5) |
| State Special Rev. | 51,799 | 75,400 | 70,606 | 125,400 | 75,400 | 70,606 | 75,400 | 45.6 |
| Federal Revenue | 34,001 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 34,000 | 0.0 |
| Total Funding | $329,491 | $332,368 | $335,379 | $384,750 | $326,283 | $332,630 | $330,852 | 17.0 |

Language in Bill: A $50,000 biennial contingency fund is line-itemed for reimburseable laboratory work in excess of $253,804 in fiscal 1986 and $226,915 in fiscal 1987. This laboratory work does not include water testing fees.

Program Description: This bureau provides testing, consultation and coordination for disease control and environmental programs, and approves and certifies laboratories within the state.

Current Level Budget: Operating expenses rise due to the inclusion of $50,000 in state special revenue contingency funds in fiscal 1986. Equipment consists of a Brightfield microscope and a $CO_2$ incubator. All equipment purchases of this bureau had been funded in Management Services Division administration in fiscal 1984 for reporting purposes. State special revenue consists of water test fees of $75,400 each year and $50,000 of laboratory fee contingency funds in fiscal 1986. General fund decreases due to an anticipated increase in water test fee income due to the utilization of carryover funds and an increase in the lab handling charge from $1.50 to $1.75. Federal revenue consists of the Preventive Health block grant.

Modified Recommendations: (1) PKU Testing--The Clinical Bureau currently contracts with Oregon State Labs to perform PKU testing on newborns. A modified request to make the microbiology laboratory capable of performing PKU tests was approved. Start up costs of $145,600 in fiscal 1986, funded by general fund, were approved. Correspondingly, general fund of $69,068 in fiscal 1986 and $72,521 in fiscal 1987 was deleted from the Clinical Bureau, which had paid for the tests. Fees will now be paid to the labs by medical service providers for the cost of performing the tests. This fee income is expected to total $21,550 in fiscal 1986 and $75,973 in fiscal 1987. It is the intent of the legislature that the PKU testing program be completely self sufficient and that no general fund be requested after fiscal 1986.

Agency: Department of Health Environmental Sciences

Program: Chemistry Lab Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 0.00 |
| Personal Services | $163,749 | $166,012 | $166,097 | $166,097 | $166,466 | $166,565 | $166,565 | 1.4 |
| Operating Expenses | 68,897 | 81,213 | 81,539 | 83,031 | 81,610 | 85,422 | 85,825 | 20.5 |
| Equipment | -0- | 37,500 | 35,000 | 37,500 | -0- | -0- | -0- | 100 |
| Total Exp. | $232,646 | $284,725 | $282,636 | $286,628 | $248,076 | $251,987 | $252,390 | 23.2 |
| FUNDING | | | | | | | | |
| General Fund | $108,619 | $ 84,550 | $ 74,967 | $ 86,411 | $ 77,063 | $ 36,118 | $ 81,377 | (20.4) |
| State Special Rev. | 9,630 | -0- | -0- | 200,217 | -0- | -0- | 171,013 | 197.9 |
| Federal Revenue | 114,397 | 200,175 | 207,669 | -0- | 171,013 | 215,869 | -0- | 100 |
| Total Funding | $232,646 | $284,725 | $282,636 | $286,628 | $248,076 | $251,987 | $252,390 | 23.2 |

Program Description: This bureau provides analytical and consulting services to various divisions within the department of health and other state agencies. Private air and water samples are also analyzed.

Current Level Budget: The rise in operating expenses is due to the inclusion of a maintenance contract on laboratory equipment for $8,895 in fiscal 1986 and 1987, and an increase in rent of $2,371 in fiscal 1986 and $2,472 in fiscal 1987. Equipment consists of a gas chromatograph, a purge and trap concentrator and a calculator. All equipment purchases of this bureau were funded in Management Services Division administration in fiscal 1984 for reporting purposes. State revenue allocated to this program in fiscal 1984 consisted of water test fees, all of which are used to fund division administration and the microbiology laboratory in fiscal 1986 and 1987. State special revenue in the 1987 biennium consists of laboratory fee income, which had been classified as federal revenue in the 1985 biennium. Laboratory fee income is anticipated to increase based upon the use of carryover funds and an increase in the handling charge from $1.50 to $1.75. The rise in lab income allows for a decrease in general fund.



TRLFC:bas app nar/26

Agency: Department of Health & Environmental Science

Program: Data Processing Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | (100) |
| Personal Services | $31,732 | $24,016 | $24,019 | $24,019 | $24,026 | $24,028 | $24,028 | (24.3) |
| Operating Expenses | 6,249 | 9,306 | 9,033 | 9,094 | 9,360 | 9,537 | 9,572 | 46.3 |
| Equipment | -0- | 3,100 | -0- | 3,100 | -0- | 5,000 | -0- | 100 |
| Total Exp. | $37,981 | $36,422 | $33,052 | $36,213 | $33,386 | $38,565 | $33,600 | (4.6) |
| FUNDING | | | | | | | | |
| Federal Revenue | $37,981 | $36,422 | $33,052 | $36,213 | $33,386 | $38,565 | $33,600 | (4.6) |

Program Description: This bureau provides systems analysis, design, development and maintenance to the programs of the department of health.

Current Level Budget: A 1.0 FTE office manager position, which had been 20 percent supported by this bureau, but for reporting purposes appeared as a full FTE, was transferred to division administration resulting in the reduction in personal services. The rise in operating expenses of 44.5 percent is due to a reallocation of rent charges from $2,020 to $4,196 per year and an increase in computer processing charges of $470 in fiscal 1986 and 1987.

Federal revenue consists of fees charged to programs within the department of health. The bureau determines what needs to be charged in order to provide the service, based on the number of FTE required and the hours of actual billing. These fees appear as operating expenses in the contributor programs.

Agency: Department of Health and Environmental Sciences

Program: Health Services and Medical Facilities Division Administration

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 2.65 | 1.9 | 0.0 | 1.9 | 1.9 | 0.0 | 1.9 | (28.3) |
| Personal Services | $22,833 | $62,796 | $ -0- | $62,843 | $62,919 | $ -0- | $62,965 | 175.5 |
| Operating Expenses | -0- | 4,719 | -0- | 4,724 | 4,734 | -0- | 4,794 | 100.0 |
| Total Exp. | $22,833 | $67,515 | $ -0- | $67,567 | $67,653 | $ -0- | $67,759 | 196.9 |
| FUNDING | | | | | | | | |
| General Fund | $ 7,167 | $33,682 | $ -0- | $33,734 | $33,758 | $ -0- | $33,864 | 370.6 |
| Federal Revenue | 15,666 | 33,833 | -0- | 33,833 | 33,895 | -0- | 33,895 | 116.0 |
| Total Funding | $22,833 | $67,515 | $ -0- | $67,567 | $67,653 | $ -0- | $67,759 | 196.9 |

Program Description: This bureau supervises, organizes, and directs the individual activities of the Health Services and Medical Facilities Division.

Current Level Budget: In fiscal 1984 several programs were consolidated within the existing Health Services Division, which included the Health Planning and Licensing and Certification Bureaus, to create the Health Services and Medical Facilities Division. The Health Services Division administrator became the new division administrator and consequently took on division-wide responsibilities. The following shows the FTE of each program as allocated by the 1983 legislature and as reorganized by the 1985 legislature.

Table 2
FTE Allocation - 1987 Biennium

| Positions | Health Planning Bureau Prior to Reorganization | To Division Administration Bureau | Licensing and Certification Bureau Prior to Reorganization | To Division Administration Bureau | Total Administration Bureau |
|---|---|---|---|---|---|
| Division Administrator | .5 | .25 | .5 | .25 | .5 |
| Assistant Administrator | 1.0 | .50 | .0 | .00 | .5 |
| Secretarial and Support | 1.3 | .50 | .8 | .40 | .9 |
| | 2.8 | 1.25 | 1.3 | .65 | 1.9 |

In ad .on, .05 FTE support staff was transferred from the Health P hing Bureau to the Emergency Medical Services Bureau.

Since the duties of each position have expanded and diversified, the federal authorities indicated they would no longer continue federal financial support to the prior extent given. Therefore, 1.9 FTE were transferred to the new health services and Medical Facilities Division Administration bureau to reduce the contribution of federal health planning and licensing and certification funds to their support.

Operating expenses include rent of $1,716 in fiscal 1986 and $1,786 in fiscal 1987 and travel of $3,007 in fiscal 1986 and 1987.

This bureau is funded 50 percent by general fund and the balance by federal Maternal and Child Health and Preventive Health Block Grants.

Agency: Department of Health and Environmental Science

Program: Dental and Risk Reduction Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 2.5 | 2.4 | 2.0 | 2.4 | 2.4 | 2.0 | 2.4 | (.4) |
| Personal Services | $ 89,361 | $ 89,391 | $ 75,405 | $ 89,442 | $ 89,624 | $ 75,630 | $ 89,674 | 0.0 |
| Operating Expenses | 26,008 | 58,406 | 24,260 | 24,959 | 27,374 | 25,194 | 25,613 | (4.0) |
| Equipment | 2,058 | -0- | -0- | -0- | -0- | -0- | -0- | (100.0) |
| Grants | 58,919 | 26,495 | 1,233 | 1,233 | 23,488 | 1,233 | 1,233 | (97.9) |
| Total Exp. | $176,346 | $174,292 | $100,898 | $115,634 | $140,486 | $102,057 | $116,520 | (34.3) |
| FUNDING | | | | | | | | |
| General Fund | $ 65,374 | $ 68,370 | $ 67,640 | $ 66,920 | $ 67,373 | $ 68,273 | $ 67,263 | 2.4 |
| Federal Revenue | 110,972 | 105,922 | 33,258 | 48,714 | 73,113 | 33,784 | 49,257 | (56.1) |
| Total Funding | $176,346 | $174,292 | $100,898 | $115,634 | $140,486 | $102,057 | $116,520 | (34.3) |

Program Description: This bureau consists of two programs: (1) Dental which consists of prevention and educational projects aimed at school children; and (2) Health Education and Risk Reduction which promotes healthy lifestyles in the state.

Current Level Budget: A vacant 0.1 FTE secretarial position was deleted from current level. All operating expenses and grants associated with the Hypertension Program totaling $60,788 in fiscal 1984, which had been funded by the federal Preventive Health block grant, were deleted as the program is no longer federally mandated as a condition of receiving the Preventive Health Block grant. Remaining grants are within the Health Education and Risk Reduction Program for community health promotion.

Modified Recommendations: (1) Mouthrinse Program. Thirty thousand dollars for the biennium was approved to purchase and distribute supplies for the Mouthrinse Program for school children, an ongoing project of the Dental Program. The modified is funded by $15,000 of the maternal and child health block grant and $15,000 of the preventive health block grant.

(2) Epidemiological Study The federal government has announced the availability of $12,000 in fiscal 1986 with which the Health Education and Risk Reduction Program will conduct an epidemiological study of health risk problems. Information from this study will be used for future planning of health services.

Agency: Department of Health and Environmental Sciences

Program: Nursing Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 15.00 | 18.5 | 15.00 | 15.00 | 18.50 | 15.00 | 15.00 | 0.00 |
| Personal Services | $ 410,390 | $ 495,087 | $ 416,938 | $ 416,938 | $ 495,555 | $ 417,386 | $ 417,386 | 1.6 |
| Operating Expenses | 162,096 | 300,113 | 279,117 | 279,527 | 301,078 | 290,656 | 286,890 | 72.4 |
| Equipment | 1,790 | 3,100 | 1,500 | 1,500 | 1,550 | 1,000 | 1,000 | (16.2) |
| Grants | 734,857 | 818,964 | 818,964 | 818,964 | 818,964 | 818,964 | 818,964 | 11.4 |
| Total Exp. | $1,309,133 | $1,617,264 | $1,516,519 | $1,516,929 | $1,617,147 | $1,528,006 | $1,524,240 | 15.9 |
| FUNDING | | | | | | | | |
| General Fund | $ 182,068 | $ 195,961 | $ 188,387 | $ 194,166 | $ 196,765 | $ 185,991 | $ 193,335 | 6.6 |
| Federal Revenue | 1,127,065 | 1,421,303 | 1,328,132 | 1,322,763 | 1,420,382 | 1,342,015 | 1,330,905 | 17.4 |
| Total Funding | $1,309,133 | $1,617,264 | $1,516,519 | $1,516,929 | $1,617,147 | $1,528,006 | $1,524,240 | 15.9 |

Program Description: The Nursing Bureau consists of: 1) administration; 2) nursing operations, which provides for continuing education and training of health care professionals; 3) communicable disease, which maintains surveillance and outbreak control of communicable disease; 4) childhood immunization, which provides for the prevention and control of vaccine preventable childhood disease; 5) venereal disease control, which provides for prevention and control of sexually transmitted diseases; 6) family planning, which provides education, counseling and medical services to women; and 7) rabies vaccine, which provides rabies vaccine to those in need.

Current Level Budget: Operating expenses rise due to two factors: 1) $54,000 of federal funds was added each year of the biennium to the Childhood Immunization Program to purchase whooping cough vaccine; 2) $42,000 was added each year of the biennium to purchase rabies vaccine. The Rabies Vaccine Program is supported by a proprietary account and had been in the Clinical Bureau in the 1985 biennium. Vaccine is made available to those persons in need and the state is reimbursed for the cost. Grants consist of Family Planning grants made to local family planning offices around the state. Federal funds are comprised of the following:

Table 1
Federal Funds--Nursing Bureau

| | Program Supported | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| 1. Vaccination | Childhood Immunization | $123,973 | $192,542 | $196,859 |
| 2. Venereal Disease | Venereal Disease | 58,524 | 52,346 | 523,344 |
| 3. Title ~~XX~~ X (10.X) | Family Planning | 685,466 | 787,340 | 787,030 |
| 4. Maternal and Child Health Block Grant | Administration | 25,146 | 28,000 | 28,000 |
| | Family Planning | 25,787 | 28,000 | 29,000 |
| 5. Preventive Health Block Grant | Family Planning | 203,968 | 189,105 | 190,308 |
| 6. Rabies | Rabies Vaccine | 27,067 | 45,430 | 47,374 |

The Family Planning Program total $1,004,445 in fiscal 1986 and $1,006,338 in fiscal 1987.

General fund supports the Communicable Disease Program and the remainder of the Administration Program, and provides the 20 percent match on personnel services and travel in the childhood vaccination and venereal disease programs.

Modified Recommendations: (1) Nursing Operations A modified request to add 1 FTE nurse consultant and related expenses totaling $35,414 in fiscal 1987 was approved. The nurse consultant will provide support services to local public health nurses, alleviate the current workload on traveling staff and allow the Bureau Chief, who currently performs many of the duties the staff will perform, to assume more Helena-based bureau responsibilities. The position is funded by the federal Preventive Health block grant.

(2) Family Planning A .5 FTE public health nurse and related expenses to expand the Family Planning Program staff was approved at a cost of $11,649 in fiscal 1986 and $11,653 in fiscal 1987. The staff would provide program support to local family planning offices. The position is funded by the Preventive Health block grant.



TPLFG:hes app par/32

Agency: Department of Health and Environmental Sciences

Program: Clinical Bureau

| | FY 1984 | - - - - | Fiscal 1986 | - - - - | - - - - | Fiscal 1987 | - - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 19.5 | 21.5 | 16.5 | 16.5 | 22.5 | 16.5 | 16.5 | (15.4) |
| Personal Services | $ 496,636 | $ 557,560 | $ 411,561 | 411,561 | $ 574,006 | $ 412,400 | $ 412,400 | (17.1) |
| Operating Expenses | 4,207,188 | 6,222,381 | 5,075,912 | 5,025,305 | 6,325,127 | 5,121,701 | 5,047,414 | 19.6 |
| Equipment | 2,381 | 16,544 | 16,507 | 16,507 | 1,000 | -0- | -0- | 593.3 |
| Grants | 3,827,901 | 3,105,338 | 3,570,038 | 2,905,337 | 3,105,338 | 3,570,038 | 2,905,337 | (24.1) |
| Total Exp. | $8,534,106 | $9,901,823 | $9,074,018 | $8,358,710 | $10,005,471 | $9,104,139 | $8,365,151 | (2) |
| FUNDING | | | | | | | | |
| General Fund | $ 230,533 | $ 224,708 | $ 189,268 | $ 120,651 | $ 212,289 | $ 181,980 | $ 129,581 | (47.7) |
| Federal Revenue | 8,303,573 | 9,677,115 | 8,884,750 | 8,238,059 | 9,793,182 | 8,922,159 | 8,235,570 | (.8) |
| Total Funding | $8,534,106 | $9,901,823 | $9,074,018 | $8,358,710 | $10,005,471 | $9,104,139 | $8,365,151 | (2) |

Program Description: The Clinical Bureau is an administrative entity consisting of: 1) Administration; 2) Tumor Registry, which collects cancer data from medical facilities around the state; 3) handicapped children, which provides diagnosis, evaluation and treatment services to chronically handicapped children; 4) Women, Infants, and Children, which provides low income women and children at risk with nutritional counseling, education, and food supplements; and 5) Child Nutrition, which provides cash reimbursements to those facilities that provide nutritional supplements for children.

Current Level Budget: Three FTE associated with the Improved Pregnancy Outcome Program were removed from current level as the program has been phased out due to the expiration of federal funding.

Operating expenses rise due to: (1) the removal of all operating expenses of the Improved Pregnancy Outcome (IPO) Program which totaled $159,914 in fiscal 1984; (2) increased Women, Infants and Children funds of $946,236; (3) the addition of $66,000 for Newborn Transport, which had been a part of the IPO Program in fiscal 1984; and (4) the reduction of PKU testing costs of $63,704. The state microbiology lab will now perform the tests.

Operating expenses without WIC food payments are $932,313 in fiscal 1986 and $970,622 in fiscal 1987. All maternal and child health grants to counties, which had totaled $781,727 before budget amendments, in fiscal 1984, were transferred to the Director's Office. Remaining grants are illustrated in Table 1.

Table 1
Grants--Clinical Bureau

| Recipient | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Grants to Counties | $ 781,727 | $ 602,441 | $ -0- | $ -0- |
| Women, Infants, Children | 1,040,471 | 953,229 | 1,081,919 | 1,081,919 |
| Child Nutrition | 2,005,703 | 1,823,418 | 1,823,418 | 1,823,418 |
| Total | $3,827,901 | $3,379,088 | $2,905,337 | $2,905,337 |

Table 2 shows the Clinical Bureau funding from federal sources.

Table 2
Federal Funding--Clinical Bureau

| Source | Recipient | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Women, Infants, Children | WIC | $4,436,986 | $5,451,752 | $5,449,067 |
| Child Nutrition | Child Nutrition | 209,982 | 1,914,275 | 1,914,678 |
| Maternal and Child Health Block Grant | Administration | 36,573 | 105,756 | 80,634 |
| | Handicapped Children | 646,555 | 700,276 | 725,191 |
| | Newborn Transport | -0- | 66,000 | 66,000 |
| | Grants to Counties | 781,726 | -0- | -0- |
| Improved Prenancy Outcome | IPO | 248,797 | -0- | -0- |
| Preventive Health Block Grant | Diabetes | 34,157 | -0- | -0- |
| Rabies Fund | Rabies | 18,956 | -0- | -0- |
| Total | | $8,303,573 | $8,238,059 | $8,235,570 |

The Improved Pregnancy Outcome Program contained Newborn Transport. The program is not included in current level due to the discontinuance of its funding. Diabetes is no longer federally mandated. Rabies is now in the Nursing Bureau.

Modified Re  endations: (1) Perinatal Program--Three FTE, a medical  ector, public health nurse, and administrative aide, and  ated expenses totaling $163,216 of maternal and child health block and $41,383 of preventive health block funds in fiscal 1986 and an additional 1 FTE administrative aide and operating expenses totaling $220,819 of maternal and child health block funds in fiscal 1987 was approved. The program is designed to increase the knowledge of health care specialists and lay persons in preventing prematurity and handicaps in infants.

(2) Women, Infants and Children--Two FTE, an administrative officer and a public health nutritionist, and increased food benefits, totaling $818,399 in fiscal 1986 and $818,419 in fiscal 1987 for the WIC program was approved. WIC is a federal program and the expansion was requested by the federal government.

(3) Child Nutrition--A .5 FTE program manager and grants totaling $213,805 in fiscal 1986 and $213,811 in fiscal 1987 was approved at the request of the federal government for this federal program.

(4) Cleft Palate - The Handicapped Children Program currently performs initial closure of cleft palates. This expansion, totaling $52,500 of maternal and child health block grant each year of the biennium, will provide for follow-up orthodontic or dental work.

