

MINUTES OF THE MEETING  
HUMAN SERVICES SUBCOMMITTEE  
MONTANA STATE  
HOUSE OF REPRESENTATIVES

January 14, 1985

The meeting of the Human Services Subcommittee was called to order by Chairman Winslow on January 14, 1985 at 8:05 a.m. in Room 108 of the State Capitol.

ROLL CALL: All members were present, with the exception of Representative Bradley, who arrived at 9:00 a.m.

Chairman Winslow opened the meeting by explaining the first order of business will be a discussion of the Maternal and Child Health Block Grant and the Preventive Health Block Grant. Peter Blouke of the LFA gave everyone a financial spread sheet with all the bureau's requests through FY 87, the difference between the Executive and LFA's Budget, the modified requests, the funding available, and the remainder to be allocated (EXHIBIT 1&2).

MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT (MCH)

Ray Hoffman discussed the MCH Block Grant (EXHIBIT 3). He highlighted the following areas concerning this grant:

- 1) What the MCH Block Grant can be used for;
- 2) The matching requirement that for every \$7 spent, \$3 must be state monies and \$4 must be federal monies;
- 3) The available time period;
- 4) Administration;
- 5) What the MCH Block Grant may not be used for;
- 6) The Supplanting Clause.

Mr. Hoffman included in his presentation a chart with the actual, budgeted, and executive request for FY 84 through FY 87 (EXHIBIT 4).

Questions followed concerning the Improved Pregnancy Outcome (IPO) Grant being available to Montana, the Cleft Palate funds, and what percentage of the MCH Block Grant over the last two years has been going to administration.

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT (PHB)

Ray Hoffman also discussed the PHB Block Grant (EXHIBIT 5). He highlighted the following areas concerning this grant:

- 1) What the PHB Block Grant can be used for;
- 2) There is no matching requirements such as 4/7 and 3/7;
- 3) The available time period;
- 4) Administration;
- 5) What the PHB Block Grant may not be used for;
- 6) The Supplanting Clause;
- 7) The ability to transfer funds;
- 8) Rape victims use.

HUMAN SERVICES SUBCOMMITTEE

January 14, 1985

Page Two

Mr. Hoffman pointed out that the MCH Block Grant is not specific regarding administration or services to be provided, the PHB Grant is; seven percent of the PHB Grant monies can be transferred to other grants. Mr. Hoffman also included in his presentation of the PHB Grant a chart with the actual, budgeted, and executive request for FY 84 through FY 87 (EXHIBIT 6).

Questions followed concerning the difference between Hypertension and Risk Reduction, when the increase in Title X funding will happen, and the Diabetes and Rape Crisis programs.

END OF TAPE 6, SIDE A

Mr. Hoffman stressed the importance of the Supplanting Clause in the PHB Grant; there are lots of gray areas, and many times those gray areas are decided in favor of the federal government.

Dennis Lang, Director of Health Services for the Missoula City-County Health Department, testified on behalf of the MCH Block Grant (EXHIBIT 7).

Bob Johnson, Director of the Lewis & Clark County Health Department, also testified on behalf of the MCH Block Grant. He represents two counties (Lewis & Clark and Jefferson). He noted there would be a reduction of 49 percent of funds from FY 84 and FY 86 if the 'one time' funds from the categorical grants were considered but still a 39% reduction when these extra funds are discontinued.

Mr. George Fenner introduced Drew Dawson who represented The Emergency Medical Services Bureau. He gave his presentation of the EMS program (EXHIBIT 8).

Questions followed concerning the hypertension funds according to HB 447. If these hypertension funds were not mandated by the federal government, those funds would be given to EMS in FY 85.

Testimony was received by Barry Hjort on behalf of the EMS program. He introduced Linda Williams and Art Bicsak, present and past president of Montana Medical Emergency Services Association (MMESA). Ms. Williams explained the organization, highlighted the goals of MMESA, and pointed out the membership in MMESA has grown.

Questions followed concerning EMS training for wrecker service operators, the air ambulance program, and the Volunteer Fire program.

Dale Taliaferro (6:B:586) presented the Health Planning and Resource Development Bureau (EXHIBIT 9).

END OF TAPE 6, SIDE B

HUMAN SERVICES SUBCOMMITTEE

January 14, 1985

Page Three

Questions followed concerning the legal suits before the Health Planning Bureau. It was pointed out that the federal funds for this program have been nearly expended.

George Fenner discussed The Certificate of Need and the sanctions under the 1122 review.

Jacqueline McKnight presented her overview of the Licensing and Certification Bureau (EXHIBIT 10).

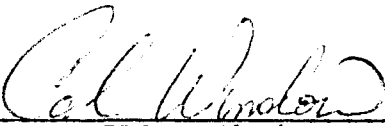
Additional testimony was heard from Wade Wilkeson, Director of Low Income Senior Citizen Advocates (LISCA). He spoke on the behalf of annual and unannounced inspections of nursing homes.

Further testimony was heard from Ms. Rose Skoog (7:A:601) from the Montana Health Care Association. She supported the DHES request of additional staff to conduct inspections of nursing home facilities. The request is of 2 additional FTE's to perform annual inspections.

END OF TAPE 7, SIDE B

Questions followed concerning the Supplemental Security Income (SSI) and how many of the SSI recipients are in nursing homes.

There being no further business, the meeting was adjourned at 10:35 a.m.

  
\_\_\_\_\_  
CAL WINSLOW, Chairman

DAILY ROLL CALL

Human Services Subcommittee

49th LEGISLATIVE SESSION -- 1985

Date 1-14-85

[illegible]



Program	FY84	FY85	Executive	LFA	Difference	Executive	LFA	Difference
Current Programs								
Director's Division								
Rape Crisis	10266	11542	11970	11970	-0-	11970	11970	-0-
Administration	44975	44975	43557	48029	(3442)	48645	48596	49
Management Services Division								
Microbiology Laboratory	33999	34000	34000	34000	-0-	34000	34000	-0-
Health Services Division								
Administration	-0-	-0-	10150	-0-	10150	10168	-0-	10168
Hypertension	76661	24810	-0-	-0-	-0-	-0-	-0-	-0-
Risk Reduction	34309	35759	75922	33258	42661	73113	23784	39329
Family Planning	20398	203048	148478	157319	(8411)	113079	125803	(12724)
Diabetes	34157	19157	-0-	-0-	-0-	-0-	-0-	-0-
EMS	167128	235255	202858	198546	3745	221584	203044	12421
EMS Grants to Counties	-0-	149872	-0-	-0-	-0-	-0-	-0-	-0-
Total	605457	758419	524733	483122	43276	512561	457197	49243
Modified Programs								
Nursing			93573			91664		
Family Planning			11647			11653		
Total			632151			615878		
Funding available			632187	632187		632187	632187	
Remainder to be allocated			30	149065		14309	174990	

Exhibit 2  
1-14-85

(B) by striking out “, or for aid to the aged, blind, or disabled and medical assistance for the aged” in subsection (a) in the matter before paragraph (1);

(C) by inserting “and” at the end of paragraph (13) of subsection (a);

(D) by striking out the semicolon at the end of paragraph (14) of subsection (a) and inserting in lieu thereof a period;

(E) by striking out paragraphs (15), (16), and (17) of subsection (a);

(F) by striking out “(or for aid to the aged, blind, or disabled and medical assistance for the aged)” in the second sentence of subsection (a);

(G) by striking out “(A) in the case of applicants for aid to the aged, blind, or disabled” in subsection (b)(2);

(H) by striking out “and (B)” and all that follows through “who resides in the State” in subsection (b)(2); and

(I) by striking out “(or for aid to the aged, blind, or disabled and medical assistance for the aged)” each place it appears in the third sentence of subsection (b).

(5) Section 1603 of such title is amended—

(A) by striking out paragraphs (1) and (3) of subsection (a);

(B) by striking out “(including expenditures for premiums” and all that follows through “cost thereof)” in paragraph (2)(A);

(C) by striking out “the larger of the following amounts: (i)”, “(I)”, and “, or (II)” and all that follows before the semicolon, in paragraph (2)(B); and

(D) by striking out subsection (d).

(6) Section 1605 of such title is amended—

(A) by striking out “, or (if provided” and all that follows through “under State law in behalf of,” in subsection (a) in the matter before paragraph (1), and

(B) by striking out subsection (b).

#### **Subtitle D—Maternal and Child Health Services Block Grant**

##### **SHORT TITLE OF SUBTITLE**

SEC. 2191. This subtitle may be cited as the “Maternal and Child Health Services Block Grant Act”.

