

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

January 24, 1985

The meeting of the Human Services Subcommittee was called to order by Chairman Cal Winslow on January 24, 1985 at 8:05 a.m. in the Old Supreme Court chambers of the State Capitol.

ROLL CALL: All members were present.

Chairman Winslow announced the meeting will start with The Department of Social and Rehabilitation Services (SRS) overview and then on to the Priorities for People (PFP) process.

Dave Lewis (21:A:009), the director of SRS, gave everyone a copy of a handout that lists basic information about the department (EXHIBIT 1). He discussed the organizational chart and a ten-year comparison of dollars spent included in the handout. The seven division administrators were introduced to discuss their divisions.

Economic Assistance Division (EXHIBIT 2)

Jack Ellery, the administrator of the division, discussed the programs he oversees: Medicaid, Aid to Families with Dependent Children (AFDC), food stamps, food distribution, Low-Income Energy Assistance Program (LIEAP), weatherization, Community Services Block Grant (CSBG), general assistance, and state medical assistance. He said the majority of these programs are federally funded and are also directed to some degree by federal mandates. Medicaid, AFDC, and food stamps are entitlement programs and everyone that is found to be financially eligible must be served. Only general assistance and state medical assistance are totally state funded and administered.

Community Services Division (EXHIBIT 3)

Norma Harris (21:A:178), administrator of the Community Services Division, discussed the programs her division is responsible for. The two largest programs are foster care and aging services.

Centralized Services Division (EXHIBIT 4)

Ron Brown, administrator of the Centralized Services Division, discussed the administration and support services functions of the department: The Director's Office, and the Centralized Services Division.

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He listed the areas covered by both the Director's Office and the Centralized Services Division. The Centralized Services Division and the Director's Office are solely support services; they do not deal directly with clients as do the program division.

Audit & Program Compliance Division (EXHIBIT 5)

Pat Godbout, administrator, briefly discussed her division. It is a support division, and she listed the five units that carry out a variety of functions for the department.

Developmental Disabilities Division (EXHIBIT 6)

Mike Muszkiewicz, administrator, briefly discussed an overview of this division.

Rehabilitative/Visual Services Division (EXHIBIT 7)

Bob Donaldson, administrator, discussed the joint division. SRS provides vocational rehabilitation services to the blind, disabled, and handicapped individuals through the two divisions. The funding is provided by the federal government. The current financial participation is 80 percent federal funds and 20 percent state sources. He pointed out the history of the services offered. The eligibility criteria for this program is a disability, physical or mental, which for that particular person constitutes or results in a substantial handicap to employment, and the reasonable expectation the program may benefit that person. He discussed the charts included in the exhibit. He pointed out the budgets of the three programs the division oversees: Vocational Rehabilitation Program, Visual Services Program, and Disability Determination Program.

Ben Johns discussed the type of federal funds and grants SRS receives. He gave everyone a memorandum given to Priorities for People team members (EXHIBIT 8).

Chairman Winslow asked Dave Lewis why the Developmental Disabilities Planning & Advisory Council was not mentioned.

Priorities for People (PFP)

Dave Lewis (21:B:008) gave everyone a schedule that the PFP presentation will go by (EXHIBIT 9). He explained that the PFP process was an enlightening experience in trying to decide which needs were more important.

Mary Blake (21:B:051), the coordinator for the PFP process, discussed the process and the history of the PFP idea. She pointed out the four areas of the PFP process:

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- 1) Child & Youth
- 2) Developmentally Disabled
- 3) Economically Needy
- 4) Senior Citizens.

The leaders for those teams will speak on their areas. She gave everyone on the committee a binder with information regarding the whole PFP process (EXHIBIT 10). The various leaders will refer to this exhibit regarding the five tiers in their presentations.

Wade Wilkison (21:B:145), director of Low Income Senior Citizens Advocates (LISCA), and chairman of the senior citizens budget building team for PFP, gave everyone a participant's viewpoint of the process. The team members looked at an amount of \$80 million of pressing human service needs in the state of Montana. The PFP team came up with \$22 million of priorities. He listed the factors that comprise the process:

- 1) Constituent groups
- 2) Providers
- 3) Bureaucratic systems
- 4) Legislature systems

Vonnie Koenig (21:B:314), a member of the Disabilities team, has been actively involved in working on behalf of the developmentally disabled and handicapped. She said serving on the PFP team has been a positive and meaningful experience for her. For the first time they have had their horizons broadened by needing to listen to the needs of those people representing all the groups in the human services process. She said for the first time there is an excellent base of information from which to base their decision.

Child and Youth

Jessie Schlinger (21:B:397) discussed the various initiatives under child and youth by referring to the PFP process binder. These initiatives are asking for clothing allowance, special needs allowance, eyeglasses reimbursement, destruction reimbursement, orthodontic work aid, respite care allowance, extra money for special diets, among the above requests.

Developmentally Disabled

Bob Frazier (22:A:056) talked about the developmentally disabled (DD). He serves 350 DD students attending Montana State University. He discussed the initiatives involved with DD. He said that two legislators are

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sponsoring bills to help pay for some of these programs. He also said that initiative D-10 needs a sponsor for a bill to increase the DUI fine by \$25 to help pay for these services.

Economically Needy

Marna Jones (22:A:244) listed those programs in SRS dealing with the economically needy: LIEAP, AFDC, food stamps, general assistance, medicaid, and listed the agencies represented by the people on the team. She listed the initiatives involved with the economically needy.

Jim Smith (22:A:642) attended the meeting on behalf of the Human Resource Development Councils in Montana. He spoke on a lawsuit involving SRS as litigants while trying to formulate a position on general assistance. The issue was deferred until the court in Butte had made its decision. He gave everyone a copy of Judge Olson's order regarding that case (EXHIBIT 11).

Chairman Winslow had questions regarding the Unemployed Parent (UP) program, the funding with that, and the Medicaid funding for the alcohol training.

Senior Citizens

Stan Rogers (22:B:057) spoke from his prepared testimony regarding senior citizens in the PFP process (EXHIBIT 12).

Roberta Nutting (22:B:200) spoke on the experience she had in the PFP process. She listed the initiatives under senior citizens.

Mary Blake (22:B:474) discussed the five tiers. They are priority tiers and the initiatives are listed only alphabetically within the tiers; they are not prioritized within the tiers.

Chairman Winslow had a question on the revenue enhancers in the PFP process and wondered if there are any that are processed. There are currently two bills being introduced in the legislature.

Testimony was heard from the following people:

Rena Wheeler, director of Special Training for Exceptional People in Billings, voiced parent's concerns of the deinstitutionalization of Boulder and the need for community-based services for the developmentally disabled.

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Jean Myers, associate director of Flathead Industries for the Handicapped, spoke on behalf of Montana Association of Rehabilitation Facilities (MARF) and gave an overview of MARF. There are 8 MARF facilities in Montana and receive a large part of their funding by SRS.

Beverly Gibson (23:A:017), from the Montana Association of Counties, participated in the PFP process and supports it. They also support the UP process.

Suzanne Tiddy, from the Montana Association of Social Workers, was impressed by the PFP process, and asked the committee's support for PFP.

Joyce Kalmas, employed by the Independent Living Center in Missoula, was representing the Montana Association for Rehabilitation. Her organization supports the PFP process and endorses the budget package that was developed.

John Ortwein, who represented the Montana Catholic Conference, said his organization supports the PFP process.

Bonnie Evans, from the Peace Legislative Coalition, said her coalition is impressed with the PFP process.

Lois Durand, who has worked with low income people, asked for the committee's support to help the general assistance program.

Jim Smith, who is with the Human Resource Development Councils, said the HRDC's has participated with the PFP process and supports the process. They support the initiatives contained in all five tiers, and especially those appearing in the executive budget.

Bobbie Curtis, president of the Montana State Foster Parents Association, hopes they can help foster children become more whole people. They ask the committee's support.

Tom Drooger, Montana Residential Child-Care Association, supports the process and product of PFP. He urges the committee to support it. He gave everyone a list of the agencies in the Helena area who would be affected by any decisions (EXHIBIT 13).

Cathy Campbell, Montana Association of Churches, lends their support for the final produce of PFP.

Sylvia Bowen, who is a foster parent, discussed the various difficulties in taking care of a foster child, in taking care of a disabled child, in taking care of

many children and the costs involved.

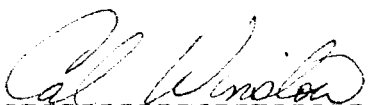
Sue Fifield, a PFP member and a steering member for the Montana State Low Income Coalition, supports the initiatives, especially the initiatives on AFDC, UP, and general assistance.

Representative Bradley said she was very impressed with the presentation the how the people lead their lives. She said this process will save the committee hours of work, and able for them to come up with a much better outcome.

Senator Christiaens asked Jean Myers what the source of her group's funding is; the funds come from the DD division, the rehabilitation services division, and the individual funding.

Chairman Winslow commended the work done over the past months and pointed out the tip of the iceberg has just been touched throughout this process of politics. He said the committee is in a compromised situation with education, law enforcement, and other funding throughout the state. However, they will do the best they can to meet the priority needs of Montana.

The meeting was adjourned at 11:30 a.m.



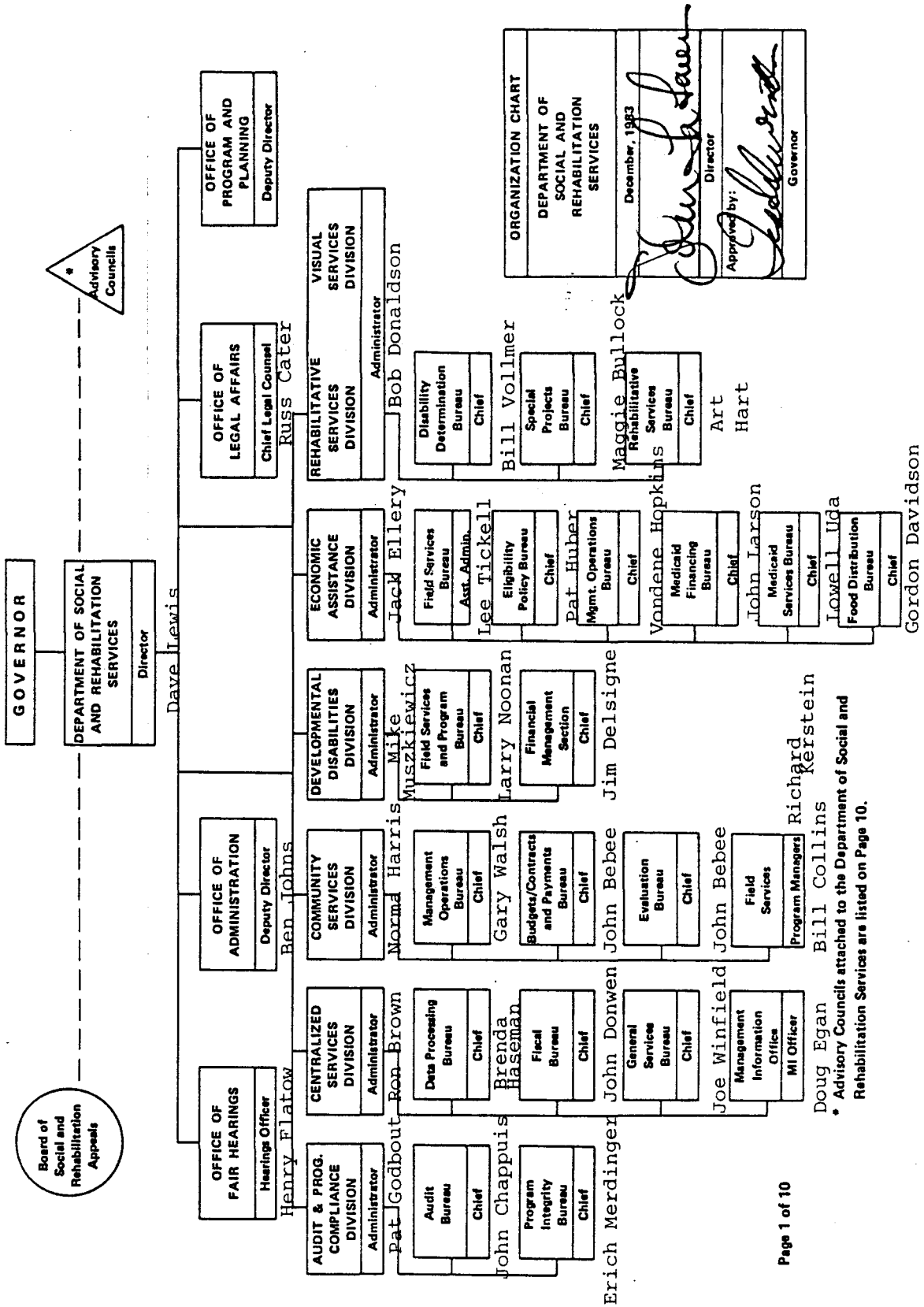
CAL WINSLOW, Chairman

AN OVERVIEW
OF THE
DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

January 24, 1985

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Comparison of Fiscal Year 1974 Expenditures
to Fiscal Year 1984 Expenditures

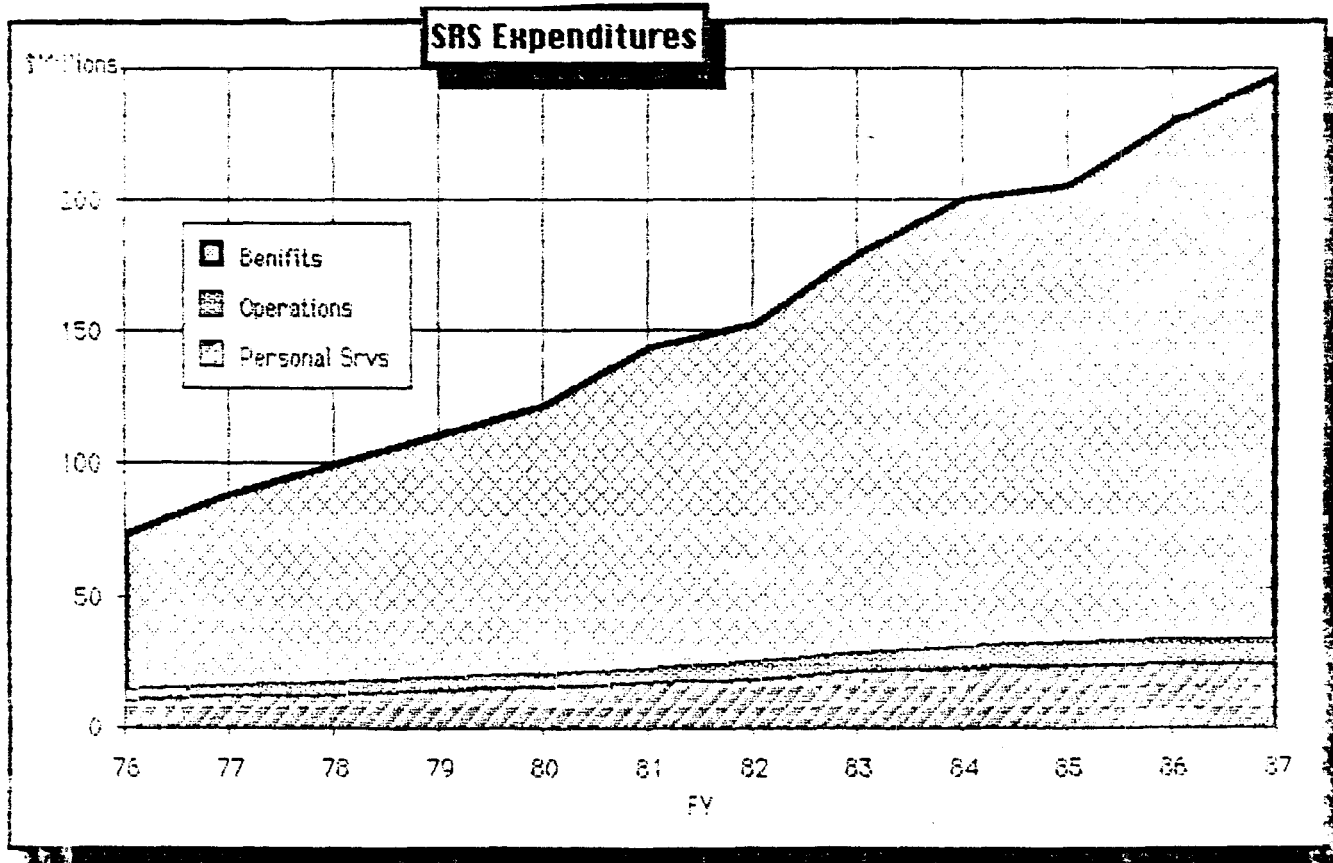
<u>By Category of Expenditures</u>	<u>FY74</u>	<u>FY84</u>	<u>% Increase</u>
Personal Services	\$ 7,831,666	\$ 22,301,438	185%
Operations & Equipment	4,459,431	7,790,028	75%
Benefits & Claims			
Medicaid	20,664,825	90,816,434	339%
Foster Care	1,173,426	5,218,567	345%
Aging Services	969,568	4,428,311	357%
AFDC	12,286,712	26,352,321	114%
Vocational Rehabilitation	2,585,775	3,097,686	20%
Developmental Disabilities	0	13,387,485	N/A
All Other Benefits	4,725,754	27,201,074	476%
Total	<u>\$54,697,157</u>	<u>\$200,593,344</u>	267%

By Type of Fund

General Fund	\$12,055,942	\$ 67,428,179	463%
Federal Funds	37,184,058	122,836,115	230%
Other Funds	5,457,157	10,329,050	87%
Total	<u>\$54,697,157</u>	<u>\$200,593,344</u>	267%

Other

AFDC Families	7,293	7,118	- 2%
Medicaid Recipients Per Month	15,820	17,925	13%
Food Stamps Households	13,286	20,548	55%
Full-Time Equivalent Employees (FTE)	910.99	1,043.11	14%



Department of Social and Rehabilitation Services

ECONOMIC ASSISTANCE DIVISION

The Economic Assistance Division of SRS manages and/or supervises the administration of the following assistance programs: Medicaid, Aid to Families with Dependent Children (AFDC), Food Stamps, Food Commodities, Low-Income Energy Assistance, Weatherization, and General Assistance/State Medical.

The Medicaid, AFDC and Food Stamp programs receive fiscal authorization from the State Legislature and are administered by county welfare offices. The USDA food commodities programs receive fiscal authorization from the State Legislature and are administered by recipient agencies and tribal councils under contract. The Low-Income Energy Assistance and Weatherization programs receive fiscal authorization from the State Legislature and are administered by local Human Resource Development Council's (HRDC's), departments of welfare and county commissioners under contract. The Economic Assistance Division is also responsible for supervising the State General Assistance/State Medical program which also receives fiscal authorization from the State Legislature in those counties that opted for State Assumption.

MEDICAID

Medicaid is a medical assistance program designed to pay for medical care for low-income persons who are age 65 or over, blind, disabled or members of families with dependent children (AFDC). The program is jointly financed by Federal and State governments.

Services available under Medicaid include In and Out-patient hospital care and nursing home care, laboratory and X-rays, home health, physician, dental, pharmacy, personal care, therapies, prosthetic devices, durable medical equipment, optometric, psychological, transportation, EPSDT and family planning. The expenditures for providing these services in FY84 amounted to \$97,600,000.

The Department has received authority to implement a Home and Community-based Services Program. This program is designed to serve Medicaid recipients, who require long term care in the community rather than in an institution. The program is available to eligible physically disabled, developmentally disabled and elderly persons in seven counties across the state. It is projected that 510 persons will be served this biennium at an estimated cost of \$4,000,000. Services under this program include case management, homemaker, personal care, respite care, adult day, habilitation, meals, transportation, medical alert and modifications to the home.

AFDC

The AFDC program provides income maintenance for monthly living expenses, including day care, for dependent children and one parent.

Eligible children must be deprived of the support of one or both parents because of divorce, separation, incarceration or incapacity in order for the household to receive benefits.

Households that qualify in these categories must meet maximum income guidelines set by the Federal government and implemented by the State.

The AFDC caseload for FY84 averaged 7,119 and resulted in expenditures of \$25,250,000.

FOOD STAMPS

"The Food Stamp program is designed to promote the general welfare and to safeguard the health and well being of the Nation's population by raising levels of nutrition among low income households". (F.S. Act 1977.) The benefit provided to eligible Food Stamp applicants is the distribution of food coupons to supplement dietary needs. Coupons can be exchanged in most food stores for any items except alcohol, cigarettes, or paper products.

To qualify, low-income families must be below 130% of the poverty level as determined by USDA guidelines. On a annual basis, the program serves approximately 20,500 Montana families and 57,000 recipients. There is no budget, as such, since the dollars are Federal. However, the value of the stamps issued in Montana in FY84 was 28.6 million.