Agency: Department of Health and Environmental Sciences

Program: Emergency Medical Services Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 9.30 | 9.35 | 9.30 | 9.35 | 9.35 | 9.30 | 9.35 | .5 |
| Personal Services | $200,635 | $228,065 | $226,982 | $228,136 | $228,242 | $227,161 | $228,315 | 13.7 |
| Operating Expenses | 266,389 | 313,344 | 292,361 | 297,747 | 334,492 | 300,861 | 320,313 | 11.8 |
| Equipment | 4,035 | 700 | 700 | 700 | 4,450 | 4,450 | 4,450 | (82.6) |
| Total Exp. | $471,059 | $542,109 | $520,043 | $526,583 | $567,184 | $532,472 | $553,078 | 11.8 |
| FUNDING | | | | | | | | |
| General Fund | $282,142 | $293,654 | $299,143 | $295,972 | $300,001 | $301,520 | $303,656 | 4.9 |
| State Special Rev. | 21,787 | 45,597 | 21,787 | 45,172 | 45,597 | 21,787 | 44,567 | 107.3 |
| Federal Revenue | 167,130 | 202,858 | 199,113 | 185,439 | 221,586 | 209,165 | 204,855 | 11.0 |
| Total Funding | $471,059 | $542,109 | $520,043 | $526,583 | $567,184 | $532,472 | $553,078 | 11.8 |

Program Description: This bureau is responsible for the planning, implementation, and coordination of statewide emergency medical services; managing the ambulance licensing program; providing training and certifying emergency medical technicians; and administering the Montana Poison Control System.

Current Level Budget: A .05 FTE was transferred to this bureau from the Licensing and Certification Bureau as part of the reallocation of division administrative costs. Operating expenses rise primarily due to (1) an increase in the costs of the contract with the Rocky Mountain Poison Center and the WATS line of $10,936 in fiscal 1986 and $18,309 in fiscal 1987 and (2) expanded advanced medical training and certification costs of $23,385 in fiscal 1986 and $22,780 in fiscal 1987. Funds of $10,000 were added in fiscal 1987 to print the state emergency medical services plan.

State revenue consists of emergency medical training and certification fees. The bureau anticipates an expansion in the number of persons taking advanced medical training and certification, resulting in the rise in income. Federal revenue consists of the preventive health block grant.

Agency: Department of Health and Environmental Sciences

Program: Health Planning Bureau

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 10.3 | 9.0 | 10.3 | 9.0 | 9.0 | 10.3 | 9.0 | (12.6) |
| Personal Services | $264,521 | $253,005 | $296,670 | $253,608 | $253,605 | $297,258 | $254,162 | (4.1) |
| Operating Expenses | 82,309 | 84,705 | 86,492 | 86,051 | 82,221 | 86,876 | 85,189 | 4.5 |
| Equipment | 5 | -0- | -0- | -0- | -0- | -0- | -0- | (100.0) |
| Total Exp. | $346,835 | $337,710 | $383,162 | $339,659 | $335,826 | $384,134 | $339,351 | (2.1) |
| FUNDING | | | | | | | | |
| General Fund | $118,414 | $123,886 | $122,003 | $126,401 | $120,581 | $122,003 | $125,435 | 6.7 |
| Federal Health Planning | 228,421 | 213,824 | 261,159 | 213,258 | 215,245 | 262,131 | 213,916 | (6.6) |
| Total Funding | $346,835 | $337,710 | $383,162 | $339,659 | $335,826 | $384,134 | $339,351 | (2.1) |

Program Description: This bureau produces the state health plan and related plans; administers the Certificate of Need Program; and collects, maintains and distributes health facility service and manpower data.

Current Level Budget: In fiscal 1984, .5 of the division administrator was supported by this bureau, the assistant administrator fully supported, and secretarial staff of 1.3 FTE supported. In the 1987 biennium, .25 FTE of the administrator, .5 FTE of his assistant, and .5 FTE secretarial have been transferred to the Division Administration Bureau and .05 to the emergency medical services bureau at the direction of the federal authorities to reduce the contribution of federal health planning funds to their support. Operating expenses rise due to an additional $7,500 in fiscal 1986 for the Governor's Conference on Health Care and $4,550 in fiscal 1987 to print and distribute the state health plan. Rent was reduced due to a reallocation to Division Administration.

Federal funds consist of health planning funds and decline due to an anticipated cap on their availability. The funds carry a state maintenance of effort requirement which is the average of the previous three years expenditures, and totals $122,033 in fiscal 1986.

Agency: Department of Health and Environmental Sciences

Program: Licensing and Certification Bureau

| | FY 1984 | - - Fiscal 1986 - - | | | - - Fiscal 1987 - - | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 15.00 | 17.35 | 15.00 | 14.35 | 17.35 | 15.00 | 14.35 | (4.3) |
| Personal Services | $411,537 | $471,816 | $418,528 | $400,087 | $472,996 | $419,659 | $401,214 | (2.8) |
| Operating Expenses | 105,293 | 144,379 | 135,358 | 125,424 | 144,839 | 141,716 | 128,787 | 19.1 |
| Equipment | 716 | 1,500 | -0- | -0- | -0- | -0- | -0- | (100.0) |
| Total | $517,546 | $617,695 | $553,886 | $525,511 | $617,835 | $561,375 | $530,001 | 1.5 |
| FUNDING | | | | | | | | |
| General Fund | $124,876 | $293,520 | $132,933 | $223,038 | $292,352 | $134,706 | $224,932 | 78.6 |
| Federal Funds | 392,670 | 324,175 | 420,953 | 302,473 | 325,483 | 426,669 | 305,069 | (23.0) |
| Total Funding | $517,546 | $617,695 | $553,886 | $525,511 | $617,835 | $561,375 | $530,001 | 1.5 |

Program Description: This program is responsible for the issuing of licenses, the granting of medicaid certification, and the recommending of medicare certification to a variety of health care providers. It is also responsible for legal enforcement duties concerning state, local, and federal laws governing health care providers.

Current Level Budget: A .6 FTE was transferred to health services administration and .05 FTE was transferred to the Emergency Medical Services Bureau as part of the division administration reorganization. Operating expenses rise due to two factors: 1) federally mandated travel associated with the training staff on medicaid or medicare regulations was increased by $12,200 in fiscal 1986 and fiscal 1987; 2) contract services were raised $8,000 in fiscal 1986 and fiscal 1987 to increase the payment to the building construction consultant who reviews building plans to ensure that design and construction meet minimum standards. General fund rises in order to raise the state contribution of medicaid certification costs to the federal guidelines of 30 percent and to fully fund licensing costs, which is entirely a state function. Federal funds consist of medicaid, totaling $120,003 in fiscal 1986 and $121,059 in fiscal 1987, and medicare, totaling $182,470 in fiscal 1986 and $184,010 in fiscal 1987.

Modified Recommendations: Additional Surveyors--A modified request to add 2 FTE surveyors and related expenses was approved at a cost of $27,405 in general fund and $33,901 in federal funds in fiscal 1986; and $25,763 in general fund and $32,080 in federal funds in fiscal 1987. Federal laws require annual certification and recommendation for certification surveys of all medicare and medicaid eligible facilities. The federal authorities had indicated that the current level of staff was insufficient to maintain federal certification inspections at an acceptable standard.

Agency: Department of Labor and Industry

Program: Agency Summary

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 45.25 | 44.00 | 42.00 | 42.75 | 44.00 | 42.00 | 42.75 | (5.5) |
| Personal Services | $1,139,855 | $1,206,101 | $1,121,859 | $1,160,445 | $1,208,758 | $1,124,538 | $1,163,242 | 1.8 |
| Operating Expenses | 374,438 | 395,511 | 372,815 | 397,617 | 398,651 | 378,836 | 407,144 | 6.2 |
| Equipment | 16,589 | 346 | 400 | 346 | -0- | -0- | -0- | (97.9) |
| Total Exp. | $1,530,882 | $1,601,958 | $1,495,074 | $1,558,408 | $1,607,409 | $1,503,374 | $1,570,386 | 1.8 |
| FUNDING | | | | | | | | |
| General Fund | $ 986,635 | $1,062,768 | $ 953,994 | $1,043,160 | $1,072,008 | $ 961,224 | $1,058,618 | 5.7 |
| State Special Rev. | 2,800 | 3,250 | 3,250 | 3,250 | 3,250 | 3,250 | 3,250 | 16.1 |
| Federal Revenue | 541,447 | 532,440 | 534,330 | 508,498 | 528,651 | 535,400 | 505,018 | (6.0) |
| Proprietary | --- | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 100.0 |
| Total Funding | $1,530,882 | $1,601,958 | $1,495,074 | $1,558,408 | $1,607,409 | $1,503,374 | $1,570,386 | 1.8 |

Program Description: The Department of Labor and Industry is comprised of four divisions: Commissioner's Office, Labor Standards Division, Appeals Division, and Human Rights Commission.

Current Level Budget: FTE increase .75 over current level due to the deletion of .25 FTE associated with federal Veterans' Administration funds and the retention of 1 FTE compliance specialist position deleted in current level, both in the Labor Standards Division.

Federal funds decline due to reduction in total expenses of the Commissioner's Office, which is totally supported by federal revenue, the loss of federal Veterans' Administration funds in the Labor Standards Division, an overall reduction in total expenses of the Appeals Division, which is partially supported by federal funds, and a change in Housing and Urban Development reimbursement in the Human Rights Commission from a flat grant award to a case-by-case basis. A proprietary account for the sale of Appeals Division case decisions was added in fiscal 1985.

Agency: Department of Labor and Industry

Program: Commissioner's Office

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 4.00 | 4.00 | 3.00 | 4.00 | 4.00 | 3.00 | 4.00 | 0.00 |
| Personal Services | $120,736 | $153,547 | $106,208 | $136,712 | $153,807 | $106,447 | $137,018 | 13.2 |
| Operating Expenses | 56,710 | 36,662 | 26,502 | 30,298 | 35,449 | 25,462 | 29,372 | (46.6) |
| Equipment | --- | --- | --- | --- | --- | --- | --- | -- |
| Total Exp. | $177,446 | $190,209 | $132,710 | $167,010 | $189,256 | $131,909 | $166,390 | (5.9) |
| FUNDING | | | | | | | | |
| Federal Revenue | $177,446 | $190,209 | $132,710 | $167,010 | $189,256 | $131,909 | $166,390 | (5.9) |

Program Description: The Commissioner's Office is responsible for overall administration of the Department of Labor and Industry.

Current Level Budget: This program was authorized 4.0 FTE in fiscal 1984, but did not fill the deputy commissioner position. The subcommittee added an administrative assistant position instead of the deputy commissioner in the 1987 biennium. Operating expenses decline due to two factors: 1) an office automation study was conducted for $21,000 in fiscal 1984; 2) Interstate Conference of Employment Security Agencies dues of $8,000 were paid from this program in fiscal 1984. The dues will be paid in the Centralized Services Program in fiscal 1986 and 1987. Operating expenses increase over current level as the indirect charges which are based on FTE increased with additional FTE. Indirect charges are $18,707 in fiscal 1986 and $19,362 in fiscal 1987 compared with the initial current level of $14,813 in fiscal 1986 and $15,216 in fiscal 1987.

Federal revenue consists of charges levied against the other programs of the department on an FTE allocation basis. The charges appear as expenses in the budgets of those contributor programs.



tpleg:doli app nar/2

Agency: Department of Labor and Industry

Program: Labor Standards Division

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 16.25 | 16.00 | 14.75 | 15.50 | 16.00 | 14.75 | 15.50 | (1.5) |
| Personal Services | $368,921 | $398,728 | $372,290 | $388,088 | $399,781 | $373,353 | $389,197 | 5.2 |
| Operating Expenses | 127,820 | 151,442 | 145,438 | 153,936 | 152,144 | 146,942 | 157,880 | 20.4 |
| Equipment | -0- | 346 | 400 | 346 | -0- | -0- | -0- | 100.0 |
| Total Exp. | $496,741 | $550,516 | $518,128 | $542,370 | $551,925 | $520,295 | $547,077 | 9.2 |
| FUNDING | | | | | | | | |
| General Fund | $479,214 | $547,266 | $460,301 | $539,120 | $548,675 | $462,255 | $543,827 | 12.5 |
| State Special Rev. | 2,800 | 3,250 | 3,250 | 3,250 | 3,250 | 3,250 | 3,250 | 16.1 |
| Federal Revenue | 14,727 | -0- | 54,577 | -0- | -0- | 54,790 | -0- | (100.0) |
| Total Funding | $496,741 | $550,516 | $518,128 | $542,370 | $551,925 | $520,295 | $547,077 | 9.2 |

Program Description: The Labor Standards Division consists of two bureaus: Standards and Apprenticeship. The Standards Bureau enforces all state laws pertaining to wages and hours; wage payments; bar, restaurant, tavern, and contractor bonds; and private employment agencies. The Apprenticeship Bureau provides for apprenticeships and on-the-job training for workers.

Current Level Budget: A .5 FTE clerical position was deleted due to efficiency savings. A 1 FTE compliance specialist position deleted from current level was retained. A .25 FTE position associated with the Veterans' Administration which had been included in current level has been deleted. The federal government is phasing out Veterans' Administration funds, which will be available through fiscal 1986 to reimburse the state for activities specifically related to securing apprenticeship positions for veterans. The federal government will support up to .75 FTE and travel expenses. Due to the federal fund availability decline, the strict accountability required by the federal government, the availability of federal staff to perform the veterans' functions, and the declining number of veterans, the state will no longer participate in the federal program.

Operating expenses rise due primarily to an increase of $11,832 each year for legal fees to meet increased wage cases and an increase in this division's contribution to the support of the Commissioner's Office and Centralized Services Program. Both the Commissioner's Office and Centralized Services allocate their costs to other programs in the department based upon FTE levels. FTE totalling 1.5 were transferred to this division at the end of fiscal 1984. Indirect costs above the rate charged in fiscal 1984, which was based on 14.75 FTE, are $19,687 in fiscal 1986 and $22,307 in fiscal 1987 from the fiscal 1984 level of $58,085.

State special revenue consists of license fees paid by private employment agencies. The total available rises due to the incorporation of the present fund balance.

Agency: Department of Labor and Industry

Program: Appeals Division

| | FY 1984 | - - - Fiscal 1986 - - - | | | - - - Fiscal 1987 - - - | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 14.50 | 13.50 | 14.50 | 13.50 | 13.50 | 14.50 | 13.50 | (6.9) |
| Personal Services | $444,725 | $401,376 | $417,561 | $400,962 | $402,248 | $418,465 | $401,859 | (9.8) |
| Operating Expenses | 123,154 | 126,242 | 128,499 | 136,079 | 128,750 | 132,163 | 139,856 | 10.5 |
| Equipment | --- | --- | --- | --- | --- | --- | --- | --- |
| Total Exp. | $567,879 | $527,618 | $546,060 | $537,041 | $530,998 | $550,628 | $541,715 | (5.4) |
| FUNDING | | | | | | | | |
| General Fund | $331,258 | $307,763 | $309,617 | $305,024 | $309,735 | $312,967 | $308,308 | (7.9) |
| Federal Revenue | 236,621 | 216,355 | 232,943 | 228,517 | 217,763 | 234,161 | 229,907 | (3.4) |
| Proprietary | -0- | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 100.0 |
| Total Funding | $567,879 | $527,618 | $546,060 | $537,041 | $530,998 | $550,628 | $541,715 | (5.4) |

Program Description: The Appeals Division is composed of two boards: The Board of Personnel Appeals, which hears classification appeals for state employees and administers the Montana Collective Bargaining Act for public employees and the Nurse's Employment Practices Act; and the Board of Labor Appeals, which hears disputes involving Montana's unemployment insurance laws.

Current Level Budget: A 1.0 FTE secretarial position was deleted due to efficiency savings when the Board of Labor Appeals was transferred to this division from the Unemployment Insurance Program in fiscal 1984.

Operating expenses rise due primarily to: (1) an increase of $3,938 each year in consultant fees to reimburse fact-finders for the two boards; and (2) an increase of $10,628 in fiscal 1986 and $11,895 in fiscal 1987 in indirect charges used to fund the Commissioner's Office and Centralized Services over the fiscal 1984 level of $33,478. Rent of $8,000 was transferred to Centralized Services.

Federal revenue consists of two funds: Board of Personnel Appeals, which are payments received from the federal government to reimburse persons doing contract work for the division and which are expected to total $7,280 in fiscal 1986 and 1987; and Unemployment Insurance funds that support the Board of Labor Appeals. The proprietary funds consist of income from the sale of case decisions. The sale of case decisions is authorized to begin in fiscal 1985.



TPLFC:dol1 app par/4

Agency: Department of Labor and Industry

Program: Human Rights Commission

| | FY 1984 Actual | Fiscal 1986 Executive | Fiscal 1986 Current Level | Fiscal 1986 Subcommittee | Fiscal 1987 Executive | Fiscal 1987 Current Level | Fiscal 1987 Subcommittee | FY 84-86 % Change |
|---|---|---|---|---|---|---|---|---|
| FTE | 10.50 | 10.50 | 9.75 | 9.75 | 10.50 | 9.75 | 9.75 | (7.1) |
| Personal Services | $205,473 | $252,450 | $225,800 | $234,683 | $252,922 | $226,273 | $235,168 | 14.2 |
| Operating Expenses | 66,754 | 81,165 | 72,376 | 77,304 | 82,308 | 74,269 | 80,036 | 15.8 |
| Equipment | 16,589 | --- | --- | --- | --- | --- | --- | (100.0) |
| Total Exp. | $288,816 | $333,615 | $298,176 | $311,987 | $335,230 | $300,542 | $315,204 | 8.1 |
| FUNDING | | | | | | | | |
| General Fund | $176,163 | $207,739 | $184,076 | $199,016 | $213,598 | $186,002 | $206,483 | 13.0 |
| Federal Revenue | 112,653 | 125,876 | 114,100 | 112,971 | 121,632 | 114,540 | 108,721 | .3 |
| Total Funding | $288,816 | $333,615 | $298,176 | $311,987 | $335,230 | $300,542 | $315,204 | 8.1 |

Program Description: The Human Rights Commission is charged with enforcement of state and federal laws designed to eliminate discrimination in the areas of employment, public accommodations, housing, financing and credit transactions, education, and government services.

Current Level Budget: A .75 FTE added on a one-year only basis in fiscal 1984 was deleted. Positions upgrades were awarded to the 4.25 FTE compliance officers by the Board of Personnel Appeals, adding $9,273 in fiscal 1986 and $9,285 in fiscal 1987.

The increase in operating expenses is due primarily to a rise of $2,400 each year for maintenance contracts and $3,600 for increased communications expenses each year of the biennium.

Federal revenue consists of Equal Employment Opportunity Commission (EEOC) and Housing and Urban Development (HUD) funds. The federal government reimburses the state for expenses on a case by case basis for those cases that cross over into federal law. HUD had made a flat grant award prior to the 1987 biennium. This change in HUD reimbursement causes the flattening and decline of federal fund availability. The commission anticipates 220 EEOC cases at $420 per case and 20 HUD cases at $500 per case, plus travel reimbursement of $5,000 each year. The commission will also receive one quarter of the federal HUD grant in fiscal 1986 totaling $5,000.

Modified Recommendations: The committee approved two modifications to reduce the current case backlog, which totaled 309 at the end of fiscal 1984.

1) Part-time Compliance Officer - Funds to add .5 FTE compliance officer to assist the current 4.25 FTE alleviate the human rights complaints case backlog was approved at a cost of $17,207, $4,302 general fund and $12,905 federal fund in fiscal 1984; and $17,215, $4,304 general fund and $12,911 federal funds in fiscal 1987.

2) Part-time Compliance Supervisor - General fund totaling $18,131 in fiscal 1986 and $17,521 in fiscal 1987 was approved to add a .5 FTE compliance supervisor to assist the current 4.25 FTE alleviate the human rights complaint case backlog.

The department did not give any specifics as to the number of cases by which the positions would reduce the backlog.



TRLFC:doli app rer/5

Agency: Department of Labor and Industry--Employment Services

Program: Agency Summary

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 563.15 | 569.90 | 557.90 | 563.90 | 569.90 | 557.90 | 563.90 | |
| Personal Services | $11,864,713 | $12,967,713 | $12,709,388 | $12,841,594 | $12,987,679 | $12,729,594 | $12,861,818 | 8.2 |
| Operating Expenses | 2,929,390 | 3,545,521 | 3,304,613 | 3,491,153 | 3,600,180 | 3,431,056 | 3,587,966 | 19.2 |
| Equipment | 1,353,658 | 526,763 | 451,734 | 508,627 | 460,640 | 405,758 | 448,275 | (62.4) |
| Grants | 10,328,922 | 10,075,000 | 10,455,000 | 7,514,000 | 10,475,000 | 10,455,000 | 7,514,000 | (27.2) |
| Total Exp. | $26,476,683 | $27,114,997 | $26,920,735 | $24,355,374 | $27,523,499 | $27,021,408 | $24,412,059 | (7.9) |
| FUNDING | | | | | | | | |
| General Fund | $ 312,013 | $ 375,000 | $ 375,000 | $ 334,000 | $ 375,000 | $ 375,000 | $ 334,000 | 7.0 |
| Federal Revenue | 26,164,670 | 26,739,997 | 26,545,735 | 24,021,374 | 27,148,499 | 26,646,408 | 24,078,059 | (8.1) |
| Total Funding | $26,476,683 | $27,114,997 | $26,920,735 | $24,355,374 | $27,523,499 | $27,021,408 | $24,412,059 | (7.9) |

Program Description: The Employment Security Division collects and disburses state unemployment funds, acts as an employment agency, provides training, and oversees federal Job Training and Partnership Act (JTPA) grants. It is composed of four programs: Job Service, Unemployment Insurance, Centralized Services, and JTPA Subgrants.