##### **MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT**

SEC. 2192. (a) Title V of the Social Security Act is amended to read as follows:

### **“TITLE V—MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT**

#### **“AUTHORIZATION OF APPROPRIATIONS**

“SEC. 501. (a) For the purpose of enabling each State—

“(1) to assure mothers and children (in particular those with low income or with limited availability of health services) access to quality maternal and child health services,

1. USED  
FOR

*"(2) to reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children; to reduce the need for inpatient and long-term care services, to increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services, and otherwise to promote the health of mothers and children (especially by providing preventive and primary care services for low income children, and prenatal, delivery, and postpartum care for low income mothers),*

*"(3) provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under title XVI of this Act, and*

*"(4) provide services for locating, and for medical, surgical, corrective, and other services, and care for, and facilities for diagnosis, hospitalization, and aftercare for, children who are crippled or who are suffering from conditions leading to crippling;*

*and for the purpose of enabling the Secretary to provide for special projects of regional and national significance, research, and training with respect to maternal and child health and crippled children, for genetic disease testing, counseling, and information development and dissemination programs, and for grants relating to hemophilia (without regard to age), there are authorized to be appropriated \$373,000,000 for fiscal year 1982 and for each fiscal year thereafter.*

*"(b) For purposes of this title:*

*"(1) The term 'consolidated health programs' means the programs administered under the provisions of—*

*"(A) this title (relating to maternal and child health and crippled children's services),*

*"(B) section 1615(c) of this Act (relating to supplemental security income for disabled children),*

*"(C) sections 316 (relating to lead-based paint poisoning prevention programs), 1101 (relating to genetic disease programs), 1121 (relating to sudden infant death syndrome programs) and 1131 (relating to hemophilia treatment centers) of the Public Health Service Act, and*

*"(D) title IV of the Health Services and Centers Amendments of 1978 (Public Law 95-626; relating to adolescent pregnancy grants),*

*as such provisions were in effect before the date of the enactment of the Maternal and Child Health Services Block Grant Act.*

*"(2) The term 'low income' means, with respect to an individual or family, such an individual or family with an income determined to be below the nonfarm income official poverty line defined by the Office of Management and Budget and revised annually in accordance with section 624 of the Economic Opportunity Act of 1964.*

#### **"ALLOTMENTS TO STATES AND FEDERAL SET-ASIDE**

**"SEC. 502. (a)(1) Of the amount appropriated under section 501(a), the Secretary shall retain an amount equal to 15 percent thereof in**

Used  
For



the case of fiscal year 1982, and an amount equal to not less than 10, nor more than 15, percent thereof in the case of each fiscal year thereafter, for the purpose of carrying out (through grants, contracts, or otherwise) special projects of regional and national significance, training, and research and for the funding of genetic disease testing, counseling, and information development and dissemination programs and comprehensive hemophilia diagnostic and treatment centers. The authority of the Secretary to enter into any contracts under this title is effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

"(2) For purposes of paragraph (1)—

"(A) amounts retained by the Secretary for training shall be used to make grants to public or nonprofit private institutions of higher learning for training personnel for health care and related services for mothers and children; and

"(B) amounts retained by the Secretary for research shall be used to make grants to, contracts with, or jointly financed cooperative agreements with, public or nonprofit institutions of higher learning and public or nonprofit private agencies and organizations engaged in research or in maternal and child health or crippled children's programs for research projects relating to maternal and child health services or crippled children's services which show promise of substantial contribution to the advancement thereof.

"(3) No funds may be made available by the Secretary under this subsection unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and containing and accompanied by such information as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approved application and will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under this title.

"(b) From the remaining amounts appropriated under section 501(a) for any fiscal year, the Secretary shall allot to each State which has transmitted a description of intended activities and statement of assurances for the fiscal year under section 505, an amount determined as follows:

"(1) The Secretary shall determine, for each State—

"(A)(i) the amount provided or allotted by the Secretary to the State and to entities in the State under the provisions of the consolidated health programs (as defined in section 501(b)(1)), other than for any of the projects or programs described in subsection (a), from appropriations for fiscal year 1981,

"(ii) the proportion that such amount for that State bears to the total of such amounts for all the States, and

"(B)(i) the number of low income children in the State, and

"(ii) the proportion that such number of children for that State bears to the total of such numbers of children for all the States.

"(2)(A) For each of fiscal years 1982 and 1983, each such State shall be allotted for that fiscal year an amount equal to the State's proportion (determined under paragraph (1)(A)(ii)) of the amounts available for allotment to all the States under this subsection for that fiscal year.

"(B) For fiscal years beginning with fiscal year 1984, if the amount available for allotment under this subsection for that fiscal year—

"(i) does not exceed the amount available under this subsection for allotment for fiscal year 1983, each such State shall be allotted for that fiscal year an amount equal to the State's proportion (determined under paragraph (1)(A)(ii)) of the amounts available for allotment to all the States under this subsection for that fiscal year, or

"(ii) exceeds the amounts available under this subsection for allotment for fiscal year 1983, each such State shall be allotted for that fiscal year an amount equal to the sum of—

"(I) the amount of the allotment to the State under this subsection in fiscal year 1983 (without regard to paragraph (3) of this subsection), and

"(II) the State's proportion (determined under paragraph (1)(B)(ii)) of the amount by which the allotment available under this subsection for all the States for that fiscal year exceeds the amount that was available under this subsection for allotment for all the States for fiscal year 1983.

"(3)(A) To the extent that all the funds appropriated under this title for a fiscal year are not otherwise allotted to States either because all the States have not qualified for such allotments under section 505 for the fiscal year or because some States have indicated in their descriptions of activities under section 505 that they do not intend to use the full amount of such allotments, such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subparagraph.

"(B) To the extent that all the funds appropriated under this title for a fiscal year are not otherwise allotted to States because some State allotments are offset under section 506(b)(2), such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subparagraph.

#### **PAYMENTS TO STATES**

"SEC. 503. (a) From the sums appropriated therefor and the allotments available under section 502(b), the Secretary shall make payments as provided by section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213) to each State provided such an allotment under section 502(b), for each quarter, of an amount equal to four-sevenths of the total of the sums expended by the State during such quarter in carrying out the provisions of this title.

"(b) Any amount payable to a State under this title from allotments for a fiscal year which remains unobligated at the end of

Match

#3 PEP.10d — such year shall remain available to such State for obligation during the next fiscal year. No payment may be made to a State under this title from allotments for a fiscal year for expenditures made after the following fiscal year.

#### USE OF ALLOTMENT FUNDS

#4 Admin "SEC. 504. (a) Except as otherwise provided under this section, a State may use amounts paid to it under section 503 for the provision of health services and related activities (including planning, administration, education, and evaluation) consistent with its description of intended expenditures and statement of assurances transmitted under section 505.

"(b) Amounts described in subsection (a) may not be used for—

#5 MAY NOT be USED FOR  
 "(1) inpatient services, other than inpatient services provided to crippled children or to high-risk pregnant women and infants and such other inpatient services as the Secretary may approve;

"(2) cash payments to intended recipients of health services;

"(3) the purchase or improvement of land, the purchase, construction, or permanent improvement (other than minor remodeling) of any building or other facility, or the purchase of major medical equipment;

"(4) satisfying any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

"(5) providing funds for research or training to any entity other than a public or nonprofit private entity.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this title.

"(c) A State may use a portion of the amounts described in subsection (a) for the purpose of purchasing technical assistance from public or private entities if the State determines that such assistance is required in developing, implementing, and administering programs funded under this title.

"(d) The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

"(1) the fair market value of any supplies or equipment furnished the State, and

"(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the State and the amount of any other costs incurred in connection with the detail of such officer or employee,

when the furnishing of supplies or equipment or the detail of an officer or employee is for the convenience of and at the request of the State and for the purpose of conducting activities described in section 505 on a temporary basis. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to be part of the payment and shall be deemed to have been paid to the State.

**"DESCRIPTION OF INTENDED EXPENDITURES AND STATEMENT OF ASSURANCES**

**"SEC. 505.** In order to be entitled to payments for allotments under section 502 for a fiscal year, a State must prepare and transmit to the Secretary—

"(1) a report describing the intended use of payments the State is to receive under this title for the fiscal year, including (A) a description of those populations, areas, and localities in the State which the State has identified as needing maternal and child health services, (B) a statement of goals and objectives for meeting those needs, (C) information on the types of services to be provided and the categories or characteristics of individuals to be served, and (D) data the State intends to collect respecting activities conducted with such payments; and

"(2) a statement of assurances that represents to the Secretary that—

"(A) the State will provide a fair method (as determined by the State) for allocating funds allotted to the State under this title among such individuals, areas, and localities identified under paragraph (1)(A) as needing maternal and child health services, and the State will identify and apply guidelines for the appropriate frequency and content of, and appropriate referral and followup with respect to, health care assessments and services financially assisted by the State under this title and methods for assuring quality assessments and services;

"(B) funds allotted to the State under this title will only be used, consistent with section 508, to carry out the purposes of this title or to continue activities previously conducted under the consolidated health programs (described in section 502(b)(1));

"(C) the State will use—

"(i) a substantial proportion of the sums expended by the State for carrying out this title for the provision of health services to mothers and children, with special consideration given (where appropriate) to the continuation of the funding of special projects in the State previously funded under this title (as in effect before the date of the enactment of the Maternal and Child Health Services Block Grant Act), and

"(ii) a reasonable proportion (based upon the State's previous use of funds under this title) of such sums will be used to carry out the purposes described in paragraphs (1) through (3) of section 501(a);

"(D) if the State imposes any charges for the provision of health services assisted by the State under this title, such charges (i) will be pursuant to a public schedule of charges, (ii) will not be imposed with respect to services provided to low income mothers or children, and (iii) will be adjusted to reflect the income, resources, and family size of the individual provided the services; and

"(E) the State agency (or agencies) administering the State's program under this title will participate—

#6  
Supplmt Issue

"(i) in the coordination of activities between such program and the early and periodic screening, diagnosis, and treatment program under title XIX, to ensure that such programs are carried out without duplication of effort,

"(ii) in the arrangement and carrying out of coordination agreements described in section 1902(a)(11) (relating to coordination of care and services available under this title and title XIX), and

"(iii) in the coordination of activities within the State with programs carried out under this title and related Federal grant programs (including supplemental food programs for mothers, infants, and children, related education programs, and other health, developmental disability, and family planning programs).