FOOD DISTRIBUTION

The Food Distribution program is responsible for distribution of food commodities to eligible residents of Indian Reservations, nutritional programs for the elderly, charitable institutions, non-residential child care facilities, summer camps for children and special distribution to needy households in accordance with state law and federal regulations. The following summarizes this program:

<u>PROGRAM</u>	<u>PARTICIPATION</u>	<u>ADMINISTRATIVE FUNDING SOURCES</u>
Needy Family Program Indian Reservation	8,000 individuals per month	100% Federal
Nutrition Program for Elderly	660,194 meals per year	100% Federal
Charitable Institutions	4,800 individuals per month	100% State
Summer Camps	17,000 children per year	100% State
Child Care	2,100 individuals per month	100% State
Special Distribution to Households	75-80,000 individuals per month	100% Federal

The Federal government purchases all food and donates it to the states.

LOW-INCOME ENERGY ASSISTANCE PROGRAM (LIEAP)

The purpose of LIEAP is to assist low-income people in meeting the rising cost of energy by making payments to their vendor using a matrix which estimates usage for specific home and fuel types.

The program is contracted with Human Resource Development Councils, Departments of Public Welfare, county commissioners and an Area Agency on Aging. Eligible recipients must be at 125% of the poverty level.

Funding for FFY84 was at \$12.3 million which includes administration, Title XX transfer and Weatherization. In FY84 nearly 22,000 households received benefits from the LIEAP program at an average of \$452.

WEATHERIZATION

The Weatherization program assists low-income persons in combatting rising energy costs through reduction of energy consumption. Program activities include insulation, caulking, storm windows and incidental repairs.

The program is contracted to Human Resource Development Councils (HRDC's). The funding formula is contained in State law and the income eligibility is at 125% of poverty level (1984 family of 4 = \$12,375).

Funding is from the Department of Energy (DOE) and the Department of Health and Human Services (HHS) LIEAP transfer. For FFY84, DOE contributed \$1.9 million and HHS contributed \$.8 million.

In FY84, we will weatherize approximately 2300 homes.

COMMUNITY SERVICES BLOCK GRANT (CSBG)

The purpose of the program is to alleviate the causes of poverty through provision of direct and indirect services.

According to State law, the program must be contracted through HRDCs. Use of the funds is determined by HRDC Boards of Directors to meet locally identified needs. HRDCs are private, non-profit organizations.

FY84 expenditures were \$1 million.

GENERAL ASSISTANCE

The State General Assistance Program in the State Administered Counties is to assist low-income persons in meeting their needs in five areas; shelter, utilities, food, transportation and personal needs. This program has

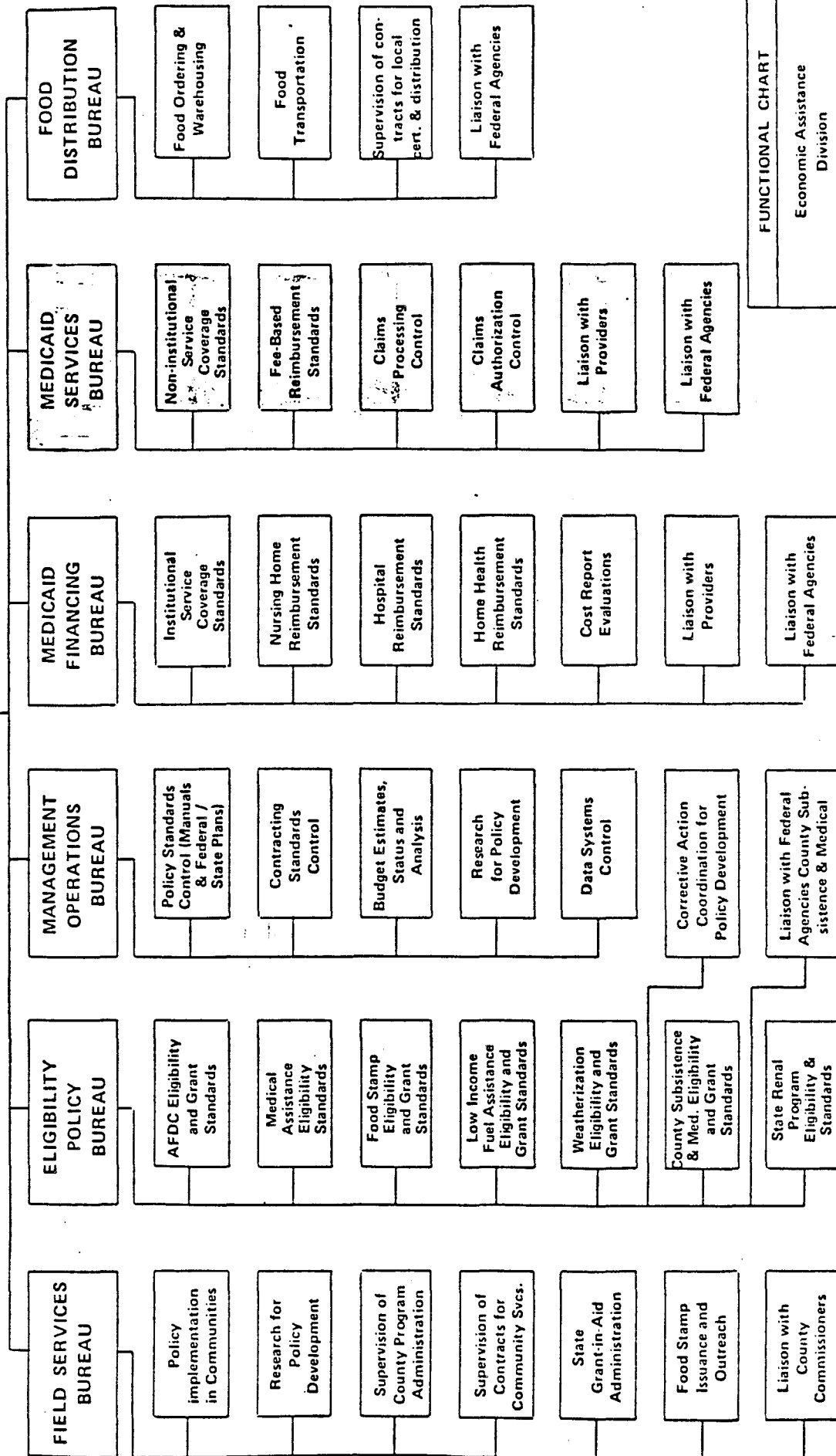
historically been a "need" based program rather than a flat grant award. The court order that results from the Butte Community Union's lawsuit against the Department of Social and Rehabilitation Services has essentially mandated that this become a flat grant program, since the needs that are met can easily arrive at the AFDC grant level. This program is administered by the twelve county office of human services for the state administered counties and in the remaining counties under county administration. The only role that the Department of Social and Rehabilitation Services plays in the non-state administered counties General Assistance plans is to approve them and accept or reject the scope, amount and duration as prescribed by the county commissioners and signed off by the local county attorney. The non-state administered counties are not under the court order of Judge Olson. The growth in the General Assistance program for the state administered counties can be attributed to both a significant average cost per case increase due to the court order and to a significantly larger number of cases that are becoming eligible for General Assistance, presumably because of long-term unemployment benefits running out.

STATE MEDICAL ASSISTANCE

The State Medical Assistance program is limited to the scope, amount and duration of Medicaid. Although counties had previously limited the scope of the County General Assistance program to eliminating life-threatening situations and to alleviate pain and suffering, the Legislative mandate for the state administered counties was to not exceed the scope, amount and duration of the Medicaid program. The costs in the State Medical program have also risen significantly because of the increased number of General Assistance applicants, recipients and others who are eligible for medical services. All State medical services are on a prior-authorization basis. The State Medical Assistance program and the State General Assistance program are both considered to be the very last safety net for those individuals who are not eligible for any other federally assisted program administered by the Department of Social and Rehabilitation or any other agency.

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ECONOMIC ASSISTANCE DIVISION



FUNCTIONAL CHART

Economic Assistance Division

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

May, 1981

Exhibit 3
1-24-85

COMMUNITY SERVICES DIVISION

COMMUNITY SERVICES DIVISION is responsible to maintain family unity and provide the least restrictive environment for children and adults. The Division provides a variety of services to families, children, youth, adults and senior citizens. These services are provided directly by staff and through contracts.

The Division is legally mandated to provide protective services to certain groups who are in danger of abuse, neglect or exploitation. These groups include children, elderly people and developmentally disabled people. Our activities have increased substantially in services to neglected and abused children and increased somewhat in referrals of elderly abuse.

DIRECT SERVICES

Community Services staff provides services from county and district offices. Direct service staff includes social workers, home attendants and social service aides. The services provided include protective services to children, adults and developmentally disabled individuals, foster care, day care, adoption, case management for developmentally disabled individuals, services to unmarried parents, licensing, and a work incentive program.

CONTRACTED SERVICES

Contract services include Legal Services, Domestic Violence, Big Brothers and Sisters, Home Health, Family Teaching, West Yellowstone, Child Abuse and Neglect and the Refugee Program.

The largest two contractual programs of Community Services Division are Foster Care and Aging Services.

FOSTER CARE

The Department has a foster care budget which supports children in foster family homes, group homes, child care agencies and out of state treatment facilities generally under the auspices of a court order.

AGING SERVICES

Community Services Division receives Title III funds of the Older Americans Act and State General Fund for aging services programs. The funds are contracted with 11 Area Agencies to provide a variety of services which include:

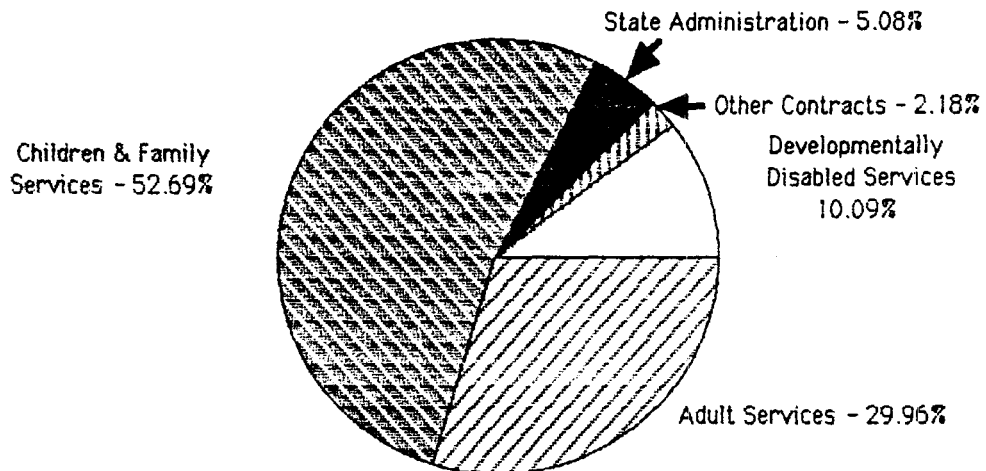
In Home Services	Visiting/Telephone Reassurance
Escort	Chore Maintenance
Transportation	Legal Assistance
Outreach	Health Screening
Information/Referral	
Homemaker	
Home Health Aide	

Through Senior Centers, congregate meals and home delivered meals are provided.

The attached charts display expenditures in Community Services Division program areas.

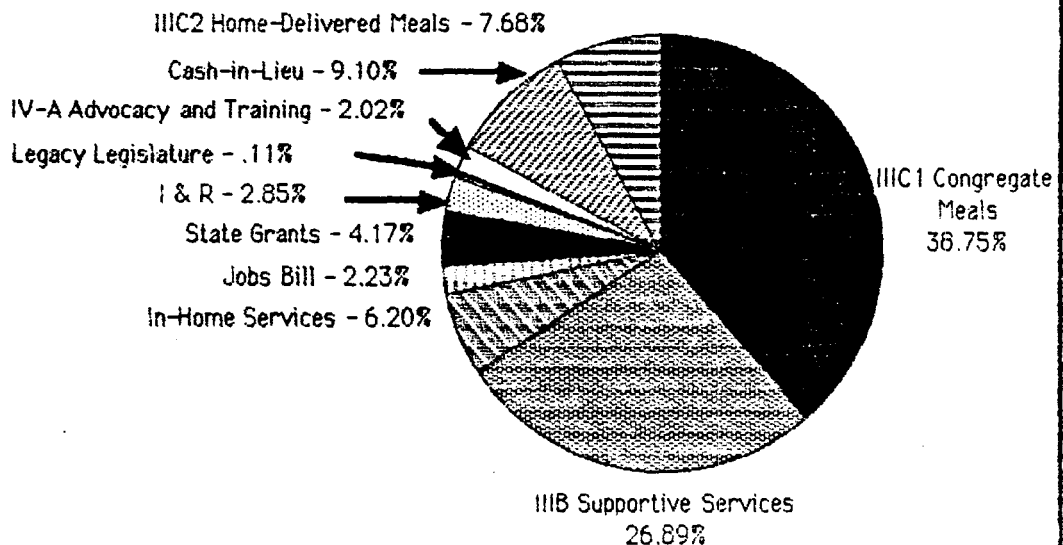
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Community Services Division State Fiscal Year 1984 Expenditures



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Aging Services 21.92% of Total CSD Expenditures for State Fiscal Year 1984



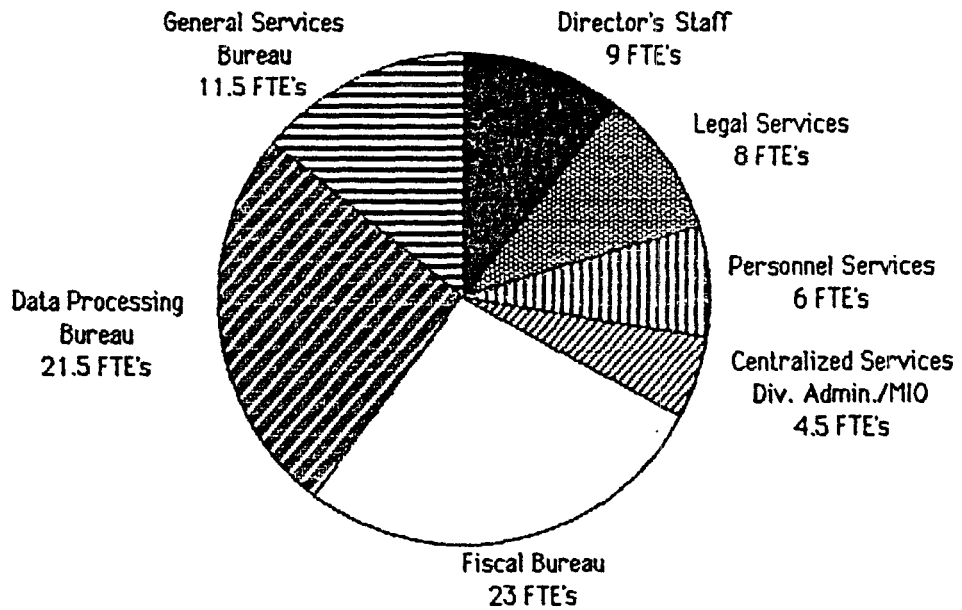
DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
PROGRAM OF ADMINISTRATION AND SUPPORT SERVICES

The Administration and Support Services Program is comprised of two major functions - the Director's Office and the Centralized Services Division.

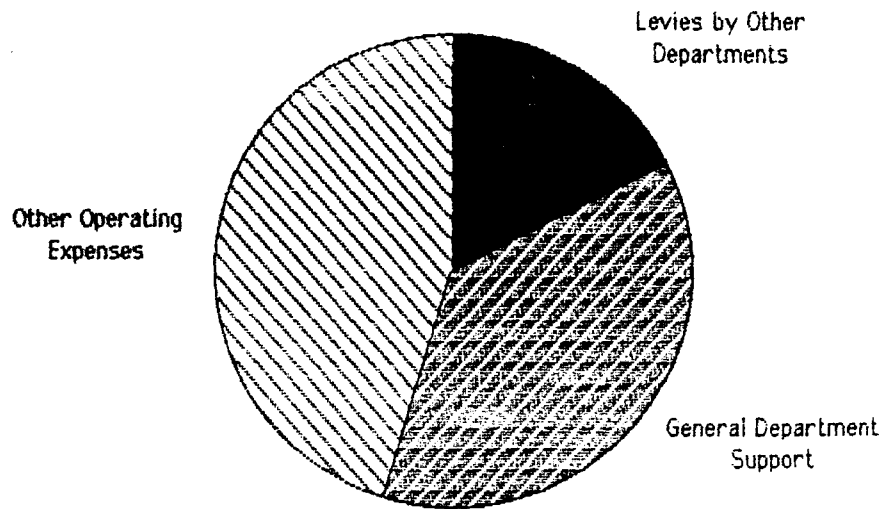
Overall direction for the Department	9.0 FTE
Legal Services	8.0 FTE
Personnel Services	6.0 FTE
Division Administration/MIO	4.5 FTE
Overall Direction for Centralized Services Division. Provides statistical reporting and research services and designs, maintains, and operates the Department's Random Moment Time Study.	
Fiscal Bureau	23.0 FTE
Receipt, disburse and account for all funds appropriated and received by the Department. Also, prepare federal reports and assure maximum federal dollars are received.	
Data Processing Bureau	21.5 FTE
System design and development, data entry and computer operations.	
General Services Bureau	11.5 FTE
Provides purchasing, mail, supply, communications, office space acquisition, records management, property management, and forms control services to the department.	
	<hr/> 83.5 FTE

W1/c

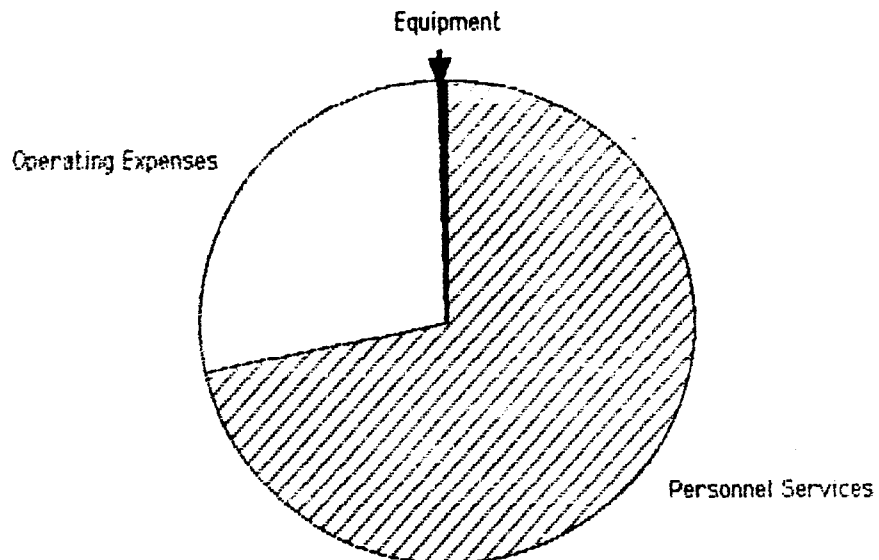
Program 04 - Administration & Support FTE's



**Administrative & Support Services
Program 04 Operating Expenses Distribution**



**Administrative & Support Services
Program 04 Costs - FY 84**



Audit and Program Compliance Division

Audit Bureau

The bureau conducts financial and compliance audits of the department's contractors to provide management information and to meet federal audit requirements. These audits have become the primary contract monitoring tool of the department. In addition, the bureau conducts federally mandated audits of food stamp issuance offices and audits of county funds for grant in aid and state assumption purposes. (The audits of state assumed counties revealed that the counties underpaid the state treasury by over \$225,000 for FY '84.)

Program Integrity Bureau

This bureau has five units that carry out a variety of functions for the department:

Quality Control Unit - This unit reviews AFDC, Food Stamp, and Medicaid cases to determine if the recipient is eligible for the benefits received. The number and type of reviews conducted are mandated by federal regulations. The results of these reviews are used by federal agencies to determine if the state is liable for reduced federal funding because of excessive error rates.

Quality Assurance Unit - This unit also reviews assistance cases for errors, but the findings are not reported to the federal government. The goal of the unit is to discover erroneous cases before they are selected by Quality Control. The unit is currently reviewing approximately 900 nursing home cases; the savings due to closure of medicaid eligibility and recoveries from ineligibles has exceeded \$100,000.

Third Party Liability - The department has the right to deny payment of medicaid claims when another liable party (medicare, insurance companies, etc.) has been identified and to investigate paid claims to determine if payment can be recovered from another responsible source. The denial of claims, referred to as cost avoidance, depends on the identification of liable parties at the time the recipient applies for medicaid. Medicaid expenditures were reduced by over \$4 million dollars in FY'84 through cost avoidance. The post investigation of paid claims is referred to as pay and chase. The department recovered over \$775,000 from pay and chase in FY '84; more than the recoveries for the prior three years.