Current Level Budget: FTE rise primarily due to the transfer to this division from the Commissioner of Higher Education of 4 FTE associated with the Montana Career Information System. LFA current level had deleted 2 FTE which had been vacant in fiscal 1984. These FTE were retained by the subcommittee.

Additional operating expenses by the subcommittee over current level include $24,000 in the Job Service Program for non-Department of Administration rent and repair and maintenance, $35,000 in Centralized Services in travel, maintenance contracts and Interstate Conference of Employment Security Agencies dues; and $50,000 in operating costs of the Montana Career Information System. The remainder of the increase is due to indirect charges and Department of Administration rent.

General fund rises ~~20.2~~ 7.0 percent due to an expansion in the Displaced Workers and Displaced Homemakers Programs, which require match on federal JTPA grants. Federal grant figures are inflated in fiscal 1984 due to the double counting of $2.6 million in JTPA grants that were subgranted to the Job Service Program and therefore counted twice.



TPLFG:dolt app par/6

Agency: Department of Labor and Industry--Employment Security Division

Program: Job Service

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 357.00 | 355.00 | 355.0 | 355.00 | 355.00 | 355.00 | 355.00 | (.6) |
| Personal Services | $ 7,743,359 | $ 8,203,077 | $ 8,206,985 | $ 8,206,985 | $ 8,216,935 | $ 8,221,226 | $ 8,221,226 | 6.0 |
| Operating Expenses | 1,639,691 | 1,904,396 | 1,808,339 | 1,845,510 | 1,927,883 | 1,875,633 | 1,892,707 | 12.6 |
| Equipment | 404,867 | 357,212 | 355,251 | 355,251 | 369,174 | 356,809 | 356,809 | (12.3) |
| Grants | 2,346,350 | 2,600,000 | 80,000 | 80,000 | 3,000,000 | 80,000 | 80,000 | (96.6) |
| Total Exp. | $12,134,267 | $13,064,685 | $10,450,575 | $10,487,746 | $13,513,992 | $10,533,668 | $10,550,742 | (13.6) |
| FUNDING | | | | | | | | |
| General Fund | $ 40,837 | $13,064,685 | -0- | -0- | $ -0- | -0- | -0- | (100.0) |
| Federal Revenue | 12,093,430 | -0- | $10,450,575 | $10,487,746 | 13,513,992 | $10,533,668 | $10,550,742 | (13.6) |
| Total Funding | $12,134,267 | $13,064,685 | $10,450,575 | $10,487,746 | $13,513,992 | $10,533,668 | $10,550,742 | (13.6) |

Language in Bill: Federal spending authority is included to provide for current level operations of all existing job service offices. If federal funds for job services are less than these amounts, the department may supplement federal funds with state unemployment assessments as provided in Section 39-51-404(4), MCA.

Program Description: The Job Service Program acts as a labor exchange through the job service offices throughout the state by listing jobs and referring qualified personnel to employers.

Current Level Budget: The FTE decrease from fiscal 1984 due to the transfer of 2 FTE associated with the State Occupational Information Coordinating Committee to the Centralized Services Program. Operating expenses of $40,612 were also transferred.

Operating expenses rise due primarily to an increase of $49,000 in software and licensing costs and $65,000 in maintenance costs. Both expenses are part of the automation of local job service offices undertaken in fiscal 1984 and continuing in the 1987 biennium. The subcommittee added $14,000 in local job service offices rent and $10,000 in repair and maintenance over current level. The remainder of the increase is due to adjustments to indirect costs.

Job Training and Partnership Act (JTPA) grants are originally allocated to the JTPA Program of the Employment Security Division, which in turn allocates those funds to public and private organizations. In fiscal 1984, a portion of these funds were allocated to the Job Service Program. For budgeting purposes, all available JTPA grants have been appropriated to the JPTA Subgrant Program. The grants in the Job Service Program consist of Work Incentive (WIN) funds.

This program is funded by federal Wagner Peyser and a number of other federal funds. General fund in fiscal 1984 was for the administration costs of the Job Training Partnership Act's share of Build Montana funds. The FTE and related costs remain in the budget but will no longer be supported by general fund.



TPLFG:dol1 app par/7

Modified Rec endations: 1) Management Training - Federal funds totalin 8,880 each year were approved to provide additional manage t training to the 355 employees of the job services offices.

Agency: Department of Labor and Industry--Employment Security Division | Program: Unemployment Insurance

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 84.9 | 90.9 | 84.9 | 86.9 | 90.9 | 84.9 | 86.9 | 2.4 |
| Personal Services | $1,624,928 | $1,861,599 | $1,725,324 | $1,782,496 | $1,864,097 | $1,727,733 | $1,784,916 | 9.7 |
| Operating Expenses | 400,479 | 562,376 | 455,444 | 507,232 | 576,689 | 468,228 | 517,153 | 26.7 |
| Equipment | 19,664 | 98,674 | 41,406 | 95,299 | 83,923 | 41,406 | 83,923 | 384.6 |
| Total Exp. | $2,045,071 | $2,522,649 | $2,222,174 | $2,385,027 | $2,524,709 | $2,237,367 | $2,385,992 | 16.6 |
| FUNDING | | | | | | | | |
| Federal Revenue | $2,045,071 | $2,522,649 | $2,222,174 | $2,385,027 | $2,524,709 | $2,237,367 | $2,385,992 | 16.6 |

Program Description: This program is responsible for the administration of state and federal unemployment insurance laws. It collects unemployment insurance taxes and makes benefit claims to eligible recipients. The program also manages the unemployment insurance trust fund.

Current Level Budget: Two FTE were transferred to this program from the Centralized Services Program due to reassignment of duties. Operating expenses rise due to the addition of $100,000 each year of the biennium to completely automate the system for processing claims. Equipment expenses include the replacement of obsolete data processing equipment and the addition of work station dividers.

Modified Recommendations: 1) Random Audit - Federal funds totaling $183,908 in fiscal 1986 and $181,005 in fiscal 1987 to continue the Random Audit Program initiated by budget amendment in fiscal 1984 was approved. All aspects of randomly chosen unemployment claims will be examined to verify information and ensure that all aspects of the benefit system are functioning properly.

Agency: Department of Labor and Industry--Employment Security Division

Program: Centralized Services

| | FY 1984 | - - - - | Fiscal 1986 | - - - - | - - - - | Fiscal 1987 | - - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 121.00 | 124.00 | 118.00 | 122.00 | 124.00 | 118.00 | 122.00 | .8 |
| Personal Services | $2,496,426 | $2,903,037 | $2,777,079 | $2,852,113 | $2,906,647 | $2,780,635 | $2,855,676 | 14.2 |
| Operating Expenses | 889,220 | 1,078,749 | 1,040,830 | 1,138,411 | 1,095,608 | 1,087,195 | 1,178,106 | 28.0 |
| Equipment | 918,027 | 70,877 | 55,077 | 58,077 | 7,543 | 7,543 | 7,543 | (93.6) |
| Total Exp. | $4,303,673 | $4,052,663 | $3,872,986 | $4,048,601 | $4,009,798 | $3,875,373 | $4,041,325 | (5.9) |
| FUNDING | | | | | | | | |
| Federal Revenue | $4,303,673 | $4,052,663 | $3,872,986 | $4,048,601 | $4,009,798 | $3,875,373 | $4,041,325 | (5.9) |

Program Description: This program provides overall management and support services to the Department of Labor and Industry including legal assistance, personnel hiring and training, data processing, auditing, budgeting, and economic forecasting.

Current Level Budget: Since fiscal 1984, two FTE were transferred to the Unemployment Insurance Program due to a reassignment of duties. One FTE was deleted due to the position's vacancy during all of fiscal 1984. Four FTE and related operating expenses totaling $145,954 in fiscal 1986 and $143,811 in fiscal 1987 associated with the Montana Career Information System (MCIS) were transferred to this program from the Commissioner of Higher Education. The MCIS activities correspond to and supplement the activities of the State Occupational Information Coordinating Committee, which is currently within this program. The MCIS is supported by a combination of user fees and federal funds.

The remainder of the rise in operating expenses is due primarily to the addition of $41,253 in fiscal 1986 and $47,000 in fiscal 1987 to update, convert and rewrite statistical programs, $30,000 in maintenance contracts and an increase in rent of $20,550 in fiscal 1986 and $26,150 in fiscal 1987. The rental charges of all the programs in the department, with the exception of Workers' Compensation and the Human Rights Commission will be paid for from this program and funded by indirect charges. Equipment purchases in fiscal 1984 included expenses of the Job Service Program in the automation of the local job service offices. Equipment in fiscal 1986 and 1987 includes computer hardware and general office equipment.

This program is funded entirely by direct and indirect charges against all other programs in the department. Each program contributes on an FTE basis. Direct charges are levied directly on the funding sources of each program, while indirect charges appear as operating expenses in the program budgets. The balance of the Centralized Services funding is federal State Occupational Information Coordinating Committee (SOICC) funds and various funds that support the Montana Career Information System. The following table shows the funding of the Centralized Services Program.

Agency: Department of Labor and Industry--Employment Security Division

Program: Job Training Partnership Act

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| Grants | $7,982,572 | $7,475,000 | $10,375,000 | $7,434,000 | $7,475,000 | $10,375,000 | $7,434,000 | (6.9) |
| FUNDING | | | | | | | | |
| General Fund | $ 271,176 | $ 375,000 | $ 375,000 | $ 334,000 | $ 375,000 | $ 375,000 | $ 334,000 | 23.2 |
| Federal Revenue | 7,711,396 | 7,100,000 | 10,000,000 | 7,100,000 | 7,100,000 | 10,000,000 | 7,100,000 | (7.9) |
| Total Funding | $7,982,572 | $7,475,000 | $10,375,000 | $7,434,000 | $7,475,000 | $10,375,000 | $7,434,000 | (6.9) |

Program Description: This program formerly passed through federal CETA funds and now passes through federal JTPA funds to the Department of Labor and Industry, state agencies, and non-state organizations that provide training to help individuals enter or reenter the work force.

Current Level Budget: Approximately $850,000 is required to match certain JTPA funds. General fund consists of $209,000 for displaced workers and pre-employment training and $125,000 for displaced homemakers to provide the necessary match on JTPA funds. The remainder of the required match is provided by employer on-the-job training funds and unemployment insurance wages paid to dislocated workers, which do not appear in the agency budget. In fiscal 1984, $147,749 was expended for displaced workers and $123,427 for displaced homemakers. Federal funds are JTPA funds and represent the total amount anticipated in the 1987 biennium.

Agency: Department of Labor and Industry--Division of Workers' Compensation

Program: Workers' Compensation Division

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 167.50 | 172.00 | 168.00 | 168.00 | 172.00 | 168.00 | 168.00 | .3 |
| Personal Services | $3,413,481 | $3,647,994 | $3,548,575 | $3,548,575 | $3,656,029 | $3,556,790 | $3,556,790 | 4.0 |
| Operating Expenses | 2,120,511 | 2,370,166 | 2,371,678 | 2,388,301 | 2,392,539 | 2,396,596 | 2,414,272 | 12.6 |
| Equipment | 172,229 | 176,726 | 184,642 | 184,642 | 113,231 | 133,445 | 133,445 | 7.2 |
| Grants | 907,613 | 1,294,281 | 1,133,901 | 1,133,901 | 1,366,165 | 1,101,158 | 1,101,158 | 24.9 |
| Total Exp. | $6,613,834 | $7,489,167 | $7,238,796 | $7,255,419 | $7,527,964 | $7,187,989 | $7,205,665 | 9.7 |
| FUNDING | | | | | | | | |
| General Fund | $ 783,743 | $ 716,179 | $ 716,179 | $ 716,179 | $ 681,194 | $ 681,194 | $ 681,194 | (8.6) |
| State Special Rev. | 5,761,559 | 6,700,870 | 6,439,341 | 6,467,122 | 6,774,933 | 6,423,797 | 6,452,634 | 12.2 |
| Federal Revenue | 68,532 | 72,118 | 83,276 | 72,118 | 71,837 | 82,998 | 71,837 | 5.2 |
| Total Funding | $6,613,834 | $7,489,167 | $7,238,796 | $7,255,419 | $7,527,964 | $7,187,989 | $7,205,665 | 9.7 |

Program Description: The Division of Workers' Compensation is responsible for several laws relating to Montana's workers. The division enforces occupational safety laws, provides payment to workers injured on the job, monitors private insurer's adequacy of coverage and payments, and provides payments to innocent victims of crime.

Current Level Budget: Grants consist of three programs: Silicosis Benefits, Social Security Offsets, and Crime Victims. The following table shows the grants, each funding source, actual fiscal 1984 expenditures, and appropriated fiscal 1986 and 1987 levels.

Table 1
Grants - Division of Workers' Compensation

| Grant | Fund Source | FY 84 | FY 86 | FY 87 |
|---|---|---|---|---|
| Silicosis Benefits | General Fund | $ 686,900 | $ 615,600 | $ 580,800 |
| Social Security Offsets | General Fund | 84,825 | 88,301 | 87,858 |
| Crime Victims | Crime Victims Fund | 340,509 | 347,733 | 342,196 |
| Crime Victims Administration | Crime Victims Fund | 57,113 | 82,267 | 90,304 |
| Total Grants | | $1,169,347 | $1,133,901 | $1,101,158 |

Silicosis benefits are paid to those persons who contracted the disease on the job prior to 1959 and to widows of silicotics.

Table 2
Silicosis Cases, Payment Levels, and Cost

| | - - - Cases - - - | | - Monthly Payments - | | |
|---|---|---|---|---|---|
| Fiscal Year | Silicotic | Widow | Silicotic | Widow | Total Cost |
| 1984 Actual | 198 | 166 | $200 | $100 | $686,900 |
| 1985 Projected | 190 | 163 | 200 | 100 | 651,000 |
| 1986 Projected | 180 | 153 | 200 | 100 | 615,600 |
| 1987 Projected | 171 | 142 | 200 | 100 | 580,800 |

Social security offsets are paid to those persons who were adversely affected by the law in effect from July of 1973 to April of 1974 that stated that workers compensation benefits would be offset 100 percent by any social security payments made for the same purpose. The law was subsequently changed to a 50 percent offset.

Crime victims benefits are paid to those persons who are the innocent victims of crime, and are funded with 18 percent of all fines and citations issued by the highway patrol. The funding levels for the coming biennium reflect the total amount anticipated as revenue and does not reflect any use of the fund balance.

Feder revenue consists of federal study projects, expected to tot $37,293 in fiscal 1986 and $36,897 in fiscal 1987; and Occu ional Safety and Health Administration, expected to total $34,825 in fiscal 1986 and $34,940 in fiscal 1987. State revenue consists of crime victims funds totaling $430,000 in fiscal 1986 and $432,500 in fiscal 1987, and workers' compensation funds, totaling $6,037,122 in fiscal 1986 and $6,020,134 in fiscal 1987.

Modified Recommendations: 1) Crime Victims Fund - Federal funds will be available in the 1987 biennium to supplement Montana's Crime Victims fund by up to 35 percent of the state contribution. A modified request to add $150,000 of these fund each year was approved.

2) Claims Examiners - A request to add 4 FTE claims examiners and related expenses to deal with an increase in workload was approved, at a cost of $94,466 in fiscal 1986 and $94,384 in fiscal 1987, funded by state workers compensation funds.

3) State Insurance Funds - Three FTE legal positions and expenses were added to deal with the increased workload primarily attributable to the Willis court decision, which allowed workers and courts greater discretion in the type and size of workers' compensation payments. This modified is funded by state workers' compensation funds.

Agency: Department of Social and Rehabilitation Services

Program: Agency Summary

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 1,043.12 | 1,110.12 | 1,037.82 | 1,036.82 | 1,116.12 | 1,037.82 | 1,036.82 | (0.6) |
| Personal Services | $ 22,301,459 | $ 24,667,149 | $ 23,139,278 | $ 23,064,759 | $ 25,729,895 | $ 23,181,065 | $ 23,106,416 | 3.5 |
| Operating Expenses | 7,789,238 | 10,602,739 | 8,265,393 | 8,946,673 | 9,385,191 | 8,520,513 | 9,043,745 | 14.8 |
| Equipment | 359,997 | 139,336 | 137,504 | 104,215 | 48,204 | 72,845 | 50,500 | (71.0) |
| Grants and Benefits | 169,844,250 | 201,453,579 | 186,478,736 | 198,594,626 | 217,353,636 | 195,440,710 | 203,635,326 | 17.8 |
| Total Exp. | $200,294,944 | $236,862,803 | $218,020,911 | $230,710,273 | $252,516,926 | $227,215,133 | $235,835,987 | 15.1 |
| FUNDING | | | | | | | | |
| General Fund | $ 67,288,558 | $ 75,984,588 | $ 69,690,618 | $ 79,884,681 | $ 84,007,005 | $ 73,580,521 | $ 82,796,977 | 18.7 |
| State Special Rev. | 6,067,454 | 6,728,192 | 6,765,447 | 462,367 | 6,712,452 | 6,801,880 | 484,142 | (92.7) |
| Federal Revenue | 126,938,932 | 154,150,023 | 141,564,846 | 150,363,225 | 161,797,469 | 146,832,732 | 152,554,868 | 18.4 |
| Total Funding | $200,294,944 | $236,862,803 | $218,020,911 | $230,710,273 | $252,516,926 | $227,215,133 | $235,835,987 | 15.1 |

Program Description: The Department of Social and Rehabilitation Services administers programs in the area of human services. Services include assistance payments to recipients of the Aid to Families with Dependent Children Program, foster home services, medicaid and other benefits to the aged and indigent, rehabilitation services for the vocationally and visually handicapped, and community-based placement services for the state's developmentally disabled.

Current Level Budget: Two funding issues were approved by the committee that affect funding within several programs of the department. (1) The committee approved depositing, as revenue to the general fund all county mill levy paid to SRS by counties whose welfare programs have been assumed and are administered by the state. Thus funds become part of the general revenue and are replaced within SRS by general fund. This change does not increase general fund costs for the program, but simplify the accounting procedures within the department. (2) All social service block grant funds have been consolidated in a single program, developmental disabilities. Because of the flexibility in use of the block grant, these funds may be considered as similar to general fund in terms of allocation. During fiscal 1984, SRS used social service block grant funds for administrative and/or benefits in six different programs. To simplify accounting procedures and to provide a clear track of block grant expenditures, the committee approved consolidation of these funds in the developmental disabilities program, reduced the general fund in that program, and substituted general fund in the other five programs.

SUBCOMMITTEE ACTION

Agency: Department of Social and Rehabilitation Services — Program: Assistance Payments

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 47.50 | 49.50 | 47.50 | 47.50 | 49.50 | 47.50 | 47.50 | 0.00 |
| Personal Services | $ 1,186,899 | $ 1,293,253 | $ 1,255,173 | $ 1,255,173 | $ 1,295,483 | $ 1,257,454 | $ 1,257,454 | 3.2 |
| Operating Expenses | 1,603,752 | 1,845,600 | 1,659,784 | 1,766,336 | 1,849,907 | 1,729,679 | 1,807,711 | 11.4 |
| Equipment | 47,122 | 8,057 | 8,616 | 6,500 | 6,000 | 8,616 | 6,000 | (86.2) |
| Grants & Benefits | 44,535,066 | 50,160,019 | 45,962,761 | 49,378,650 | 54,481,385 | 48,284,420 | 51,393,949 | 9.8 |
| Total Exp. | $47,372,839 | $53,306,929 | $48,886,334 | $52,406,659 | $57,632,775 | $51,280,169 | $54,465,114 | 9.6 |
| FUNDING | | | | | | | | |
| General Fund | $10,316,431 | $12,086,033 | $11,876,905 | $14,128,982 | $13,293,706 | $12,675,921 | $15,254,805 | 42.8 |
| State Special Rev. | 1,607,850 | 1,819,642 | 1,819,642 | -0- | 1,819,642 | 1,819,642 | -0- | |
| Federal Revenue | 35,448,558 | 39,401,254 | 35,189,787 | 38,277,677 | 42,519,427 | 36,784,606 | 39,210,309 | 5.0 |
| Total Funding | $47,372,839 | $53,306,929 | $48,886,334 | $52,406,659 | $57,632,775 | $51,280,169 | $54,465,114 | 9.6 |

Language in Bill: Ten percent of the low income energy block grant shall be transferred to the social services block grant in each fiscal year. If the transfer is greater than $1,169,510 in either fiscal year, a like amount of general fund shall revert.

Ten percent of the low income energy block grant shall be used for the Weatherization Program in each fiscal year.

No funds may be transferred out of the non-resident general assistance program or the state general assistance program.

Program Description: The Assistance Payments Program is administered through the Economic Assistance Division and includes Aid to Families with Dependent Children (AFDC), Day care Services, Food Stamp and Commodity Programs, Non-resident General Assistance, the Low Income Energy Assistance Program (LIEAP), the community service block grants, the Weatherization Program, and the state administered general assistance.

Current Level Budget: General fund increases 36.9 percent from fiscal 1984 to fiscal 1986. The principal cause for this increase is an increased regular AFDC caseload inclusion of the unemployed parent as eligible for AFDC payments, and increased costs associated with the state administered General Assistance Program. The following table compares the fiscal 1984 actual expenditures and the subcommittee approved level for benefits in the Assistance Payments Program.