The description and statement shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and statement and after its transmittal. The description and statement shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in any element of such description or statement, and any revision shall be subject to the requirements of the preceding sentence.

#### "REPORTS AND AUDITS

"SEC. 506. (a)(1) Each State shall prepare and submit to the Secretary annual reports on its activities under this title. In order properly to evaluate and to compare the performance of different States assisted under this title and to assure the proper expenditure of funds under this title, such reports shall be in such form and contain such information as the Secretary determines (after consultation with the States and the Comptroller General) to be necessary (A) to secure an accurate description of those activities, (B) to secure a complete record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes of this title, and (C) to determine the extent to which funds were expended consistent with the State's description and statement transmitted under section 505. Copies of the report shall be provided, upon request, to any interested public agency, and each such agency may provide its views on these reports to the Congress.

"(2) The Secretary shall annually report to the Congress on activities funded under section 502(a) and shall provide for transmittal of a copy of such report to each State.

"(b)(1) Each State shall, not less often than once every two years, audit its expenditures from amounts received under this title. Such State audits shall be conducted by an entity independent of the State agency administering a program funded under this title in accordance with the Comptroller General's standards for auditing governmental organizations, programs, activities, and functions and generally accepted auditing standards. Within 30 days following the completion of each audit report, the State shall submit a copy of that audit report to the Secretary.

"(2) Each State shall repay to the United States amounts found by the Secretary, after notice and opportunity for a hearing to the State, not to have been expended in accordance with this title and, if such repayment is not made, the Secretary may offset such amounts against the amount of any allotment to which the State is or may become entitled under this title or may otherwise recover such amounts.

"(3) The Secretary may, after notice and opportunity for a hearing, withhold payment of funds to any State which is not using its allotment under this title in accordance with the requirements of this title and with the statement of assurances transmitted by the State under section 505(2). The Secretary may withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

"(c) The State shall make copies of the reports and audits required by this section available for public inspection within the State.

"(d)(1) For the purpose of evaluating and reviewing the block grant established under this title, the Secretary and the Comptroller General shall have access to any books, accounts, records, correspondence, or other documents that are related to such block grant, and that are in the possession, custody, or control of States, political subdivisions thereof, or any of their grantees.

"(2) In conjunction with an evaluation or review under paragraph (1), no State or political subdivision thereof (or grantee of either) shall be required to create or prepare new records to comply with paragraph (1).

"(3) For other provisions relating to deposit, accounting, reports, and auditing with respect to Federal grants to States, see section 202 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4212).

#### "CRIMINAL PENALTY FOR FALSE STATEMENTS

"SEC. 507. (a) Whoever—

"(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this title, or

"(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized,

shall be fined not more than \$25,000 or imprisoned for not more than five years, or both.

"(b) For civil monetary penalties for certain submission of false claims, see section 1128A of this Act.

#### "NONDISCRIMINATION

"SEC. 508. (a)(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimi-

nation Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded in whole or in part with funds made available under this title are considered to be programs and activities receiving Federal financial assistance.

"(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this title.

"(b) Whenever the Secretary finds that a State, or an entity that has received a payment from an allotment to a State under section 502(b), has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), he shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed sixty days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

"(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted,

"(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable, or

"(3) take such other action as may be provided by law.

"(c) When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever he has reason to believe that the entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

#### "ADMINISTRATION OF TITLE AND STATE PROGRAMS

"SEC. 509. (a) The Secretary shall designate an identifiable administrative unit with expertise in maternal and child health within the Department of Health and Human Services, which unit shall be responsible for—

"(1) the Federal program described in section 502(a);

"(2) promoting coordination at the Federal level of the activities authorized under this title and under title XIX of this Act, especially early and periodic screening, diagnosis and treatment, related activities funded by the Departments of Agriculture and Education, and under health block grants and categorical health programs, such as immunizations, administered by the Secretary;

"(3) disseminating information to the States in such areas as preventive health services and advances in the care and treatment of mothers and children;

"(4) providing technical assistance, upon request, to the States in such areas as program planning, establishment of goals and objectives, standards of care, and evaluation;

"(5) in cooperation with the National Center for Health Statistics and in a manner that avoids duplication of data collection, collection, maintenance, and dissemination of information relating to the health status and health service needs of mothers and children in the United States; and

"(6) assisting in the preparation of reports to the Congress on the activities funded and accomplishments achieved under this title from the information required to be reported by the States under sections 505 and 506.

"(b) The State health agency of each State shall be responsible for the administration (or supervision of the administration) of programs carried out with allotments made to the State under this title, except that, in the case of a State which on July 1, 1967, provided for administration (or supervision thereof) of the State plan under this title (as in effect on such date) by a State agency other than the State health agency, that State shall be considered to comply the requirement of this subsection if it would otherwise comply but for the fact that such other State agency administers (or supervises the administration of) any such program providing services for crippled children."

(b)(1) The Secretary of Health and Human Services shall, no later than October 1, 1984, report to the Congress on the activities of States receiving allotments under title V of the Social Security Act (as amended by this section) and include in such report any recommendations for appropriate changes in legislation.

(2) The Secretary of Health and Human Services, in consultation with the Comptroller General, shall examine alternative formulas, for the allotment of funds to States under section 502(b) of the Social Security Act (as amended by this section) which might be used as a substitute for the method of allotting funds described in such section, which provide for the equitable distribution of such funds to States (as defined for purposes of such section), and which take into account—

(A) the populations of the States,

(B) the number of live births in the States,

(C) the number of crippled children in the States,

(D) the number of low income mothers and children in the States,

(E) the financial resources of the various States, and

(F) such other factors as the Secretary deems appropriate, and shall report to the Congress on the examination of such formula not later than June 30, 1982.

#### REPEALS AND CONFORMING AMENDMENTS

SEC. 2193. (a)(1)(A) Section 316(g) of the Public Health Service Act is amended by inserting "; and, subject to section 2194(b)(3) of the Maternal and Child Health Services Block Grant Act, \$8,300,000 for the fiscal year ending September 30, 1982" before the period.

(B) Section 1101(b) of that Act is amended by inserting "and, subject to section 2194(b)(3) of the Maternal and Child Health Services Block Grant Act, \$9,680,000 for the fiscal year ending September 30, 1982" before the period.

(C) Section 1121(d)(1) of that Act is amended by inserting "; and, subject to section 2194(b)(3) of the Maternal and Child Health Serv-



ices Block Grant Act, \$2,075,000 for fiscal year 1982" before the period.

(D) Section 1131(f) of that Act is amended by inserting ", and, subject to section 2194(b)(3) of the Maternal and Child Health Services Block Grant Act, \$2,765,000 for the fiscal year ending September 30, 1982" before the period.

(2) Section 607 of the Health Services and Centers Amendments of 1978 (Public Law 95-626) is amended by inserting ", and, subject to section 2194(b)(3) of the Maternal and Child Health Services Block Grant Act, \$8,530,000 for the fiscal year ending September 30, 1982" before the period.

(3) Section 501 of the Social Security Act (as in effect before the date the amendment made by section 2192(a) becomes effective) is amended by striking out "for each fiscal year thereafter" and inserting in lieu thereof "and for each of the next three fiscal years, and, subject to section 2194(b)(3) of the Maternal and Child Health Services Block Grant Act, \$317,580,000 for the fiscal year ending September 30, 1982".

(4)(A) Section 1615(e)(1) of the Social Security Act is amended by inserting "and subject to section 2194(b)(3) of the Maternal and Child Health Services Block Grant Act" after "paragraphs (2) and (3)".

(B) Effective for fiscal year 1982, section 1615(e)(3) of such Act is amended by striking out "\$30,000,000" and inserting in lieu thereof "\$24,070,000".

(b)(1) Sections 316, 1101, 1121 and 1131 of the Public Health Service Act are repealed.

(2) Section 1104(a) of such Act is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

(3) Section 1104 of such Act is further amended (A) by striking out subsections (b) and (d), (B) by striking out "or under section 1101" in subsection (c), and (C) by redesignating subsection (c) as subsection (b).