S/URS Unit - One of the major administrative costs of the medicaid program is the claims processing system. If the system is certified as meeting all federal requirements, then the states share of the cost of operating the system is reduced from 50 to 25 percent. One of the conditions for full certification is the operation of a Surveillance/Utilization Review Subsystem (S/URS). This subsystem is responsible for the detection of abuse of the medicaid program by both providers and recipients. The S/URS Unit is also responsible for monitoring the claims processor to determine if claims are paid in accordance with department rules and manages the restriction of access to services by recipients who abuse the medicaid program and the process under which abusive providers are sanctioned.

Recoveries Unit - This unit is responsible for the recovery of all public assistance payments and assists in the documentation of welfare fraud.

DEVELOPMENTAL DISABILITIES DIVISION --- PROGRAM OVERVIEW AND SUMMARY

INTRODUCTION

The developmental disabilities community-based service system established officially as a result of the 1975 legislative session involves:

DEVELOPMENTALLY DISABLED INDIVIDUALS, defined by MCA 53-20-102 as individuals who have "disabilities attributable to mental retardation, cerebral palsy, epilepsy, autism, or any other neurologically handicapping condition related to mental retardation and requiring treatment similar to that required by mentally retarded individuals."

DEVELOPMENTAL DISABILITIES DIVISION

PROVIDERS OF SERVICE

DD PLANNING AND ADVISORY COUNCIL and REGIONAL COUNCILS

HISTORICAL BACKGROUND

- 1975--1977**
 - \$5.2 million appropriated
 - development of day training programs and group homes
 - 280 placed from institutions to community-based programs
 - development of services to children and families
 - 1,289 individuals served by end of biennium.
- 1977--1979**
 - no appropriation for expansion of services
 - development of waiting lists for services, particularly special education graduates
 - 38 placed from institutions
 - 1,550 individuals served by end of biennium, the increase mostly in child and family services.
- 1979--1981**
 - \$815,000 appropriated for deinstitutionalizing 60 from institutions, 62 were placed
 - continued growth of waiting lists due to lack of expansion funds for persons in the community
 - 1,630 individuals served by end of biennium
- 1981--1983**
 - \$1.8 million appropriated for expansion for services to address waiting lists
 - 346 persons served from the waiting lists (half were previously receiving no D.D. services)
 - development of new services: transitional living training, intensive training homes, and vocational job placement
 - 13 individuals placed from institutions
 - 1,808 individuals served by end of biennium.
- 1983--1985**
 - \$968,712 appropriated to place 16 persons from BRSH and Eastmont, 22 individuals placed as of December 1984
 - development of new service, specialized family care, for 30 children and their families
 - 1,946 individuals receiving services as of December 1984.

DD COMMUNITY-BASED SERVICES

Currently there are 1,946 individuals served in D.D. community-based service programs. The D.D. Division has FY 85 contracts with 57 service providers in 32 cities throughout Montana. The services provided include **day training centers** with transportation for adults. **Residential services** include community group homes for adults and children and transitional living and independent living training for adults. **Services available to children** living in natural or foster homes include: family training, respite and specialized family care. **Support services** include: adaptive equipment, evaluation and diagnosis and summer day programs for children. (see attached service descriptions -- Appendix A)

CURRENT ISSUES

Community Waiting Lists — The expanding community waiting lists are putting tremendous pressure on the entire D.D. service system with frustrated parents, appeals and threatened court suits. There are at least 20 prospective clients competing for most service openings that occur. In the past two years there has been no service expansion possible, but young special education students continue to graduate from school programs. **Currently there are over 800 persons on waiting lists, with the average time on waiting lists almost 2 years.** A plan has been developed by PFP (Priorities for People) to address the service needs of about 285 persons on waiting lists. It is critical that some service expansion occur in the next two years for persons living in the community, particularly when there may not even be institutional alternatives for these persons in the future. (see attached graphic information on community waiting lists -- Appendix B and C)

Deinstitutionalization of BRSH — The past legislature commissioned a study of Montana services to developmentally disabled, HB 909. The recommendations of this committee included reducing BRSH from about 200 residents to 52 persons with severe behavioral problems. Further recommendations were for the placement of 156 persons from institutions to community-based services programs. The D.D. Division recommends the Regional Resource Center model to serve this population, made up of persons more severely handicapped than those currently being served in the community.

ATTACHED TABLES AND GRAPHS:

Appendix A - Today's Service System

Appendix B -- Community Waiting List for DD Services (historic line graph)

Appendix C -- Community Waiting List for DD Services (map of Montana)

Developmental Disabilities Division

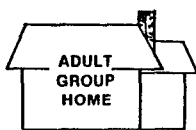
CLIENTS SERVED AND COST PER YEAR PER CLIENT

(Today's Service System)

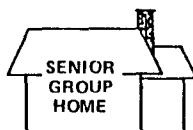
ADULT RESIDENTIAL SERVICES



70 Adults
\$18,217



376 Adults
\$6,317

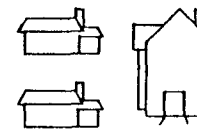


32 Adults
\$7,143



Transitional Living

55 Adults
\$4,492



Independent Living Training

177 Adults
\$2,969

INDEPENDENT LIVING

INTENSIVE TRAINING HOMES - These homes serve adults who have very low self-help skills or inappropriate problem behaviors and cannot be served in typical 8-person group homes. More intensive training is provided and a higher staff/client ratio exists. The goal of this service is to prepare the client to move to regular adult group homes. There are 9 intensive training homes.

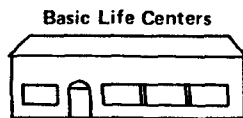
ADULT GROUP HOMES - The majority of adults live in a typical model 8-person group home, with two staff. Training is provided to help clients become more independent residentially; such as cooking, housekeeping, and leisure skills. The goal of this service is to enable clients to move to transitional or independent living. There are 46 adult group homes.

SENIOR GROUP HOMES - These homes provide a supervised living situation for elderly clients with an emphasis on leisure/social skills and maintenance of self-help skills. There are 4 homes, located in Great Falls and Helena.

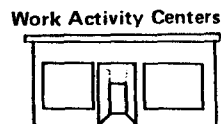
TRANSITIONAL LIVING SERVICES - This service provides an intermediate step between group home and independent living training and promotes movement out of the group homes. This service model provides staff to train and supervise the clients who are more responsible for doing their own cooking, shopping and cleaning. The clients live in congregate apartments with a staff person living at the complex for supervision. There are 8 transitional living programs.

INDEPENDENT LIVING TRAINING - This service provides support services to enable clients to live in their own apartments. It provides staff to visit these clients as needed on evenings and weekends to provide training in independent living skills such as menu planning and money management. Staff do not live on-site. The goal of this service is to prepare clients to live independently in the community. There are 22 independent living training services.

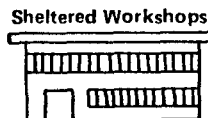
ADULT DAY SERVICES



112 Adults
\$6,684



480 Adults
\$5,371



470 Adults
\$4,662

Senior Day Programs



60 Adults
\$3,710



Vocational Placement

26 Adults
\$3,111

COMPETITIVE EMPLOYMENT

BASIC LIFE CENTERS - Provide day training services to adults who are not ready for vocationally oriented programs. Many of these clients do not have all primary self-help skills, some have physical handicaps and some have severe maladaptive behaviors. These programs must have higher staff/client ratios to serve clients with more intensive training needs. There are 3 developmental centers located in Helena, Great Falls and Billings. The goal of this service is to prepare the clients to move to regular vocationally oriented day services.

WORK ACTIVITY CENTERS - These services are provided to adults and include the majority of day programs in the state. These programs provide a range of services from functional academics, job skill training, and actual work for which clients receive reimbursement for their production. There are 26 work activity centers in Montana. The goal of this service is to prepare clients to move to sheltered workshops, Voc. Rehab. programs or competitive employment.

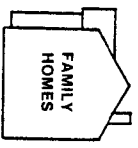
SHELTERED WORKSHOPS - These services are provided to clients in 7 facilities which have joint Voc. Rehab. funding. The workshops are similar to work activity centers but have more specific work available and easier access to Voc. Rehab. and job placements. The goal of this service is to prepare clients to move to Voc. Rehab. or competitive employment.

VOCATIONAL PLACEMENT - This service provides actual job placement for clients in the community. Training for the job and follow along services are provided. This service only exists in Billings and Livingston where it has been very successful. The DD Division hopes to expand this service to all larger towns when funding becomes available.

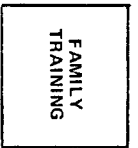
SENIOR DAY PROGRAMS - These programs are not vocationally oriented, but rather provide training and activities more specific to the needs of the elderly, such as socialization and leisure skills, community activities and maintenance of self-help skills. There are 3 senior day programs, located in Helena, Great Falls, and Butte.

CLIENTS SERVED AND COST PER YEAR PER CLIENT

CHILD & FAMILY SERVICES



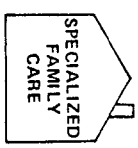
FAMILY HOMES
707 Families
\$1,897



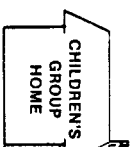
FAMILY TRAINING
408 Families
\$2,710



RESPIRE
467 Families
\$504



SPECIALIZED FAMILY CARE
30 Families
\$13,333



CHILDREN'S GROUP HOME
57 Children
\$17,903



Summer Day Programs
61 Children
\$646

ADULT SERVICES

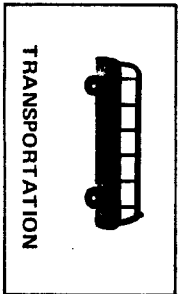
SERVICES TO FAMILIES — Family training, respite and specialized family training services are provided to natural and foster parents with developmentally disabled children. There are 6 primary service programs providing outreach services to developmentally disabled children and their families. They are located in Glasgow, Miles City, Billings, Great Falls, Helena, and Missoula. Each of these programs provide outreach services in multi-county areas.

Family Training — provides assistance to parents in training their own child.

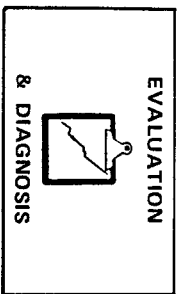
Respite Services — provides for temporary relief periods to parents from the continuous care of a disabled family member.

Specialized Family Care — provides extra support services for natural and specialized foster homes to better enable them to keep their children at home.

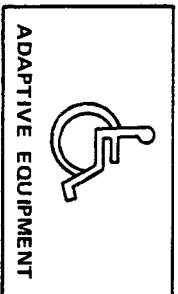
SUPPORT SERVICES



TRANSPORTATION
1,073 Clients
\$721



EVALUATION & DIAGNOSIS
286 Clients
\$1,189



ADAPTIVE EQUIPMENT
250 Clients
\$270

TRANSPORTATION — This service is needed to get clients to day training programs from their residences. There are 1,073 clients who receive this service.

EVALUATION AND DIAGNOSIS SERVICES — These services provide comprehensive evaluation services to determine handicapping conditions and recommend needed treatment and training services. There are 2 programs funded by the Division, located in Missoula and Glendive.

CHILDREN'S GROUP HOMES — These homes are intended to serve only children who cannot remain in natural or foster homes. Many of these children have serious physical and medical disabilities, most are learning primary self-help skills like feeding and dressing, and some have serious maladaptive behaviors. Without these homes, there would be few alternatives for these children except placement in nursing homes or institutions. There are 13 children's group homes.

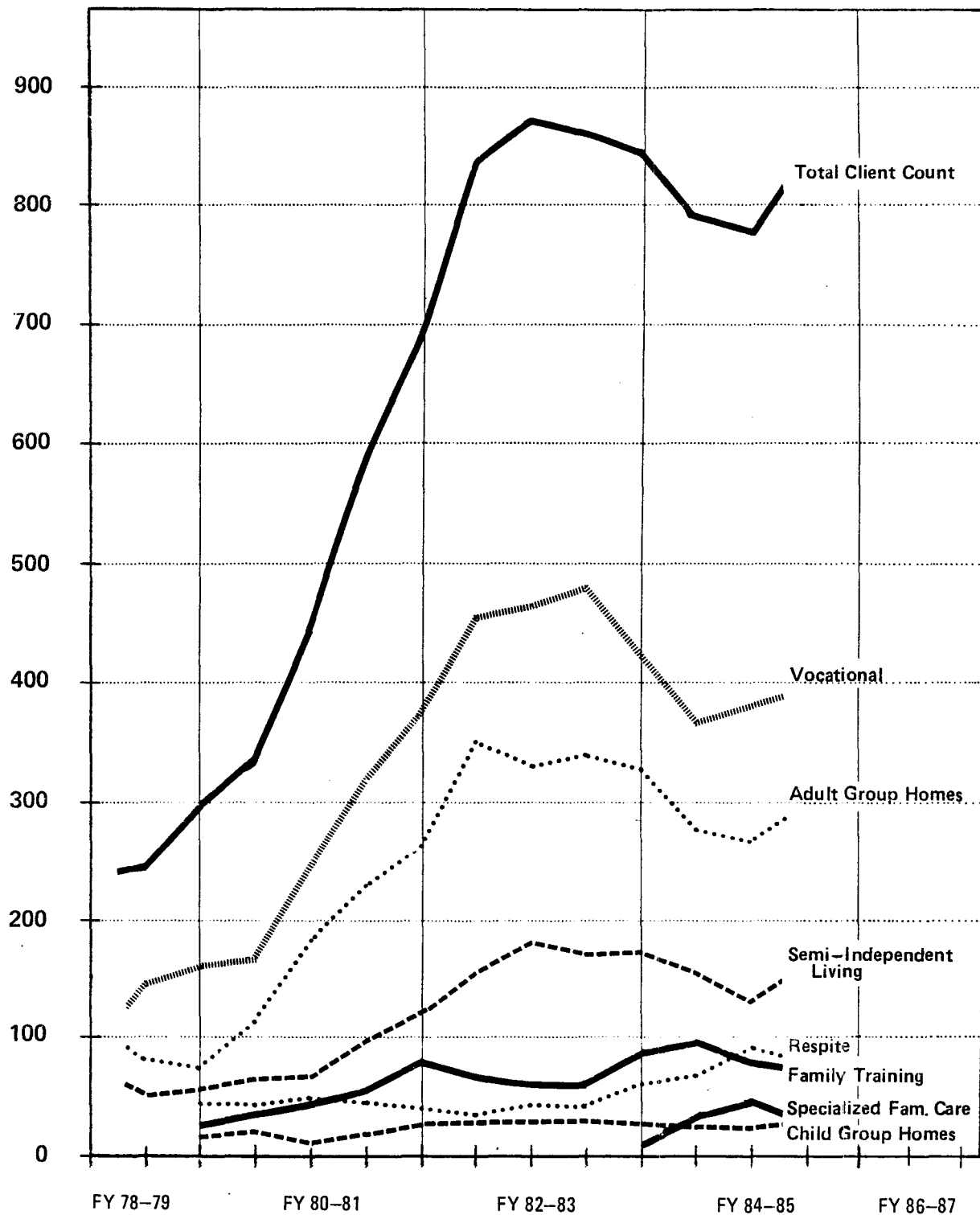
SUMMER DAY PROGRAM — This service provides for a day training program for children during the summer. It primarily serves children living in children's group homes to maintain skills learned during the school year.

ADAPTIVE EQUIPMENT — The Division contracts for statewide adaptive equipment and consultation services for physically handicapped, developmentally disabled persons. The program staff design and provide specialized equipment, such as wheelchair. The main office is in Helena with satellite offices in Kalispell and Billings.



DEVELOPMENTAL DISABILITIES DIVISION
COMMUNITY WAITING LIST FOR DD SERVICES

Statewide Count

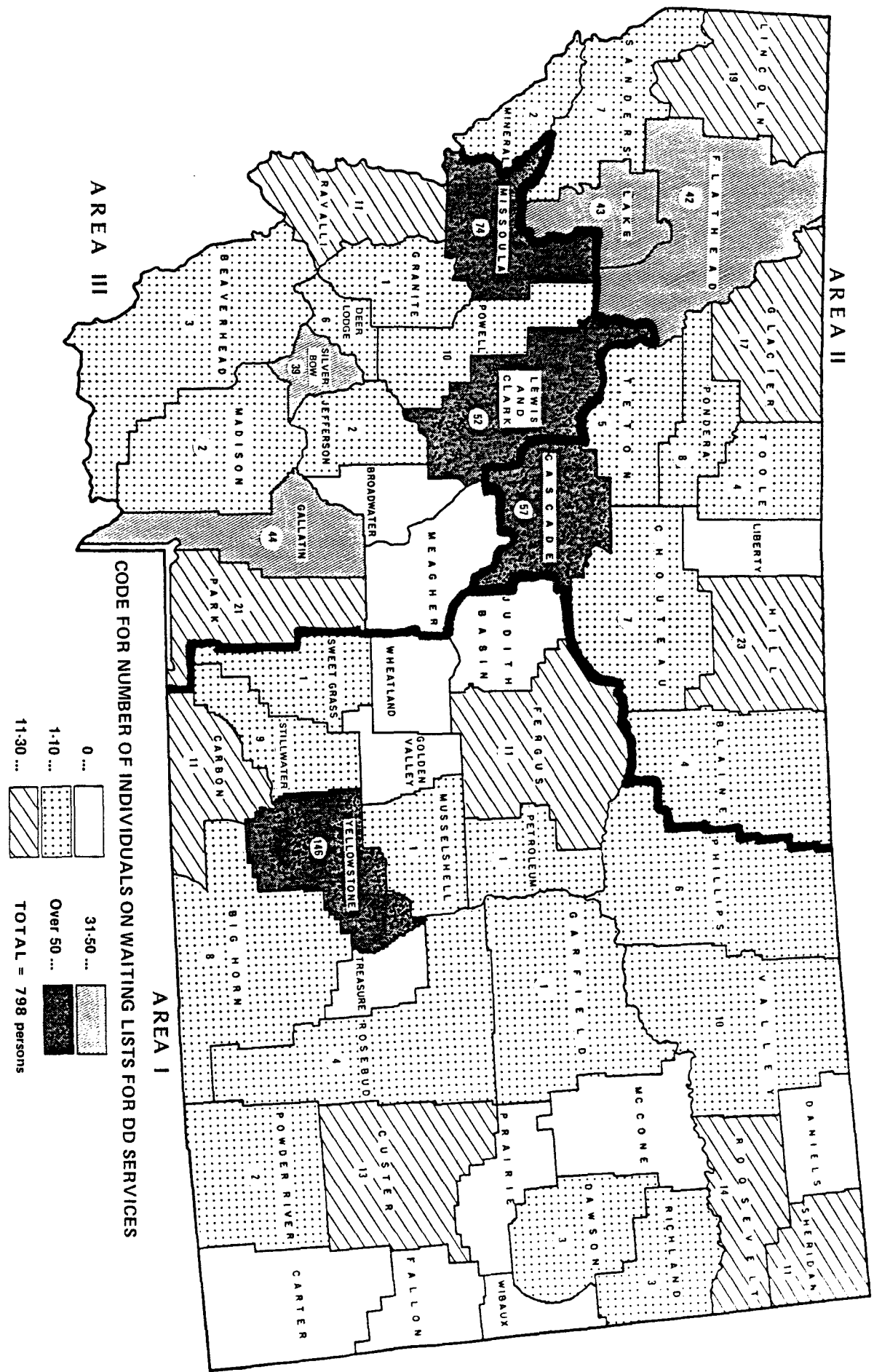


LEGISLATIVE ACTIONS FOR SERVICE EXPANSION

- FY 76-77 \$5.2 million appropriated, new services developed.
- FY 78-79 No expansion authorized.
- FY 80-81 Expansion for 60 people from institutions only.
- FY 82-83 \$1.5 million expansion for community people. New services developed.
- FY 84-85 16 people from institutions. New Specialized Family Care Service.