LFA/EC:srs ap par/2

Assistance Payments Grants and Benefits
Fiscal 1984 Through Fiscal 1987

| Grants and Benefits | FY 1984 Actual | FY 1986 Subcommittee | FY 1987 Subcommittee | FY 84-86 % Change |
|---|---|---|---|---|
| AFDC | $26,429,128 | $31,484,707 | $33,544,240 | 19.1 |
| LIEAP | 11,999,113 | 11,256,830 | 10,513,595 | (4.6) |
| General Assistance | 2,179,346 | 2,934,665 | 3,528,095 | 34.6 |
| Weatherization | 2,063,583 | 1,618,712 | 1,618,073 | (21.6) |
| Community Services Block Grant | 1,230,126 | 1,189,334 | 1,259,120 | (3.3) |
| Day Care | 428,745 | 465,960 | 489,258 | 8.7 |
| Training | 162,205 | 171,984 | 183,787 | 6.0 |
| Non-Resident General Assistance | 18,475 | 130,000 | 130,000 | 603.6 |
| Food Stamps | 24,345 | 26,458 | 27,781 | 8.7 |
| Legal Services | -0- | 100,000 | 100,000 | 100.0 |
| Total Expenditures | $44,535,066 | $49,378,650 | $51,393,949 | 10.8 |

## Aid to Families with Dependent Children (AFDC)

Aid to families with dependent children is a cash assistance program to assist needy families with dependent children. The program is funded jointly by the state and federal government. The average monthly caseload in fiscal 1984 was 7,125 and has been budgeted at 7,940 in fiscal 1986 and 8,083 in fiscal 1987 which include 450 recipients in fiscal 1986 as part of the unemployed parent program and 600 recipients in fiscal 1987 as unemployed parents. The payment level for both years of the 1987 biennium has been set at 49 percent of the poverty index. This represents an increase over the 47 percent of the poverty index that is in effect during fiscal 1985. The AFDC program is funded with approximately 34 percent general fund, 2 percent county funds, and 64 percent federal funds.

## Low Income Energy Assistance Program (LIEAP)

The Low Income Energy Assistance Program is a federally funded program to help low income families with fuel and home heating costs. The anticipated grant level for both years of the 1987 biennium is $11,695,105. Ten percent of the grant award is to be transferred to the social services block grant to provide services to the developmentally disabled. Ten percent of the grant award is to be used in conjunction with the Weatherization Program.

Low Income Energy Assistance Program Funds and Expenditures
Fiscal 1984 through Fiscal 1987

| Funds Available | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|---|
| Grants | $12,297,691 | $12,297,692 | $11,695,105 | $11,695,105 |
| Carryover | 2,858,426 | 1,737,426 | 1,318,235 | -0- |
| Oil Overcharge Funds | -0- | -0- | -0- | 575,000 |
| Total Funds Available | $15,156,117 | $14,035,118 | $13,013,340 | $12,270,105 |
| **Expenditures** | | | | |
| Social ~~Security~~ Services Block Grant | $ 1,229,769 | $ 1,229,769 | $ 1,169,510 | $ 1,169,510 |
| State and Local Administration | 956,425 | 1,000,000 | 1,000,000 | 1,000,000 |
| Fuel Assistance Grants | 9,881,968 | 10,217,757 | 10,037,130 | 9,321,283 |
| Weatherization | 1,698,038 | 614,939 | 1,169,510 | 1,169,510 |
| Refunds | (347,509) | (345,582) | (362,810) | (390,198) |
| Total Expenditures | $13,418,691 | $12,716,883 | $13,013,340 | $12,270,105 |
| Ending Fund Balance | $ 1,737,426 | $ 1,318,235 | $ -0- | $ -0- |

## General Assistance

The General Assistance Program provides basic necessities such as shelter, heat, and personal needs for low income persons. This program was formerly operated as part of the county welfare program. However, during the 1985 biennium 12 counties opted to have their welfare program assumed and administered by the state. Since state assumption of the programs, the caseload has risen significantly. The department anticipates that the caseload will increase at the rate of 12.5 percent per year during the 1987 biennium. The payment level for general assistance has been funded at a level equal to the AFDC payment level of 49 percent of the poverty index. The approved level of funding for the program assumes changes in the legislature governing this programs to include elimination of all able bodied individuals under the age of 35 from the program and able bodied persons between 35 and 50 limited to three months of general assistance in any 12 month period. This program is 100 percent general fund.

Growth of General Assistance Caseload and Average Payment Level
Fiscal 1984 Through Fiscal 1987

| | Fiscal 1984 | Fiscal 1986 | % Change | Fiscal 1987 | % Change |
|---|---|---|---|---|---|
| Caseload | 1,399 | 904 | (35.) | 1,033 | 14.2 |
| Support Payments | $163.00 | $270.53 | 65.9 | $284.61 | 5.2 |

## Weatherization

This federal funded program provides funds to low income families to assist in weatherizing their homes. The anticipated grant award is $1,618,712 in each year of the 1987 biennium.

## Community Services Block Grant

The community service block grant includes county anti-poverty programs originally established under the Federal Economic Opportunity Act of 1964. State statute required that 90 percent of the funds be allocated to Human Resource Development Councils in support of local programs, 5 percent is retained by SRS for administrative costs and 5 percent may be used as discretionary funds. The approved level of funding for this federally funded program is $1,252,984 in fiscal 1986 and $1,324,404 in fiscal 1987.

## Day Care

Day care is provided to AFDC recipients who are working or participating in work related training programs. Costs associated with employment related day care is considered a work-related expense and is included in the AFDC payment. Training related day care is paid directly to day care providers when the AFDC recipient is participating in such training as vocational technical school or WIN work experience. This program is funded at the same funding rate as AFDC payments and medicaid or approximately 34 percent general fund.

## Training

Training is provided to county eligibility technicians regarding changes in eligibility requirements. During the 1985 biennium, the program was funded 50 percent with federal funds and 50 percent from the University of Montana which provided the training. The committee approved the department's request that $15,762 in fiscal 1986 and $16,393 in fiscal 1987 of general fund be used for non-university related training. The balance of the training is for the contract with the university, with 50 percent of the funds ($78,111 in fiscal 1986 and $83,697 in fiscal 1987) being provided by the University of Montana as the required match for federal AFDC funds.

Non-Resident General Assistance

This benefit provides emergency assistance to families or individuals traveling through the state with no intent to establish residency. The committee increased benefits to the program by $100,000 per year to provide a maximum of three days emergency assistance to individuals who might be adversely impacted by changes in the General Assistance eligibility requirements. The additional $100,00 per year is only intended for the 1987 biennium and is not to be considered as part of the base for future budget calculation. This program is 100 percent general fund.

Food Stamps

The Food Stamp Issuance Program is a federally funded program. The committee adopted a funding level reflecting inflation increases of 4, 4.5, and 5 percent in costs.

Legal Services

Funds of $100,000 per year are approved to contract with the Montana Legal Services Association. The contract is intended to assist general assistance clients in receiving federal Social Security benefits and thus remove them from the general assistance caseload. It is expected that a minimum of 180 clients will be removed from the general assistance caseload.

Modified Recommendations: The committee approved three federal funded programs that the department had begun through budget amendment during fiscal 1984: 1. Solar Bank Program. This program would assist low income family replace home heating equipment. This program is funded at $187,500 per year.

2. Temporary Emergency ~~Energy~~ Food Assistance. This program is a federally funded program to provide food for low income families. This program is funded at $156,400 per year.

3. Job Search. This program is a federal program, to assist food stamp recipients in finding employment. This program is funded at $174,578 in fiscal 1986 and $231,752 in fiscal 1987.

Agency: Department of Social and Rehabilitation Services — Program: Social Services

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 365.64 | 394.64 | 367.64 | 365.64 | 421.64 | 365.64 | 365.64 | 0.00 |
| Personal Services | $ 7,701,121 | $ 8,580,867 | $ 8,018,693 | $ 7,961,449 | $ 9,169,967 | $ 8,027,965 | $ 7,975,693 | 3.4 |
| Operating Expenses | 846,217 | 970,469 | 848,433 | 844,844 | 1,092,251 | 880,126 | 862,306 | .3 |
| Equipment | 4,028 | 16,050 | 6,574 | 11,500 | 7,050 | 6,904 | 2,500 | 185.5 |
| Grants and Benefits | 11,661,197 | 13,535,247 | 11,954,011 | 12,614,892 | 13,928,520 | 12,510,123 | 12,941,698 | 8.2 |
| Total Exp. | $20,212,563 | $23,102,633 | $20,827,711 | $21,432,685 | $24,197,788 | $21,425,118 | $21,782,197 | 6.0 |
| FUNDING | | | | | | | | |
| General Fund | $ 5,232,416 | $ 7,305,958 | $11,328,285 | $12,586,650 | $ 8,154,344 | $11,573,678 | $12,834,888 | 140.5 |
| State Special Rev. | 813,214 | 845,743 | 845,743 | -0- | 845,743 | 845,743 | -0- | (100.0) |
| Federal Revenue | 14,166,933 | 14,950,932 | 8,653,683 | 8,846,035 | 15,197,701 | 9,005,697 | 8,947,309 | (37.6) |
| Total Funding | $20,212,563 | $23,102,633 | $20,827,711 | $21,432,685 | $24,197,788 | $21,425,118 | $21,782,197 | 6.0 |

Language in Bill: If third party payments received by the department to offset costs of the Foster Care Program are in excess of $320,000 in fiscal 1986 or $320,000 in fiscal 1987 these funds shall revert to the general fund.

Program Description: Services provided through this program include foster care, protective daycare, Big Brother and Sister, legal services to low income groups, services to the elderly, and the supplemental security income program. Except in the 12 counties that have opted for state assumption of their welfare program, funding and supervision of social workers and homemaker field staff is a shared state and county responsibility. Social services for senior citizens are provided through contracts with eleven agencies for aging that are located around the state.

Current Level Budget: The general fund increases 140 percent from fiscal 1984 to fiscal 1986. The major cause of this increase is the transfer of social service block grant funds to the developmental disabilities program and the substitution of general fund for the county mill levy. In total funds the percent increase from fiscal 1984 to fiscal 1986 is 6.0 percent. The department receives credits from families, insurance, and social security to offset some costs of foster care. The committee adjusted the appropriation for foster care to include $320,000 per year of such payments. If these payments exceed $320,000, the excess funds are to be deposited in the general fund.

The reduction of 2 FTE from the LFA current level are the nursing home ombudsman and legal advocate for senior citizens. These positions were added as a budget amendment during fiscal 1984 and are removed from subcommittee current level they are included as a modified recommendation.

The following table compares the fiscal 1984 actual expenditures and the approved level of funding for programs administered by the Social Services Program.

Social Services Grants and Benefits
Fiscal 1984 through Fiscal 1987

| Grants and Benefits | FY 1984 Actual | FY 1986 Subcommittee | FY 1987 Subcommittee | FY 84-86 % Change |
|---|---|---|---|---|
| Day Care | 376,597 | $ 430,271 | $ 457,063 | 14.3 |
| Child Abuse | 64,691 | 70,306 | 73,821 | 8.7 |
| Legal Services | 100,000 | 50,000 | 50,000 | (50.0) |
| Domestic Violence | 121,922 | 131,871 | 137,146 | 2.4 |
| Big Brothers & Sisters | 200,913 | 217,307 | 226,000 | 8.2 |
| Home Health | 26,933 | 30,047 | 31,249 | 11.6 |
| West Yellowstone | 6,395 | 7,150 | 7,436 | 11.8 |
| Refuge | 239,999 | 250,000 | 250,000 | 4.2 |
| Subsidized Adoption | 115,589 | 161,245 | 161,245 | 39.5 |
| Supplemental Security Income | 755,402 | 901,748 | 946,446 | 19.4 |
| Aging | 4,433,382 | 4,456,534 | 4,472,358 | .6 |
| Foster Care | 4,920,899 | 5,649,366 | 5,856,778 | 13.3 |
| Training | 298,475 | 259,047 | 272,156 | (13.2) |
| Total Expenditures | $11,661,197 | $12,614,892 | $12,941,698 | 8.1 |

Day Care

Protective daycare services are provided as an alternative to foster care. Funding for the program is approximately 70 percent general fund with the balance made up of federal Refugee and Title IV A funds. The committee approved a $.50 per day increase over the fiscal 1985 average cost per day for each year of the 1987 biennium. This results in a 6.6 percent increase in total funds for fiscal 1986 and a 6.2 percent increase for fiscal 1987. The average days of daycare were held constant at the fiscal 1984 level.

Comparison of Fiscal 1984 Actual Expenditures with
Days of Care with Fiscal 1986 and 1987

| | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|
| Days of Care | 53,569 | 53,583 | 53,583 |
| Rate Per Day | $7.03 | $8.03 | $8.53 |
| Total Cost | $376,597 | $430,271 | $457,063 |

Child Abuse

Child abuse services are provided through grants to local agencies for training and public awareness of issues surrounding the physical and sexual abuse of children. The committee adopted a funding level that reflects a 4, 4.5, and 5 percent inflation from the fiscal 1984 expenditure level through fiscal 1987. The program is 100 percent federal fund.

Legal Services

This services is provided through a contract with the Montana Legal Services Association, which provides legal services for AFDC and SSI recipients. The committee reduced funding for this program by one-half of the level authorized for fiscal 1984. The program is funded 100 percent with general fund.

Domestic Violence

This program provides protection and counseling services to abused spouses. A $14 fee from the marriage license is deposited in the general fund to offset costs of the program. The committee approved a funding level that was 4 percent above the fiscal 1985 appropriation of $130,875 for fiscal 1986 and a 4 percent inflation of that amount for fiscal 1987. The level of funding was established to maintain the fiscal 1985 contracts the department has with private providers and safe home operators.

Big Brothers and Sisters

The Big Brothers and Sisters Program is intended to provide an appropriate adult role model for youth of single parent families. Funds for this program include a 25 percent local match, with the balance being general fund. The committee approved funding that was 4 percent above the fiscal 1985 appropriated level for fiscal 1986 and a 4 percent increase for fiscal 1987.

Home Health and West Yellowstone

These two programs are grants awarded by SRS to local contractors to fund social services and homemaker services in areas where there is no departmental staff. The Home Health Foundation provides services to Lewis and Clark County and the West Yellowstone Project provides services to the West Yellowstone area. The committee funded both programs at a level corresponding to a 7.5 percent increase from the fiscal 1984 level of $33,328 to fiscal 1985 and 4 percent each year for fiscal 1986 and 1987. The Home Health Program is 100 percent general fund while the West Yellowstone Project is 75 percent general fund and 25 percent local match.

Refugee

Services to the Indo-Chinese are 100 percent federal fund. Services include support for refugee centers, assistance in locating employment and public education programs. The committee approved funding for the program at the anticipated level of available federal funds. The $250,000 per year is 4 percent above the fiscal 1984 actual expenditure level.

Subsidized Adoption

Subsidized adoption is a program designed to assist families in adopting children with special needs such as physical or mental handicaps, or sibling groups. If the child is eligible for federal Title IV-E funding, the program costs are shared at the same percentage as the medicaid rate; if the child is not IV-E eligible, the payment is 100 percent general fund. The actual amount of support is negotiated with the family and depends upon the particular needs of the child. The maximum subsidy in fiscal 1984 was $225 per month which was set at $10.00 less than the foster care payment.

For th iscal 1987 biennium, the committee adopted a funding leve. ased upon the estimated fiscal 1985 caseload of 55 subsidi children and maintained this caseload through fiscal 1986 and 1987. The maximum payment level was retained at $225 per month.

## Supplemental Security Income

The state supplements federal payments to indigent aged, blind, or disabled persons. The amount of the supplemental payment is determined according to the residence of the recipient. During fiscal 1984, individuals living in residential homes and group home for the mentally ill or developmentally disabled received $94.00 per month; children and adults in foster care receive $52.75 per month; and developmentally disabled in semi-independent living situations received $26.00 per month. The average monthly payment in fiscal 1981, 1982,and 1983 was $93.34. In fiscal 1984, the average monthly payment was reduced to $85.49. The reduction in the fiscal 1984 rate was possible due to a $10 increase in the federal supplement. With the increased federal payment the agency was able to reduce the state's share and still maintain the fiscal 1983 combined federal/state level of payment.

Because the average monthly payment is constant through fiscal 1986 and 1987, the determining factor in calculating the current level benefits is the caseload. The committee adopted the executive estimate of the fiscal 1985 caseload of 841 and then inflated the caseload at 4.5 percent for fiscal 1986 (879 cases) and 5 percent for fiscal 1987 (923 cases). Funding for this program is 100 percent general fund.

## Aging Services

Funding for the aging program is partly determined by the level of anticipated federal grants. State general funds are used to support information and referral services, in-home care, and a 5 percent match on federal funds used for social services, congregate nutrition, and home delivered meals. Funding for services during the 1987 biennium were calculated by inflating the fiscal 1984 expenditures at 4 percent for fiscal 1985, 4.5 percent for fiscal 1986, and 5 percent for fiscal 1987, with an adjustment to reflect a slight decrease in available federal funds.

Funding For Aging Service

| Federal Funds | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|
| Supportive Services | $1,193,558 | $1,200,016 | $1,200,016 |
| Congregate Units | 1,654,444 | 1,688,819 | 1,688,819 |
| Home Delivery Meals | 283,883 | 325,462 | 325,462 |
| Cash in Lieu of Comm | 445,344 | 626,980 | 626,980 |
| Total Federal Funds | $3,577,229 | $3,841,277 | $3,841,277 |
| **General Funds** | | | |
| State Match | $ 189,828 | $ 189,076 | $ 189,076 |
| Information/Referral | 126,685 | 137,681 | 144,565 |
| In-Home Service | 273,600 | 286,000 | 297,440 |
| Legacy Leg. | 5,000 | 2,500 | -0- |
| Total General Fund | $ 595,113 | $ 615,257 | $ 631,081 |
| Total Program | $4,172,342 | $4,456,534 | $4,472,358 |

## Training

Funds approved for training of the social services staff includes a 25 per match from the University of Montana which provides the training. The following table shows that although the total funds for training have decreased by 13.2 percent, the amount of general fund increased 673 percent. This increase is due to the substitution of social services block grant funds with general fund. Social services block grant funds are transferred to the Developmental Disabilities Program.

Funding for Social Services Training

| | Fiscal 1984 | Fiscal 1985 | Fiscal 1986 |
|---|---|---|---|
| General Fund | $ 24,616 | $190,345 | $200,019 |
| University match | 50,002 | 68,702 | 72,137 |
| Social Services Block Grant | 223,857 | -0- | -0- |
| Total Funds | $298,475 | $259,047 | $272,156 |

## Foster Care

The following table shows the growth of foster care services from fiscal 1982 through fiscal 1984.

Comparison of Foster Care Service Cost
Fiscal 1982 through 1984

| Service | Fiscal '82 | Fiscal '83 | Fiscal '84 | % Change 82--84 | Fiscal '86 | % Change 84--86 | Fiscal '87 |
|---|---|---|---|---|---|---|---|
| Foster Family | $1,713,685 | $1,889,308 | $1,983,412 | 15.7 | $2,259,137 | 13.90 | $2,386,141 |
| Group Home | 403,638 | 414,269 | 756,157[1] | 87.3 | 840,110 | 11.10 | 880,357 |
| Attention Home | 153,120 | 115,923 | 193,962 | 26.6 | 216,383 | 11.56 | 227,551 |
| Receiving Home | 118,780 | 135,353 | 164,727 | 38.6 | 182,979 | 11.08 | 192,227 |
| In-state Treatment | 1,396,282 | 1,381,234 | 1,176,579 | (15.7) | 1,412,150 | 20.02 | 1,559,340 |
| Out-of-state Treatment | 238,362 | 505,264 | 420,691 | 76.5 | 485,687 | 15.45 | 344,813 |
| Care & Professional Treatment. | 117,167 | 190,815 | 225,371 | 92.3 | 252,920 | 12.22 | 266,349 |
| Total Cost | $4,141,034 | $4,632,166 | $4,920,899 | 18.8 | $5,649,366 | 14.80 | $5,856,778 |

[1] Includes $295,940 in grants to District Youth Guidance Homes.

The fu[illegible]g level approved for foster family, group home, attention [illegible]e, receiving home, and care and professional treatment was [illegible]sed upon a 6, 4.5, and 5 percent inflation of fiscal 1984 actual cost through fiscal 1987 and thus adjusted according to anticipated refunds (credits) by each program.. For out-of-state and in-state treatment costs, the committee averaged the costs for in-state and out-of-state treatment and allocated the days of care proportionate to the mix of care days that occurred in fiscal 1984. The total days of care were reduced by 1,825 in fiscal 1986 and 3,650 in fiscal 1987 to adjust for five children in fiscal 1986 and ten children in fiscal 1987 that would be placed in the new Billings Youth Treatment Center. These are 30,500 in state care days in fiscal 1986 and 32,072 state care days in fiscal 1987. Out-of-state care days are 10,490 in fiscal 1986 and 7,092 in fiscal 1987.

Modified Recommendations: (1) Advocacy Assistance: Two FTE are approved to provide advocacy assistance to the elderly, a nursing home ombudsman and a lawyer. These positions were added during fiscal 1984 through a budget amendment. Funding for the additional positions is federal Commissioner on Aging funds of $49,220 in fiscal 1986 and $49,239 in fiscal 1987.