(4) Sections 1106 and 227 of such Act are repealed.

(5) Section 1107 of such Act is amended by striking out "appropriated under section 1101(b)" and inserting in lieu thereof "allotted for use under section 502(a) of the Social Security Act".

(c)(1) Section 1108(d) of the Social Security Act is amended by striking out "section 502(a)" and all that follows through "1967" and inserting in lieu thereof "section 421".

(2) Section 1101(a)(9)(D) of such Act is amended by striking out "V, XVIII, and XIX" and inserting in lieu thereof "XVIII and XIX".

(3) Section 1122 of such Act is amended—

(A) by striking out "V, XVIII, and XIX" and inserting in lieu thereof "XVIII and XIX" each place it appears, and

(B) by striking out "V, XVIII, or X" in subsection (d)(2) and inserting in lieu thereof "XVIII or XIX".

(4) Section 1129 of such Act is amended—

(A) by striking out "V or" each place it appears in subsection (a), and

(B) by striking out "V, XVIII, or" in subsection (b)(2) and inserting in lieu thereof "XVIII or".

(5) Section 1132(a)(1) of such Act is amended by striking out "V,".

(6) Section 1134 of such Act is amended by striking out "V, XVIII," and inserting in lieu thereof "XVIII".

(7) Section 1172(4) of such Act is amended by striking out "V,"

(8)(A) Subsection (a) of section 1615 of such Act is amended by striking out "appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases)" and inserting in lieu thereof "State agency administering the State program under title V, and (except for individuals who have not attained age 16 and except in such other cases".

(B) Subsections (b) and (e) of such section are repealed.

(9) Section 1861(w)(2) of such Act is amended by striking out "V or".

(9) Section 1902(a)(11)(B) of such Act is amended—

(A) by striking out "for part or all of the cost of plans or projects under" and inserting in lieu thereof "under (or through an allotment under)", and

(B) by striking out "such plan or project under title V" and inserting in lieu thereof "such title or allotment".

(d)(1) The second sentence of section 402(a)(1) of the Social Security Amendments of 1967 (P.L. 90-248) is amended—

(A) by striking out "title XVIII of such Act," and inserting in lieu thereof "title XVIII of such Act and", and

(B) by striking out the ", and a program established by a plan of a State approved under title V of such Act".

(2) Section 402(a)(2) of such Act is amended by striking out "titles V and XIX" and inserting in lieu thereof "title XIX" both places it occurs.

(3) Section 402(b) of such Act is amended by striking out ", XIX, and V" and inserting in lieu thereof "and XIX".

(e)(1) Section 222(a)(1) of the Social Security Amendments of 1972 (P.L. 92-603) is amended by striking out "titles XIX and V" and inserting in lieu thereof "title XIX".

(2) The first sentence of section 222(a)(3) of such Act is amended by striking out ", XIX, and V" and inserting in lieu thereof "and XIX".

(3) Section 222(a)(4) of such Act is amended by striking out "titles V and XIX" and inserting in lieu thereof "title XIX" both places it appears.

(f) Titles VI and VII of the Health Services and Centers Amendments of 1978 (P.L. 95-626) are repealed.

(g) Section 914(d) of the Omnibus Reconciliation Act of 1980 (P.L. 96-499; 94 Stat. 2622) is amended by striking out "V, XVIII," and inserting in lieu thereof "XVIII".

#### EFFECTIVE DATE; TRANSITION

SEC. 2194. (a) Except as otherwise provided in this section, the amendments made by sections 2192 and 2193 of this subtitle do not apply to any grant made, or contract entered into, or amounts payable to States under State plans before the earlier of—

(1) October 1, 1982, or

(2)(A) in the case of such grants, contracts, or payments under consolidated State programs (as defined in subsection (c)(2)(C)) to a State (or entities in the State), the date the State is first

entitled to an allotment under title V of the Social Security Act (as amended by this subtitle), or

(B) in the case of grants and contracts under consolidated Federal programs (as defined in subsection (c)(2)(B)), October 1, 1981, or such later date (before October 1, 1982) as the Secretary determines to be appropriate.

(b)(1) The Secretary of Health and Human Services (hereinafter in this section referred to as the "Secretary") may not provide for any allotment to a State under title V of the Social Security Act (as amended by this subtitle) for a calendar quarter in fiscal year 1982 unless the State has notified the Secretary, at least 30 days (or 15 days in the case of the first calendar quarter of the fiscal year) before the beginning of the calendar quarter, that the State requests an allotment for that calendar quarter (and subsequent calendar quarters).

(2)(A) Any grants or contracts entered into under the authorities of the consolidated State programs (as defined in subsection (c)(2)(C)) after the date of the enactment of this subtitle shall permit the termination of such grant or contract upon three months notice by the State in which the grantee or contractor is located.

(B) The Secretary shall not make or renew any grants or contracts under the provisions of the consolidated State programs (as defined in subsection (c)(2)(C)) to a State (or an entity in the State) after the date the State becomes entitled to an allotment of funds under title V of the Social Security Act (as amended by this subtitle).

(3)(A) In the case of funds appropriated for fiscal year 1982 for consolidated health programs (as defined in subsection (c)(2)(A)), such funds shall (notwithstanding any other provision of law) be available for use under title V of the Social Security Act (as amended by this subtitle), subject to subparagraphs (B) and (C).

(B) Notwithstanding any other provision of law—

(i) the amount that may be made available for expenditures for the consolidated Federal programs for fiscal year 1982 and for projects and programs under section 502(a) of the Social Security Act (as amended by this subtitle) may not exceed the amount provided for projects and programs under such section 502(a) for that fiscal year, and

(ii) the amount that may be made available to a State (or entities in the State) for carrying out the consolidated State programs for fiscal year 1982 and for allotments to the State under section 502(b) of the Social Security Act (as amended by this subtitle) may not exceed the amount which is allotted to the State for that fiscal year under such section (without regard to paragraphs (3) and (4) thereof).

(C) For fiscal year 1982, the Secretary shall reduce the amount which would otherwise be available—

(i) for expenditures by the Secretary under section 502(a) of the Social Security Act (as amended by this subtitle) by the amounts which the Secretary determines or estimates are payable for consolidated Federal programs (as defined in subsection (c)(2)(B)) from funds for fiscal year 1982, and

(ii) for allotment to each of the States under section 502(b) of such Act (as so amended) by the amounts which the Secretary determines or estimates are payable to that State (or entities in

the State) under the consolidated State programs (as defined in subsection (c)(2)(C)) from funds for fiscal year 1982.

(c) For purposes of this section:

(1) The term "State" has the meaning given such term for purposes of title V of the Social Security Act.

(2)(A) The term "consolidated health programs" has the meaning given such term in section 501(b) of the Social Security Act (as amended by this subtitle).

(B) The term "consolidated Federal programs" means the consolidated health programs—

(i) of special projects grants under sections 503 and 504, and training grants under section 511, of the Social Security Act, and

(ii) of grants and contracts for genetic disease projects and programs under section 1101 of the Public Health Service Act,

(iii) of grants or contracts for comprehensive hemophilia diagnostic and treatment centers under section 1131 of the Public Health Service Act,

as such sections are in effect before the date of the enactment of this subtitle.

(C) The term "consolidated State programs" means the consolidated health programs, other than the consolidated Federal programs.

(d) The provisions of chapter 2 of subtitle C of title XVII of this Act shall not apply to this subtitle (or the programs under the amendments made by this title) and, specifically, section 1745 of this Act shall not apply to financial and compliance audits conducted under section 506(b) of the Social Security Act (as amended by this subtitle).

## TITLE XXII—FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM

### TABLE OF CONTENTS OF TITLE

- Sec. 2201. Repeal of minimum benefit provisions.
- Sec. 2202. Restrictions on the lump-sum death payment.
- Sec. 2203. Payment of certain benefits only for months after month in which entitlement conditions are fulfilled.
- Sec. 2204. Temporary extension of earnings limitation to include all persons aged less than seventy-two.
- Sec. 2205. Termination of mother's and father's benefits when child attains age sixteen.
- Sec. 2206. Rounding of benefits.
- Sec. 2207. Requests for information; cost reimbursement.
- Sec. 2208. Reduction in disability benefits on account of other related payments; extension of offset to disabled worker beneficiaries aged 62 through 64 and their families; change in month in which payments are offset.
- Sec. 2209. Reimbursement of States for successful rehabilitation services.
- Sec. 2210. Elimination of child's insurance benefits in the case of children aged 18 through 22 who attend postsecondary schools.