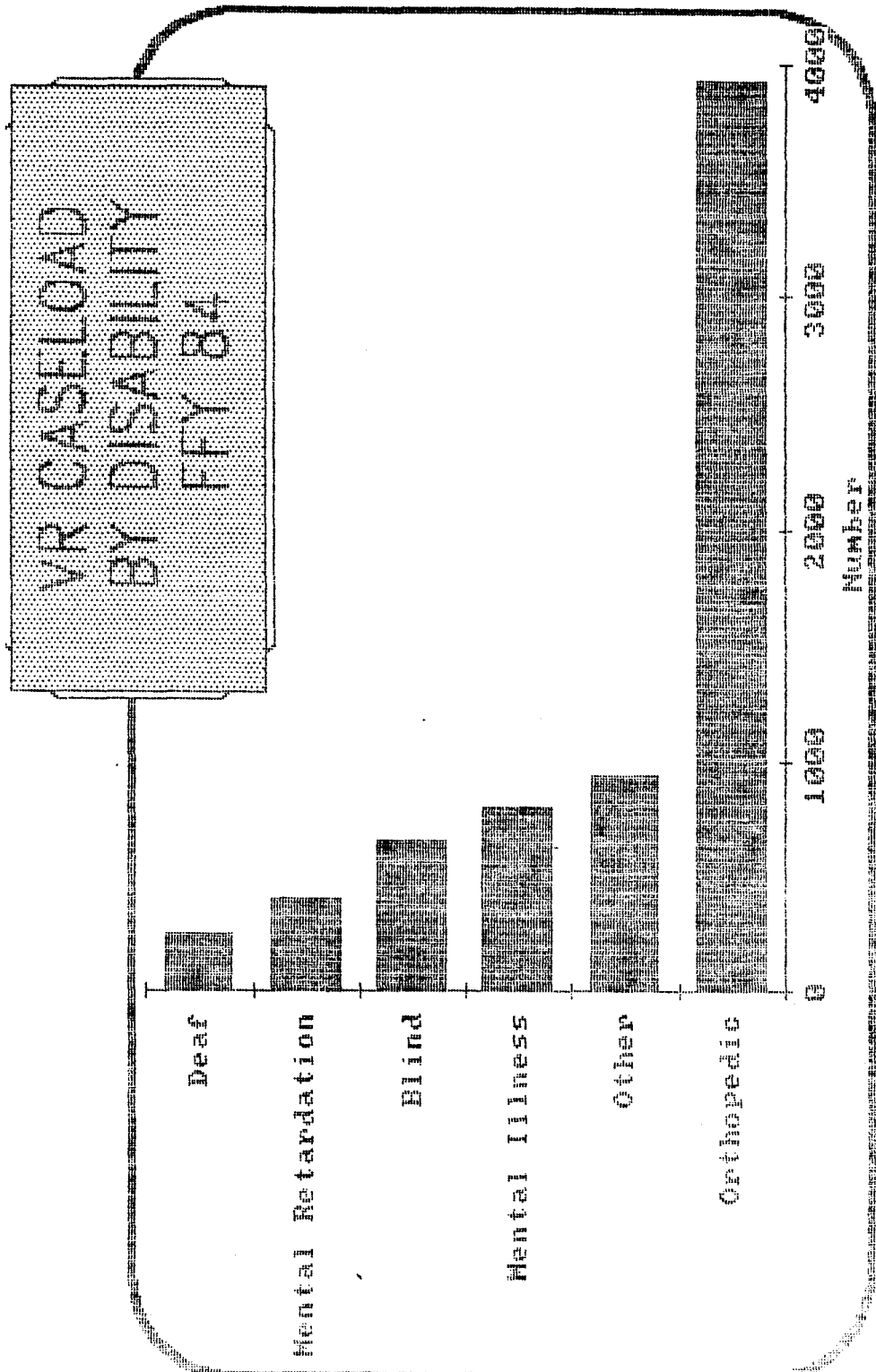
COMMUNITY WAITING LIST FOR DD SERVICES

September 1984

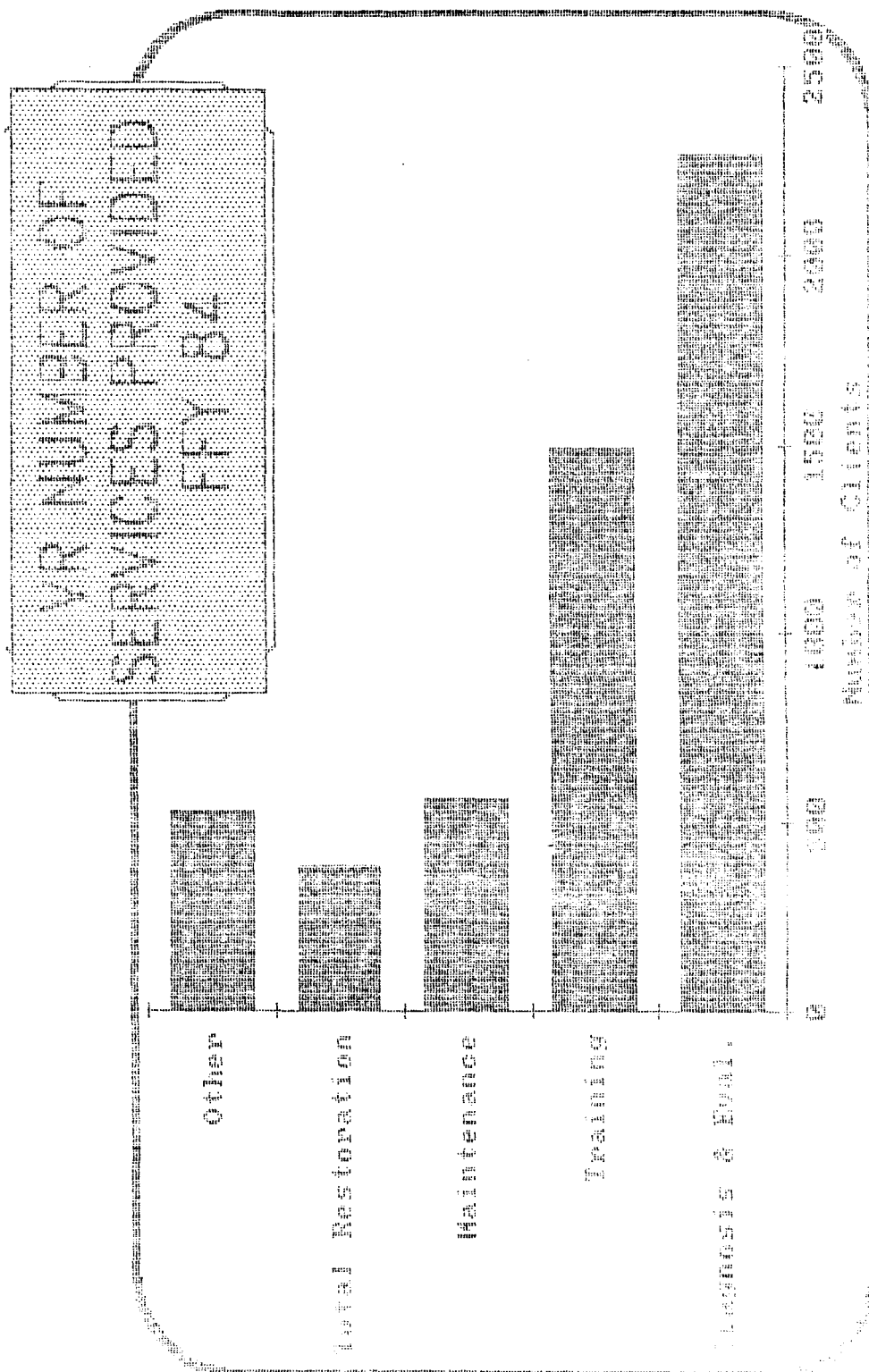


REHABILITATIVE SERVICES DIVISION

- Vocational Rehabilitation Program
- Visual Services Program
- Disability Determination Program



Vocational Rehabilitation Services Division



DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES

Exhibit 8
1-241-85



TED SCHWINDEN, GOVERNOR

P.O. BOX 4210

STATE OF MONTANA

HELENA, MONTANA 59604

April 5, 1984

TO: Priorities For People
Budget Team Members

FROM: Ben Johns
Deputy Director

Exposure to the various federal funding sources available to SRS can be an awesome experience. However, the format in which these sources are presented to you on the attached pages will hopefully make the review of each source less time consuming. The intent is to identify all sources with a brief explanation of each. The package is divided into three (3) sections:

Section A - identified as the "foreword", briefly explains what column headings throughout the report mean. (1 page)

Section B - is a one page summary of all federal funding sources and various requirements associated with each.

Section C - Presents an individual listing of each source keyed to a brief explanation of the primary use SRS makes of each fund. (5 pages)

The sources presented are based on the best information currently available to SRS. However, I am sure you are aware that the sources are subject to change by the federal government and that some later adjustments may be necessary.

Should you have any questions and/or desire further information concerning these sources, please don't hesitate to call me at 444-5622.

Attachment

OREWORD:

The attached information is a condensed summary of the various sources of federal funds available to the various divisions of Social and Rehabilitation services (SRS). The format of presentation attempts to inform the priorities for people budget teams whether a funding source is:

Open Ended: Basically covers the federal "Entitlement" programs of AFDC, Medicaid, Food Stamps. When a program is "open ended" the federal pro-rata share will generally be available to cover their share of all allowable costs incurred.

Closed Ended: Basically covers "Discretionary Funds" like social services block grants, refugee, low income energy, etc. When a program is "closed ended" the federal funds available are limited to a specific total amount as appropriated at the federal level.

FFP: Means the federal financial participation percentage (%) rate the federal fund source will contribute towards allowable program costs. These rates vary from 100% to 50%.

Match Required: Under most programs the federal funding source is a "partner" in covering allowable program costs. The non-federal share comes mostly from state general fund, but also from counties, contractors (3rd party), donations and local sources associated with the various programs.

Program Codes: The various programs within SRS are identified by program numbers. These numbers are used throughout the report and are identified here:

- 01 - Assistance payments program/includes AFDC, Day Care, Food Stamps, Refugee, LIEAP, Weatherization, etc.
- 02 - Community Services Program/includes Foster Care, Social Workers, Homemakers, Aging Services, etc.
- 03 - Eligibility Determination/includes eligibility technicians, clerks, etc.
- 04 - Admin/Support Division/includes Director's Office, Fiscal, Data Processing, Legal, Personnel, etc.
- 07 - Medical Assistance Program/includes nursing homes, hospitals, community based homes, physicians, etc.
- 08 - Audit/Compliance Division/includes Audit, Program Integrity, Fraud Recoveries, Quality Control
- 10 - Vocational Rehabilitation Programs/includes rehab. facilities, deaf services, post employment, etc.
- 11 - Disability Determination Program/includes eligibility determination under SSI, SSDI, etc.
- 13 - Visual Services Programs/includes visually impaired, small business enterprises, etc.
- 14 - Developmental Disabilities Division/includes group homes, sheltered workshops, respite, family training, etc.
- 15 - Developmental Disabilities Planning and Advisory Council/includes innovative and expanded services for disabled, council plan, etc.

Funding Source Summary Comments

Identifies the various types of funds available to SRS from federal sources and briefly describes what the funds are used for. In most instances, a primary service is identified, briefly states what those services are, and whether administrative costs are associated. In most instances, administrative costs are charged directly to the funding source within the applicable SRS program. Also, in most instances there are indirect costs allocated to each funding source through an agency-wide cost allocation plan. These indirect costs are primarily for Centralized Services-type costs and top level management associated costs. Fiscal Services, Personnel Services, Director's Office Staff, Purchasing, and Auditing are examples.

**SOCIAL AND REHABILITATION FUNDING SOURCE SUMMARY
FOR: PRIORITIES FOR PEOPLE COMMITTEES**

SECTION B1																
Funding Sources	Open Ended Funding		Federal Financial Participation Rates (FFP)							Match Required		Matching Funds			Types of 3rd Party and Other Matching Sources	
	Yes	No	100%	90%	85%	80%	75%	64.41%	50%	Other	Yes	No	Gen Fund	Co. 3rd		Other
Title XIX (Medicaid)	X			X		X	X	X	X		X		X			Tribal Funds *If Title IVB funds are fully funded then IVE is closed end Tribal Funds
Title IVA (AFDC)	X					X	X	X	X		X		X		X	
Food Stamps	X					X		X	X		X		X			
Title IVE (Foster Care)	*X					X	X	X	X		X		X			
Disability Determination	X															
Commodities		X				X					X		X		X	
Federal Emergency Food (FEMA)		X														
Low Income Energy (LIEAP)		X														
Comm. Services Block (CSBG)		X														
Weatherization		X														
Social Services Block (SSBG)		X														
Child Abuse		X														
Title IVB (Child Welfare Svcs)		X														
Title IIIA (Aging Admin.)		X					X	X			X		X		X	
Cash in Lieu Commodities		X														
Title IVA (Aging Train)		X														
Title IIIB (Aging Social Svcs)		X				X	X	X			X		X		X	
Title IIIC ₁ (Aging Cong. Meal)		X				X	X	X			X		X		X	
Title IIIC ₂ (Aging Home Meal)		X				X		X			X		X		X	
Title IVC Leg. Advoc.		X														
Refugee Act		X														
Housing Urban Dev. (HUD)		X								X			X			
Work Incentive (WIN)		X														
Sec. 110 (VR/Visual)		X				X										
Job Training (JTPA)		X														
Dev. Dis. Council (DDPAC)		X														
Job Search (USDA)		X														
Sup. Security Income (SSI)		X														
Social Sec. Dis. Insur. (SSDI)		X														
Emergency Food Assist. (EFAP)		X														
Meat Processing (EFAP)		X														
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SOCIAL AND REHABILITATION FUNDING SOURCE SUMMARY
FOR: PRIORITIES FOR PEOPLE COMMITTEES

"SECTION C1"

Funding Sources	Standard FFP Rates	Type Program Costs Under Various Federal Financial Participation (FFP) Rates		Summary Comments
Open Ended Funding Sources				
Title XIX (Medicaid)		* Note: FFP rates for Title XIX will probably be adjusted downward by 3% in accordance with federal legislation		
	90.0 /87.3	* Family planning, MMIS development		Title XIX of the Social Security Act provides for admin. and medical payments for AFDC, SSI, medically needy, and Indian health clients. Nursing homes, hospitals, community based homes (waiver), institutions, health surveys and and certifications, pre-screening, physicians, dentists, home health, case managers, foster care, EPSDT are various services provided.
	75.0 /72.75	* Professional skilled medical personnel, system develop.		
	64.41/62.47	* Most medical services except family planning Most admin. costs including indirect costs from Programs		
	50.0 /48.5	* 01,02,03,04,07,08,14		
Title IVA (AFDC)	50.0	Administrative costs include direct costs from programs 01,02,03,04,08		Title IV-A of the Social Security Act provides for admin. and assistance (AFDC) to needy families and children. Emergency assistance, AFDC regular, AFDC ward (Indians), AFDC refugee, day care, WIN day care are various services provided; including, University of Montana and county/state staff training programs.
	64.41	AFDC Assistance Payments		
Dept. of Agriculture (Food Stamps)	75.0	Food Stamp issuance contracts with Indian Reservations		Dept. of Agriculture - Food Stamps provides for administration of food stamps to increase the purchasing power of low income families based on household size and income, various administrative costs including fraud investigations, issuance outreach, eligibility policy.
	50.0	Administrative costs include indirect costs under programs 01,03,04,08		
Title IV-E (Foster Care)	50.0	Admin. costs include indirect costs under programs 02,04		Title IV-E Foster Care Programs provide for the administration of payments for foster home for children. Foster family, group homes, in-state and out-of-state treatment, and, care and professional treatment are various types of service, including adoption assistance payments.
	64.41	State and local training costs Foster care and adoption services		
Disability Determination	100.0	Admin. costs include disability medicals and indirect costs under program 04		Disability Determination provides for determining eligibility of individuals receiving Supplemental Security Income (SSI) and (SSDI) benefits.

SOCIAL AND REHABILITATION FUNDING SOURCE SUMMARY
FOR: PRIORITIES FOR PEOPLE COMMITTEES

"SECTION C2"

Funding Sources	Standard FFP Rates	Type Program Costs Under Various Federal Financial Participation (FFP) Rates	Summary Comments
<u>Closed Ended Funding Sources</u>			
Department of Agriculture (Commodities)	75.0	Admin., warehouse, distribution costs include indirect costs under programs 01,04	Dept. of Agriculture - Commodities provides for administration and distribution (commodities are free) of abundant food commodities to Indian tribes (tribal match), aging programs (general fund match), and institutions (100% general fund)
Federal Emergency Management Agencies (FEMA)	100.0	Emergency feeding organizations	Federal Emergency Management Agency provides for administration of an emergency food and shelter program based on 60% of the number of people in households below the poverty level and 40% on the number of unemployed persons within the state (Public Law 9892).
Low Income Energy Assistance Program (LIEAP)	100.0	Assistance payments and various admin. costs under programs 01,04	Low Income Energy Assistance Program (LIEAP) provides for administration of payments to heat low income households. Includes emergency assistance, fuel assistance, weatherization, and HRDC admin. costs. Transfers of 10% to Social Services Block Grant and 15% to weatherization can be made.
Community Services Block Grants	100.0	HRDC grants and admin. costs under programs 01,04	Community Services Block Grant is designed to alleviate the causes of poverty in communities within the state. Ten percent of the funds may be used for admin. costs and special projects. The remaining 90% must be distributed to Human Resource Development Councils (HRDC's) to help low income people.
Dept. of Energy (Weatherization)	100.0	Grants and various admin. costs under program 01	Weatherization is designed to winterize homes of low income citizens. Ten percent of funds may be used for admin. costs.
Social Services Block Grant (SSBG)	100.0	Admin. and social service programs under programs 02,04,08,14	Social Services Block Grant provides funding for a variety of social service programs and various admin. costs. A match is no longer required, but administratively the former 75% federal match has been retained to help clarify requirements on counties and some service contractors. Ten percent can be transferred to low income energy assistance.
Child Abuse/Neglect	100.0	Mostly purchase of service contracts.	Child Abuse Grants are used to educate the general populace to recognize symptoms of child abuse and neglect.

SOCIAL AND REHABILITATION FUNDING SOURCE SUMMARY
FOR: PRIORITIES FOR PEOPLE COMMITTEES

"SECTION C3"

Standard FFP Rates	Funding Sources	Type Program Costs Under Various Federal Financial Participation (FFP) Rates	Summary Comments
<u>Closed Ended Funding Sources</u>			
75.0	Title IVB (CWS)	Admin. costs under programs 02,04	Title IVB - Child Welfare Services (CWS) provides fund- ing primarily for day care, foster care, and adoption assistance. If the full federal authorization level is appropriated, it creates a ceiling on Title IVE funds, which would require additional general fund for foster care.
	Title IIIA Aging (Admin)	Admin. costs under programs 01,02,04,08	Title IIIA Older American Act provides for admin. costs on the state and local area levels to provide the various senior citizen programs.
100.0	Cash-in-Lieu-Commodities (Aging)	Area agency funding for commodities	Cash In Lieu of Commodities provides funds to supplement the senior center nutrition programs. These funds are used in conjunction with the regular commodities program. If providers elect to use more cash, they receive less commodities and vice versa.
100.0	Title IVA Training (Aging)	Area agency training through Montana State University	Title IVA Older Americans Act provides for area agencies training functions.
85.0 75.0	Title IIIB Aging (Soc. Ser.)	Area agency, social services Area Agency Admin.	Title IIIB Older American Act provides funds to area agencies to cover programs and admin. costs. Services include home health, transportation, senior centers, etc. General fund and local match are required.
85.0 75.0	Title IIIC ₁ Aging (Cong. Meals)	Area agency cong. nutrition cost Area agency admin.	Title IIIC ₁ Older American Act provides funding to support the area agencies congregate nutrition programs. General fund and local match are required.
85.0 75.0	Title IIIC ₂ Aging (Home Meals)	Area agency home delivered meals Area agency admin.	Title IIIC ₂ Older American Act provides funding to support the area agencies home delivered meals program. General fund and local match are required.
100.0	Title IVC Aging (Advocacy)	Advocacy Admin. costs	Title IVC Advocacy Assistance Grant provides funding for long-term care ombudsman and legal advocacy personnel. These positions serve as a link between area agencies and the Governor's Advisory Council on Aging.

SOCIAL AND REHABILITATION FUNDING SOURCE SUMMARY
FOR: PRIORITIES FOR PEOPLE COMMITTEES

"SECTION C4"

Funding Sources	Standard FFP Rates	Type Program Costs Under Various		Summary Comments
		Federal	Financial Participation (FFP) Rates	
Refugee Resettlement Act	100.0	Admin., assistance payments, medical services, social services under programs 01,02,03,04,07		Refugee Resettlement Program provides funds for indo-chinese health and human services. Included are assistance payment (AFDC), medical services (XIX), reeducation and placement, job assessment, community orientation, case management, and state admin. costs.
HUD	100.0	Admin. cost under program 02		Housing and Urban Development (HUD) funds provide partial funding for a social worker position located at a low income housing project.
WIN	80.0	Admin. costs include indirect costs under programs 02,04		Work/Incentive Program (WIN) funds administrative costs associated with case management of individuals on assistance payments referred for job training in order to achieve self-support.
Section 110 Vocational Funds (Voc. Rehab & Visual)	80.0	Services and admin. costs including indirect costs under programs 04,08,10,13		Vocational Rehabilitation (Sec. 110) provides services to vocationally handicapped individuals of employable age to restore them to gainful employment. Case services include rehab. facilities, deaf, post employment, visually impaired, small business enterprises, and administrative costs associated with the Voc. Rehab. and Visual Services Divisions.
Job Train & Part. Act (JTPA)	100.0	Allowances, training and admin. costs under programs 10,13		Job Training Partnership Act (JTPA) provides classroom training services to vocational handicapped individuals who are within 30 months of gainful employment. Case services include costs of training in-state or out-of-state plus stipends.
Dev. Disabilities (DDPAC)	100.0 75.0 50.0	Project Grants Planning/Council costs Admin. costs including indirect costs under programs 04,15		Development Disabilities (DDPAC) funds are used as seed money to help develop and expand services for persons with developmental disabilities. Priorities are established by state councils on developmental disabilities. Matching funds for this source come from in-kind and local funds.
Dept. of Agriculture (Job Search)	100.0	Admin. costs under program 01		Dept. of Agriculture-Job Search provides administrative funds to assist food stamp clients search for and locate jobs. Referral to work training programs are included. Those clients not cooperating lose two months worth of food stamps.