(2) Support Services for Foster Care: Additional funds of $243,090 in fiscal 1986 of which $82,651 are general fund and $254,855 in fiscal 1987 of which $86,651 are general fund, are approved to provide such services as increased psychological services, funds for special nutritional program, increased clothing allowance, and reimbursement to foster families for personal property damages caused by the foster children.

(3) Additional Social Workers: The committee approved 30 additional social worker positions and 2 administrative aid positions. These positions will be phased in during the 1987 biennium. The additional positions were requested by SRS to reduce the caseload of child care workers.

Funding for Additional 32 Positions
During 1987 Biennium

| | | Fiscal 1986 | Fiscal 1987 | Biennium |
|---|---|---|---|---|
| Original Dept Request for 54 FTE | General Fund | $628,007 | $1,252,437 | $1,880,444 |
| | County Fund | 89,715 | 178,919 | 268,634 |
| | Total | $717,722 | $1,431,356 | $2,149,078 |
| Committee Approved funding for 32 Additional Positions | General Fund | $233,018 | $ 601,831 | $ 834,849 |
| | County Fund | 33,288 | 85,976 | 119,264 |
| | Total Funds | $266,306 | $ 687,807 | $ 954,113 |

As may be seen from the above table, the phasing in of the 32 positions reduces the costs during the 1987 biennium. However, by the 1989 biennium, the annualized costs for these positions will be approximately $848,210.

Agency: Department of Social and Rehabilitation Services

Program: Eligibility Determination

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 318.61 | 336.61 | 318.61 | 318.61 | 354.61 | 318.61 | 318.61 | 0.00 |
| Personal Services | $6,236,285 | $6,760,858 | $6,443,111 | $6,443,111 | $7,090,245 | $6,454,195 | $6,454,195 | 3.3 |
| Operating Expenses | 108,493 | 117,875 | 114,196 | 113,165 | 124,874 | 117,779 | 115,285 | 5.3 |
| Total Exp. | $6,344,778 | $6,878,733 | $6,557,307 | $6,556,276 | $7,215,119 | $6,571,974 | $6,569,480 | 3.3 |
| FUNDING | | | | | | | | |
| General Fund | $ 855,687 | $1,053,086 | $ 766,201 | $1,993,101 | $1,152,638 | $ 765,803 | $1,997,107 | 132.9 |
| State Special Rev. | 999,938 | 1,039,936 | 1,039,936 | -0- | 1,039,936 | 1,039,936 | -0- | 0.0 |
| Federal Revenue | 4,489,153 | 4,785,711 | 4,751,170 | 4,563,175 | 5,022,545 | 4,766,235 | 4,572,373 | 1.6 |
| Total Funding | $6,344,778 | $6,878,733 | $6,557,307 | $6,556,276 | $7,215,119 | $6,571,974 | $6,569,480 | 3.3 |

Language in Bill: No FTE or spending authority may be transferred into or out of this program.

Program Description: This program is responsible for eligibility determination of applicants for AFDC, medicaid, food stamps and general assistance. Expenditures for the programs are for personal services and travel expenses associated with county welfare eligibility staff, clerical staff, and an allocated portion of county welfare director's salaries.

Current Level Budget: The program is maintained at the fiscal 1984 expenditure level adjusted for inflation. Federal funding for this program is a combination of food stamp, AFDC, and medicaid funds in the 12 assumed counties, and 46 percent county funds in the non-assumed counties.

Modified Recommendations: (1)Eligibility Technicians. The executive requested 54 additional eligibility technicians be added during the fiscal 1987 biennium due to increased workload associated with growing AFDC and general assistance caseloads. The subcommittee approved a total of 12 FTE for state assumed counties and 22 FTE in non-state assumed counties. The additional positions in the state assumed counties are to be phased in during each year of the biennium.

Additional Eligibility Technician Positions

| | Fiscal 1986 FTE | Fiscal 1986 General Fund | Fiscal 1986 Federal | Fiscal 1986 County | Fiscal 1986 Total | Fiscal 1987 FTE | Fiscal 1987 General Fund | Fiscal 1987 Federal | Fiscal 1987 County | Fiscal 1987 Total |
|---|---|---|---|---|---|---|---|---|---|---|
| State Assumed | 6 | $35,430 | $ 27,837 | $ -0- | $ 63,267 | 12 | $96,202 | $ 75,587 | $ -0- | $171,789 |
| Non-Assumed | 11 | -0- | 91,390 | 116,315 | 207,705 | 22 | -0- | 182,855 | 232,729 | 415,579 |
| Total | 17 | $35,430 | $119,227 | $116,315 | $270,972 | 34 | $96,202 | $258,442 | $232,729 | $587,368 |

(2) Authorization for Additional FTE. The committee approved 25 additional FTE within this program. The position are currently located in the county welfare office and are being paid for by SRS with federal LIEAP funds through contracts with county welfare offices. Although the LIEAP grant provides funds for local administration and eligibility determination of applicants, counties have the option of providing this service with county staff, or allowing local HRDC's to administer the program. FTE associated with the modified are in counties when the HRDC does not administer the program. Nineteen FTE are eligibility technicians for the LIEAP Program and 4 FTE are associated with the food stamp program. The FTE associated with issuance of food stamps in assumed counties are currently paid with federal fund that pass through SRS.

Additional FTE for LIEAP and Food Stamp Issuances

| | Fiscal 1986 General Fund | Fiscal 1986 Other Funds | Fiscal 1987 General Fund | Fiscal 1987 Other Funds |
|---|---|---|---|---|
| LIEAP (19 FTE) | $ -0- | $ -0- | $ -0- | $ -0- |
| Food Stamp Issuance (4.0 FTE) | -0- | 68,925 | -0- | 70,303 |
| Total Modification | $ -0- | $ 68,925 | $ -0- | $ 70,303 |

rbloo:srs ap por/14

Agency: Department of Social and Rehabilitation Services

Program: Administration and Support Systems

| | FY 1984 | - - - Fiscal 1986 | - - - | - - - | - - - Fiscal 1987 | - - - | - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 83.5 | 83.5 | 83.5 | 83.5 | 83.5 | 83.5 | 83.5 | 0.0 |
| Personal Services | $2,019,289 | $2,071,655 | $2,073,032 | $2,073,032 | $2,075,774 | $2,077,256 | $2,077,256 | 2.7 |
| Operating Expenses | 788,666 | 908,204 | 869,980 | 929,454 | 811,517 | 791,312 | 834,150 | 15.5 |
| Equipment | 10,132 | 47,540 | 25,704 | 25,704 | 18,714 | 26,989 | 26,989 | 153.7 |
| Total Exp. | $2,818,087 | $3,027,399 | $2,968,716 | $3,028,190 | $2,906,005 | $2,895,557 | $2,938,395 | 6.8 |
| FUNDING | | | | | | | | |
| General Fund | $ 525,276 | $ 566,519 | $1,271,602 | $1,638,889 | $ 541,111 | $1,228,153 | $1,594,114 | 210.1 |
| State Special Rev. | 308,335 | 320,668 | 320,668 | -0- | 320,668 | 320,668 | -0- | (100) |
| Federal Revenue | 1,984,476 | 2,140,212 | 1,376,446 | 1,389,301 | 2,044,226 | 1,346,736 | 1,344,281 | (30.4) |
| Total Funding | $2,818,087 | $3,027,399 | $2,968,716 | $3,028,190 | $2,906,005 | $2,895,557 | $2,938,395 | 6.8 |

Program Description: This program provides the overall agency management, budgeting, and planning. Services include data processing, planning and research, personnel management, financial analysis, and overall agency supervision and policy development.

Current Level Budget: The current level includes $41,211 in fiscal 1986 and $43,141 in fiscal 1987 for additional state liability insurance costs and $15,741 in additional Department of Administration rent in fiscal 1986 and an additional $12,627 in Department of Administration rent for fiscal 1987. The increase in the general fund results from the transfer of social service block grant funds to the developmental disabilities programs and the substitution of general fund for the county mill levy.

Agency: Department of Social and Rehabilitation Services

Program: County Assumption--Administration

| | FY 1984 | - - - Fiscal 1986 | - - - | - - - | - - - Fiscal 1987 | - - - | - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Operating Expenses | $ 954,057 | $1,263,183 | $1,033,033 | $1,281,444 | $1,278,260 | $1,085,475 | $1,323,391 | 36.1 |
| Equipment | 196,397 | 44,200 | 44,200 | 44,200 | -0- | -0- | -0- | (77.5) |
| Total Exp. | $1,150,454 | $1,307,383 | $1,077,233 | $1,325,644 | $1,278,260 | $1,085,475 | $1,323,391 | 16.7 |
| FUNDING | | | | | | | | |
| General Fund | $ 294,756 | $ 252,736 | $ 235,984 | $ 963,626 | $ 238,385 | $ 240,758 | $ 962,009 | 231.1 |
| State Special Rev. | 386,700 | 402,168 | 402,168 | -0- | 402,168 | 402,168 | -0- | (100.0) |
| Federal Revenue | 468,998 | 652,479 | 439,081 | 362,018 | 637,707 | 442,549 | 361,382 | (21.8) |
| Total Funding | $1,150,454 | $1,307,383 | $1,077,233 | $1,325,644 | $1,278,260 | $1,085,475 | $1,323,391 | 16.7 |

Program Description: The County Assumption Program includes a portion of the operational costs and all equipment costs associated with administration of the state's assumption of 12 county welfare programs. Personnel and benefit costs associated with the assumed county welfare program are allocated to other divisions in the department.

Current Level Budget: An additional $127,003 in fiscal 1986 and $133,353 in fiscal 1987 was approved for contracts with two assumed counties for annualized costs related to food stamp issuance and expansion of the Food Commodities Program. These additional costs are entirely federally funded. Two of the assumed counties moved the welfare offices which increases rent by $103,585 in fiscal 1986 and $108,763 in fiscal 1987. Repair and maintenance was increased by $34,639 in fiscal 1986 and $36,371 in fiscal 1987 for maintenance contracts on new word processing and duplicating equipment.

The increase in general fund results from the substitution of social service block grant funds transferred to the Developmental Disabilities Program and that substitution of county mill levy funds. If adjustments are made to compensate for the shift of social services block grant and mill levy funds, the general fund increase between fiscal 1984 to fiscal 1986 is 4.6 percent and 68.1 percent for federal funds. Federal funds included in this program are food stamp, AFDC, and medicaid funds.

Agency: Department of Social and Rehabilitation Services — Program: Medical Assistance

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 20.99 | 33.99 | 20.99 | 20.99 | 36.99 | 20.99 | 20.99 | 0.00 |
| Personal Services | $ 571,153 | $ 922,049 | $ 622,809 | $ 629,012 | $ 989,656 | $ 623,847 | $ 630,036 | 10.3 |
| Operating Expenses | 1,787,499 | 3,291,384 | 1,964,948 | 1,980,394 | 2,016,126 | 2,060,413 | 2,021,854 | 16.82 |
| Equipment | 1,471 | 5,529 | 18,000 | 230 | 230 | -0- | 230 | (84.4) |
| Grants & Benefits | 96,333,666 | 117,586,488 | 110,654,974 | 118,153,766 | 125,137,937 | 115,855,339 | 120,119,849 | 22.6 |
| Total Exp. | $98,693,789 | $121,805,450 | $113,260,731 | $120,763,402 | $128,143,949 | $118,539,599 | $122,771,969 | 22.7 |
| FUNDING | | | | | | | | |
| General Fund | $37,984,575 | $ 42,012,512 | $ 39,174,690 | $ 43,018,177 | $ 44,120,059 | $ 40,719,678 | $ 43,411,584 | 13.9 |
| State Special Rev. | 1,445,520 | 1,819,643 | 1,819,643 | -0- | 1,819,643 | 1,819,643 | -0- | 0.0 |
| Federal Revenue | 59,263,694 | 77,973,295 | 72,266,398 | 77,745,225 | 80,204,247 | 76,000,278 | 79,360,385 | 31.4 |
| Total Funding | $98,693,789 | $121,805,450 | $113,260,731 | $120,763,402 | $128,143,949 | $118,539,599 | $122,771,969 | 22.7 |

Language in Bill: Funds appropriated in the contingency fund may be used only for documented costs directly attributable to increases in the AFDC or Medicaid Program as a result of the Deficit Reduction Act of 1984. No funds may be expended from the contingency fund until the regular appropriation for AFDC and medicaid is expended.

Program Description: The Medical Assistance Program is administered by the Economic Assistance Division and provides support for a variety of medical programs for the state's low income population. Included under the Medical Assistance Program are medical payments to nursing homes, inpatient hospitals, physicians, and other medical services that provide care and treatment to individuals who qualify for the Aid to Families with Dependent Children Program (AFDC); aged, blind or disabled; or the medically needy.

Current Level Budget: The general fund increased 13.9 percent from fiscal 1984 to fiscal 1986. The principal cause of this increase are attributable to an understatement of the fiscal 1984 medicaid costs, increased caseload for AFDC and the Aged, Blind and Disabled, the expansion of the medicaid waiver program, the addition of the Montana Youth Treatment Center in Billing, and changes in the eligibility criteria for medicaid services required by the Federal Deficit Reduction Act of 1984. With only minor adjustments amounting to less than 2 percent of the total operating costs, the fiscal 1984 operating expenses were carried forward to fiscal 1986 and 1987 with an inflation increase.

The following table shows the fiscal 1984 actual expenditures for benefits and the approved level for fiscal 1986 and 1987.

Medical Assistance Grants and Benefits
Fiscal 1984 through Fiscal 1987

| Grants and Benefits | FY 1984 Actual | FY 1986 Subcommittee | FY 1987 Subcommittee | FY 84-86 % Change |
|---|---|---|---|---|
| DHES Surveys | $ 123,701 | $ 133,457 | $ 133,744 | 8.1 |
| Indian Health | 1,121,036 | 1,577,486 | 1,577,486 | 40.7 |
| Medicare Buy-in | 1,193,629 | 1,499,040 | 1,745,280 | 46.2 |
| Medicaid-Other | 40,955,853 | 51,311,948 | 54,201,993 | 26.7 |
| Medicaid-Nursing | 39,798,400 | 43,231,858 | 44,675,452 | 12.2 |
| Medicaid-Institutions | 10,103,536 | 13,688,363 | 14,085,559 | 39.4 |
| State Medical | 2,970,011 | 2,954,772 | 3,237,525 | 29.8 |
| Medicaid Waiver | 67,500 | 1,191,357 | 1,238,810 | 1,735.2 |
| DEFRA Contingency | -0- | 3,341,487 | -0- | 0.0 |
| Medicaid-Refunds | -0- | (776,000) | (776,000) | 0.0 |
| Total Expenditures | $96,333,666 | $118,153,768 | $120,119,849 | 21.5 |

Department of Health Nursing Home Services

The Department of Health and Environmental Sciences conducts reviews of nursing homes to ensure they are in compliance with federal and state licensing requirements. Funding for the reviews is federal funds that pass through SRS to DHES and matched with general funds in DHES. The approved funding for this program is $133,465 in fiscal 1986 and $133,744 in fiscal 1987. This level of funding is consistent with the amount approved in the health department budget.

Indian Health Services

Administration of various federal health services on Indian reservations is funded through a federal grant that passes through SRS. The department has requested $1,577,486 for each year of the 1987 biennium.

Medicare Buy-In

States have the option of paying the medicare Part-B premiums for individuals qualifying for medicare, but are unable to pay for the premiums themselves. If the state chooses to pay the premiums, then medical expenses and drugs are paid with federal medicare funds rather than medicaid which requires a general fund match. The premium paid by the state is funded according to the eligibility of the individual for other assistance programs. If the individual is already receiving some form of social assistance such as AFDC or SSI, then the premium for the medicare buy-in is a combination of Title XIX and general fund at the same match used for medicaid.

The following table shows the cost of the Part-B premiums from fiscal 1982 through 1984 and the approved funding for the 1987 biennium.

Caseload and Premium Costs for Medicare Part-B Insurance
Fiscal 1982 through Fiscal 1987

| Fiscal Year | 1982 | 1983 | 1984 | 1986 | 1987 | % Change FY 84-86 |
|---|---|---|---|---|---|---|
| Caseload | 7,653 | 7,377 | 7,423 | 7,200 | 7,200 | 13.0 |
| Premium | $ 11.00 | $ 13.40 | $ 13.40 | $ 17.35 | $ 20.20 | 24.4 |
| General Fund | 667,378 | 722,875 | 802,968 | 932,403 | 1,085,564 | 16.1 |
| Federal Fund | 342,818 | 357,197 | 390,658 | 566,637 | 659,716 | 45.0 |
| Total | $1,010,196 | $1,080,072 | $1,193,626 | $1,499,040 | $1,745,280 | 25.6 |

Medicaid--Other

Medicaid-Other includes costs of inpatient and outpatient hospital services, drugs, and other medically related services for recipients of AFDC, SSI and the medically needy.

Because fiscal 1984 is the base year used to calculate the current level budget for the 1987 biennium, it is critical that the estimate of actual fiscal 1984 expenditures be accurate. Using the most recent data available, January 1985, a revised estimate of fiscal 1984 costs were made to take into account the time lag between when the services were actually provided and when the payment for services was made. The following table compares the original estimate of medicaid--other made during July 1984, and the revised estimate based upon the January 1985 data. The amount SRS recorded as medicaid expenses from their fiscal 1984 appropriation understated the costs by approximately 7.2 percent.

Comparison of Original and Revised Estimates of Fiscal 1984 Expenditure Base

| Recipient | Department Original | January Estimate | Difference | % Change |
|---|---|---|---|---|
| AFDC | $21,215,359 | $22,419,829 | $1,204,407 | 5.7 |
| SSI | 19,740,494 | 21,482,147 | 1,741,653 | 8.8 |
| Total Cost | $40,955,853 | $43,901,976 | $2,946,060 | 7.2 |

Because the AFDC and SSI populations differ in terms of service utilization and costs, calculation of benefits for these two populations are made separately.

The AFDC medicaid-other costs were based upon a projected caseload of 7,490 in fiscal 1986 and 7,483 in fiscal 1987.

Comparison of Fiscal 1984 Through Fiscal 1987
AFDC Medicaid Caseload and Costs

| | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|
| Caseload | 7,125 | 7,490 | 7,483 |
| Costs-Subcommittee | $22,419,829 | $25,635,676 | $26,892,302 |
| Percent Change | | 14.3% | 4.9% |

In calculating the costs for medicaid services, a 4, 4.5, and 5 percent inflation factor was used for the fiscal 1984 base to fiscal 1987. These inflation factors assume that cost containment measures adopted by SRS will be effective in reducing the rate of inflation for health care. The following table shows the cost per service, number of services and total costs by service for AFDC medicaid-other before estimated costs of $1,869,689 in fiscal 1986 and $2,284,193 in fiscal 1987 were added as a result of the addition of the unemployed parent to the AFDC caseload.

AFDC-Medicaid
Cost Per Service, Total Services and Total Costs Fiscal 1984 and 1987 Biennium

| | Cost/Service | | | | | Total Services | | | | | Total Costs | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 | * | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 | * | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 |
| Inpatient | 155.32 | 168.80 | 177.24 | 8.7 | * | 70,115 | 73,769 | 73,700 | 5.2 | * | 10,890,195 | $12,452,258 | $13,062,651 | 14.3 |
| Outpatient | 26.36 | 28.65 | 30.08 | 8.7 | * | 53,748 | 56,545 | 56,496 | 5.2 | * | 1,416,792 | 1,620,014 | 1,699,425 | 14.3 |
| Physicians | 25.66 | 27.89 | 29.28 | 8.7 | * | 191,740 | 201,713 | 201,555 | 5.2 | * | 4,920,050 | 5,625,770 | 5,901,537 | 14.3 |
| Other Practices | 13.69 | 14.88 | 15.62 | 8.7 | * | 73,343 | 77,156 | 77,104 | 5.2 | * | 1,004,062 | 1,148,083 | 1,204,360 | 14.3 |
| Drugs | 9.10 | 9.89 | 10.38 | 8.7 | * | 94,579 | 99,507 | 99,457 | 5.2 | * | 860,672 | 984,124 | 1,032,365 | 14.3 |
| Dental | 21.05 | 22.88 | 24.02 | 8.7 | * | 83,415 | 87,751 | 87,684 | 5.2 | * | 1,755,892 | 2,007,753 | 2,106,170 | 14.3 |
| Other | 9.95 | 10.81 | 11.36 | 8.7 | * | 158,007 | 166,297 | 166,003 | 5.2 | * | 1,572,166 | 1,797,674 | 1,885,794 | 14.3 |

A procedure similar to that use in calculating AFDC medical costs was used to calculate the Aged, Blind, and Disabled (SSI) medicaid-other. For SSI, however, the caseload was held constant at 10,700 per year and inflation factors of 4, 4, and 4 percent were used. The medicaid-other for the SSI population approved by the committee was $24,059,810 in fiscal 1986 and $25,025,089 in fiscal 1987. The following table shows the cost per service, number of services and total costs for Aged, Blind, and Disabled medicaid-other.