Exhibit 4  
1-14-85  
11/10/85  
R/H

MCH BLOCK GRANT

	<u>FY84</u>	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>
<u>FUNDING</u>	\$2,034,402	\$1,994,507	\$1,897,421	\$1,897,421
<u>Program</u>	<u>Actual</u>	<u>BUDGETED</u>	<u>Exec Request</u>	<u>Exec Request</u>
Director	28,264	28,264	30,000	30,000
Clinical Adm	36,574	41,257	42,214	42,025
Nursing Bureau	25,146	25,971	28,000	28,000
Family Planning	25,787	27,334	28,000	29,000
H.C.S.	646,555	682,478	707,628	812,008
* Counties	1,272,076	1,189,263	626,539	651,601
HLTH SER Div Adm	-0-	-0-	23,683	23,727
Dental	-0-	-0-	30,000	-0-
CLEFT Palate	-0-	-0-	52,500	52,500
Infant Trans	-0-	-0-	66,000	66,000
Montana Perinatal	-0-	-0-	204,599	220,819
Total	\$2,034,402	\$1,994,507	\$1,839,163	\$1,955,680
	-0-	-0-	58,258	(58,259)
* INITIAL county Allocation	\$782,623	\$602,441		

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Public Health Service

NOTICE OF BLOCK GRANT AWARD

2. Grantee		a. Name: State of Montana		1. Issue Date Mo. / Day / Year	
		b. Organization Unit: Dept. of Health & Environ. Serv.		OCT 18 1984	
		c. Street: Cogswell Building		3. Award Period	
		d. City: Helena		Mo. / Day / Year Mo. / Day / Year	
		e. State: Montana		From 10/01/84 Through 09/30/86	
		f. Zip Code: 59601			
4.		Block Grant Award			
a. Program Identification		MCHS			
b. Authorization (Legislation/Regulation)		P.L. 97-35, Title V, SSA, 45 CFR 96			
5. Catalog of Federal Domestic Assistance No.		13.994			
6. Grant No.		85B1MTMCHS-01			
7. Administrative Code		MC B 04			
8. Federal Funds Approved					
a. Total		1,897,421			
b. Financial Assistance		1,897,421			
c. Direct Assistance		0			
9. Current Year's Funds Awarded					
a. Amount of this Action:		474,355			
b. Financial Assistance		474,355			
c. Direct Assistance		0			
d. Cumulative Awards to Date:		474,355			
e. Financial Assistance		474,355			
f. Direct Assistance		0			
10. Unawarded Balance of Current Year's Funds (Line 8 minus 9 d.)		1,423,066			
Remarks (Other Terms and Conditions Attached - <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No)					

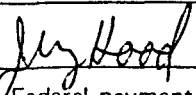
Authorized by the Continuing Resolution P.L. 98-473.

This grant is subject to the terms and conditions incorporated either directly or by reference in the following:

- a. The grant program legislation cited above.
- b. The grant program regulation cited above.
- c. This award notice including terms and conditions, if any, noted under "Remarks."

Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

11. Fiscal Data		a. Appropriation		7550350	
		b. FY/Can		5-3985150	
		c. Object Class		41.15	
		d. Document Number (Grant No.)		85B1MTMCHS	
12. CRS-EIN		1-810302402-A6			

13. Agency Official (Signature, Name and Title)  Jerry K. Hood, Grants Management Branch, BHCD

GRANT PAYMENT INFORMATION

The Federal payment office for PHS block grants is:

Federal Assistance Financing Branch  
Post Office Box 6005  
Rockville, MD 20852  
Phone: Area Code 301-443-1660

take effect as provided under paragraph (1) of this subsection.

(7) The following provisions shall take effect on the date of the enactment of this Act:

(A) the amendments made by subsections (a) and (b) of section 803 and the provisions of subsections (c) and (d) of section 803;

(B) the amendment made by section 815;

(C) the amendment made by section 816; and

(D) the provisions of section 818.

(b) The Omnibus Reconciliation Act of 1980 (Public Law 96-499) is amended—

(1) by striking out subsection (a) of section 201 effective September 1, 1981, or the first day of the first month following the month in which this Act is enacted, whichever is earlier;

(2) by striking out subsection (a) of section 202 effective July 1, 1981; and

(3) by striking out subsections (a) and (b) of section 203 effective on the date of the enactment of this Act.

(c) Not later than 60 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate regulations to implement the amendments made by this title.

## **TITLE IX—HEALTH SERVICES AND FACILITIES**

### **Subtitle A—Block Grants**

#### **PREVENTIVE HEALTH, HEALTH SERVICES, AND PRIMARY CARE HEALTH BLOCK GRANTS**

SEC. 901. Effective October 1, 1981, the Public Health Service Act is amended by adding at the end the following new title:

### **“TITLE XIX—BLOCK GRANTS**

#### **“PART A—PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT**

##### **“AUTHORIZATION OF APPROPRIATIONS**

“SEC. 1901. (a) For the purpose of allotments under section 1902, there is authorized to be appropriated \$95,000,000 for fiscal year 1982, \$96,500,000 for fiscal year 1983, and \$98,500,000 for fiscal year 1984.

“(b) Of the amount appropriated for any fiscal year under subsection (a), at least \$3,000,000 shall be made available for allotments under section 1902(b).

##### **“ALLOTMENTS**

“SEC. 1902. (a)(1) From the amounts appropriated under section 1901 for any fiscal year and available for allotment under this subsection, the Secretary shall allot to each State an amount which

bears the same ratio to the available amounts for that fiscal year as the amounts provided by the Secretary under the provisions of law listed in paragraph (2) to the State and entities in the State for fiscal year 1981 bore to the total amount appropriated for such provisions of law for fiscal year 1981.

"(2) The provisions of law referred to in paragraph (1) are the following provisions of law as in effect on September 30, 1981:

"(A) The authority for grants under section 317 for preventive health service programs for the the control of rodents.

"(B) The authority for grants under section 317 for establishing and maintaining community and school-based fluoridation programs.

"(C) The authority for grants under section 317 for preventive health service programs for hypertension.

"(D) Sections 401 and 402 of the Health Services and Centers Amendments of 1978.

"(E) Section 314(d).

"(F) Section 339(a).

"(G) Sections 1202, 1203, and 1204.

"(b) From the amount required to be made available under section 1901(b) for allotments under this subsection for any fiscal year, the Secretary shall make allotments to each State on the basis of the population of the State.

"(c) To the extent that all the funds appropriated under section 1901 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1905 for the fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3);

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subsection.

"(d)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for the fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1981 by the Secretary to such tribe or tribal organization under the provisions of law referred to in subsection (a) bore to the total amount provided or allotted for such fiscal year by the Secretary to the State and entities (in-



cluding Indian tribes and tribal organizations) in the State under such provisions of law.

"(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"(5) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"(e) The Secretary shall conduct a study for the purpose of devising a formula for the equitable distribution of funds available for allotment to the States under this section. In conducting the study, the Secretary shall take into account—

"(1) the financial resources of the various States,

"(2) the populations of the States, and

"(3) any other factor which the Secretary may consider appropriate.

Before June 30, 1982, the Secretary shall submit a report to the Congress respecting the development of a formula and make such recommendations as the Secretary may deem appropriate in order to ensure the most equitable distribution of funds under allotments under this section.

#### "PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1903. (a)(1) For each fiscal year, the Secretary shall make payments, as provided by section 203 of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4213), to each State from its allotment under section 1902 (other than any amount reserved under section 1902(d)) from amounts appropriated for that fiscal year.

"(2) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

"(b) The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

"(1) the fair market value of any supplies or equipment furnished the State, and

"(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the State and the amount of any other costs incurred in connection with the detail of such officer or employee, when the furnishing of supplies or equipment or the detail of an officer or employee is for the convenience of and at the request of the State and for the purpose of conducting activities described in section 1904. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to be part of the payment and shall be deemed to have been paid to the State.

#3  
Period of  
Time

*"USE OF ALLOTMENTS*

*"SEC. 1904. (a)(1) Except as provided in subsections (b) and (c), amounts paid to a State under section 1903 from its allotment under section 1902(a) and amounts transferred by the State for use under this part may be used for the following:*

*"(A) Preventive health service programs for the control of rodents and community and school-based fluoridation programs.*

*"(B) Establishing and maintaining preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for, hypertension.*

*"(C) Community based programs for the purpose of demonstrating and evaluating optimal methods for organizing and delivering comprehensive preventive health services to defined populations, comprehensive programs designed to deter smoking and the use of alcoholic beverages among children and adolescents, and other risk-reduction and health education programs.*

*"(D) Comprehensive public health services.*

*"(E) Demonstrate the establishment of home health agencies (as defined in section 1861(m) of the Social Security Act) in areas where the services of such agencies are not available. Amounts provided for such agencies may not be used for the direct provision of health services.*

*"(F) Feasibility studies and planning for emergency medical services systems and the establishment, expansion, and improvement of such systems. Amounts for such systems may not be used for the costs of the operation of the systems or the purchase of equipment for the systems.*

*"(G) Providing services to rape victims and for rape prevention.*

*Amounts provided for the activities referred to in the preceding sentence may also be used for related planning, administration, and educational activities.*

*"(2) Except as provided in subsection (b), amounts paid to a State under section 1903 from its allotment under section 1902(b) and amounts transferred by the State for use under this part may only be used for providing services to rape victims and for rape prevention.*

*"(3) The Secretary may provide technical assistance to States in planning and operating activities to be carried out under this part.*

*"(b) A State may not use amounts paid to it under section 1903 to—*

*"(1) provide inpatient services;*

*"(2) make cash payments to intended recipients of health services,*

*"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment,*

*"(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds, or*

*"(5) provide financial assistance to any entity other than a public or nonprofit private entity.*

*Except as provided in subsection (a)(1)(E), the Secretary may waive the limitation contained in paragraph (3) upon the request of a*

#1  
USED  
FOR

#8  
RAPE  
VICTIMS

#5  
MAY NOT  
be used  
FOR

State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

#7  
Transfer

"(c) A State may transfer not more than 7 percent of the amount allotted to the State under section 1902(a) for any fiscal year for use by the State under parts B and C of this title and title V of the Social Security Act in such fiscal year as follows: At any time in the first three quarters of the fiscal year a State may transfer not more than 3 percent of the allotment of the State for the fiscal year for such use, and in the last quarter of a fiscal year a State may transfer for such use not more than the remainder of the amount of its allotment which may be transferred.