SOCIAL AND REHABILITATION FUNDING SOURCE SUMMARY
FOR: PRIORITIES FOR PEOPLE COMMITTEES

"SECTION C5"

Funding Sources	Standard FFP Rates	Type Program Costs Under Various Federal Financial Participation (FFP) Rates	Summary Comments
Sup. Security Income (SSI)	100.0	Service and admin. costs under programs 10,13	<u>Supplemental Security Income (SSI)</u> provides reimbursement for Voc. Rehab. program costs incurred after SSI clients have been gainfully employed a specific length of time and dropped from the SSI payment program.
Voc. Sec. Dis. Ins. (SSDI)		Service and admin. costs under programs 10,13	<u>Social Security Disabilities Insurance (SSDI)</u> provides reimbursement for Voc. Rehab. program costs incurred after SSDI clients have been gainfully employed a specific length of time and successfully removed from the SSDI program.
Emergency Food Assistance (EFAP/USDA)	100.0	Admin. and distribution costs under program 01	<u>Emergency Food Assistance Program (EFAP)</u> provides funds to reduce surplus dairy products and other commodities from USDA warehouses for distribution to families at 150% of the poverty level or below.
Cheese Processing (EFAP/USDA)		Admin. and distribution costs under program 01	<u>Dept. of Agriculture/Cheese Program</u> provides funds to cut and distribute bulk cheese products to needy households.

1/6/85
Wade Wilkison

Exhibit 9
1-24-85

PFP Schedule
for Appropriations Committee Hearing
of January 24, 1985
in Old Supreme Court Chambers

First: SRS Executive Overview of SRS Budget (45 min)

Second: Priorities For People Presentation

I. Overview: The PFP Process

- A. SRS representative 10 minutes
Dave Lewis
- B. PFP representatives 20 minutes
Wade Wilkison
Vonnie Koenig
or Rena Wheeler

issues: history thru current steering committee
why and how PFP came into being
constituency representation
use of third party facilitators
involvement of constituencies
use of consensus
effort to identify funding sources
non-budget (administrative) resolutions

II. Specific Budget-Building Team Initiatives (in detail)

- A. Child and Youth Team 30 minutes
 - 1. Craig Anderson/others
 - 2. committee questions/comments
- B. Developmentally Disabled 30 minutes
 - 1. Bob Fraiser/others
 - 2. committee questions/comments
- C. Economically Needy 30 minutes
 - 1. Marna Jones/others
 - 2. committee questions/comments
- D. Senior Citizens 30 minutes
 - 1. Roberta Nutting/others
 - 2. committee questions/comments

III. Other Comments and Discussion 30 minutes

Priorities for People

Overview

Philosophy

A new way of budgeting, Priorities for People, was proposed by the Department of Social and Rehabilitation Services last February. Private individuals from across Montana assembled to help develop the department's 1986-87 biennium budget. The organizational meeting of Priorities for People (PFP) raised many questions: "Why change a budgeting process that basically works?" "Can the new process be fair and effective?" And, "What is the department's motive?" Some skeptics said it wouldn't work, some cynics said it couldn't lose, while others thought it at least couldn't hurt. While the jury is still out as to the ultimate success of the budgeting experiment, this synopsis attempts to explain both the motivation for changing the current way of budgeting and the process involved.

The basic philosophy behind Priorities for People, simply stated, is that the people who are affected most by the SRS budget--the clients and community services providers--should play a more active role in molding the budget. All the people who participated in PFP have experienced first-hand the results of previous budgets. Who, then, knows best what services or programs are needed, who is not being served, how the service system can be improved locally, and where savings can be realized?

A secondary objective is to reduce the incidence of providers and clients being able to react to the budget only after it is adopted. Montana's political tradition, supported by its populist roots, encourages government decisions to be made publically by the citizens of the

state. Providing an open forum, in which to fairly and effectively debate budget items that affect so many, offers the hope that everyone will better understand the particular problems of needy Montanans.

Process

The model for Priorities for People originated in Connecticut where representatives of cities, counties, state agencies and providers--people who all had a stake in the distribution of a federal government social services block grant--gathered together to collectively make the budgeting decision. The Montana project adopted the basic idea of including "stake holders" in the budget decision-making process, but made a few player changes (like including recipients of services) and expanded the scope of the plan. The Montana project included review of the entire department budget as well as funding strategy recommendations.

In February 1984, SRS invited over 120 individuals and organization representatives from across the state to attend the first meeting of Priorities for People. Four areas of need or constituents served by SRS were identified: disabilities; economically needy; seniors; and children and youth. Depending on expertise or interest, the participants divided into one of the four groups and elected representatives who would comprise the budget-building team for their constituency. Each budget-building team consisted of six members: providers of services; a recipient of services; an at-large member, and a member from the department of SRS. The four teams combined--24 members total--form the Priorities for People budgeting effort.

All decisions, those made by the four budget-building teams and by the entire PFP group, were achieved through consensus. A consensus

decision-making process is one in which all participants must agree to a particular idea or proposal before it is adopted. This one procedural decision combines seemingly disparate ideas into a cohesive whole and may be the key to the Priorities for People process. Consensus recognizes the value of cooperation and emphasizes negotiating skills as a means of attaining group agreement. At the same time, it reinforces the value of the individual. No coalition can be formed that is stronger than one person. Voting and majority rule have no place in agreements reached through consensus. Consequently, all constituencies are equally represented.

Work Product

The Priorities for People group adopted two ways to document its recommendations and concerns about the department's budget and programs: initiatives and resolutions. Initiatives are budget modifications, and each budget-building team formulated, researched and presented initiatives to the entire PFP group. Many of the initiatives are the result of recommendations made during the first organizational meeting. The resolutions provide a means of voicing concerns or clarifying the intent of the group and often do not involve appropriating money. Complex problems that the group did not have time to research are discussed in resolution form.

All initiatives were presented to the entire PFP group before any priorities were set. Setting priorities, it is probably safe to say, was one of the most difficult tasks. The PFP group believes that all the initiatives deserve funding, but also recognizes that budgeting realities are likely to dictate otherwise. The project and its recommen-

dations, the group agreed, would not be considered to be serious if a post-Christmas wish-list was presented to the legislature. It was decided that the initiatives should be ranked.

First, each team ranked its own initiatives in order that the entire PFP group would be aware of team priorities. Next, each team, using a statistically-weighted formula, assigned points to the initiatives they felt to be most deserving. Because there were not as many points available to distribute as there were initiatives, it was possible to rank the initiatives, not 1 through 35, but into levels of support. The initiatives receiving the most points were placed into the first tier, those with the next level of support in the second tier and so on. Initiatives with no general fund impact or those that save or generate revenue are in separate categories.

Once the initiatives were ranked, public information meetings were held throughout the state. Team members explained Priorities for People and its budget recommendations at Great Falls, Missoula, Kalispell, Butte, Billings and Glendive. Public comment ranged from specific recommendations for change, to objections about the group's composition, to general support for the process. After the public meetings, the PFP group met once again to discuss and negotiate changes stemming from public testimony. At the end of October, the Priorities for People work product was presented to the Governor. Overall, the group met for two days, approximately once every six weeks from February to October, to evaluate and compile its budget recommendations.

Summary

While everyone will no doubt agree that the process and product is not perfect, it is also agreed that it is a good "first step." Public testimony, evaluations from team members and observers as well as legislative comments, will ultimately decide the impact, success and future of the Priorities for People budgeting experiment.

PRIORITIES FOR PEOPLE
Budget Building Teams

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MB/008c

PFP Resolution, R-18

Priorities for People believes that the General Assistance program is a complex issue and that substantial disagreement exists concerning its status. PFP takes no position on the base level adjustment for FY-85, but support is expressed for linking General Assistance levels to those of AFDC. Allowance for payments up to the maximum AFDC level should be made if the need for such payment level can be proven.

Departmental Response

PRIORITIES FOR PEOPLE

SRS Budget Package Developed on 9/6/84

In joint session, the budget building teams representing children and youth, disabilities, economically needy, and seniors developed the Priorities for People Budget Package. This Budget Package has three components:

- * cost-of-living increase affecting all programs/services
- * initiatives modifying existing program or developing new programs/services
- * revenue enhancers, cost-savings initiatives, and initiatives with no general fund impact

All figures used reflect the general fund impact for the 1986-87 biennium. Specifically, the three components are:

- A. A cost-of-living increase for all current level activities including 4% for each fiscal year of the biennium for benefits and claims; adjustments due to changes in caseload; and adjustments resulting from the Deficit Reduction Act of 1984 \$11,602,000

- B. Priority initiatives modifying existing programs/services or developing new programs/services ranked into five tiers with no ranking within the tiers

TIER #1: (alphabetical order)

CY-3	Support services for foster children & youth	\$ 266,425
CY-4	Increase capability to meet child protective service needs by reducing current caseloads	1,880,444
D-1	Increase state appropriation for rehabilitation & visual services	300,000
D-2	Increase state appropriation for vocational rehabilitation extended employment program (partial funding)	200,000
D-5	Reduction in waiting list through increased federal participation	240,843
D-6	Addressing the needs of special disabled people	574,000
EN-10	Medicaid cost containment pilots: capitation and recipient education/benefits package	62,818
EN-14	Restore AFDC payment level to 51% of poverty	1,657,174
EN-23	Establish a staffing pattern for eligibility program corresponding to caseload size & activity	304,441
S-3	Home and community based services	1,815,309
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		\$ 7,301,454

TIER #2:

CY-7	Increase subsidized adoption program	\$ 133,920
CY-8	Inpatient alcohol and drug treatment for indigent youth	1,066,080

D-2	Increase state appropriation for vocational rehabilitation extended employment program (partial funding - remainder in tier #1)	\$ 300,000
EN-8	Administration and/or design of acute care reimbursement program	101,880
EN-15b	Increase maximum payment in state general assistance to 51% of poverty	587,603
EN-22	Restore AFDC unemployed parent program	2,853,275
S-1	Discontinuation of LIEAP fund transfer	<u>2,432,331</u>
		\$ 7,475,089

TIER #3:

CY-6	Day care sliding scale to 75% median income	\$ 737,735
D-11	Increase salary for direct care staff	500,000
EN-4	Timely resolution of fair hearing request	45,000
EN-20	Commodity warehouse & transportation proposal	254,908
S-5	In-home services	<u>450,000</u>
		\$ 1,987,643

TIER #4

D-8	Funding to upgrade residential services for developmentally disabled children & adults	\$ 1,011,856
D-13	Extended respite care for developmentally disabled individuals living at home	180,000
EN-12	Alcohol and drug rehabilitation	2,574,875
EN-16	Increase AFDC payment level from 51% to 55%	<u>1,563,142</u>
		\$ 5,329,873

TIER #5:

CY-9	Flat rates for adolescent group care	\$ 655,520
D-4	Restoring the funding base for services to the developmentally disabled	224,000
D-9	Funding to remodel existing group homes and training facilities to accommodate clients requiring barrier-free environments	100,000
D-12	Improved transportation services	160,000
EN-17	Increase maximum payment in state general assistance from 51% to 55%	801,520
EN-18	Increase maximum payment in state general assistance from 55% to 60%	982,157
EN-19	Increase AFDC payment level from 55% to 60% of poverty	<u>1,916,952</u>
		\$ 4,840,149

TOTAL FOR ALL FIVE TIERS: \$26,934,208

TOTAL FOR FIVE TIERS AND 4% INFLATION: \$38,536,208

C. Revenue enhancers, savings initiatives, and initiatives with no general fund impact:

Revenue Enhancers:

D-10	Increase general fund revenues - earmarked for rehabilitative & children's alcohol services	\$ 292,650
D-14	Provide funding for special populations	1,780,822
S-4	Earmarking existing cigarette taxes (currently for cash construction) for Medicaid (this is a portion of S-4)	5,654,000
S-6	Cigarette tax (one-third of revenue generated by an 8¢ state tax to replace the federal tax)	<u>4,100,000</u>
		\$11,827,472

Savings Initiatives:

EN-2	Mandatory second surgical opinion	\$ 49,909
EN-3	Volume purchasing of eyeglasses	219,393
EN-7	Increase collections from third party payors (net savings)	<u>45,587</u>
		\$ 314,889

No General Fund Impact Initiatives:

CY-5	Establish a children's trust fund for prevention services (new revenue for funding new services)	\$ 156,000
EN-1	Human services advisory council (to be funded through CSBG discretionary - 100% federal funds)	46,000
EN-13	LIEAP cost containment program (using 5% of a 15% transfer)	1,132,000

Establish Stable Funding Base:

S-4	Earmarking liquor revenue from the general fund for Medicaid (see other portion of S-4 under Revenue Enhancers)	\$27,796,000
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Priorities for People
Budget Initiative Summary Statements

Tier 1
(\$7,301,454)

CY-3: Support Services for Foster Children and Youth

This initiative increases support services for the care of foster children and youth. It is estimated that by fiscal year 1987, 2,400 children in Montana will need foster care. Typically, children arrive at foster homes with only the clothes on their backs. The \$50 clothing allowance per year, for example, does not accomplish much. Clothing a child, however, is usually the smallest problem. Children with mental, behavioral or health problems constitute a larger, more immediate concern. Counseling, special education, nutritional or health services may not be adequate or provided at all, and financial and respite relief for foster parents is also necessary. The general fund cost is \$266,425 for the biennium. The Executive Budget recommendation is \$270,115.

CY-4: Reduce Social Worker Caseloads

Children and youth identified as being most "at risk"--children who are in danger of neglect, physical abuse, sexual abuse and exploitation--will be served by this initiative. The initiative ensures that SRS has the ability to adequately investigate cases of abuse, neglect and exploitation of children and will help to reduce the risks for these children. Social worker caseloads will be reduced from an average of 44.7 cases per worker to nationally recommended levels of 20-25 cases. These caseload levels will also reduce the state's risk of losing federal funds and costly law suits. Cost to the general fund is \$1,880,444 for the biennium. The Executive Budget recommendation is \$1,815,705.

D-1: Increase Rehabilitative and Visual Services

This initiative increases funding in order to take advantage of the maximum federal funding match (80:20/federal:state) that is available. The 1983 legislature reduced the rehabilitative and visual services general fund appropriation and replaced the general fund with workers' compensation money. Because of limitations on the use of workers' compensation funds, however, the amount of general fund available to match federal funds was reduced. Consequently, many individuals did not receive services. An additional \$300,000 in general fund will restore services to the 1983 level and also provide services for a small number of people currently on a waiting list. The Executive Budget recommendation is \$300,000.

D-2: Vocational Rehabilitation Extended Employment Program

This program currently funds 58 severely disabled individuals in seven workshops throughout Montana. A general fund appropriation increase of \$200,000 for the biennium will serve an additional 20 people on the

waiting list. These individuals are not capable of employment in competitive industry because of residual mental illness, brain stem injury, neurological disability or visual disability. This initiative is divided into two parts: this portion in tier 1 and an additional \$300,000 in general fund appropriation for the biennium requested in tier 2 will serve 30 more individuals. The Executive Budget recommendation is \$200,000.

D-5: Reduction in Waiting List Through Increased Federal Participation

This initiative provides community-based services for developmentally disabled people who are currently on a waiting list. In the spring of 1984 there were 783 individuals waiting for services. The average wait is two years. This initiative funds a variety of residential, vocational and family services. A biennium general fund expenditure of \$240,843 provides for one-time start-up costs and federal matching money for 285 people currently on the waiting list to be served. This accomplishment is achieved by converting \$2.6 million of existing state funded services into services covered by the federal medicaid waiver. The Executive Budget recommendation is \$240,843.

D-6: Meeting the Needs of Special Disabled Populations

Services to physically disabled individuals who, for a number of reasons, do not qualify for department vocational rehabilitation and are not considered developmentally disabled will be provided by this initiative. These physically disabled people may suffer from diseases such as multiple sclerosis, muscular dystrophy, adult progressive spinal muscular atrophy or cancer; they may have suffered a head or spinal cord injury; or they may have multiple disabilities, blood disorders or respiratory disorders. Historically, they have received only life support services, and few can become independent, employed members of society with a minimum amount of attention. The general fund biennium request is \$574,000 and will serve approximately 100 people. (A revenue enhancing initiative has been proposed to cover the cost of this program. See the summary of initiative D-14.) The Executive Budget recommendation is \$569,999.

EN-10: Medicaid Cost Containment Pilots; Capitation, Co-Payments and Recipient Education/Benefits Package

This initiative allows the department to seek research and development money from federal and other sources to test a capitation program and a recipient education/benefits package program. Based on studies attached to these pilots, a long-range cost containment proposal will be developed for the medicaid program, including review of the co-payment structure. All tasks will be accomplished in conjunction with an advisory committee that will include medical providers and consumers of care. The biennium cost to the general fund is \$62,818. The Executive Budget recommendation is \$61,681.

EN-14: Restore AFDC Payment Level to 51% of Poverty

Aid to families with dependent children, commonly referred to as AFDC, assists families in providing for their children. Over 7500 families are currently receiving AFDC services: 93 percent are single-parent families and the remainder involve children living with relatives other than their parents. This initiative restores benefits received under the AFDC program to levels in existence before budget limitations occurred in FY-84 and FY-85. The biennium cost to the general fund is \$1,657,174. The Executive Budget recommendation is \$1,628,724.

EN-23: Staffing for Eligibility Determination Program

A new staffing pattern that corresponds more realistically to caseload size and activity is recommended. Using a methodology accepted by the Washington state legislature, an immediate need for 92 additional FTE in the eligibility determination program is revealed. This initiative, however, proposes a phase-in period of five years to meet the need. The biennium cost to the general fund is \$304,441. The Executive Budget recommendation is \$292,900.

S-3: Home and Community-based Services

This initiative provides for 400 additional home and community-based service openings over the biennium. Nursing homes and hospitals provide care that is often needed, desired and appropriate, but not all people require such comprehensive treatment. Home or community health care costs less than institutional care and the social and personal benefits are many. Care includes case management services, homemaker and personal care attendant services, respite care, adult day services as well as medic alert, meals on wheels or congregate meals and transportation services. The biennium general fund impact is \$1,815,309. The Executive Budget recommendation is \$1,815,309.

**Tier 2
(\$7,475,089)**

CY-7: Increase Subsidized Adoption Program

This initiative permits SRS to serve an additional 30 children who, without the subsidy, will be unable to be adopted and will remain in foster care. SRS has currently placed for adoption the maximum number of children approved by the legislature. The general fund cost is \$133,920 for the biennium. The Executive Budget recommendation is \$133,920.

CY-8: Inpatient Alcohol and Drug Treatment for Indigent Youth

This initiative provides matching funds (80:20) to communities for inpatient alcohol and drug treatment for an estimated 266 indigent youth (8-17 years old). These youth are currently receiving no services. The biennium cost to the general fund is \$1,066,080. The executive budget recommendation is \$533,040 with no local match due to anticipated funding issues interfering with appropriate placement.

D-2: Increase for Vocational Rehabilitation Extended Employment Program

(\$300,000) See tier 1 for more information. This portion of the initiative is not included in the executive budget.

EN-8: Administration and/or Design of Acute Care Reimbursement Program

Medicare has changed its hospital reimbursement from a retrospective to a prospective system. Medicaid, which in the past has utilized Medicare's work in cost reporting and auditing, has not yet followed suit. If Medicaid retains the current retrospective system--and does not adopt Medicare's system--the department must develop its own cost reporting and auditing capability. The department questions, however, a carte blanche adoption of Medicare's prospective system at this time, without making adjustments that reflect Montana's experience. To make the adjustments and to administer a prospective system, the department needs two financial analysts, one clerical person, and one accounting technician. The biennium cost to the general fund is \$101,880. The proposed cost is less than if the department retains the retrospective system. The Executive Budget recommendation is \$98,104.