Aged, Blind, and Disabled

Cost per Service, Total Services, and Total Cost for 1984 and 1987 Biennium

| | Cost/Service | | | | Total Services | | | | Total Costs | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 |
| Inpatient | 216.46 | 234.12 | 243.48 | 8.1 | 38,158 | 39,722 | 39,722 | 4.1 | 8,259,681 | 9,299,715 | 9,671,513 | 12.6 |
| Outpatient | 37.17 | 40.21 | 41.82 | 8.1 | 17,606 | 18,328 | 18,328 | 4.1 | 654,415 | 736,969 | 766,477 | 12.6 |
| Physicians | 19.30 | 20.07 | 20.87 | 8.1 | 103,248 | 107,479 | 107,479 | 4.1 | 1,992,686 | 2,157,104 | 2,243,087 | 12.6 |
| Other Practices | 12.61 | 13.11 | 13.63 | 8.1 | 42,383 | 44,120 | 44,120 | 4.1 | 534,450 | 578,413 | 601,356 | 12.6 |
| Drugs | 11.06 | 11.96 | 12.44 | 8.1 | 347,785 | 362,038 | 362,038 | 4.1 | 3,846,502 | 4,329,974 | 4,503,753 | 12.6 |
| Dental | 30.67 | 31.90 | 33.18 | 8.1 | 347,785 | 362,038 | 362,038 | 4.1 | 3,846,502 | 4,329,974 | 4,503,753 | 12.6 |
| Other | 6.38 | 6.91 | 7.19 | 8.1 | 878,704 | 914,716 | 914,716 | 4.1 | 5,606,132 | 6,320,688 | 6,576,808 | 12.6 |

During the 1987 biennium, the matching rate for the state/federal share in funding the medicaid program will increase from an average rate of 62.75 percent federal funds for the 1985 biennium to 65.89 percent in fiscal 1986 and 66.38 percent in fiscal 1987. The effect of this change will be to increase the federal share of the costs of the program by approximately $1,611,194 in fiscal 1986 and $1,967,532 in fiscal 1987 above what would have been paid had the match rate remained at the 1985 biennium level. However, if the federal government should lower the match rate in future years, the state would have to either increase the general fund to offset the reduced medicaid federal funds or cut services. As may be seen from the following table, although total expenditures for medicaid other increase 16.9 percent, the general fund increase is only 4.4 percent.

The table also shows that although the costs between fiscal 1984 and 1986 increase by 16.9 percent, the total cost change shown from the amount recorded in state accounting records as expenditures in fiscal 1984 to the subcommittee's fiscal 1986 appropriation will be a 25.3 percent increase. The difference between the 16.9 percent and the 25.3 percent increase is due to the costs officially recorded for fiscal 1984 being understated.

Total Medicaid Benefits
1987 Biennium

| | - - - Subcommittee | - - - | - - - | - - - | | | |
|---|---|---|---|---|---|---|---|
| | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984/1986 | Recorded Fiscal 1984 | Subcommittee Fiscal 1986 | % Change 1984/1986 |
| AFDC | $22,419,829 | $27,252,136 | $29,176,495 | 21.5 | $21,215,359 | $27,252,136 | 28.5 |
| SSI | 21,471,882 | 24,059,810 | 25,025,498 | 12.1 | 19,740,494 | 24,059,810 | 21.9 |
| Total | $43,891,711 | $51,311,946 | $54,201,993 | 16.9 | $40,955,853 | $51,311,946 | 25.3 |
| General Fund | $16,757,855 | $17,502,505 | $18,222,710 | 4.4 | $15,636,945 | $17,502,505 | 11.9 |
| Federal Fund | 27,133,856 | 33,809,441 | 35,979,283 | 24.6 | 25,318,908 | 33,809,441 | 33.5 |
| Total Fund | $43,891,711 | $51,311,946 | $54,201,993 | 16.9 | $40,955,853 | $51,311,946 | 25.3 |

Medicaid Nursing Home

Caseload and per day costs are the two factors that contribute to the total medicaid costs for nursing homes. During the 1985 biennium, medicaid nursing home rates were established under a formula designed jointly by SRS and the nursing home industry. In 1984, the nursing homes filed a class action suit against SRS to block changes in the formula proposed by SRS. As part of the lawsuit settlement, SRS agreed to provide a 4 percent increase for nursing home operating costs and 2.5 percent property cost increase each year of the 1987 biennium. The funding level approved for fiscal 1986 and 1987 includes these increases in the nursing home rate.

Nursing Homes Reimbursement for Fiscal 1987

| | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 | % Change 1984-1986 |
|---|---|---|---|---|
| Per Day Cost | 42.33 | 45.33 | 47.03 | 7.0 |
| Patient Contribution | (10.47) | (11.19) | (11.75) | 6.9 |
| State Cost Per Day | 31.86 | $34.14 | $35.28 | 7.2 |
| Number of Care Days | 1,215,331 | 1,266,311 | 1,266,311 | 4.2 |
| Nursing Home Cost | $38,722,686 | $43,231,857 | $44,675,452 | 11.6 |

The comm ee approved projected nursing home days of 1,266,311 for cal 1986 and 1987. This projection includes 149 additiona. nursing home beds that have been approved for construction through the certificate of need process. The committee also anticipates that with the additional services provided under the medicaid waiver for home and community based services as an alternative to nursing home care, there may be a reduction in the need for additional medicaid nursing home beds.

Medicaid-Institutions

Institutional medicaid reimbursement is a function of care days provided, multiplied by the total institutional cost per day, minus third party collections. With the exception of the new Montana Youth Treatment Center in Billings, there is no change anticipated in institutional care days provided during the 1987 biennium. The approved level of benefits include $13,688,363 in fiscal 1986 and $14,085,559 in fiscal 1987. The following table shows the medicaid funding by institution.

Medicaid Reimbursement by Institution
Fiscal Years 1984, 1986, and 1987

| Institution | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|
| Boulder | $ 7,127,122 | $ 7,680,449 | $ 7,908,760 |
| Center for the Aged | 1,048,892 | 1,126,385 | 1,157,022 |
| Eastmont | 1,087,912 | 1,417,852 | 1,454,795 |
| Galen | 1,006,600 | 1,027,192 | 1,055,875 |
| Warm Springs | 256,778 | 284,591 | 292,805 |
| Youth Center | -0- | 2,151,894 | 2,216,302 |
| Total | $10,527,304 | $13,688,363 | $14,085,559 |

State Medical Assistance

As part of the state's assumption of county welfare programs, SRS has assumed administration and funding for the county medical assistance programs in 12 counties. Under the administrative rules governing the program, medical assistance is provided to individuals whose income and resources are insufficient to pay for needed medical care, but are ineligible for other government programs such as medicaid or medicare. Although this caseload is the same as the General Assistance caseload and has grown significantly since fiscal 1983, according to SRS, actual payments under the State Medical Program have been slightly lower during the first part of fiscal 1985 then were experienced in fiscal 1984. The funding level approved by the committee includes inflation of 4, 4.5, and 5 percent on the cost per service for fiscal 1984 through fiscal 1987 and adjusted downward by $582,474 in fiscal 1986 and $618,192 in fiscal 1987 to reflect changes on the caseload as a result of the unemployed parent addition to AFDC caseloads. This program is 100 percent general fund.

## Medicaid Waiv

During the fiscal 1985 biennium, the legislature authorized SRS to begin establishment of home and community based services for the elderly as an alternative to using home care. During fiscal 1984, SRS expended $67,800 as start-up costs for the year. Total costs for the program during the 1987 biennium equal the number of cases served per day multiplied by the cost per day. Funding for this program is similar to other medicaid services with federal participation of 65.89 percent of total costs in fiscal 1986 and 66.38 percent of total costs in fiscal 1987. The large increase in authorized days of care between fiscal 1984 and 1985 reflects the start-up period needed during fiscal 1984. The following table shows the fiscal 1984 costs, the estimated fiscal 1985 cost and the approved funding for fiscal 1986 and 1987.

Medicaid Home and Community Based Services
Fiscal Years 1984 Through Fiscal 1987

| | FY 84 | FY 85 | FY 86 | FY 87 |
|---|---|---|---|---|
| Days | 4,500 | 70,322 | 73,000 | 73,000 |
| Cost/Day | $15.00 | $15.69 | $16.32 | $16.97 |
| Total Costs | $67,500 | $1,103,352 | $1,191,360 | $1,238,810 |

## Deficit Reduction Act of 1984 (DEFRA)

The Deficit Reduction Act of 1984 (DEFRA) was passed by Congress to provide additional assistance to low income families. Regulations of the act became effective October 1984. There are three major changes in eligibility for medical assistance that will affect the medicaid-other budget: 1) increase in the need standard; 2) coverage for pregnant women and young children; and 3) prolonged disregards of earned income. Because the Act did not become effective until fiscal 1985, it was not possible to make an accurate estimate of the fiscal impact of these changes. The department originally projected a total biennium cost of $10,000,000 associated with the DEFRA changes. However, a revised estimate by the department based upon the impact of the changes during the first five months of fiscal 1985, indicates a total biennium cost of $4,622,444. According to SRS estimates, the DEFRA changes will increase the AFDC caseload by 48 cases each year of the 1987 biennium, and 598 cases for medicaid eligibility. A contingency fund has been approved based upon an SRS estimate of the impact of these changes during the first five months of fiscal 1985.

DEFRA Impact For the Fiscal 1987 Biennium

| | - - - Fiscal 1986 - - - | | - - - Fiscal 1987 - - - | | - - Total Biennium - - | |
|---|---|---|---|---|---|---|
| | General Fund | Total | General Fund | Total | General Fund | Total |
| AFDC | $ 65,229 | $ 191,323 | $ 66,810 | $ 198,720 | $ 132,039 | $ 389,952 |
| Medicaid | 635,050 | 1,861,772 | 797,036 | 2,370,720 | 1,432,086 | 4,232,492 |
| Total | $700,279 | $2,053,095 | $863,846 | $2,569,440 | $1,564,125 | $4,622,444 |

The apr ed level of funding for the contingency fund includes t estimated costs for the first 18 months of the fiscal 1 biennium or $3,341,487 of which $1,132,201 is general fund. This level was adopted to provide the agency sufficient funds until the 1987 legislature convened when if necessary, the department could request supplemental funding. Access to the contingency fund is restricted to documented costs directly attributable to the impact of DEFRA, and the agency may not use these funds until the regular AFDC and medicaid appropriations is expended.

Modified Recommendation: 1) Medicaid Management Information System - The committee approved $1,200,000 for completion of the Medicaid Management Information System. These funds are 90 percent federal medicaid funds and 10 percent general fund. 2) Acute Care Reimbursement - The committee approved $99,664 in fiscal 1986 and $96,544 in fiscal 1987 to develop a new reimbursement system for acute care. The department proposes changing the inpatient hospital reimbursement system from a cost based to prospective payment system. The funds would be used to hire two financial analysts, one clerical position and one accounting technician. The funds are 50 percent general fund and 50 percent federal medicaid funds. 3) Home and Community Based Services: The committee approved funding of $375,449 in fiscal 1986 and $627,302 in fiscal 1987 to expand home and community based services for the elderly. Funds are approved for an additional 90 home and community based slots over the biennium.

Funding for Expanded Home and Community Based Services

| | Fiscal 1986 | Fiscal 1987 |
|---|---|---|
| General Fund | $170,118 | $229,882 |
| Federal Medicaid | 205,331 | 397,420 |
| Total | $375,449 | $627,302 |

4) Physician Position - The committee approved on additional 2.5 physician positions. This position provides medical evaluations for the State Medical Program. No funds are associated with the positions because they are currently paid through a 0.11 FTE position in the medical assistance program.

Agency: Social and Rehabilitation Services

Program: Audit and Program Compliance

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 0.0 |
| Personal Services | $ 944,175 | $ 980,724 | $ 986,713 | $ 981,374 | $ 981,803 | $ 987,818 | $ 982,478 | 3.9 |
| Operating Expenses | 163,436 | 161,576 | 168,884 | 169,526 | 163,024 | 174,345 | 171,745 | 3.3 |
| Equipment | 7,667 | 400 | 6,048 | 400 | 400 | 1,437 | 400 | (94.8) |
| Grants & Benefits | 101,117 | 106,315 | 100,003 | 114,793 | 112,061 | 100,000 | 114,589 | (1.1) |
| Total Exp. | $1,216,395 | $1,249,015 | $1,261,648 | $1,266,093 | $1,257,288 | $1,263,600 | $1,269,212 | 2.8 |
| FUNDING | | | | | | | | |
| General Fund | $ 457,551 | $ 463,708 | $ 588,303 | $ 619,169 | $ 469,200 | $ 585,214 | $ 625,354 | 35.2 |
| Federal Revenue | 758,844 | 785,307 | 673,345 | 646,924 | 788,088 | 678,386 | 643,858 | (16.7) |
| Total Funding | $1,216,395 | $1,249,015 | $1,261,648 | $1,266,093 | $1,257,288 | $1,263,600 | $1,269,212 | 2.8 |

Program Description: The Audit and Program Compliance Division is responsible for auditing contractors, counties, and food stamp issuance offices; performing reviews of public assistance cases to monitor eligibility determination; receiving overpayments of public assistance and medicaid from recipients, providers, and third party payers such as insurance companies; and monitoring the claims processing contractor to ensure that medicaid claims are properly paid.

Current Level Budget: The general fund increase 35.2 percent from fiscal 1984 to fiscal 1986. The principal cause of the increase is the transfer of Social Services block grant fund to the developmentally disabled program.

The current level budget maintains the fiscal 1984 FTE level and operating costs are increased from fiscal 1984 through fiscal 1987 for inflation. Included in federal funds are $36,136 in fiscal 1986 and $33,777 of LIEAP funds to offset costs associated with audits of the LIEAP program. Benefits included for this program are a pass through of federal fund to the Department of Revenue to investigate food stamp fraud.

Modified Recommendations: (1) Additional Auditors. Four additional auditors are added to investigate fraud and increase collection for third party payers for medicaid. Costs for the additional FTE are $88,924 in fiscal 1986, of which $67,374 is general fund, and $85,592 in fiscal 1987, of which $64,871 is general fund. However, if approved, this modified also includes a reduction of $148,048 in general fund within the Medical Assistance and Assistance Payments Programs during fiscal 1986 as a result of anticipated increased collections, and a reduction of $142,387 of general fund in fiscal 1987.

Agency: Department of Social and Rehabilitation Services

Program: Vocational Rehabilitation

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 68.15 | 66.75 | 65.75 | 65.75 | 66.75 | 65.75 | 65.75 | (3.5) |
| Personal Services | $1,389,749 | $1,438,168 | $1,455,242 | $1,431,072 | $1,485,682 | $1,457,802 | $1,433,566 | 3.0 |
| Operating Expenses | 349,592 | 381,817 | 344,290 | 347,126 | 393,009 | 357,143 | 355,368 | (0.1) |
| Equipment | 3,810 | 3,810 | 4,140 | 3,810 | 3,810 | 4,347 | 3,810 | 0.0 |
| Benefits | 2,831,754 | 3,725,281 | 3,066,682 | 2,961,037 | 3,942,519 | 3,219,629 | 3,079,478 | 4.5 |
| Total Exp. | $4,574,905 | $5,594,076 | $4,870,354 | $4,743,045 | $5,825,020 | $5,038,921 | $4,872,222 | 3.7 |
| FUNDING | | | | | | | | |
| General Fund | $ 465,264 | $1,155,176 | $ 571,810 | $ 605,601 | $1,177,645 | $ 584,473 | $ 617,317 | 30.2 |
| State Special Rev. | 586,481 | 480,392 | 517,647 | 462,367 | 464,652 | 554,080 | 484,142 | (21.2) |
| Federal Revenue | 3,523,160 | 3,958,508 | 3,780,897 | 3,675,077 | 4,182,723 | 3,900,368 | 3,770,763 | 4.3 |
| Total Funding | $4,574,905 | $5,594,076 | $4,870,354 | $4,743,045 | $5,825,020 | $5,038,921 | $4,872,222 | 3.7 |

Program Description: The Vocational Rehabilitation Program provides services to vocationally handicapped persons of employable age with the intent of returning those individuals to gainful employment. In addition to the federally funded program of vocational rehabilitation, this program also administers the Extended Employment Program for individuals who are very severely disabled and would not meet the federal criteria of potential gainful employment. The Extended Employment Program is 100 percent general fund, while the federal vocational rehabilitation program is 80/20 match of federal and state funds. During the fiscal 1985 biennium, funds for the state match to the federal vocational program are Industrial Accident and Rehabilitation Account funds (IARA) transferred to SRS from the state Department of Labor. The IARA funds are Workers' Compensation funds derived from contributions by employees enrolled under the state's Workers' Compensation Act. These funds are used to rehabilitate injured workers of the contracting employers and are matched at a 80/20 ratio with federal funds.

Current Level Budget: General fund increase 30.2 percent from fiscal 1984 actual expenditures. This increase results from a combination of a 6 percent increase between fiscal 1984 and 1985, 4 percent increase for each year of the 1987 biennium for the Extended Employment Program, and the addition of $12,000 per year of general fund to be used as match for federal vocational rehabilitation funds. The additional general fund match was approved to increase total funds available for vocational programs for individuals who have non-industrial accident related disabilities and thus would not qualify for federal funds matched by IARA funds.

Personal services is reduced by 2.4 FTE from the fiscal 1984 level. Positions deleted included a .85 rehabilitation counselor position that was vacant throughout fiscal 1984, a 1.0 clerical position that was vacant, and .55 clerical positions that were transferred to visual services.

A $30,000 per year contract to provide training opportunities for blind food service vendors was transferred to the Visual Service Program.

Modified Recom dations: 1. Expansion of General Rehabilitation Services. The committee approved expanded services of $435,775 for fiscal 1986, of which $75,000 is general fund, and $573,596 for fiscal 1987 of which $75,000 is general fund. The additional general funds are included to match available federal revenue and increase services to non-industrial accident related clients.

2. Expansion of Extended Employment Program. Ten additional clients would be served each year of the fiscal 1987 biennium. Total funds for this program are $50,000 in general fund each year. Clients for this program are predominantly chronically mentally ill or borderline mentally retarded who do not qualify for the federally funded vocational program

3. Services to Special Disabled Populations This modified would serve severely disabled individuals such as brain injured, muscular dystrophy and multiple sclerosis who do not otherwise qualify for vocational programs due to the severity of their disability. Funding for the program is $196,000 in fiscal 1986, of which $100,000 is general fund and $96,000 of one-time federal funds for start-up costs and $100,000 is fiscal 1987 all of which is general fund.

Agency: Department of Social and Rehabilitation Services

Program: Disability Determination

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 41.13 | 44.13 | 41.13 | 41.13 | 44.13 | 41.13 | 41.13 | 0.0 |
| Personal Services | $ 960,890 | $1,055,764 | $ 974,454 | $ 974,454 | $1,058,058 | $ 976,400 | $ 976,400 | 1.4 |
| Operating Expenses | 771,358 | 1,105,033 | 850,715 | 1,039,324 | 1,144,448 | 901,759 | 1,082,059 | 35.1 |
| Equipment | 70,112 | 11,000 | 18,370 | 11,000 | 11,000 | 20,207 | 11,000 | (84.3) |
| Benefits | 38,393 | 72,482 | 43,301 | 54,982 | 75,891 | 45,985 | 58,391 | 43.2 |
| Total Exp. | $1,840,753 | $2,244,279 | $1,886,840 | $2,079,760 | $2,289,397 | $1,944,351 | $2,127,850 | 13.1 |
| FUNDING | | | | | | | | |
| Federal Revenue | $1,840,753 | $2,244,279 | $1,886,840 | $2,079,760 | $2,289,397 | $1,944,351 | $2,127,850 | 13.1 |

Language in Bill: No FTE or spending authority may be transferred into or out of this program.

Program Description: The primary function of this federally funded program is to provide disability determination for individuals receiving supplemental security income and social security disability income benefits, and for disabled individuals receiving benefits under the state Medically Needy Program. In addition, the Disability Determination Bureau reviews cases to determine if clients should remain on current rolls or be suspended from the program.

Current Level Budget: The committee increased contracted medical costs by $152,820 in fiscal 1986 and $143,303 in fiscal 1987 for disability redetermination exams of individuals on supplemental security income or social security disability income. The federal government had placed a moratorium on these disability reevaluations during fiscal 1984, but lifted the moratorium in fiscal 1985. These costs are 100 percent federally funded. $24,087 was added for the biennium for client travel costs associated with the additional medical exams. $40,733 was added during the biennium for equipment maintenance contracts; $41,564 for office rent increases in non-state owned facilities.

The program is funded by federal funds and through a contract with the Medical Assistance Program which is budgeted at $45,792 in fiscal 1986 and $48,081 in 1987. This contract is to provide medical examinations to approximately 200 individuals receiving benefits under the medically needed program. General fund pays approximately 34 percent of the contract.

Modified Recommendations: 1. Disability Determination Hearing Unit. The committee approved a disability determination hearing unit added by budget amendment in fiscal 1984. The function of the hearing unit is to give disability beneficiaries, no longer eligible for benefits, an opportunity to request reconsideration of the findings. Two hearings officers and an administrative aid will provide an estimated 350 hearings each year. Federal funds of $171,157 in fiscal 1986 and $171,549 in fiscal 1987 are approved to support this modification.