#4 Admin

"(d) Of the amount paid to any State under section 1903, not more than 10 percent paid from each of its allotments under subsections (a) and (b) of section 1902 may be used for administering the funds made available under section 1903. The State will pay from non-Federal sources the remaining costs of administering such funds.

#### "APPLICATION AND DESCRIPTION OF ACTIVITIES

"SEC. 1905. (a) In order to receive an allotment for a fiscal year under section 1902 each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require. Each such application shall contain assurances that the legislature of the State has complied with the provisions of subsection (b) and that the State will meet the requirements of subsection (c).

"(b) After the expiration of the first fiscal year in which a State receives an allotment under section 1902, no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1903 for such fiscal year.

"(c) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State—

"(1) agrees to use the funds allotted to it under section 1902 in accordance with the requirements of this part;

"(2) except as provided in subsection (e), shall make grants for fiscal year 1982 to each entity within the State which received a grant or contract under section 1202, 1203, or 1204 in fiscal year 1981 and which would be eligible to receive a grant or contract under such section (as in effect on September 30, 1981) for such fiscal year if such grants or contracts were made under such section;

"(3) agrees to establish reasonable criteria to evaluate the effective performance of entities which receive funds from the allotment of the State under this part and procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity.

"(4) agrees to make grants for preventive health service programs for hypertension in amounts equal to—

"(A) for fiscal year 1982, 75 percent of the total amount provided by the Secretary in fiscal year 1981 to the State and entities in the State under section 317 for such programs,

"(B) for fiscal year 1983, 70 percent of such total amount, and

"(C) for fiscal year 1984, 60 percent of such total amount.

"(5) agrees to permit and cooperate with Federal investigations undertaken in accordance with section 1907;

"(6) has identified those populations, areas, and localities in the State with a need for the services for which funds may be provided by the State under this part;

"(7) agrees that Federal funds made available under section 1903 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds; and

"(8) has in effect a system to protect from inappropriate disclosure patient and rape victim records maintained by the State in connection with an activity funded under this part or by any entity which is receiving payments from the allotment of the State under this part.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

"(d) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1903 for the fiscal year for which the application is submitted, including information on the programs and activities to be supported and services to be provided. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(e) A State shall be required to make a grant to an entity as prescribed by subsection (c)(2) unless—

"(1) the State recommends on the basis of—

"(A) any Federal finding, Federal administrative action, or judicial proceeding with respect to any such entity, or

"(B) a review of such entity in accordance with the criteria and procedures required under subsection (c)(3), that the State not be required to make such grants; and

"(2) the Secretary approves the recommendation of the State under paragraph (1) based upon a substantive and procedural review of the record made by the State in making its recommendation under paragraph (1).

#### "REPORTS AND AUDITS

"SEC. 1906. (a)(1) Each State shall prepare and submit to the Secretary annual reports on its activities under this part. Such reports shall be in such form and contain such information as the Secretary

#6  
Supplanting  
Clause

determines (after consultation with the States and the Comptroller General) to be necessary (A) to determine whether funds were expended in accordance with this part and consistent with the needs within the State identified pursuant to section 1905(c)(6), (B) to secure a description of the activities of the State under this part, and (C) to secure a record of the purposes for which funds were spent, of the recipients of such funds, and of the progress made toward achieving the purposes for which the funds were provided. Copies of the report shall be provided, upon request, to any interested person (including any public agency).

"(2) In determining the information that States must include in the report required by this subsection, the Secretary may not establish reporting requirements that are burdensome.

"(b)(1) Each State shall establish fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under section 1903 and funds transferred under section 1904(c) for use under this part.

"(2) Each State shall annually audit its expenditures from payments received under section 1903. Such State audits shall be conducted by an entity independent of any agency administering a program funded under this part and, in so far as practical, in accordance with the Comptroller General's standards for auditing governmental organizations, programs, activities, and functions. Within 30 days following the date each audit is completed, the chief executive officer of the State shall transmit a copy of that audit to the Secretary.

"(3) Each State shall, after being provided by the Secretary with adequate notice and opportunity for a hearing within the State, repay to the United States amounts found not to have been expended in accordance with the requirements of this part or the certification provided by the State under section 1905. If such repayment is not made, the Secretary shall, after providing the State with adequate notice and opportunity for a hearing within the State, offset such amounts against the amount of any allotment to which the State is or may become entitled under this part.

"(4) The State shall make copies of the reports and audits required by this section available for public inspection within the State.

"(5) The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this part in order to assure that expenditures are consistent with the provisions of this part and the certification provided by the State under section 1905.

"(6) Not later than October 1, 1983, the Secretary shall report to the Congress on the activities of the States that have received funds under this part and may include in the report any recommendations for appropriate changes in legislation.

"(c) Title XVII of the Omnibus Budget Reconciliation Act of 1981 shall not apply with respect to audits of funds allotted under this part.

*"WITHHOLDING*

*"SEC. 1907 (a)(1) The Secretary shall, after adequate notice and an opportunity for a hearing conducted within the affected State, withhold funds from any State which does not use its allotment in accordance with the requirements of this part or the certification provided under section 1905. The Secretary shall withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.*

*"(2) The Secretary may not institute proceedings to withhold funds under paragraph (1) unless the Secretary has conducted an investigation concerning whether the State has used its allotment in accordance with the requirements of this part or the certification provided under section 1905. Investigations required by this paragraph shall be conducted within the affected State by qualified investigators.*

*"(3) The Secretary shall respond in an expeditious manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the requirements of this part or certifications provided under section 1905.*

*"(4) The Secretary may not withhold funds under paragraph (1) from a State for a minor failure to comply with the requirements of this part or certifications provided under section 1905.*

*"(b)(1) The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this part in order to evaluate compliance with the requirements of this part and certifications provided under section 1905.*

*"(2) The Comptroller General of the United States may conduct investigations of the use of funds received under this part by a State in order to insure compliance with the requirements of this part and certifications provided under section 1905.*

*"(c) Each State, and each entity which has received funds from an allotment made to a State under this part, shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.*

*"(d)(1) In conducting any investigation in a State, the Secretary or the Comptroller General of the United States may not make a request for any information not readily available to such State or an entity which has received funds from an allotment made to the State under this part or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.*

*"(2) Paragraph (1) does not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.*

*"NONDISCRIMINATION*

*"SEC. 1908. (a)(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under title IX of*

the Education Amendments of 1972, or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964, programs and activities funded in whole or in part with funds made available under this part are considered to be programs and activities receiving Federal financial assistance.

"(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this part.

"(b) Whenever the Secretary finds that a State, or an entity that has received a payment from an allotment to a State under section 1902, has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed sixty days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

"(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted,

"(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, or section 504 of the Rehabilitation Act of 1973, as may be applicable, or

"(3) take such other action as may be provided by law.

"(c) When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever he has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

#### "CRIMINAL PENALTY FOR FALSE STATEMENTS

"SEC. 1909. Whoever—

"(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this part, or

"(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized, shall be fined not more than \$25,000 or imprisoned for not more than five years, or both."