EN-15b: Increase Maximum GA
Payment to 51% of Poverty

This initiative increases the maximum allowable payment for state general assistance from current AFDC standards to 51% of the poverty guideline. The biennium cost to the general fund is \$587,603. The Executive Budget recommendation is \$587,603.

EN-22: Restore AFDC Unemployed Parent Program

This initiative reinstates a program designed to provide for the needs of intact families as AFDC provides for single parent families. The biennium cost to the general fund for AFDC and Medicaid is \$2,853,275. This initiative is not included in the executive budget.

S-1: LIEAP Program

Since 1982, the Low Income Energy Assistance Program (LIEAP) caseload has increased steadily in spite of efforts to limit the program to the most needy households. Constantly rising utility prices and a worsening economy have resulted in caseloads of 14,800 in FY-82, 17,300 in FY-83 and an anticipated 21,000 in FY-84. This initiative would eliminate the

legislatively-mandated transfer of 10% of LIEAP funding to the social services block grant. Subsidizing the block grant was feasible in previous years, but the LIEAP shortfall requires that the funds be used for the purpose for which they were allocated by Congress--to help low-income people pay energy costs. General fund impact is \$2.4 million over the biennium. The total includes funds for the block grant previously covered by the transfer. The Executive Budget recommendation is \$795,755.

Tier 3
(\$1,987,643)

CY-6: Day Care Sliding Scale to 75% Median Income

This initiative provides self-sufficiency incentives to families receiving assistance by sharing child care costs. A portion of a working parent's day care costs will be paid by SRS. The program is limited to working single parents with an income between the AFDC cut-off level and 75% of the state median income. To serve 600 youth, the estimated biennium cost to the state general fund is \$737,735. This initiative is not included in the executive budget.

D-11: Increase Salary for Direct Care Staff

This initiative raises the salary level of 500 direct care staff serving in community-based group homes and day programs by approximately 24 cents per hour per year. A survey of provider corporations revealed an average entry level wage of \$4.49 per hour compared to an entry level wage at Boulder River School and Hospital of \$5.85 per hour. Improved wages will help reduce high staff turnover and assist in the recruitment and retention of qualified staff in community based programs. The general fund request for the biennium is \$500,000. This initiative is not included in the executive budget.

EN-4: Timely Resolution of Fair Hearing Requests

This initiative provides additional resources to meet the demands of a fair hearing caseload that is increasing both in size and complexity. An additional hearings officer and clerical support is requested at a general fund cost of \$45,000 for the biennium. This initiative is not included in the executive budget.

EN-20: Commoditiy Warehouse and Transportation

This initiative enables the department to improve the storage and distribution of comodities by providing resources to convert from contracted services. It is proposed that SRS: 1) purchase two semi-trucks with refrigerated trailers; 2) hire three FTEs as truck drivers; 3) lease the entire warehouse currently being used to keep program commodities separated, and 4) hire three FTEs to staff the warehouse and provide inventory control. The biennium cost to the general fund is \$254,908. This initiative is not included in the executive budget.

S-5. In-Home Services

A major goal of aging programs is the assurance that in-home support services are available and accessible in order that the elderly can maintain as independent a life as possible. Independent living is a situation that enables self care with limited assistance. In-home services include homemaker or home chores; personal care; congregate nutritional meals; home delivered meals; essential transportation; respite care; adult day services; home health services, and case management. The general fund request for the biennium is \$450,000. This initiative is not included in the executive budget.

Tier 4 (\$5,329,873)

D-8: Improve Residential Services for Developmentally Disabled Children and Adults

This initiative increases the number of direct care staff in 14 regular group homes and in 9 intensive care group homes. The initiative directly effects 164 clients and costs \$1,011,856 in general fund for the biennium. This initiative is not included in the executive budget.

D-13: Extended Respite Care

Respite care provides natural or foster parents time away from a developmentally disabled child (minor or adult) living in their home. Currently there is a growing waiting list, sometimes as long as two years, for a family to receive respite services. In addition, current maximum levels of service sometimes do not provide sufficient relief for parents who have a very hard-to-serve child. Extreme parental stress without sufficient relief is a major reason for a child ultimately needing an out-of-home placement. This initiative increases by 70 the number of families eligible to receive respite care. It also expands by one-third the maximum amount of respite care available for families. The total biennium cost is \$180,000. This initiative is not included in the executive budget.

EN-12: Alcohol and Drug Rehabilitation

This initiative provides Medicaid coverage for alcohol and drug rehabilitation through hospitals, residential facilities and outpatient clinics approved by the Department of Institutions. Biennium cost to the general fund is approximately \$2,574,875. This initiative is not included in the executive budget.

EN-16: Increase AFDC Payment Level from 51% to 55% of Poverty

Assuming that EN-14 is approved, this initiative increases the benefits provided by the aid to families with dependent children program to 55%

of the poverty guideline. The biennium cost to the general fund is \$1,563,142. This initiative is not included in the executive budget.

Tier 5
(\$4,840,149)

CY-9: Flat Rates for Adolescent Group Care

This initiative establishes and funds a "flat rate" for youth group home care to cover basic shelter and supervision costs. It will allow the facilities to respond to minimum wage requirements, and facilities with outside financial support can provide additional treatment for youth in their care. SRS will administer the funds. General fund cost is \$655,520 for the biennium. This initiative is not included in the executive budget.

D-4: Restoring Funding Base for DD Services

Interpretations of state and federal wage and hour regulations in October 1983, indicated that residential facilities serving the developmentally disabled were not, in many instances, in full compliance. A portion of the money appropriated by the 1983 legislature for services in FY-85 consequently was used to achieve wage and hour compliance. This initiative restores the community services funding base for the developmentally disabled. The biennium general fund cost is \$224,000. This initiative is not included in the executive budget.

D-9: Provide Barrier-Free Environments

This initiative provides remodeling funds to provide barrier-free group homes and training facilities. Approximately 40 to 60 developmentally disabled clients will be served. The facility modifications will permit services to an increasingly more disabled community population. Other anticipated benefits include reducing industrial accidents and workers' compensation claims. The general fund cost is \$100,000. This initiative is not included in the executive budget.

D-12: Improved Transportation Services

Vehicles currently in use in community-based services for the developmentally disabled are deteriorating, and insufficient replacement funds exist. Transportation is a critical service component because access to the community and its opportunities is one of the primary reasons for offering services outside of an institution. During the past year, SRS has pooled funds and coordinated vehicle purchases with the Montana Department of Commerce thereby tapping federal funds available from the Urban Mass Transit Authority. The process requires community coordination to assure services for the handicapped, the elderly and others. It is anticipated that the \$160,000 general fund request will generate revenue to purchase vehicles and equipment worth approximately \$400,000. This initiative is not included in the executive budget.

EN-17: Increase State General Assistance from 51% to 55% of Poverty

Assuming that EN-15b is approved, this initiative increases the maximum allowable payment for state general assistance from 51% to 55% of the poverty guideline. The biennium cost to the general fund is \$801,520. This initiative is not included in the executive budget.

EN-18: Increase State General Assistance from 55% to 60% of Poverty

Assuming that EN-15b and EN-17 are approved, this initiative increases the maximum allowable payment for state general assistance from 55% to 60% of the poverty guideline. The biennium cost to the general fund is \$982,157. This initiative is not included in the executive budget.

EN-19: Increase AFDC Payment Level from 55% to 60% of Poverty

Assuming that EN-14 and EN-16 are approved, this initiative increases the benefits under the AFDC program to 60% of the poverty guideline. The biennium cost to the general fund is \$1,916,952. This initiative is not included in the executive budget.

Revenue Enhancers
(\$39,623,472)

D-10: Increase in General Fund Revenue Earmarked for
Rehabilitative Services and Indigent Youth Alcohol Program

The Rehabilitative Services Division serves a number of clients who have been involved in vehicle accidents. Because statistics reveal that approximately 50% of all vehicle accidents are alcohol related, an additional \$25.00 fee to be applied to the present DUI fine is proposed. In 1983, this initiative would have raised approximately \$292,000 based on the 5,853 persons who were convicted of DUI. It is proposed that approximately one-third of the money be earmarked for the indigent youth alcohol program. It is hoped that this money will be used for education as well as treatment of youth with drinking problems. Approximately \$193,000 is earmarked for rehabilitative services for disabled clients and \$99,000 is for the indigent youth alcohol program (CY-8).

D-14: Provide Special Populations Program
and General Rehabilitation Services

This initiative proposes an additional \$1.00 fee per motor vehicle to fund both a new program for disabled people not currently being served by SRS and a portion of the Rehabilitative Services Division budget. Because vehicle accidents disable a large number of people, this initiative provides services for current needs and also acts as an "insurance policy" for all able-bodied people who operate motor vehicles. There are currently 890,411 registered vehicles in Montana. The \$1.00 fee will raise approximately \$1,780,800 for these programs over the biennium.

S-4: Medicaid Revenue Source

Health care costs and caseloads continue to rise constricting available revenues for programs such as Medicaid. Underfunding the Medicaid program has resulted in the need for administrative actions such as freezing provider fees. This action tests the goals of increased access to and quality of medical care for low income Montanans. The initiative earmarks liquor and cigarette taxes to fund the Medicaid program. The earmarking links revenues from major causes of social problems with funding for programs to help with those problems. It also increases medical care funding for low income Montanans. In addition, the initiative establishes a stable funding base for the Medicaid program for a total biennium amount of \$33,450,000.

S-6: Cigarette Tax

This initiative utilizes one-third of the revenue generated by a 8 cent state tax on cigarettes. The proposed tax replaces an 8 cent federal tax on cigarettes that is being removed by the federal government.

Savings Initiatives (\$314,889)

EN-2: Mandatory Second Surgical Opinion

This initiative allows the department to establish a second surgical opinion program to ensure that elective surgical procedures provided to Medicaid recipients are medically appropriate and necessary. Initially, 11 elective procedures are identified that will require a second surgical opinion to be obtained by the recipient. The anticipated net savings to the Medicaid program is approximately \$49,909 in general fund for the biennium.

EN-3: Volume Purchase of Eyeglasses

This initiative proposes that the department contain Medicaid costs by volume purchases of eyeglasses. Bid criteria will allow in-state providers a reasonable opportunity to bid successfully. The anticipated biennium net savings to the Medicaid program is \$219,393 in general fund.

EN-7: Increase Collection Effort from Third Party Payors

This initiative provides additional resources to increase third party collections for the Medicaid program. One FTE at a biennium cost to the general fund of \$11,000 will yield a biennium savings of \$20,000. The net general fund savings will be \$45,587.

No General Fund Impact

CY-5: Children's Trust Fund

This initiative establishes a trust fund to be administered by an SRS advisory committee. It will provide block grants to local communities to develop new and enhance current services to prevent sexual and physical abuse of children. The focus of current SRS programs is on victims in critical need of services rather than prevention. (\$156,000)

EN-1: Human Services Advisory Council

This initiative funds a human services advisory council. It is funded through the community services block grant discretionary money and is 100% federal funds. (\$46,000)

EN-13: LIEAP Cost Containmnt Program

This initiative earmarks the first five percent of LIEAP funds that are currently transferred to DOE weatherization, to a Montana weatherization (conservation) program with two major interests: 1) to serve households with the most expensive energy costs, and 2) to identify conservation activities that can result in the greatest possible energy dollar savings. This program will be initiated only if federal allotments are equal to or greater than the previous year's allotments. The biennium transfer contemplated is approximately \$1.1 million. There is no general fund impact.

First-Tier Budget Priority

Children & Youth Team

Initiative CY-3

Support Services for Foster Children and Youth

Purpose

This initiative will increase support services (clothing allowance, child therapy, respite, property destruction reimbursement, and special needs allowance and nutrition needs) for the care of foster children and youth.

Who is Served

By fiscal year 1987 there could be 2,400 children in need of some kind of foster care in Montana. These children will be placed with families, in group homes, or in agency facilities. During the last few years, children who need a wider range of services are being placed in foster care: physically and sexually abused children are increasing in numbers and they need special care and counseling. Foster parents have had to shoulder more of the costs and have also experienced increasing emotional strain in caring for these children.

History

Typically, children arrive at foster homes with only the clothes on their backs. The \$50 clothing allowance per year does not accomplish much. But the clothing problems are usually the smallest of the hurdles. Children with mental, behavioral or health problems constitute a larger, more immediate concern. Often the amount of counseling allowed is not sufficient and special educational, nutritional or health services may not be provided at all. All factors combine to put a tremendous emotional and financial strain on a foster family. Consequently, some kind of financial and respite relief is necessary.

Implementation

This initiative provides: an increase in the number of hours of approved therapy; an increase in the yearly clothing allowance to \$125-150 per year; an increase in the special needs allowance; provisions to reimburse foster parents for property damage that is not covered by private insurance; coverage for special nutritional needs when prescribed by a physician, and respite care for foster parents who care for adolescents, children or youth who are emotionally disturbed or developmentally disabled or children who have behavior problems.

These services are funded by a combination of general, federal and county funds. The general fund cost for the biennium is \$266,425.

The Executive Budget recommendation is \$270,115.

First-Tier Budget Priority

Children & Youth Team Initiative CY-4 Reduce Social Worker Caseloads

Purpose

Better services and protection for children and youth will be provided by reducing social worker caseloads.

Who is Served

This initiative will serve children and youth who are identified as being most "at risk"--children who are in danger of neglect, physical abuse, sexual abuse and exploitation.

History

There were 6,275 children involved in abuse or neglect investigations in 1983, and 5,169 additional children received ongoing protective services of some kind. It is estimated that one out of six of these children will receive foster care, and the situation is expected to continue or worsen in coming years because of population increases in the 0-18 age group.

The average SRS social worker caseload is 44.7. A few workers participate in a special program that provides intense counseling to youth who need special attention; these workers have a caseload of 8-14. On the opposite end of the spectrum, however, are social workers with caseloads of 126. National associations suggest guidelines of 20-25 cases per worker.

This initiative goes hand-in-hand with the foster care initiative (C-3) and reflects a desire for comprehensive social services. It is hoped that smaller caseloads will allow social workers to give children and youth more attention initially--resulting in a long-term reduction in foster care placements.

Implementation

Over a five-year period social worker caseloads will be reduced to meet the guideline of 25:1. SRS can hire additional social workers, supervisors and clerical workers, contract for these services with other agencies, or combine the two options to achieve the ratio. The cost to the general fund for the first two years of the phase-in period is \$1,880,444.

The Executive Budget recommendation is \$1,815,705.

First-Tier Budget Priority

Disabilities Team

Initiative D-1

Rehabilitative and Visual Services

Purpose

Funding is provided for the Rehabilitative and Visual Services Division to take advantage of the maximum federal funding match that is available.

Who is Served

Physically or mentally disabled people who are deemed unemployable because of a disability are served by this initiative. If a reasonable expectation exists that these individuals can become independent and employed through the efforts of the division, they are eligible for services. Currently there are 800 people waiting for services.

History

An 80-20 federal-state funding match requirement for rehabilitative and visual services exists. During the budgeting process in 1983, the legislature authorized some workers compensation funding in place of general fund. Because of funding requirements, workers' compensation funds serve only eight percent of the vocational rehabilitation clientele. Consequently, the funding mix reduced the amount of state general fund available to match federal funds, and the total funding available for vocational rehabilitation services to all disability groups was reduced.

People who receive training and become self-sufficient, taxpaying members of the state return, on the average, to the state economy \$10 for every dollar spent in providing services. The average program cost per client in 1983 was \$800 and 648 clients became employed and earned an average yearly wage of \$8,994. In addition, individuals who are rehabilitated and employed no longer need public assistance, SSI, SSDI, Medicaid or other costly services.

Implementation

This initiative adds general fund money back into the budget (\$800,000 for the biennium) so the division will receive the maximum federal dollar match possible. This change will provide services for the people on the waiting list. For a general fund biennium cost of \$300,000, services will be restored to the 1983 level and a small number of people currently on the waiting list will be served.

The Executive Budget recommendation is \$300,000.

First-Tier Budget Priority

Disabilities Team

Initiative D-2

Vocational Rehabilitation Extended Employment Program

Purpose

This initiative will fund vocational rehabilitation extended employment workshop training programs throughout Montana.

Who is Served

Individuals who are severely physically and/or mentally disabled and are not capable of being competitively employed will be served by this initiative. Fifty percent of the people are deinstitutionalized mentally ill and the remainder are brain stem injured, or neurologically or visually disabled. These individuals, because of their federal status, are no longer eligible to receive services from the Rehabilitative and Visual Services Divisions, nor are they eligible for Developmental Disabilities Division services because their disability occurred after age 18.

History

There are currently 110 individuals throughout the state waiting to receive services in this program. There is very little turn-over in the population served, but the number of individuals needing these services continues to grow.

This program currently serves 58 people in seven sheltered workshops throughout Montana. These facilities provide extended vocational skills training and help each person develop as much as possible.

Implementation

Since its inception in 1974, the program has received only one inflationary increase. The initiative is divided into two parts: this portion will fund 20 individuals currently on the waiting list at a general fund biennium cost of \$200,000; the second portion, \$300,000 requested in tier 2, will serve 30 additional people.

The Executive Budget recommendation is \$200,000.

First-Tier Budget Priority

Disabilities Team Initiative D-5 Reduce Waiting List

Purpose

This initiative will provide community-based services for people with developmental disabilities who are currently waiting to receive care.

Who is Served

Developmental disabilities are defined in Montana law as any neurological handicapping condition that is a substantial handicap to the person, that originated before the person was 18 years old and that can be expected to last indefinitely. In the spring of 1984, 783 people were waiting for community-based services.

History

Because of the statewide focus on providing alternatives to institutional placement for developmentally disabled people, demand has increased for services and programs in communities. The average wait for services is 2 years, and the pressure is only expected to increase as developmentally disabled youngsters move out of special education school programs across the state and into their communities. If long periods of inactivity between school instruction and community services result, many of these people will lose skills, and the efforts of special education programs may even be nullified. In the most serious cases, an institutional placement may be necessary.

Needed services include residential or vocational programs, evaluation and diagnosis services, and family training.

Implementation

This initiative does two things: (1) it funds services for an estimated 285 people currently on the waiting list; and (2) it provides the services at a minimum cost to the state general fund. The second goal is accomplished by transferring a portion of currently state-funded services to federal funding under the federal medicaid waiver. The result is that general fund money will be available to serve people currently on the waiting list. This initiative can be implemented for \$240,843 in general fund for the biennium.

The Executive Budget recommendation is 240,843.

First-Tier Budget Priority

Disabilities Team

Initiative D-6

Services for Physically Disabled

Purpose

Services for physically disabled individuals who, for a number of reasons, do not qualify for department services will be served by this initiative.

Who is Served

A group of physically disabled people suffer from diseases such as multiple sclerosis, muscular dystrophy, adult progressive spinal muscular atrophy or cancer; they may have suffered a head or spinal cord injury; or they may have multiple disabilities, blood disorders or respiratory disorders. People with any of these conditions can benefit from special services.

History

Historically, these individuals have received only life support services. Their progress or potential is often difficult to predict because of illness remissions, disease cures that result in some disability, or fluctuations in health after an injury. Few of these people can hope to become independent, employed members of society with only a minimum amount of attention.

Currently only minimal services exist for these people, although some may have a disability income or be eligible for some medicare or medicaid aid. The majority are not being helped because of state and federal rules and definitions already in effect and tied to specific funding.

This initiative provides for both teaching and counseling services. Learning personal care techniques, to use a transit system and more about in-home services can lead to a more healthy, independent life.

Implementation

This initiative will serve some of the identified physically disabled in Montana and study their needs to provide better services in the future. The cost to serve 100 people is \$574,000 in general fund for the biennium.

The Executive Budget recommendation is \$569,999.

First-Tier Budget Priority

Economically Needy Team

Initiative EN-10

Medicaid Cost-containment Studies

Purpose

This initiative will allow the department to seek research and development money from federal and other sources to test a capitation program or a recipient education/benefits package program.

Who is Served

Both the recipients and providers of services will be affected and served by this initiative. The list includes AFDC and SSI eligible individuals and services for the medically needy.

History

Because of the tremendous cost increases in health care delivery throughout the country (health care costs alone rose 20.3% in Montana between 1981 and 1982), purchasers of health care (private insurers, private individuals and public programs) have had to face a decline in their dollar-for-dollar purchasing power.

The department has implemented some measures to contain costs, such as checking for abuse and fraud, the community-based case management system for long-term care and ongoing data analysis. Limited staff and resources, however, tend to make the efforts fragmented when what is needed is a comprehensive, coordinated approach to controlling health care costs in Medicaid.

In addition, the fee-for-service system and other third party programs either do not provide an incentive for patients or providers to utilize services in the most cost effective manner or setting, or payment is biased toward more expensive institutional care. In the past, most health cost containment measures have attempted to control costs without altering the basic incentives that affect provider and consumer decisions.