Agency: Department of Social and Rehabilitation Services — Program: Visual Services

| | FY 1984 | - - - Fiscal 1986 | - - - | - - - | - - - Fiscal 1987 | - - - | - - - | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 20.85 | 19.75 | 20.45 | 20.45 | 19.75 | 20.45 | 20.45 | (1.9) |
| Personal Services | $405,252 | $448,512 | $461,565 | $450,296 | $449,431 | $462,525 | $451,221 | 11.1 |
| Operating Expenses | 126,801 | 133,214 | 131,089 | 166,856 | 135,370 | 136,349 | 170,257 | 32.5 |
| Equipment | 6,311 | 1,000 | 6,859 | 1,000 | 1,000 | 7,201 | 1,000 | (84.2) |
| Benefits | 277,940 | 270,589 | 272,060 | 272,060 | 285,830 | 288,928 | 288,928 | (2.1) |
| Total Exp. | $816,304 | $853,315 | $871,573 | $890,212 | $871,631 | $895,003 | $911,406 | 9.2 |
| FUNDING | | | | | | | | |
| General Fund | $240,179 | $226,508 | $228,634 | $234,314 | $232,404 | $236,507 | $241,788 | (2.4) |
| Federal Revenue | 576,125 | 626,807 | 642,939 | 655,898 | 639,227 | 658,496 | 669,618 | 14.0 |
| Total Funding | $816,304 | $853,315 | $871,573 | $890,212 | $871,631 | $895,003 | $911,406 | 9.2 |

Program Description: The Visual Services Program provides vocational rehabilitation services to the blind and visually impaired. In addition to physical restoration, services include, rehabilitation training, orientation and mobility, business enterprise, independent living, and visual services medical.

Current Level Budget: General fund for this program decreases 2.4 percent from fiscal 1984 to fiscal 1986 while overall expenditures rose 9.2 percent. The lower general fund proportion results from increasing supplemental security income and social security disability income, which do not require any state match, to replace federal vocational rehabilitation funds that do require an 80/20 federal/state match.

Personal services has been reduced by .4 clerical FTE as the result of a number of position transfers between the vocational rehabilitation program, visual services and medicaid assistance program.

Operating costs increased 26.9 percent between fiscal 1984 and 1986 principally as a result of the transfer of $30,000 from the vocational rehabilitation program for the contract for the Blind Vendor Program, reallocation of rent and rent, for non-state office space.

Agency: Department of Social and Rehabilitation Services

Program: Developmental Disabilities

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 30.25 | 39.25 | 30.25 | 30.25 | 42.25 | 30.25 | 30.25 | 0.0 |
| Personal Services | $ 785,175 | $ 1,023,510 | $ 805,376 | $ 805,376 | $ 1,086,753 | $ 807,431 | $ 807,431 | 2.6 |
| Operating Expenses | 265,320 | 366,173 | 244,059 | 263,031 | 318,448 | 247,967 | 254,591 | (1) |
| Equipment | 7,804 | 1,750 | 750 | 750 | -0- | -0- | -0- | (90.4) |
| Grants & Benefits | 13,387,491 | 15,802,158 | 14,253,667 | 14,849,446 | 19,194,493 | 14,966,352 | 15,443,444 | 10.9 |
| Total Exp. | $14,445,790 | $17,193,591 | $15,303,852 | $15,918,603 | $20,599,694 | $16,021,750 | $16,505,466 | 10.2 |
| FUNDING | | | | | | | | |
| General Fund | $11,056,094 | $10,862,352 | $ 3,648,204 | $ 4,096,172 | $14,627,513 | $ 4,970,336 | $ 5,258,011 | (61.1) |
| Federal Revenue | 3,389,696 | 6,331,239 | 11,655,648 | 11,822,431 | 5,972,181 | 11,051,414 | 11,247,455 | 225.3 |
| Total Funding | $14,445,790 | $17,193,591 | $15,303,852 | $15,918,603 | $20,599,694 | $16,021,750 | $16,505,466 | 10.2 |

Program Description: The Developmental Disabilities Program contracts for the provision of community-based services for individuals disabled by mental retardation, epilepsy, cerebral palsy, and autism. The program was initiated with a commitment from the 1975 legislature to promote a least restrictive, community-based living environment for developmentally disabled persons as an alternative to institutionalization. Services provided under the program include day services, adult and child group homes, transportation, semi-independent living, family training, evaluation and diagnosis, and respite services.

Current Level Budget: Although total funds increase 10.2 percent from fiscal 1984 to fiscal 1986, general funds are reduced by 61.1 percent. The general fund reduction is the result of transfer all federal social service block grant funds within the department to this program.

Except for the addition of $17,582 for development of new service standards for DD programs, the personal services and operating expenses were maintained at the fiscal 1984 level, plus inflation of 4, 4.5, and 5 percent per year for operations through fiscal 1987.

Benefits for the DD Program were calculated from the fiscal 1985 contract level and inflated 4 percent each year for fiscal 1986 and 1987. Total benefits for fiscal 1985 were 6.1 percent above the fiscal 1984 expenditure level.

The following table shows the fiscal 1985 contract expenditure base and the approved level of funding for DD benefits in fiscal 1986 and 1987.

Developmental Disabilities Services
Benefits for Fiscal 1986 and 1987

| | Fiscal 1985 Base | Slots | Fiscal 1986 | Fiscal 1987 | % Change 1985-1986 |
|---|---|---|---|---|---|
| Adult Group Home | $ 2,445,151 | 408 | $ 2,707,732 | $ 2,816,042 | 10.7 |
| Intensive Group Home | 1,072,488 | 70 | 1,326,203 | 1,371,251 | 23.65 |
| Child Group Home | 1,000,643 | 57 | 1,061,276 | 1,103,727 | 6.06 |
| Semi-Independent | 771,356 | 232 | 803,446 | 835,584 | 4.1 |
| Day Service | 5,868,655 | 1,122 | 5,970,196 | 6,209,004 | 1.7 |
| Specialized Family | 237,500 | 30 | 416,000 | 432,640 | 75.2 |
| Family Training | 1,046,436 | 408 | 1,150,042 | 1,196,044 | 9.9 |
| Respite | 253,184 | 467 | 244,733 | 254,522 | (3.3) |
| Vocational Placement | 32,290 | 26 | 84,110 | 87,474 | 160.4 |
| Evaluation & Diagnosis | 447,347 | 286 | 353,674 | 367,821 | (20.9) |
| Adaptive Equipment | 66,560 | 250 | 70,305 | 73,117 | 5.62 |
| Transportation | 841,886 | 1,055 | 661,749 | 696,218 | (21.3) |
| Program Transfer | 109,837 | | -0- | -0- | 0.0 |
| Total | $14,193,333 | | $14,849,446 | $15,443,444 | 4.6 |

The following table shows the funding for the developmental disabilities program during the 1987 biennium.

Comparison of Fiscal 1984 and Approved Funding
For the 1987 Biennium

| Funding | Fiscal 1984 | Fiscal 1986 | Fiscal 1987 |
|---|---|---|---|
| General Fund | $11,056,094 | $ 4,294,782 | $ 5,480,694 |
| Federal Medicaid | 808,150 | 827,372 | 878,669 |
| Social Services Block Grant | 1,351,779 | 9,625,549 | 8,979,276 |
| LIEAP Transfer to SSBG | 1,229,767 | 1,169,510 | 1,169,510 |
| Total Funds | $14,445,790 | $15,917,213 | $16,508,149 |

Modified Recommendations: 1. Specialized Foster Care and Special Needs This modification has two functions: 1: specialized foster care is continued at a level of $169,000 in fiscal 1986 and $175,760 in fiscal 1987, continuing a funding switch from general fund to federal funds begun by budget amendment in fiscal 1984; 2) the remaining funds of $40,789 in fiscal 1986 and $42,420 in fiscal 1987 will allow the department to address the special needs of clients with intensive problems requiring innovative training procedures within a variety of settings. Total funds are $209,789 in fiscal 1986 and $218,180 in fiscal 1987. This modification is 100 percent federal funds.

2. Montana Conference on Developmental Disabilities The conference is funded from donations and registration fees, $14,388 is approved for fiscal 1986 and $16,605 for fiscal 1987.

3. Reduction in Developmental Disabilities Waiting List Funds are requested to remove 285 developmentally disabled adults from the waiting list for community based services, and to convert $2.6 million of existing state funded services to the maximum allowable under the federal medicaid waiver. This program would increase residential, vocational and family services. As may be seen from the following table, the modified will increase the base budget by $770,840 of general fund for each year of the 1989 biennium.

Funding
For Reduction in Waiting List Modification

| | Fiscal 1986 | Fiscal 1987 |
|---|---|---|
| General Fund | $ (555,798) | $ 755,775 |
| Medicaid Waiver | 1,310,792 | 1,379,354 |
| Total Cost | $ 754,994 | $2,135,129 |

Agency: Department of Social and Rehabilitation Services

Program: Developmental Disabilities Planning and Advisory Council

| | FY 1984 | Fiscal 1986 | | | Fiscal 1987 | | | FY 84-86 |
|---|---|---|---|---|---|---|---|---|
| | Actual | Executive | Current Level | Subcommittee | Executive | Current Level | Subcommittee | % Change |
| FTE | 2.00 | 2.00 | 2.00 | 3.00 | 2.00 | 2.00 | 3.00 | 50.0 |
| Personal Services | $ 46,005 | $ 46,789 | $ 48,495 | $ 60,410 | $ 47,043 | $ 48,759 | $ 60,686 | 31.3 |
| Operating Expenses | 28,147 | 58,211 | 34,226 | 44,590 | 57,957 | 35,313 | 44,314 | 58.4 |
| Grants & Benefits | 169,002 | 195,000 | 166,277 | 195,000 | 195,000 | 164,544 | 195,000 | 15.4 |
| Total Exp. | $243,154 | $300,000 | $248,998 | $300,000 | $300,000 | $248,616 | $300,000 | 23.4 |
| FUNDING | | | | | | | | |
| Federal Revenue | $243,154 | $300,000 | $248,998 | $300,000 | $300,000 | $248,616 | $300,000 | 23.4 |

Language in Bill: Grant funds appropriated must be used for direct service in accordance with recommendations of the Developmental Disabilities Planning and Advisory Council.

Program Description: The Developmental Disabilities Planning and Advisory Council (DDPAC) was created by Public Law 950602. Functions of the council include advising the department (SRS), other state agencies, councils, local governments, and private organizations on programs for services to the developmentally disabled; developing a plan for statewide system of community-based services for the developmentally disabled; and serving in any capacity required by federal law for the administration of federal programs for services to the developmentally disabled (MCA, 53-20206). This program is entirely federally supported.

Current Level Budget: The current level budget increases $50,000 per year as a result of an increase in the federal grant award from the fiscal 1984 level of $250,000 to $300,000 in fiscal 1986 and 1987. Under federal law, a maximum of 35 percent of the total award may be used for administration. The balance of the grant award may be spent in support of demonstration projects, educational projects or programs that improve coordination of state-wide developmental disabilities services.

The current level increased by 1 FTE administration aid position to assist the councils in coordinates meetings and monitoring grants.

Human Services
Subcommittee Modified Recommendations

| Agency | Fiscal 1986 General Fund | Fiscal 1986 Other | Fiscal 1986 Total | Fiscal 1987 General Fund | Fiscal 1987 Other | Fiscal 1987 Total |
|---|---|---|---|---|---|---|
| **Health and Environmental Sciences** | | | | | | |
| 1. Child Nutrition Auditor | $ -0- | $ 25,000 | $ 25,000 | $ -0- | $ 25,000 | $ 25,000 |
| 2. Records & Statistics Equip. | 21,848 | -0- | 21,848 | 3,996 | -0- | 3,996 |
| 3. Hazardous Waste | -0- | 135,486 | 135,486 | -0- | 129,181 | 129,181 |
| 4. Hazardous Waste Inventory | -0- | 41,941 | 41,941 | -0- | 41,801 | 41,801 |
| 5. Superfund | -0- | 2,082,558 | 2,082,558 | -0- | 2,759,270 | 2,759,270 |
| 6. Solid Waste Lawyer | 5,138 | 10,276 | 15,414 | 5,140 | 10,280 | 15,420 |
| 7. Tribal Air Quality | -0- | 48,412 | 48,412 | | 48,509 | 48,509 |
| 8. Scobey Air Monitoring | -0- | -0- | -0- | 15,000 | -0- | 15,000 |
| 9. Air Quality Lawyer | -0- | 15,414 | 15,414 | -0- | 15,420 | 15,420 |
| 10. X-Ray Technicians | 41,072 | -0- | 41,072 | 34,084 | -0- | 34,084 |
| 11. Clark Fork Project | -0- | 93,004 | 93,004 | -0- | -0- | -0- |
| 12. Groundwater Control | -0- | 92,778 | 92,778 | -0- | 92,842 | 92,842 |
| 13. PKU Testing | 145,600 | 21,550 | 167,150 | -0- | 75,973 | 75,973 |
| 14. Mouthrinse Program | -0- | 15,000 | 15,000 | -0- | 15,000 | 15,000 |
| 15. Risk Appraisal | -0- | 12,000 | 12,000 | -0- | -0- | -0- |
| 16. Perinatal Program | -0- | 204,599 | 204,599 | -0- | 220,819 | 220,819 |
| 17. Women, Infants and Children | -0- | 818,399 | 818,399 | -0- | 818,419 | 818,419 |
| 18. Child Nutrition | -0- | 213,805 | 213,805 | -0- | 213,818 | 213,818 |
| 19. Cleft Palate | -0- | 52,500 | 52,500 | -0- | 52,500 | 52,500 |
| 20. Surveyors | 27,405 | 33,901 | 61,306 | 25,763 | 32,080 | 57,843 |
| 21. Nursing Staff | -0- | 56,190 | 56,190 | -0- | 56,190 | 56,190 |
| 22. Family Planning Staff | -0- | 11,649 | 11,649 | -0- | 11,653 | 11,653 |
| Total Agency | $ 241,063 | $3,984,462 | $4,225,525 | $ 83,983 | $4,618,755 | $4,702,738 |
| **Social and Rehabilitation Services** | | | | | | |
| 23. Solar Bank | $ -0- | $ 187,500 | $ 187,500 | $ -0- | $ 187,500 | $ 187,500 |
| 24. Food Assistance | -0- | 156,400 | 156,400 | -0- | 156,400 | 156,400 |
| 25. Job Search | -0- | 174,578 | 174,578 | -0- | 231,752 | 231,752 |
| 26. Advocacy Assistance | -0- | 49,200 | 49,200 | -0- | 49,239 | 49,239 |
| 27. Foster Youth Support | 82,651 | 160,439 | 243,090 | 86,651 | 168,204 | 254,855 |
| 28. Social Workers | 233,018 | 33,288 | 266,306 | 601,831 | 85,976 | 687,807 |
| 29. Eligibility Technician | 35,430 | 178,896 | 214,326 | 96,202 | 377,826 | 424,028 |
| 30. LIEAP and Food Stamp FTE | -0- | -0- | -0- | -0- | -0- | -0- |
| 31. MMIS | 120,000 | 1,080,000 | 1,200,000 | -0- | -0- | -0- |
| 32. Home Services for Elderly | 170,118 | 205,331 | 375,449 | 229,882 | 397,420 | 627,302 |
| 33. Acute Care Reimbursement | 49,832 | 49,832 | 99,664 | 48,272 | 48,272 | 96,544 |
| 34. Audit FTE | (75,674) | (67,402) | (143,076) | (77,516) | (68,892) | (146,408) |
| 35. Hearing Unit | -0- | 171,157 | 171,157 | -0- | 171,549 | 171,549 |
| 36. Expand Rehab. Serv. | 75,000 | 360,775 | 435,775 | 75,000 | 498,596 | 573,596 |
| 37. Extended Employment | 50,000 | -0- | 50,000 | 50,000 | -0- | 50,000 |
| 38. Special Population | 100,000 | 96,000 | 196,000 | 150,000 | -0- | 150,000 |
| 39. Specialized Foster Care | -0- | 209,789 | 209,789 | -0- | 218,180 | 218,180 |
| 40. DD Conference | -0- | 14,338 | 14,338 | -0- | 14,338 | 14,338 |
| 41. Waiting List | (555,798) | 1,310,792 | 754,994 | 755,775 | 1,379,354 | 2,135,129 |
| Total Agency | $ 284,577 | $4,370,913 | $4,655,490 | $2,016,097 | $3,915,714 | $5,881,811 |

Human Services
Subcommittee Modified Recommendations
Continued

| Agency | Fiscal 1986 General Fund | Fiscal 1986 Other | Fiscal 1986 Total | Fiscal 1987 General Fund | Fiscal 1987 Other | Fiscal 1987 To |
|---|---|---|---|---|---|---|
| Department of Labor and Industry | | | | | | |
| 42. Part-time Compliance Officer | $ 4,302 | $ 12,905 | $ 17,207 | $ 4,304 | $ 12,911 | $ 17,215 |
| 43. Part-time Compliance Supervisor | 18,131 | -0- | 18,131 | 17,521 | -0- | 17,521 |
| 44. Management Training | -0- | 48,880 | 48,880 | -0- | 48,880 | 48,880 |
| 45. Random Audit | -0- | 183,908 | 183,908 | -0- | 181,005 | 181,005 |
| 46. Employment Statistics | -0- | 103,073 | 103,073 | -0- | 85,813 | 85,813 |
| 47. Montana Career Information System | -0- | 43,079 | 43,079 | -0- | 43,089 | 43,089 |
| 48. Claims Examiners | -0- | 94,466 | 94,466 | -0- | 94,386 | 94,386 |
| 49. State Insurance Fund | -0- | 103,326 | 103,326 | -0- | 85,841 | 85,841 |
| 50. Crime Victims Fund | -0- | 150,000 | 150,000 | -0- | 150,000 | 150,000 |
| Total Agency | $ 22,433 | $ 739,637 | $ 762,070 | $ 21,825 | $ 701,925 | $ 723,750 |
| Total Subcommittee | $548,073 | $9,095,012 | $ 9,643,085 | $2,136,905 | $9,236,394 | $11,323,299 |

TPLEG:dhes mod 2-16-5

B. HUMAN SERVICES

| | Fiscal 1986 General Fund | Fiscal 1986 State Special Revenue | Fiscal 1986 Federal Special Revenue | Fiscal 1986 Proprietary | Fiscal 1986 Total | Fiscal 1987 General Fund | Fiscal 1987 State Special Revenue | Fiscal 1987 Federal Special Revenue | Fiscal 1987 Proprietary | Fiscal 1987 Total |
|---|---|---|---|---|---|---|---|---|---|---|
| DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES | | | | | | | | | | |
| 1. Financial Services Division | | | | | | | | | | |
| a. Administration | | | | | | | | | | |
| | | | 145,971 | | 145,971 | | | 148,887 | | 148,887 |
| b. Fiscal Bureau | | | | | | | | | | |
| | | | 286,366 | | 286,366 | | | 288,072 | | 288,072 |
| c. Audit | | | | | | | | | | |
| | | | 42,000 | | 42,000 | | | | | |
| d. Records and Statistics Bureau | | | | | | | | | | |
| | 212,670 | 72,269 | 63,423 | | 348,362 | 224,162 | 72,203 | 63,423 | | 359,788 |
| 2. Environmental Sciences | | | | | | | | | | |
| a. Administration | | | | | | | | | | |
| | | 113,645 | | | 113,645 | | 113,999 | | | 113,999 |
| b. Food & Consumer Safety | | | | | | | | | | |
| | 328,488 | 204,000 | | | 532,488 | 330,793 | 206,000 | | | 536,793 |
| c. Solid Waste Management | | | | | | | | | | |
| | 73,128 | 1,059,721 | 175,826 | | 1,308,675 | 72,962 | 1,091,598 | 176,254 | | 1,340,814 |
| d. Air Quality | | | | | | | | | | |
| | 320,657 | | 506,565 | | 827,222 | 320,657 | | 509,329 | | 829,986 |
| e. Occupational Health | | | | | | | | | | |

| | Fiscal 1986 | | | | | Fiscal 1987 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
| | 172,842 | | | | 172,842 | 172,041 | | | | 172,041 |
| f. Water Quality | | | | | | | | | | |
| | 293,972 | 188,175 | 1,110,955 | | 1,593,102 | 296,531 | 190,817 | 1,113,752 | | 1,601,100 |
| 3. Management Services Division | | | | | | | | | | |
| a. Administration | | | | | | | | | | |
| | 167,781 | 48,000 | 26,815 | | 242,596 | 166,255 | 51,000 | 19,892 | | 237,147 |
| b. Microbiology Laboratory | | | | | | | | | | |
| | 225,350 | 75,400 | 34,000 | | 334,750 | 221,452 | 75,400 | 34,000 | | 330,852 |
| c. Contingency Fund | | | | | | | | | | |
| | | 50,000 | | | 50,000 | | | | | |
| d. Chemistry Laboratory | | | | | | | | | | |
| | 86,411 | 200,217 | | | 286,628 | 81,377 | 171,013 | | | 252,390 |
| e. Data Processing | | | | | | | | | | |
| | | | 36,213 | | 36,213 | | | 33,600 | | 33,600 |
| 4. Health Services and Medical Facilities Division | | | | | | | | | | |
| a. Administration | | | | | | | | | | |
| | 33,734 | | 33,833 | | 67,567 | 33,864 | | 33,895 | | 67,759 |
| b. Dental | | | | | | | | | | |
| | 66,920 | | 48,714 | | 115,634 | 67,263 | | 49,257 | | 116,520 |
| c. Nursing | | | | | | | | | | |
| | 194,166 | | 1,322,763 | | 1,516,929 | 193,335 | | 1,330,905 | | 1,524,240 |

| | Fiscal 1986 | | | | | Fiscal 1987 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
| d. Clinical | | | | | | | | | | |
| | 120,652 | | 8,238,058 | | 8,358,710 | 129,581 | | 8,235,570 | | 8,365,151 |
| e. Emergency Medical | | | | | | | | | | |
| | 295,972 | 45,172 | 185,439 | | 526,583 | 303,656 | 44,567 | 204,855 | | 553,078 |
| f. Health Planning and Resource Development | | | | | | | | | | |
| | 126,401 | | 213,258 | | 339,659 | 125,435 | | 213,916 | | 339,351 |
| g. Licensing and Certification | | | | | | | | | | |
| | 223,038 | | 302,473 | | 525,511 | 224,932 | | 305,069 | | 530,001 |
| 5. Legal Unit | | | | | | | | | | |
| | 104,482 | | | | 104,482 | 105,589 | | | | 105,589 |
| 6. Director's Office | | | | | | | | | | |
| | 387,511 | | 803,449 | | 1,190,960 | 384,710 | | 776,214 | | 1,160,924 |
| 7. Board of Health | | | | | | | | | | |
| | 18,638 | | | | 18,638 | 18,638 | | | | 18,638 |
| Total | | | | | | | | | | |
| | 3,452,813 | 2,056,599 | 13,576,121 | | 19,085,533 | 3,473,233 | 2,016,597 | 13,536,890 | | 19,026,720 |

The total appropriation for the department includes $1,699,637 in fiscal 1986 and $1,668,151 in fiscal 1987 of the maternal and child health block grant and $522,935 in fiscal 1986 and $549,203 in fiscal 1987 of the preventive health block grant. To the extent revenues from these grants exceed those amounts, it shall be distributed to the counties. To the extent revenues from these grants are less than these amounts, distributions to the counties shall be reduced.

| | Fiscal 1986 General Fund | Fiscal 1986 State Special Revenue | Fiscal 1986 Federal Special Revenue | Fiscal 1986 Proprietary | Fiscal 1986 Total | Fiscal 1987 General Fund | Fiscal 1987 State Special Revenue | Fiscal 1987 Federal Special Revenue | Fiscal 1987 Proprietary | Fiscal 1987 Total |
|---|---|---|---|---|---|---|---|---|---|---|

The Department of Health and Environmental Sciences shall use the Attorney General's legal fee rate to charge federal programs for services performed by the Department of Health and Environmental Sciences, Legal Services Bureau. Use of federal appropriation authority of $42,701 in fiscal 1986 and $52,472 in fiscal 1987 shall be used only to purchase legal services from the Department of Health and Environmental Sciences, Legal Services Bureau. All legal services performed for federal programs shall be billed and all fees collected shall be deposited to the general fund.