# P H BLOCK GRANT

Exhibit 6  
1-14-85  
11/10/85  
RjH

	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>
<u>FUNDING</u>	605,457	758,418	632,187	632,187
<u>Program</u>	<u>Actual</u>	<u>Budgeted</u>	<u>Exec Request</u>	<u>Exec Request</u>
Rape Crisis	10,260	11,542	11,970	11,970
Lab	33,999	34,000	34,000	34,000
Diabetes	34,157	19,157	-0-	-0-
Risk Reduction	34,309	35,759	75,922	73,113
Hypertension	76,661	24,810	-0-	-0-
Director	44,975	44,975	43,587	48,645
EMS	167,128	235,255	202,858	221,586
* Counties (EMS)	-0-	149,872	-0-	-0-
-Family Planning	203,968	203,048	160,127	124,732
Nursing	-0-	-0-	93,573	91,664
HLTH SER Div Adm	-0-	-0-	10,150	10,168
Total	605,457	758,418	632,187	615,878
			-0-	16,309
* Initial county Allocation for EMS training		-0-		
INITIAL ALLOCATION				
EMS		182,565		



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Public Health Service  
Centers for Disease Control  
Atlanta, Georgia 30333

NOTICE OF BLOCK GRANT AWARD

<b>2. Grantee</b>		<b>1. Issue Date</b> Mo. / Day / Year <b>OCT 01 1984</b>
a. Name: State of Montana		<b>3. Award Period</b> Mo. / Day / Year Mo. / Day / Year From 10/01/84 Through 09/30/86
b. Organization Unit: Dept of Health/Env. Sciences		
c. Street: Cogswell Building		
d. City: Helena		
e. State: Montana f. Zip Code: 59620		
<b>4. Block Grant Award</b>		
a. Program Identification		Preventive Health Services
b. Authorization (Legislation/Regulation)		Part A, Title XIX, PHS Act, as amended
<b>5. Catalog of Federal Domestic Assistance No.</b>		13.991
<b>6. Grant No.</b>		85-B1-MT-PRVS-01
<b>7. Administrative Code</b>		CCB01
<b>8. Federal Funds Approved</b>		
a. Total		632,187
b. Financial Assistance		632,187
c. Direct Assistance		0
<b>9. Current Year's Funds Awarded</b>		
a. Amount of this Action:		158,046
b. Financial Assistance		158,046
c. Direct Assistance		0
d. Cumulative Awards to Date:		158,046
e. Financial Assistance		158,046
f. Direct Assistance		0
<b>10. Unawarded Balance of Current Year's Funds (Line 8 minus 9d.)</b>		474,141

Remarks (Other terms and Conditions Attached - ☐ Yes ☐ No)

1. Funds in Blocks 8 and 9 include the following amount which can be spent for service to rape victims and for rape prevention (Section 1904(a)(2)):

Total Funds Approved :	11,970
Amount of This Action:	2,992
Cumulative to Date :	2,992

The amount cited in items 9a, 9b, and 9c represent one quarter of the annual appropriation. The amounts cited in items 9d, 9e, and 9f bring awarded funds to 25 percent of item 8.

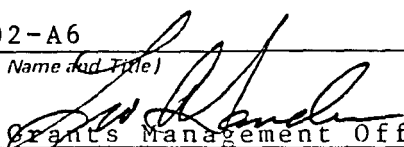
This grant is subject to the terms and conditions incorporated either directly or by reference in the following:

- The grant program legislation cited above.
- The grant program regulation cited above.
- This award notice including terms and conditions, if any, noted under "Remarks."

Acceptance of the grant terms and conditions is acknowledged by the grantee when funds are drawn or otherwise obtained from the grant payment system.

<b>11. Fiscal Data</b>	a. Appropriation	7550943
	b. FY/Can	5-1119/5-9210008
	c. Object Class	41.15
	d. Document Number (Grant No.)	85-B1-MT-PRVS-01

<b>12. CRS-EIN</b>	1-810302402-A6
--------------------	----------------

<b>13. Agency Official (Signature, Name and Title)</b>	 Leo A. Sanders, Grants Management Officer
--	--

GRANT PAYMENT INFORMATION

The Federal payment office for PHS block grant is:

Federal Assistance Financing Branch  
Post Office Box 6005  
Rockville, MD 20852

Exhibit 7  
1-14-85

ASSOCIATION FOR LOCAL HEALTH DEPARTMENTS

MATERNAL CHILD HEALTH BLOCK GRANT

The proposed budget for the state health department places a fatal reliance on federal funds for its operation - funds that are targeted for cuts by the federal government.

The Department must have secure funding to continue its mission to promote and protect the public health of this state.

The proposed cuts of the MCH Block Grant to the counties will greatly impact the immediate and future health of our communities.

PROPOSED MCH FUNDS TO COUNTIES

FY 85 Base Appropriation to Counties		FY 85 Federal Increase		FY 86 Proposed Allocation
\$950,339	+	\$235,193	=	\$1,185,532
				\$626,539

\$558,993 TOTAL CUT (\$323,800 cut from base allocation)

A SAMPLING OF COUNTIES' USE OF MCH FUNDS:

1. MISSOULA - FY 84
  - A. WELL CHILD CLINICS - 800 individual children  
(immunizations, physical exams, health teaching and referrals)
  - B. ADOLESCENT PREGNANCY PREVENTIVE HEALTH PROGRAM - 100 teens
2. YELLOWSTONE - FY 84
  - A. WELL CHILD CLINICS - 876 total people served
  - B. HIGH RISK LOW INCOME PREGNANCIES
  - C. PUBLIC HEALTH NURSE VISITS
  - D. ONGOING CLASSES FOR THE HMONG (3 classes)
  - E. CHILD ABUSE/NEGLECT

3. BIGHORN COUNTY

1/2 F.T.E. NUTRITIONIST

1/2 F.T.E. PUBLIC HEALTH NURSE

- A. PRENATAL AND CHILDBIRTH EDUCATION
- B. PARENTING CLASSES
- C. PREVENTIVE EDUCATION IN CHEMICAL DEPENDENCY
- D. WELL CHILD CLINICS - 300 visits
- E. PUBLIC HEALTH NURSE VISITS - 10 clients/month
- F. FINANCIAL ASSISTANCE FOR HANDICAPPED CHILDREN SERVICES

4. CASCADE COUNTY

- A. WELL CHILD CLINICS - 1,447 children (298 referred for medical problems)
- B. PARENTING EDUCATION PROJECT - 165 parents
- C. IMMUNIZATIONS FOR LOW INCOME - 3000
- D. CHILD ABUSE PROGRAM IN THE SCHOOLS - 1200 children
- E. DENTAL CARE - 202 children

PUBLIC HEALTH NEEDS TO BE ADEQUATELY FUNDED. THE STATE HAS A RESPONSIBILITY FOR THE PUBLIC HEALTH OF ITS CITIZENS.

THE PROPOSED BUDGET TURNS ITS BACK ON THAT RESPONSIBILITY.

EMS Bureau  
Program Summary

Exhibit 8  
1-14-85

The Emergency Medical Services Bureau actively promotes, and assists with, improving the Emergency Medical Services program on a state and local level. This involves liaison with the many agencies, organizations and individuals impacting the care of the emergency patient - ranging from the Law Enforcement and fire personnel to ambulance personnel to physicians and nurses. A major programmatic effort during the biennium will be the writing of a new comprehensive state EMS plan, with the assistance of a Departmental Advisory Council. The last one was completed about ten years ago.

In compliance with statute (50-6-301) the EMS Bureau administers the Ambulance Licensing Law - annually inspecting and licensing Montana's 110 ambulance services. In cooperation with the Board of Medical Examiners, the EMS Bureau manages the EMT Certification and Examination program. (The state special revenue fund is generated by examination fees and is used to pay most costs of the examination.) In FY 84 alone, 454 Basic EMT's were certified by written and practical examination. Rules, regulations and program requirements are now in place for the Advanced EMT program (intermediate and paramedic).

To maximize limited resources, the EMS Bureau trains local trainers who are responsible for the local conduct of training programs. This involves training of local EMT Course Coordinators and First Responder Course Managers. The EMS

Bureau manages the First Responder program - a training course for non-ambulance personnel who are first at the scene of a medical emergency. 394 were certified in FY 84.

Further improvements in training occur through statewide technical assistance workshops and through the initiation of an instructor development program for local instructors.

Considerable technical assistance is offered to local EMS providers through on-site visits and a wide variety of publications and training manuals. This includes organization and management of local EMS systems, communications, transportation, training and numerous other areas.

To improve the in-hospital phase of EMS, the EMS Bureau has also developed the Montana Emergency Nursing Education program for rural emergency room nurses, and coordinates, with Montana State University and the Montana Medical Association, the Advanced Trauma Life Support program for physicians.

The EMS Bureau administers the Montana Poison Control System with 9,403 calls received by the Poison Control Center during calendar year 1983.

There are still insufficient numbers of EMS personnel trained, and functioning, in Montana. Although Montana has one of the highest EMT recertification rates in the nation, there is still substantial turnover of personnel. As patient care procedures change, there is a need for updated, and regular, continuing education of all personnel.

We, at the EMS Bureau continue to concentrate the majority of our efforts toward improving the capability of Basic Life Support in Montana. While we have made considerable progress, there are still many areas needing improvement.

There are several major items of concern regarding the difference between the LFA and the OBPP budgets which could significantly impact upon our local training activities.

- 1) The first issue concerns the EMT revolving fund. This is used to help support the costs of the Basic and Advanced EMT certification examinations, and to provide for selling of specific training supplies to local trainers which are not readily available from other sources. Funding is derived from the certification fees (set by the Board of Medical Examiners) and from the revenue of selling supplies (at our costs). We proposed an increase to accommodate our progression, as discussed with this committee last year, to Advanced EMT certification. No increase in fees is proposed.