Implementation

The pilot programs will be accomplished with the support of an independent contractor and an advisory committee appointed by the director of SRS. The committee of approximately 10 members will include Medicaid recipients, health professionals, and members of hospitals, extended care facilities and home health agencies and SRS staff. Based on the studies, a long-range cost containment proposal will be developed for the Medicaid program that will include a review of the co-payment structure. The general fund biennium cost is \$62,818.

The Executive Budget recommendation is \$61,681.

First-Tier Budget Priority

Economically Needy Team Initiative EN-14 AFDC Funding

Purpose

This initiative provides funding to serve families with dependent children at 51 percent of the poverty level.

Who is Served

Aid to families with dependent children, commonly referred to as AFDC, assists families in providing for their children. There are currently over 7500 families receiving AFDC services: 93 percent are single-parent families and the remainder involve children living with relatives other than their parents.

Since January 1983, the need for AFDC assistance has increased 50 percent. It is estimated that 7700 families will require services by fiscal 1985; and, because the majority of criteria for eligibility are set by the federal government, families who meet the standards must receive benefits.

History

After the 1983 legislative session, the Office of Budget and Program Planning determined that the legislature intended to fund AFDC at 51 percent of the poverty level. The AFDC reimbursement schedule was figured at that level starting July 1, 1983. Because of budgetary constraints, however, there have been no increases in the payments since 1982 to cover, among other things, inflation. Consequently, today the AFDC payment level is closer to 47 percent of the poverty level.

Implementation

This initiative attempts to more accurately reflect the perceived intent of the 1983 legislature. The change represents a \$1,657,174 biennium cost to the general fund.

The Executive Budget recommendation is \$1,628,724.

First-Tier Budget Priority

Economically Needy Team Initiative EN-23 Staffing Recommendations

Purpose

This initiative will develop a new staffing pattern for the eligibility determination program that corresponds to caseload size and activity.

Who is Served

Both the recipients and providers of services will be served in this attempt to contain health care costs. Applicants and recipients of AFDC, GA, Food Stamps, Medicaid and county medical services in both state-assumed and non-state-assumed counties will be affected.

History

Current rules require that, except in exceptional circumstances, eligibility determination for food stamps and for AFDC be completed in 30 days and medicaid in 45 or, if disability determination is also involved, in 60 days. General assistance and county medical services eligibility must be completed in 30 days.

In March 1984, the average caseload for eligibility workers included 38 AFDC cases, 112 food stamp cases, 9 general assistance or county medical cases, and 74 medicaid cases. AFDC cases are automatically eligible for medicaid so no separate eligibility need be completed. In total, each worker handled 233 eligible cases. Not all applications result in eligibility. During the same month, applications were denied and cases closed for 3,819 AFDC cases, 455 medicaid cases and approximately 1,396 food stamp cases, or 28 cases per worker.

The public assistance caseload has increased by over 12% in the last year. Changes in federal requirements have also impacted the time needed to administer the caseloads. If adequate staff is not available, the potential to not meet federally mandated application processing deadlines exists, lawsuits could be filed, and errors could result in federally-imposed sanctions that could reduce the funding available to serve people.

Implementation

Using a methodology accepted by the Washington state legislature, an immediate need for 92 additional FTE in the eligibility determination program is revealed. The initiative, however, proposes a five-year phase-in to meet the need. The biennium cost to the general fund is \$304,441.

The Executive Budget recommendation is \$292,900.

First-Tier Budget Priority.

Seniors Team Initiative S-3 Home and Community-based Services

Purpose

This initiative provides funding for 400 additional home and community-based health service openings over the biennium for senior citizens and the physically disabled.

Who is Served

The first funding for home and community-based services in 1983 provided for 410 service openings for seniors and the physically disabled. Care is tailored to meet individual needs and includes case management services, homemaker and personal care attendant services, respite care, adult day services as well as medic alert, meals on wheels or congregate meals and transportation services.

History

There are approximately 85,000 Montanans who are 65 years of age or older. Of this number, about 6,000 are in skilled or intermediate care facilities. By 1990 there could be as many as 6,450 seniors in need of nursing care--and 967 individuals who may qualify for home or community health services. Further, as many as 12,000 elderly may at some time during the year be at risk of needing nursing home services.

The philosophy supporting this program is that seniors and the physically disabled deserve a choice in the type of health care they receive. Nursing homes and hospitals provide care that is often needed, desired and appropriate, but not all people require or desire such comprehensive institutional treatment.

This program offers both fiscal and social benefits. Home or community care costs less than institutional care, and an individual's natural support system are maintained: spouses are not separated, families, neighbors and friends are nearby, and community, social or church contacts remain.

Implementation

Currently eight case management evaluation teams (a nurse and a social worker) in seven locations throughout the state evaluate individual needs, develop a personalized plan of care, monitor service delivery; and approve bills and claims. These teams can also work with private-pay patients to the same end--coordination of available services. The biennium general fund cost is \$1,815,309.

The Executive Budget recommendation is \$1,815,309.

Second-Tier Priority

Children and Youth Team Initiative CY-7 Subsidized Adoption Program

Purpose

This initiative permits SRS to serve an additional 30 children who, without the subsidy, will not be adopted and will remain in foster care.

Who is Served

The children who currently are waiting to be approved for the subsidized adoption program have special needs: they may have medical problems, need counseling, be an older child, or one of a sibling group. The department tries to place brothers and sisters together. Currently 55 children receive an adoption subsidy. The long-term program benefit is that a child will be moved from foster care into a permanent home.

History

Of the 2,200 children in foster care during FY-84, there are 172 with the goal of adoption. The legislature must give SRS permission to increase the number of children served by the subsidized adoption program. Currently, the maximum number of children approved for the program has been reached. The Community Services Division projects that 30 children will need a subsidy in order to be adopted. Because of the special needs of many of these children, however, most will not be adopted without the subsidy to assist prospective parents with large expenses. The agency will develop a data study in order to identify the characteristics of children who are high risk for adoptive placement.

Implementation

Some of the children covered by this initiative will be special needs children who are eligible for Title IV E funding. The cost of placing 30 additional children is \$133,920 in general fund for the biennium.

The Executive Budget recommendation is \$133,920.

Second-Tier Priority

Children and Youth Team

Initiative CY-8

Inpatient Alcohol and Drug Treatment for Indigent Youth

Purpose

This initiative provides matching funds (80:20) to communities for inpatient alcohol and drug treatment for indigent youth (8-17 years old).

Who is Served

This initiative will serve 266 youth who need alcohol or drug treatment and have no financial ability to pay for treatment. Currently there are only five statewide funded beds for this type of treatment. These positions are paid for by the Department of Institutions and are available through Hilltop Recovery in Havre. The five beds are available for both adults and minors.

History

It is difficult to estimate the numbers of youth needing treatment because no agency is responsible for collecting data. School teachers and administrators who are trained in alcohol and drug detection and intervention, however, are referring more and more youth for counseling. A random sample of use in school districts revealed that as many as 400 to 500 youngsters are in need of treatment but are denied because of lack of funding. These youth are currently receiving no treatment.

Implementation

The state is proposing to assist communities in providing funding for alcohol and drug treatment services by offering an 80% funding match. Consideration should be given to developing community-based services as an alternative to expensive hospital treatment. The program would be funded through the Community Services Division and administered by the same staff that handles foster care and other contracted services. The biennium cost to the general fund is \$1,066,080.

The Executive Budget recommendation is \$533,040, which includes no local match due to anticipated funding issues interfering with appropriate placement.

Second-Tier Budget Priority

Disabilities Team

Initiative D-2

Vocational Rehabilitation Extended Employment Program

Purpose

This initiative will fund vocational rehabilitation extended employment program workshop training programs throughout Montana.

Who is Served

Individuals who are severely physically and/or mentally disabled and are not capable of being competitively employed will be served by this initiative. Fifty percent of the people are deinstitutionalized mentally ill and the remainder are brain stem injured, or neurologically or visually disabled. These individuals, because of their federal status, are no longer eligible to receive services from the Rehabilitative and Visual Services Divisions, nor are they eligible for Developmental Disabilities Division services because their disability occurred after age 18.

History

There are currently 110 individuals throughout the state waiting to receive services in this program. There is very little turn-over in the population served, but the number of individuals needing these services continues to grow.

This program currently serves 58 people in seven sheltered workshops throughout Montana. These facilities provide extended vocational skills training and help each person develop as much as possible.

Implementation

Since its inception in 1974, the program has received only one inflationary increase. The initiative is divided into two parts: \$200,000 is requested in tier 1 and \$300,000 is requested in tier 2. Tier 2 funding will serve 30 additional people. This portion of the initiative is not included in the executive budget.

Second-Tier Priority

**Economically Needy Team
Initiative EN-8
Acute Care Reimbursement Program**

Purpose

This initiative will evaluate the administration and/or design of the acute care reimbursement program.

Who is Served

AFDC, SSI and medically needy recipients as well as the department are affected by this initiative.

History

Medicare has changed its method of hospital reimbursement from a retrospective to a prospective system. The retrospective system involved an annual collection of cost reports from all hospitals participating in Medicaid. Retroactive settlements were then made at the end of each hospital's fiscal year.

By federal mandate the Medicare fiscal intermediary, Blue Cross of Montana, is required to share any work that it does for the Medicare program with the state Medicaid program at no cost. The utilization of Medicare resources resulted in significant savings to the Medicaid program in the past.

Medicaid, however, has not yet followed suit and changed its reporting system. If Medicaid retains the current retrospective system--and does not adopt Medicare's system--the department must develop its own cost reporting and auditing capability. These procedures are required to determine performance standards in the operation of the Medicaid program.

Implementation

No decision has been made concerning the type of reimbursement system to be used. The department as well as the Legislative Finance Committee are reviewing alternatives. The department questions, however, a carte blanche adoption of Medicare's prospective system at this time, without making adjustments that reflect Montana's experience. To make the adjustments and to administer a prospective system, the department needs two financial analysts, one clerical person, and one accounting technician. The biennium cost to the general fund is \$101,880. The proposed cost is less than if the department retains the retrospective system.

The Executive Budget recommendation is \$98,104.

Second-Tier Priority

Economically Needy Team Initiative EN-15b Increase Maximum GA Payment

Purpose

This initiative increases the maximum allowable payment for state general assistance from current AFDC standards to 51% of the poverty guideline.

Who is Served

The state General Assistance program served 1,246 households during March 1984, in the eleven county welfare offices that are administered by SRS. The state-administered counties include Cascade, Deer Lodge, Flathead, Lake, Lewis and Clark, Lincoln, Mineral, Missoula, Park, Ravalli and Silver Bow. Powell County was added to the list in July.

These households may include single individuals or married couples--with and without children--who are not eligible for any other federal or state maintenance assistance programs.

History

The state general assistance program makes payment for established needs of shelter, utilities, personal needs, transportation and non-food stamp food needs. The sum of program assistance payments, as authorized by HB 798, cannot exceed the AFDC payment standard for the same size household. Currently, the AFDC payment standards are about 47% of the poverty guideline. If initiative EN-14 is approved, the standard will be restored to 51% of poverty.

Implementation

Initiative EN-14 has requested the restoration of AFDC standards to 51% of poverty. If that initiative is approved, the state general assistance maximum must also be increased. The biennium cost to the general fund is \$587,603.

The Executive Budget recommendation is \$587,603.

Second-Tier Priority

Economically Needy Team

Initiative EN-22

Restore AFDC Unemployed Parent Program

Purpose

This initiative reinstates a program designed to provide for the needs of intact families as AFDC provides for other families.

Who is Served

Families where both parents are unemployed and who can receive no unemployment benefits will be helped by this initiative. There are approximately 300 families currently on general assistance who would be eligible for this program. In addition, there are families with only one parent at home because the father has left to allow his family to qualify for AFDC benefits. The number of these families is undetermined.

History

The initiative would reinstate a program that is designed to provide for the needs of intact families as AFDC provides for other families. General assistance does not satisfy many of the needs of intact families. Often a choice must be made between the family remaining together or the father leaving in order that his wife and children may receive AFDC benefits.

Implementation

This initiative is also expected to reduce the number of families on general assistance and those utilizing state and county medical services. The initiative will relieve the counties of responsibility for these families because funding for the AFDC-UP program is through federal and state funds. Funding for AFDC is 2/3 federal funds and 1/3 state funds. The approximate savings to non-assumed counties is \$148,000 per year. There will be no increase or decrease to state-assumed counties. The biennium cost to the general fund for AFDC and Medicaid is \$2,853,275. This initiative is not included in the executive budget.

Second-Tier Priority

Seniors Team

Initiative S-1

Low Income Energy Assistance Program (LIEAP)

Purpose

This initiative will eliminate the legislatively-mandated transfer of 10% of the LIEAP funding to the social services block grant.

Who is Served

Households that are below 125% of the poverty level will be served by this initiative. The 1980 census estimates 49,000 such households exist statewide.

History

The LIEAP caseload has grown from 14,800 households in 1982 to approximately 21,000 in FY-84. Program revenues have not kept pace with either rising utility costs or client caseloads. Rising energy costs have hit hardest people living on fixed or limited incomes. Because of program management, enough funding was saved from the previous year's program to start the next year's program before winter began. All eligible applicants were served at 100% of the benefit level. By FY-85, however, it is estimated that sufficient funding to meet the anticipated caseload will not exist.

Implementation

This initiative proposes to halt the legislatively-mandated transfer of 10% of the LIEAP funding to the social services block grant. The subsidy was feasible in previous years, but given the increase in cases and the cost of energy, the funds should be returned for their original intended use. General fund impact is \$2.4 million over the biennium. The total includes replacement funds for the block grant that were previously covered by the transfer.

The Executive Budget recommendation is \$795,755.

Third-Tier Priority

Children and Youth Team

Initiative CY-6

Day Care Sliding Scale to 75% Median Income

Purpose

This initiative will provide self-sufficiency incentives to families receiving assistance by sharing child care costs.

Who is Served

Children of working single parents with incomes between the AFDC cut-off level and 75% of the state median income will be served. Children need adequate day care services while their parents are working. Because the low-income wage earner cannot support the full cost of day care, many families are better off remaining on welfare.

History

The average cost of day care is currently \$8/day in a licensed or registered day care facility. The sliding scale program would pay a portion of the worker's day care costs. The portion subsidized would depend on the income and the size of the family. This program allows the parent a gradual assumption of the day care costs when he or she no longer qualifies for AFDC payments.

Parents will have the option of having the payments made directly to the providers, and they will be required to use a state licensed or registered day care facility. The program will begin July 1, 1985, and continue through June 30, 1987.

It is expected that the program will provide an incentive for AFDC recipients to join the work force and remain employed. The risks to children who are left to care for themselves or are placed in inadequate care while parents are working will also be reduced.

Implementation

SRS will manage the program: it will determine specific eligibility requirements and will subsidize day care costs based on income determination. The administration of the program will be accomplished within the established budget. To serve 600 youth, the estimated biennium cost to the state general fund is \$737,735. This initiative is not included in the executive budget.

Third-Tier Priority

Disabilities Team

Initiative D-11

Increased Salary for Direct Care Staff

Purpose

Improved wages for direct care staff should reduce high staff turnover and assist in the recruitment and retention of qualified staff in community based programs.

Who is Served

Direct care staff employed in community-based residential and vocational services funded through the Developmental Disabilities Division will be affected by this initiative.

History

Direct care staff in group homes and day programs perform a variety of relatively sophisticated tasks including the development and implementation of individualized instruction plans that help developmentally disabled individuals achieve the maximum degree of independence possible. In addition, staff are responsible for ensuring that the health, safety and welfare needs of these individuals are assured.

The requested salary increase for approximately 500 staff located throughout the state is 24 cents per hour per year. A survey of provider corporations revealed an average entry level wage of \$4.49 per hour compared to an entry level wage at Boulder River School and Hospital of \$5.85 per hour. Low salaries contribute to high staff turnover rates (over 100% annually is not uncommon) and have made recruitment and retention of qualified staff difficult.

Implementation

The cost of this initiative to the general fund for the biennium is \$500,000. This initiative is not included in the executive budget.

Third-Tier Priority

Economically Needy Team

Initiative EN-4

Timely Resolution of Fair Hearing Request

Purpose

This initiative provides additional resources to meet the demands of a fair hearing caseload that is increasing both in size and complexity.

Who is Served

Applicants and recipients of Medicaid, AFDC, Food Stamps, General Assistance, State Medical, LIEAP and the Weatherization programs will all benefit from this initiative. Providers of services under these programs would also be served.

History

The number of requests for fair hearings have increased without any increase in staff. Between July 1, 1983, and April 26, 1984, there were 581 requests for fair hearings. SRS estimates that 650 hearing requests will be received next fiscal year. Currently one Fair Hearing Officer handles all appeals throughout the state. He is responsible for requests concerning all SRS programs; however, 90% of the hearing requests involve the Economic Assistance Division (Medicaid, AFDC, GA, State Medical, LIEAP and Weatherization programs).

Regulations require that food stamp hearings be concluded within 60 days of the date of request and that all other hearings be concluded within 90 days of the date of the request. Currently, only about half of the hearings are meeting that deadline. The hearing officer estimates that of the cases that are not completed on time, half are because he does not have the time to hear the entire request and the other half are because of external problems: the client requests the delay, or the county welfare staff cannot meet the deadline.

Currently, an outside hearing officer is hired for all nursing home fair hearing requests (10 or less per year), and the SRS Administrative Rules Hearing Officer spends about 15 hours a week on fair hearings.

Implementation

This initiative will enable the department to comply with the time requirements for completion of hearings, and it will allow the Administrative Rules Hearing Officer time to do necessary legal research, and review and revision of ARM. An additional fair hearing officer and one clerical position will cost the general fund approximately \$45,000 for the biennium. This initiative is not included in the executive budget.

Third-Tier Priority

Economically Needy Team

Initiative EN-20

Commodity Warehouse and Transportation Proposal

Purpose

This initiative will allow SRS to improve the storage and distribution of commodities.

Who is Served

Potentially all households under 150% of poverty, elderly nutrition programs, charitable institutions, child care feeding programs and summer camps will benefit from this initiative.

History

The state is spending thousands of dollars each year in commercial shipping and storage for USDA commodity food programs. SRS and recipient agencies have had many problems with the current transportation system. Untimely deliveries, poor handling of USDA foods, and damaged commodities all result in a loss of food for eligible recipients.

The state is currently leasing part of a warehouse to store all USDA foods. Under the lease, SRS is paying the additional cost for the handling of all incoming and outgoing commodities in addition to the lease. If SRS leased the entire warehouse and hired its own staff to handle commodities, it would have better inventory control, more flexibility in facility use, better coordination of services, advance planning for shipments to the state and recipient agencies and the process would be cost-effective.

Implementation

It is proposed that SRS purchase two semi-trucks with refrigerated trailers, hire three FTE truck drivers, lease the entire warehouse currently being used to keep commodities separated, and hire three FTEs to staff the warehouse and provide inventory control. The biennium cost to the general fund is \$254,908. This initiative is not included in the executive budget.

Third-Tier Priority

Seniors Team Initiative S-5 In-Home Services

Purpose

A major goal of aging programs is to ensure that the elderly can maintain the greatest degree of independent living possible.

Who is Served

Individuals at least 60 years of age will be served by this initiative. A formal assessment process will determine 1) if recipients are at risk of being placed in an institutional care facility if in-home services are not available, and 2) if individuals have assistance available from family, friends, neighbors, volunteers or other community programs. The people affected by this initiative generally live on fixed incomes and health care needs consume a large portion of their available income.

History

The Community Services Division of SRS currently contracts with providers of services in the amount of \$275,000 annually. The amount, however, is not sufficient to cover the numbers of elderly who desire to remain in their homes but need some services to do so. Lack of funding forces agencies to restrict services to a narrowly defined segment of the needy population.

Among the goals of aging programs are the desire that elderly be able to maintain the degree of independent living that they desire, that support services be available and accessible, and that coordinated and comprehensive services are provided in an efficient and responsible manner. It is the belief of senior organizations that a choice in a person's living situation is paramount for a quality life.

Independent living is a situation that enables self care with limited assistance. In-home services include homemaker or home chores; personal care; congregate nutritional meals; home delivered meals; essential transportation; respite care; adult day services; home health services, and case management.

Implementation

Both the local Area Agencies on Aging and SRS will have joint review and responsibility for approval of service providers to insure effective coordination of all available resources. The general fund request for the biennium is \$450,000. This initiative is not included in the executive budget.

Fourth-Tier Priority

Disabilities Team Initiative D-8 Improve Residential Services

Purpose

This initiative will improve services to developmentally disabled children and adults in regular group homes and intensive care group homes by increasing the number of staff available to offer care.

Who is Served

Developmentally disabled children and adults throughout Montana will be affected by this initiative. It directly affects 164 clients currently receiving services.