Resource indemnity trust funds allocated to the Department of Health and Environmental Sciences as per 15-38-202, MCA, received in excess of $358,240 in fiscal 1986 and $417,192 in fiscal 1987 are appropriated for use by the Solid and Hazardous Waste Bureau for the hazardous waste and superfund programs.

Item 3c is for reimbursable laboratory work in excess of $253,804 in fiscal 1986 and $226,915 in fiscal 1987. This laboratory work does not include water test fees.

DEPARTMENT OF LABOR & INDUSTRY

| | Fiscal 1986 General Fund | Fiscal 1986 State Special Revenue | Fiscal 1986 Federal Special Revenue | Fiscal 1986 Proprietary | Fiscal 1986 Total | Fiscal 1987 General Fund | Fiscal 1987 State Special Revenue | Fiscal 1987 Federal Special Revenue | Fiscal 1987 Proprietary | Fiscal 1987 Total |
|---|---|---|---|---|---|---|---|---|---|---|
| 1. Commissioner's Office | | | 167,010 | | 167,010 | | | 166,390 | | 166,390 |
| 2. Labor Standards | 539,120 | 3,250 | | | 542,370 | 543,827 | 3,250 | | | 547,077 |
| 3. Appeals | 305,024 | | 228,517 | 3,500 | 537,041 | 308,308 | | 229,907 | 3,500 | 541,715 |
| 4. Human Rights | 199,016 | | 112,971 | | 311,987 | 206,483 | | 108,721 | | 315,204 |
| 5. Employment Security Division | | | | | | | | | | |
| a. Job Services | | | | | | | | | | |

| | Fiscal 1986 | | | | | Fiscal 1987 | | | |
|---|---|---|---|---|---|---|---|---|---|
| General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
| | | 10,487,746 | | 10,487,746 | | | 10,550,742 | | 10,550,742 |
| b. Unemployment Insurance | | | | | | | | | |
| | | 2,385,027 | | 2,385,027 | | | 2,385,992 | | 2,385,992 |
| c. Central Services | | | | | | | | | |
| | | 4,048,601 | | 4,048,601 | | | 3,984,625 | | 3,984,625 |
| d. Audit | | | | | | | | | |
| | | | | | | | 56,700 | | 56,700 |
| e. Job Training Partnership Act | | | | | | | | | |
| 334,000 | | 7,100,000 | | 7,434,000 | 334,000 | | 7,100,000 | | 7,434,000 |
| 6. Workers' Compensation | | | | | | | | | |
| a. Operations | | | | | | | | | |
| 716,179 | 6,427,122 | 72,118 | | 7,215,419 | 681,194 | 6,452,634 | 71,837 | | 7,205,665 |
| b. Audit | | | | | | | | | |
| | 40,000 | | | 40,000 | | | | | |
| Total | | | | | | | | | |
| 716,179 | 6,467,122 | 72,118 | | 7,255,419 | 681,194 | 6,452,634 | 71,837 | | 7,205,665 |

Item 5a includes federal spending authority for current level operations of all existing job service offices. If federal funds are less than these amounts, the department may supplement federal funds with state unemployment assessments as provided in 39-51-404(4), MCA.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

| | Fiscal 1986 | | | | | Fiscal 1987 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
| 1. Assistance Payments | | | | | | | | | | |
| a. Operations | 669,713 | | 2,358,296 | | 3,028,009 | 678,507 | | 2,392,658 | | 3,071,165 |
| b. Benefits | | | | | | | | | | |
| i. Nonresident General Assistance | 130,000 | | | | 130,000 | 130,000 | | | | 130,000 |
| ii. State General Assistance | 2,934,665 | | | | 2,934,665 | 3,528,095 | | | | 3,528,095 |
| iii. AFDC | 10,119,903 | | 21,364,804 | | 31,484,707 | 10,637,321 | | 22,906,919 | | 33,544,240 |
| iv. Other Benefits | 174,701 | | 14,554,577 | | 14,729,278 | 180,882 | | 13,910,732 | | 14,091,614 |
| v. Legal Services | 100,000 | | | | 100,000 | 100,000 | | | | 100,000 |
| Total | 14,128,982 | | 38,277,677 | | 52,406,659 | 15,254,805 | | 39,210,309 | | 54,465,114 |
| 2. Social Services | | | | | | | | | | |
| a. Operations | 6,798,227 | | 2,019,566 | | 8,817,793 | 6,818,836 | | 2,021,663 | | 8,840,499 |
| b. Benefits | | | | | | | | | | |

| | Fiscal 1986 | | | | | Fiscal 1987 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
| | 5,785,923 | | 6,826,469 | | 12,612,392 | 6,016,052 | | 6,925,646 | | 12,941,698 |
| c. Legacy Legislature | | | | | | | | | | |
| | 2,500 | | | | 2,500 | | | | | |
| Total | 12,586,650 | | 8,846,035 | | 21,432,685 | 12,834,888 | | 8,947,309 | | 21,782,197 |
| 3. Eligibility Determination | 1,993,101 | | 4,563,175 | | 6,556,276 | 1,997,107 | | 4,572,373 | | 6,569,480 |
| 4. Administration and Support | | | | | | | | | | |
| a. Operations | 1,523,389 | | 1,389,301 | | 2,912,690 | 1,594,114 | | 1,344,281 | | 2,938,395 |
| b. Legislative Audit | 115,500 | | | | 115,500 | | | | | |
| Total | 1,638,889 | | 1,389,301 | | 3,028,190 | 1,594,114 | | 1,344,281 | | 2,938,395 |
| County Assumption - Administration | 963,626 | | 362,018 | | 1,325,644 | 962,009 | | 361,382 | | 1,323,391 |
| 5. Medical Assistance | | | | | | | | | | |
| a. Operations | 939,470 | | 1,670,166 | | 2,609,636 | 954,763 | | 1,697,357 | | 2,652,120 |

| | Fiscal 1986 General Fund | Fiscal 1986 State Special Revenue | Fiscal 1986 Federal Special Revenue | Fiscal 1986 Proprietary | Fiscal 1986 Total | Fiscal 1987 General Fund | Fiscal 1987 State Special Revenue | Fiscal 1987 Federal Special Revenue | Fiscal 1987 Proprietary | Fiscal 1987 Total |
|---|---|---|---|---|---|---|---|---|---|---|
| b. Benefits | | | | | | | | | | |
| i. State Medical | | | | | | | | | | |
| | 2,954,772 | | | | 2,954,772 | 3,237,525 | | | | 3,237,525 |
| ii. Medicaid - Institution Reimbursement | | | | | | | | | | |
| | 4,669,101 | | 9,019,262 | | 13,688,363 | 4,735,565 | | 9,349,994 | | 14,085,559 |
| iii. DEFRA - Contingency | | | | | | | | | | |
| | 1,132,201 | | 2,209,286 | | 3,341,487 | | | | | |
| iv. Other Benefits | | | | | | | | | | |
| | 16,085,163 | | 31,548,037 | | 47,633,200 | 16,521,939 | | 32,848,832 | | 49,370,771 |
| v. Medicaid - Other | | | | | | | | | | |
| | 17,237,470 | | 33,298,474 | | 50,535,944 | 17,961,792 | | 35,464,202 | | 53,425,994 |
| Total | | | | | | | | | | |
| | 43,018,177 | | 77,745,225 | | 120,763,402 | 43,411,584 | | 79,360,385 | | 122,771,969 |
| 6. Audit and Program Compliance | | | | | | | | | | |
| | 619,169 | | 646,924 | | 1,266,093 | 625,354 | | 643,858 | | 1,269,212 |
| 7. Vocational Rehabilitation | | | | | | | | | | |
| | 605,601 | 462,367 | 3,675,077 | | 4,743,045 | 617,317 | 484,142 | 3,770,763 | | 4,872,222 |
| 8. Disability Determination | | | | | | | | | | |
| | | | 2,079,760 | | 2,079,760 | | | 2,127,850 | | 2,127,850 |
| 9. Visual Services | | | | | | | | | | |

| | Fiscal 1986 | | | | | Fiscal 1987 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
| | 234,314 | . | 655,898 | | 890,212 | 241,788 | | 669,618 | | 911,406 |
| 10. Developmental Disabilities | | | | | | | | | | |
| a. Operations | 268,563 | | 800,594 | | 1,069,157 | 265,982 | | 796,040 | | 1,062,022 |
| b. Benefits | 3,827,609 | | 11,021,837 | | 14,849,446 | 4,992,029 | | 10,451,415 | | 15,443,444 |
| Total | 4,096,172 | | 11,822,431 | | 15,918,603 | 5,258,011 | | 11,247,455 | | 16,505,466 |
| 11. DDPAC | | | | | | | | | | |
| a. Operations | | | 104,704 | | 104,704 | | | 104,285 | | 104,285 |
| b. Benefits | | | 195,000 | | 195,000 | | | 195,000 | | 195,000 |
| Total | | | 299,704 | | 299,704 | | | 299,285 | | 299,285 |
| TOTAL SRS | 79,884,681 | 462,367 | 150,363,225 | | 230,710,273 | 82,796,977 | 484,142 | 152,554,868 | | 235,835,987 |

In each fiscal year, 10% of the low income energy block grant shall be transferred to the social services block grant. If the transfer is greater than $1,169,510 in either fiscal year, a like amount of general fund shall revert. Ten

| | Fiscal 1986 | | | | | Fiscal 1987 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |

percent of the low income energy block grant shall be used for the weatherization program in each fiscal year.

No funds may be transferred out of the nonresident general assistance program or the state general assistance program.

Funds appropriated under item 1bv are for a contract with the Montana Legal Services Corporation to provide legal assistance to all Supplemental Security Income clients with the intent of reducing the state general assistance caseload by a minimum of 180 clients by the end of the 1987 biennium.

If third-party payments or reimbursement from any source received by the department to offset costs of the foster care program are in excess of $320,000 in fiscal 1986 or $320,000 in fiscal 1987, these excess payments shall revert to the general fund.

No FTE or spending authority may be transferred into or out of the eligibility determination program or the disability determination program.

Funds appropriated under item 5biii may be used only for documented costs directly attributable to increases in the AFDC or Medicaid program as a result of the Deficit Reduction Act of 1984. No funds may be expended from item 5biii until the regular appropriation for AFDC and Medicaid is expended.

Funds appropriated under item 11b must be expended for direct services in accordance with recommendations of the Developmental Disabilities Planning and Advisory Council.

| | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total | General Fund | State Special Revenue | Federal Special Revenue | Proprietary | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| TOTAL SECTION B | | | | | | | | | | |
| | 85,430,833 | 8,989,338 | 188,541,336 | 3,500 | 282,965,007 | 88,344,022 | 8,956,623 | 190,746,672 | 3,500 | 288,050,817 |

EXHIBIT 2
March 12, 1985
SRS
MLIC March 12, 1985

TESTIMONY ON BEHALF OF THE MONTANA LOW INCOME COALITION

Have any of you stopped to wonder why it is that you're up there and we're out here? [redacted] The fact is, the only thing that stands between you and me is a job.

For many years my job was caring for my family while my husband worked for the Anaconda Company. When the company shut down, we lost our income. Before long, we lost all the security and the possessions we had earned over the years. Finally, when we became destitute, we became eligible for general assistance. Now some of you want to take that away from us.

In 1980 testimony before the State Board of Health, Anaconda Company lawyers objected to the state's valuation of $300,000 for each human life ended because of air pollution. Anaconda argued that many of the people who die from air pollution are old or unemployed; and, being less economically productive, are worth just $50,000 apiece. This piece of legislation says we are not worth even $2,000 apiece.

Most people who receive general assistance do so for less than six months. The average benefit is around $200 per month. Twelve hundred dollars is not a lot to live on over six months......just enough to keep from dying.

Do not fool yourselves...this is an issue of life and death. Just what do you think we will do if we have no money. Some of you seem to think there is a range of generous programs to meet the needs of the poor. Food stamps are not intended to, and I assure you, do not, provide enough food to keep from starving to death. Energy assistance is provided to only about a third of the needy, and then pays less than half the average utility bill. But then we'll have no need of central heating when we don't have the money with which to rent a house or apartment. If somehow we figure out how to survive, we'll also have to learn to do without such luxuries as soap, clothes, and toilet paper. And as long as we don't get sick, we'll have no need of the medical care we won't be able to pay for.

Surely there must be alternatives to freezing to death, starving, or dying of sickness. Suicide may become an option for some. You can be sure that crime will be the option chosen by others. Some may be excused for thinking it is not wrong to steal when society allows no other access to the necessities of life. Besides, prison may be preferable to dying in the streets.

Somehow it is easy for some to pretend this is not what this legislation would result in. Some people are so removed from the reality of the lives of the rest of us that they cannot comprehend hunger and poverty. For the rest of you, I ask that you face up to the facts...and to your responsibility.

If over a thousand of us were cut from the rolls tomorrow, we would not suddenly find jobs. In case you're not aware of it, three-quarters of general assistance recipients have jobs. It's called workfare. These are not what you would call good jobs. They are dead-end jobs, and often are full of drudgery. Most of all, the pay is awful./ G.A. benefits are set at less than 50% of the poverty level. There are no jobs that pay less than these jobs on workfare. There is no one who has one of these workfare jobs who wouldn't jump in a second at the chance for a real job. It is not our fault that we can't find other jobs. We should not have to die or go to prison because there are not enough jobs.

These are the real issues in this debate. Mr. Lewis has tried to create false issues by dishonestly portraying many recipients of general assistance as people who moved to Montana to get the benefits. The legislative auditor's study proved Mr. Lewis was either terribly misinformed, or he was lying. In either case, public opinion has been unfairly prejudiced. I ask you to disregard what you may perceive to be public opposition to welfare, and to vote your conscience.

The last argument made for cutting welfare is that Montana cannot afford it. I would suggest that Montana cannot afford to turn its back on its poor. We are talking about human needs, the necessities of life. Montana can afford the $5 or $10 million you think you might save with this bill.

What Montana cannot afford is to give millions of dollars to coal companies in tax breaks. Montana cannot afford tax loopholes which favor the wealthy. Montana cannot afford tax policies which in 1983 allowed 40% of the state's corporations to pay less than $50 in state corporate taxes.

Finally, Montana cannot afford to pay for a special session of the legislature. And that is exactly what will happen if you pass this bill. It violates the Montana constitution, through which Montanans have decided the state does have an obligation to meet the needs of its citizens. It violates human rights statutes which prohibit age discrimination.

If this bill passes through this legislature and is signed by the Governor, we will have a court injunction before the ink is dry. The legislature will be forced to reconvene, and then what will happen to all the money you hope to save?

We'll say it again: this bill is not only immoral, it is illegal. It is a disgrace in a supposedly Christian society that we should have to come here and literally beg for our lives. The bill should not leave this room.

[illegible]
[illegible]
[illegible]

Silent Testimony

# AREA AGENCY ON AGING
# MONTANA - AREA II

2031 HEWITT DRIVE
BILLINGS, MONTANA 59102
PHONE (406) 656-6746

March 9, 1985

Representative Francis Bardanouve
Chairman, House Appropriations Committee
Capitol Station
Helena, Montana 59620

Dear Chairman Bardanouve:

I was very disappointed to read in the March 8th Billings Gazette that the Joint Appropriations Subcommittee on Human Services unexpectedly reduced from $800,000 to $400,000 the amount it had earlier recommended for expansion of the Medicaid Waiver Program for the elderly.

As you are aware this program provides an array of home community based services. These services must be prescribed by a written plan developed by the case management team in conjunction with the recipient and the attending physician. Such a plan not only gives the client the freedom of choice of service systems to meet their long term care needs but it also must show that all health and safety needs of the individual are met. In addition the plan must prove that it is cost-efficient. Home based services included in the plan are such services as; case management, homemaker, home health, personal care, respite, adult day care, medical alert, meals, non-medical transportation, physical modifications to the home, and occupational thereapy, physical therapy, speech thereapy and audiology services for habilitation purposes.

The 1983 Legislature in its wisdom appropriated state general funds for start-up of the program in seven counties including Yellowstone County. In addition to the state funds, a match of 60% is provided by Federal funds. As an advocate for the elderly I have had the opportunity to observe this program closely in Yellowstone County and consider it one of the most cost effective and high priority programs.

On behalf of the many elderly who depend and benefit from this program, I respectively request that funds be restored so services can be continued in existing counties and possibly extended to counties with a high priority need.

Sincerely,

S.J. "Stan" Rogers
Area II, Senior Citizens
Advocate

XC: Appropriations Committee Mbrs.
State Aging Coordinator

VISITORS' REGISTER

APPROPRIATIONS COMMITTEE

(HUMAN SERVICES BUDGETS)

BILL NO. HOUSE BILL 500 DATE March 12, 1985 a.m.

SPONSOR BARDANOUVE

| NAME (please print) | RESIDENCE | SUPPORT | OPPOSE |
|---|---|---|---|
| Shirley McGuire | work Lewis & Clark County Res Jefferson County | | X |
| Helen Nickolls | LOW INCOME COALATION 2527 MOULTON - BUTTE | | X |
| Anne MacIntyre | Human Rights Comm | X | |
| David E. Wanzenried | Dept. of Labor/Industry | X | |
| Dianne Donnelly | Mont Assoc of Counties | — | |
| Judy Olson | MT Nurses' Assoc. | | |
| Ann Mary Plussauer | Hlda City-County Health Dept | CHANGES | |
| Bobbie Jean Curtis | MORONY ROUTE Box 41 GRT FALLS | | |
| WADE WILKISON | HELENA | ✓ | |
| Shaun Egan | Helena | | |
| Brian McCullough | Dept L&I | | |
| Rod Sager | Dept of Labor & Ind | ✓ | |
| Paul Pepper | WPEA | | |
| Jim Smith | HRDC Assoc. - Helena | ✓ | ✓ HB 843 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

CS-33

VISITORS' REGISTER

APPROPRIATIONS COMMITTEE

(HUMAN SERVICES BUDGETS)

BILL NO. HOUSE BILL 500 DATE March 12, 1985 p.m. ~~a.m.~~

SPONSOR BARDANOUVE

| NAME (please print) | RESIDENCE | SUPPORT | OPPOSE |
|---|---|---|---|
| Roberta Nutting | Eureka, Mt | ✓ | |
| Bob Frazier | Bozeman | ✓ | |
| Pat Godbout | SRS | | |
| Bob Donaldson | SRS | | |
| Tom Droeger | MRCCA | ✓ | |
| J. Stephen Davis | D.D. Legislation | ✓ | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.