- a) The LFA's budget for clinic and seminar expenses is \$20,727 less than OBPP. This would result in our inability to expend our anticipated revenues for Basic and Advanced EMT certification.
  - b) The LFA did not fund printing costs in the revolving fund. This would eliminate our ability to send out, and replenish, the Montana Emergency Nurse Education Program.
- 2) In the clinic and seminar expenses, the LFA has proposed \$24,000 less in Preventive Health Block Grant funds than the executive budget. Funding at the level recommended by the executive budget is critical in order to continue most of the activities we are doing in FY 85 (some of which were not functional in FY 84).

These funds are used to pay costs of instructors' travel and per diem and limited student costs for EMS training programs.

- 3) We concur with the OBPP recommendation that funding of printing costs for the State Plan should occur in FY 87.

This subcommittee, last session, requested that any additional Preventive Health Block Grant monies be distributed for local emergency medical training programs. Consistent with this direction we have allocated \$149,872 to support a statewide EMT training program using audio-visual technology for areas which have not previously had such training, to improve the skills of EMT's in managing serious trauma. An additional \$52,690, due to non-federal mandating of hypertension program, is being allocated to the counties for local EMS training programs. This action of the committee last year is proving most beneficial in helping improve local training.

We would appreciate your taking these comments into consideration.

DD/kk/155-B



1/7/85

Emergency Medical Services Bureau

Program Facts for Fiscal Year 1984

- \* Two automobile extrication courses were conducted.
- \* Three First Responder Provider and Manager courses were given involving 66 students. Many of these return to their own communities to conduct training programs.
- \* One advanced ambulance driver training course was given involving 115 students.
- \* Four EMT Course Coordinator workshops were held to train and to recertify local persons to conduct and manage EMT programs.
- \* One EMT Examination Administrator workshop was held involving 31 students.
- \* Two statewide educational conferences were held involving 425 EMS personnel.

- \* Five Advanced Trauma Life Support courses were given involving 62 physician-students and 15 nurse-students.
- \* Six EMT examinations were given involving 454 candidates. Of this number, greater than 80 % were successful in passing the examination in a weekend.
- \* Five meetings of a statewide EMS nursing education committee were held.
- \* Five issues of a statewide EMS educational newsletter were published with a circulation of 2,800 for each issue.
- \* Twenty-eight EMS educational publications were printed.
- \* Fifty-three EMS training aids were purchased.
- \* Members of the EMS Bureau staff traveled 56,429 miles in-state, of which 50% were for educational activities, 30% were for functions mandated by statute, 11% were to provide technical assistance to local agencies and groups, and 9% were for other miscellaneous program purposes.

January, 1985

HEALTH PLANNING AND RESOURCE DEVELOPMENT BUREAU

Exhibit 9  
1-14-85

Mr. Chairman, Senators and Representatives of the Committee, my name is Dale Taliaferro. I am representing the Bureau of Health Planning. The Bureau performs health planning activities for the State of Montana. These activities fall into three major areas: information, planning, and resource development.

Information Activities. The Bureau collects, assembles, and distributes data on medical facilities, health manpower, and health care financing. This information is used by State agencies, local and State government, health care providers, and citizen groups in their consideration of health care issues. In most cases, this information is not available through alternative sources.

Health Planning Activities. The Bureau produces the State Health Plan and special plans as needed. Special plans or studies are conducted at the request of the Statewide Health Coordinating Council or the Director of the Department of Health and Environmental Sciences. These studies include development of legislation, analyses of policy alternatives, evaluation of needs for particular health services, projections of future health care expenditures, and other health issues. These activities are required by Federal regulation but are designed specifically for Montana's needs as interpreted by the Governor, Legislature, Department of Health and Environmental Sciences, and the Statewide Health Coordinating Council.

Resource Development Activities. The Bureau carries out activities designed to help maintain a balance between health care service capacity and distribution on one side and the cost of health care on the other. The primary

tool for this activity is the Certificate of Need program. Montana has good distribution and an adequate supply of high quality health care services. Health care costs, however, are rising at an estimated annual rate of fifteen percent, and the Certificate of Need program is the only tool currently legislated to restrain that growth. In conjunction with planning, the Certificate of Need program provides government, health care providers, and the public with the means to develop and implement a consensus on health resource needs.

Projects of 1984. The Bureau wrote a new State Health Plan and produced a 1984 health data book.

The 1984 Montana Health Plan is primarily concerned with health facility-based health services. A review was completed on Health Department activities and projected service needs. This review, along with a set of 1990 health goals being developed in the Department, will be used to expand the plan to include health promotion and disease prevention services.

Certificate of Need activity increased in number and complexity with increases in both competitive applications and appeals of decisions. Qualitatively the activity is mainly in the areas of nursing homes, hospital special equipment, and home health services.

LICENSING AND CERTIFICATION BUREAU

Exhibit 10  
1-14-85

Chairman Winslow, Senators and Representatives, I am Jacqueline McKnight, Chief of the Licensing and Certification Bureau.

The Bureau is responsible for monitoring the operation, maintenance, and design of various health care facilities and services--hospitals, long-term care facilities (i.e., skilled nursing, intermediate and personal care homes), home health agencies, laboratories, out-patient physical or speech therapists, renal dialysis units, ambulatory surgical centers, swing beds, mental health and retardation treatment centers, and chemical dependency treatment centers.

The Bureau has legal authority to issue licenses, grant Medicaid certification, and recommend Medicare certification for facilities and services that meet the regulations. It has the legal responsibility to promulgate and revise licensing regulations, to investigate and act upon citizen complaints, and to revoke the license or certification of any facility or service which falls below minimum standards and jeopardizes the health or safety of the patients or clients.

The surveyor and supervisory staff provides continuing consultation services to all providers and information to the public and government and private agencies.

The Bureau is currently moving toward annual surveys of all providers. In 1983 Bureau staff conducted 359 surveys and in 1984, 456 surveys.

We tried flexible survey schedules assigning 2 and 3-year resurvey dates to providers who had few deficiencies and found this to be totally unworkable. A number of these providers developed deficiencies resulting in Conditions of Participation being not met. Some of these providers have requested annual surveys stating the benefit of survey findings as a good administrative tool. The survey should be an indepth review of all services provided by the health care facility.

HCFA provided additional funds in 1984 to accomplish annual surveys of 100 per cent of the providers. There was inadequate authority to utilize these funds.

Fiscal Year 1985 federal funds were available to accomplish 100 per cent annual surveys allowing survey teams to schedule sufficient time in facilities for the needed indepth review of all services, but again we could not avail ourselves of these funds because of the restriction of "approved general funds." HCFA has stated in both the FY 1984 and FY 1985 budget letters that state licensing expenditures equal 30 per cent of the survey cost.

HCFA in both our 1984 budget approval letter and in our Comprehensive State Agency Review has stated that our current staffing is inadequate to maintain the quality of surveys expected under our agreement.

In addition, the workload of the Bureau has been increasing in terms of new providers. For example, we have certified 23 swing bed providers and have 6 pending; 12 licensed Hospices with 4 pending; 20 Home Health Agencies and 10 pending; 4 licensed/or certified outpatient surgicenters with 5 pending.

We expect these "pending" providers to be in operation prior to Fiscal Year 1986 in addition to two new psychiatric hospitals and three new nursing home providers.

Personal care homes and chemical dependency treatment centers present a particularly difficult problem for the Bureau staff. Although we have drafted and adopted new licensing regulations for these providers consistent with laws passed last legislative session, we are unable to survey them. We expect approximately 30 new licensed providers.

In response to these considerations, we have requested approval of two additional surveyors.

In response to Legacy Legislative priorities, we have requested a surveyor to perform unannounced evaluative surveys to long-term care providers. These unannounced surveys would be spot checks on quality of care, food, and housekeeping, and focus on patients', and where possible, family satisfaction. Any major problems identified would result in deficiencies cited.

The Bureau and the State have benefited from the contract engineer who has worked as needed at a lower compensation rate because he is on Social Security and his earnings have been limited. He has recently reached the age where his income is no longer limited which explains the requested increase in compensation for the biennium. This man has many years experience in health facility design and construction and will be very difficult to replace. We anticipate that we will need an F.T.E. to replace him at the time of his final retirement.

Testimony before the Joint Appropriations Subcommittee on Human Services  
January 14, 1985.

## VISITORS' REGISTER

Human Services Sub COMMITTEE

BILL NO. \_\_\_\_\_

DATE 1-14-85

SPONSOR \_\_\_\_\_

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Ray Hoffman	DHES		
Drew Dawson	DHES		
Leo F. Fink	DHES		
Art Bickman	GT FALLS		
Frank Williams	Fort Benton		
Garry L. Gort	Helena		
Robert Johnson	Helena		
Dennis Lang	Missoula		
Jim Smith	Helena		
Dale Taliferro	Helena		
Jacqueline Mc Knight	DHES - HELENA		
WARREN BRASS	HELENA D.H.E.S.		
Rose Skoog	MHCA - Helena		
JUDITH ID CARLSON	HELENA		
Ed May	OBPR		
DAVE BLACKLEY	HELENA		
W. J. J. J. J.	DHES		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.