History

There are 14 regular group homes and 9 intensive care group homes in Montana. Based on staffing standards proposed by the Developmental Disabilities Division, these group homes are currently understaffed. In September 1983, the DD Division proposed standards after studying, in conjunction with provider representatives, group home staffing needs. The study reviewed national standards (AC MRDD) and adapted them to Montana's situation.

Intensive group homes serve severely and profoundly retarded clients, moderately and severely physically handicapped clients and clients who may be aggressive, assaultive or be security risks. Because these people need physical assistance from staff in order to carry out their daily routines, the proposed staffing ratios are 1:2 on the first shift, 1:3 on the second shift, and 1:4 on the third shift.

Regular group homes serve clients requiring training and basic independent living skills. For these homes, the proposed staffing ratios are 1:4 on the first shift, 1:4 on the second shift, and 1:8 on the third shift.

Implementation

The initiative will cost \$1,011,856 in general fund for the biennium. This initiative is not included in the executive budget.

Fourth-Tier Priority

Disabilities Team

Initiative D-13

Extended Respite Care

Purpose

This initiative will provide respite for natural or foster parents who have developmentally disabled children living at home.

Who is Served

Families of developmentally disabled children (minor or adult) will be provided respite services by this initiative. Currently there are 466 individuals enrolled in this service and the waiting list to receive services is growing. Statewide there are at least 67 individuals waiting for this service. It often takes as long as two years for a family to receive respite services once they apply and in Missoula a family requesting service can expect to wait as long as five years.

History

The respite program provides reimbursement to families for the short-term care of their developmentally disabled children. Each family may apply for a \$360 annual reimbursement. This amount permits respite of one weekend per month or one three-week period a year. This amount does not cover the cost of food, transportation or other extra costs.

Because of limited program funding, respite services are quite restricted. For families with a severely handicapped or severely behaviorally disordered family member, the respite available is not sufficient for the stress involved in providing daily care. A survey of families that had placed a developmentally disabled child in an alternative residence (for example, Boulder River School and Hospital, Eastmont, group homes and foster homes) revealed that the most frequently cited reason was inadequate relief from the care and responsibility for their child. Costs in institutional settings range from \$17,000 to more than \$40,000 annually.

Implementation

To have an impact on existing and future waiting lists and to more adequately serve families who care for a developmentally disabled family member, a biennium general fund amount of \$180,000 is requested. All funds are proposed to be used for direct respite reimbursement to families. This initiative is not included in the executive budget.

Fourth-Tier Priority

Economically Needy Team

Initiative EN-12

Alcohol and Drug Rehabilitation

Purpose

This initiative will provide Medicaid coverage for alcohol and drug rehabilitation through hospitals, residential facilities and outpatient clinics approved by the Department of Institutions.

Who is Served

AFDC, SSI and Medically Needy recipients will all be served by this initiative. While services are available through the Department of Institutions on an ability-to-pay basis, Medicaid coverage ensures payment for services and medicaid recipients will benefit from the expanded coverage. Medicaid coverage of outpatient rehabilitation would also benefit recipients and providers by freeing state dollars in the Department of Institution's programs for use in inpatient rehabilitation coverage in other than a hospital setting.

History

Alcoholism is one of the state's most serious health problems--it affects not only the individual involved but others as well through increased traffic fatalities and child abuse, for example.

Currently, Medicaid pays for alcohol and drug treatment services in a hospital setting only under specific conditions. This initiative expands that coverage.

Medicaid pays for detoxification services for approximately 200 recipients annually. The average cost per day is \$175. The Department of Institutions handles 6,000 new admissions and 3,000 readmissions annually of which 350 new admissions and 175 readmissions are Medicaid eligible. It is estimated that under this initiative, approximately 725 recipients will receive 28 days of inpatient services in a hospital or residential setting, and approximately the same number will be eligible for outpatient rehabilitation as a followup.

Implementation

The medicaid coverage of outpatient rehabilitation will benefit recipients and providers by freeing state dollars in Department of Institutions' programs for use in inpatient rehabilitation in other than a hospital setting. This program will maximize federal funding to the greatest extent possible. The biennium general fund cost is approximately \$2,574,875. This initiative is not included in the executive budget.

Fourth-Tier Priority

Economically Needy

Initiative EN-16

Increase AFDC Payment Level

Purpose

This initiative will increase benefits provided by the aid to families with dependent children program to 55% of the poverty guideline.

Who is Served

There are over 7500 family units currently receiving AFDC services. Of these families, 93% are single parents and 7% are dependent children living with relatives.

History

This initiative assumes that EN-14, raising the AFDC payment level to 51% of the poverty guideline, is approved. For a more detailed description of the problem, refer to the EN-14 initiative in tier 1.

Implementation

The approval of an increase in the funding level may increase the caseload slightly. There is also the potential for an increase in the Medicaid caseload. The biennium cost of this initiative to the general fund is \$1,563,142. This initiative is not included in the executive budget.

Fifth-Tier Priority

Children and Youth Team

Initiative CY-9

Flat Rates for Adolescent Group Care

Purpose

This initiative will establish and fund a "flat rate" for children and youth group care to cover basic shelter and supervision costs. The effect will be less staff turnover, a more skilled staff, better care for the children, equitable payment for services, and closer scrutiny by purchasers or placing agencies.

Who is Served

Currently there are 24 group homes capable of serving 215 youngsters with social, emotional or legal problems.

History

At one time, over 600 youngsters were identified as being underplaced and undertreated. Over the years, funding restrictions have limited the salaries in group homes serving children and youth and they now lag behind other similar employment options. The turnover rate results in a lack of consistency in program offerings and services and children suffer in the transition of new staff. Programs cannot respond to treatment needs if new staff is constantly being oriented.

The flat rate will allow facilities to respond to minimum wage requirements and to improve their programs. SRS would set the rate and negotiate treatment and management costs with each corporation. Minimum standards for cost should be set and funding provided to cover those costs. Other government funding would be applied to treatment and management unless specifically allocated to a line item covered in the flat rate. In instances where such an allocation is made, consideration should be given to an incentive to encourage the corporation to utilize other than state funds.

Implementation

SRS will administer the funds. The general fund cost is \$655,520 for the biennium. This initiative is not included in the executive budget.

Fifth-Tier Priority

Disabilities Team

Initiative D-4

Restoring the Funding Base for DD Services

Purpose

This initiative restores the community services funding base for the developmentally disabled.

Who is Served

Individuals with developmental disabilities and the community-based programs that provide services are affected by this initiative. According to Montana law, "developmental disabilities" means disabilities attributable to mental retardation, cerebral palsy, epilepsy, autism or any other neurological handicapping condition closely related to mental retardation that originated before the person was 18 years old.

As of February 29, 1984, 1,846 individuals are receiving one or more of the following services: residential programs, vocational programs, evaluation and diagnosis, and family training.

History

Interpretations of state and federal wage and hour regulations in October 1983, indicated that residential facilities serving the developmentally disabled were not, in many instances, in full compliance. Consequently, a portion of the money appropriated by the 1983 legislature for services in FY-85 was used to achieve wage and hour compliance.

Implementation

The initiative will cost the general fund \$224,000 for the biennium. This initiative is not included in the executive budget.

Fifth-Tier Priority

Disabilities Team

Initiative D-9

Provide Barrier-Free Environments

Purpose

This initiative provides remodeling funds in order to provide barrier-free group homes and training facilities.

Who is Served

Approximately 40-60 developmentally disabled adults and/or children currently in group homes and training facilities will be served by this initiative.

History

Specialized accessible environments are currently unavailable to most clients who require or who would benefit from them. In addition, group homes and training facilities statewide have waiting lists that include a growing number of individuals who will require barrier-free environments.

Current barriers pose a serious threat to the safety of both clients and staff when exiting buildings in the case of an emergency, and problems also exist daily in transferring clients from wheelchairs. The possibility of lower back injuries and related problems, accompanied by workers' compensation claims, is significantly greater in present facilities.

Although this initiative only begins to address the problem, it is felt that the process of eliminating architectural barriers must be initiated. The use of graduate architectural students to recommend cost effective ways of correcting barriers is planned to ensure that funds are used for actual construction.

Implementation

Requests for architectural consultation and grants to begin construction will be made directly of the DD Division by group home and training providers. The general fund cost is \$100,000. This initiative is not included in the executive budget.

Fifth-Tier Priority

Disabilities Team

Initiative D-12

Improved Transportation Services

Purpose

Improve and coordinate transportation services throughout the state.

Who is Served

This initiative will benefit developmentally and physically disabled people as well as the elderly by improving their access to transportation.

History

Vehicles currently in use in community-based services are deteriorating and insufficient replacement funds exist. Transportation is a critical service component because, for the developmentally disabled in particular, access to the community and its opportunities is one of the primary reasons for offering services outside of an institution. Even in the urban areas of Montana, access to mass transit services is generally unavailable during the evening and on weekends when it is often needed and desired.

During the past year, SRS has pooled funds and coordinated vehicle purchases with the Montana Department of Commerce thereby tapping federal funds available from the Urban Mass Transit Authority. The process requires community coordination to assure services for the handicapped, the elderly and the developmentally disabled are all served.

Implementation

It is anticipated that the \$160,000 general fund request will generate revenue to purchase vehicles and equipment worth approximately \$400,000.

Fifth-Tier Priority

Economically Needy Team

Initiative EN-17

Increase Maximum Payment in GA

Purpose

This initiative will increase the maximum payment in state general assistance from 51% to 55% of poverty.

Who is Served

The state general assistance program served 1,246 households during March 1984, in the eleven county welfare offices that are administered by SRS. These recipient households involve single individuals and married couples with and without children. The households are not eligible for any other federal or state maintenance assistance programs.

History

This initiative assumes the passage of initiative EN-15b. For additional information about the proposal, refer to the write up in tier 2.

Implementation

The biennium cost to the general fund is \$801,520. This initiative is not included in the executive budget.

Fifth-Tier Priority

Economically Needy Team

Initiative EN-18

Increase Maximum Payment in GA

Purpose

This initiative will increase the state general assistance from 55% to 60% of poverty.

Who is Served

The state general assistance program served 1,246 households during March 1984, in the eleven county welfare offices that are administered by SRS. These recipient households involve single individuals and married couples with and without children. The households are not eligible for any other federal or state maintenance assistance program.

History

This initiative assumes the passage of initiatives EN-15b and EN-17. For additional information refer to initiative EN-15b found in tier 2.

Implementation

The biennium cost to the general fund is \$982,157. This initiative is not included in the executive budget.

Fifth-Tier Priority

**Economically Needy Team
Initiative EN-19
Increase AFDC Payment Level**

Purpose

This initiative will increase the AFDC payment level from 55% to 60% of poverty.

Who is Served

There are currently over 7500 family units receiving AFDC services.

History

This initiative assumes the approval of EN-14 and EN-16. Refer to the write up of EN-14 in tier 1 for additional information.

Implementation

The biennium cost to the general fund is \$1,916,952. This initiative is not included in the executive budget.

WOMEN'S LOBBYIST
FUND

January 21, 1985

RECEIVED

JAN 23 1985

PROGRAM & PLANNING

Dear Senator/Representative:

We, the Women's Lobbyist Fund, ask for your support of the revenue enhancers, initiatives, and resolutions presented by the Priorities for People (PFP) group. The PFP represents the expressed needs of the disabled, seniors, economically needy, children, teens and single mothers who are served by the programs of the Department of Social and Rehabilitation Services. We believe it is imperative that these voices be heard and these needs be met.

Areas of special concern to the Women's Lobbyist Fund include adequate general assistance appropriations and the following initiatives:

1. assisting parents in paying day-care costs, which would provide incentive for families to become self-sufficient (CY-6);
2. providing AFDC Unemployed Parent Program benefits to intact families, who otherwise may separate in order to receive benefits under other programs (EN-22);
3. reducing the number of caseloads per social worker to better meet child protection needs (CY-4);
4. establishing a Children's Trust Fund which is preventative in nature (CY-5); and
5. restoring benefits under the AFDC program to 51% of poverty level (EN-14).

Please seriously consider the PFP worthwhile needs.

Sincerely,

Anne Brodsky

Anne Brodsky
Lobbyist

DEPARTMENT OF
SOCIAL & REHABILITATION SERVICES
LEWIS & CLARK COUNTY OFFICE OF HUMAN SERVICES



TED SCHWINDEN, GOVERNOR

316 N. PARK

STATE OF MONTANA

(406) 442-2020

HELENA, MONTANA 59623

January 14, 1985

To Whom It May Concern:

The Priorities for People process was one that included many professional and lay people. They all spent literally days of their time, gathering and evaluating information concerning the programs of SRS. The recommendations they have made are the most valid resulting from the information available.

Our department wholeheartedly supports the recommendations of the PFP committee.

Sincerely,

A handwritten signature in cursive script, appearing to read "Norman Waterman".

Norman Waterman
County Director

NW/cw

MONTANA LOW-INCOME COALITION



P. O. Box 1029
107 West Lawrence
Helena, Montana 59624

(406) 449-8801

Statewide

MONTANA HRDC DIRECTOR ASSOCIATION
MONTANA LEGAL SERVICES EMPLOYEES
MONTANA SENIOR CITIZEN ASSOCIATION
NORTHERN ROCKIES ACTION GROUP

Helena

LAST CHANCE PEACEMAKERS COALITION
LOW INCOME SENIOR CITIZENS ADVOCATES
MONTANA ALLIANCE FOR PROGRESSIVE POLICY

Missoula

LOW INCOME GROUP FOR HUMAN TREATMENT
NATIVE AMERICAN SERVICES AGENCY

Great Falls

CONCERNED CITIZENS COALITION
MONTANA POWER TO THE PEOPLE

Butte

BUTTE COMMUNITY UNION

Bozeman

BOZEMAN HOUSING COALITION

1/22/85

PFP Lobbying Committee:

The Montana Low-Income Coalition is in support
of the requests made by the Priorities For People
Committee.

Our particular areas of interest are the General
Assistance funding and the re-instatement of
the AFDC-UP but we feel all human service needs
must have a priority status with this Mont.
Legislature.

Paul Carpino

Director

MLIC

Low Income Senior Citizen Advocates(LISCA)
PO Box 897
Helena, Montana 59624
443-1630
January 4, 1985

Priorities For People Steering Committee
Helena, Montana

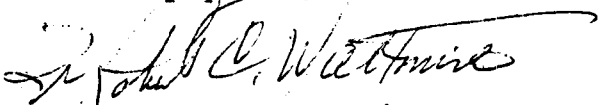
Dear PFP Steering Committee:

This is a letter of thanks and support for the weeks of labor your participants provided this past year in creating an independent and responsible set of recommendations for human services program funding for the next biennium.

LISCA's Executive Director, Wade Wilkison, was chairman of the Senior Citizens Budget-Building Team of PFP. He has kept us informed of the long, hard hours of research, planning, discussion and negotiation that went into making PFP's budget recommendations a fair package representing the needs of all four constituency groups: senior citizens; developmentally disabled; child and youth, and economically needy.

On behalf of LISCA's Board of Directors I want to express our thanks for the final product of recommendations from PFP. I also want to express our support as an organization and as a significant part of the senior citizens network in Montana; we support the concept of PFP, appreciate the final recommendations, and will work with our state's legislators to encourage them to implement as many as possible of these program recommendations.

Sincerely yours,



Dr. Robert C. Waltmire
Chairman of the Board

January 13, 1985

TO: PRIORITIES FOR PEOPLE

From: MONTANA LEGACY LEGISLATURE

Re: ENDORSEMENT OF PFP

The PFP process, as we see it, was a successful exercise in diplomacy and compromise uncovering grass roots concerns that then went on the chopping block of competing interest groups.

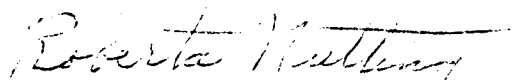
It is understandable that the expansion of HB 424 Home and Community based Services (Medicaid Waiver) ranks at the top of the Senior team PFP list - considering the "consensus" process. It benefits both seniors and the disabled and makes available the resource of matching Federal medicaid dollars, generating hope at last of a planned continuum of care for the at risk elderly, in a home setting.

However, it is the belief of Legacy Legislature that our #1 priority bill for expanding "In-Home-Services" by \$450,000 for the biennium is also needed to supplement what is now being done to help those elderly who are still mainly self-sufficient and need only minor support.

We therefore must qualify our endorsement of PFP priorities to the extent that we, as a single interest advocacy group agree to back both plans as cost-effective companions, sincerely believing they should both be implemented to bring greater security and quality of life to our seniors.

A comprehensive plan of inter-meshing programs under the guidance of a central authority is urgently needed in Montana.

Very truly yours,



Roberta Nutting, Chair
Legacy Legislature Planning

RECEIVED

JAN 17 1985

FAIR HEARINGS

MONTANA
INDEPENDENT
LIVING PROJECT

Helena Office
1215 Eighth Ave.
Helena, Montana 59601
(406) 444-4684

Central Office
1215 Eighth Avenue
Helena, MT 59601
(406) 444-4684

January 15, 1985

RECEIVED
JAN 15 1985
PROGRAM & PLANNING

Representative Joan Miles
Capitol Station
Helena, Montana 59620

Dear Representative Miles:

The Board of Directors and staff of the Montana Independent Living Project submit this letter in support of the Priorities for People's SRS Budget Packet. We are most pleased with the collective process used in developing this comprehensive budget proposal and support the proposal in it's entirety.

We would also like to take this opportunity to re-emphasize the need for establishing a service component for persons with "special needs" as described in Section D-6 of the PFP Proposal. Our agency is in contact with persons who are representative of this population, ie., victims of Multiple Sclerosis, Muscular Dystrophy, Cancer, Head Injury and Spinal Cord injury. We can attest that services to this group are the exception rather than the rule as most of these persons are not eligible for traditional services through either vocational rehabilitation or medical assistance.

If we can be of any assistance to you in collaborating the unmet needs of this most under-served population please feel free to contact our Helena Office, located one block from the Capitol Building, at 1215 8th Avenue or call 444-4684.

Respectfully,

Zana Smith

Zana Smith, Project Director

cc: ✓ Mary Blake, SRS
Representatives
Senators

RECEIVED

DEC 21 '84

December 18, 1984

DIRECTOR'S OFFICE

John LaFaver
Director of SRS
P.O. Box 4210
Helena, MT 59604

Dear John LaFaver:

I want to thank you for the entire Priority For People process. It was an excellent way to determine what is needed at the grassroots level. I believe that your proposal for expansion will be looked at very seriously by the legislators this year. This past week our Autistic Society group met with several legislators and we talked about our needs as well as the entire package. We feel that the eight legislators present were receptive to the PFP Plan. We trust that we can keep the momentum going.

I would like to clarify one point with regards to my letter to the Governor about Specialized Family Care. At the present time this is the best home training program that we have and I know that the parents involved are pleased to have it. I hope some day we might be able to use it. This program does not change our need to have a group home for the autistic children. These children need a consistent program with trained behavior management people. These children need one on one training 24 hours per day. This is extremely difficult for the family to do.

I know that you have heard us explain our reasons before and I don't need to take up your time again. I just want to say Thank You! for the PFP Process and that the group home for autistic children is a necessary integral of our continuing effort to make all exceptional people integrated into society.

Yours truly,

Paul Odegaard



cc. Honorable Ted Schwinden, Governor
Cal Winslow
Fred VanFalkenberg
Dave Lewis

**MONTANA
ASSOCIATION OF
COUNTIES**

1802 11th Avenue
Helena, Montana 59601
(406) 442-5209

December 21, 1984

RECEIVED

JAN 14 1985

PROGRAM & PLANNING

Larry Dominick
Priorities for People
P. O. Box 2058
Kalispell, Montana 59903-1058

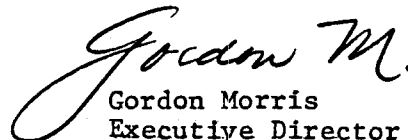
Dear Larry:

The Montana Association of Counties supports the Priorities for People process, having participated through our representative on the Economically Needy Team, Olga Erickson.

Our Association will participate in the coordinating committee activities. Barring conflicts in scheduling, Beverly Gibson or I will attend the briefing meetings. In the event we both are in other meetings, we will attempt to have a representative present.

We are very interested in following the budgeting process during the session, and will be pleased to share the expertise of the other members.

Sincerely,


Gordon Morris
Executive Director

December 5, 1984

MEMORANDUM

TO: Governor Schwinden
FROM: Charles Briggs, State Aging Coordinator
RE: 1985 Aging Council Legislative Recommendations

The Governor's Advisory Council on Aging has prepared tentative recommendations to the administration regarding aging legislation for the 1985 Legislature. These result from the council's review of priorities of the 1984 Legacy Legislature and human service's Priorities-for-People (PFP), as well as various interest groups in the state.

The council endorsed the first three tiers from the PFP with equal weight in each.

TIER #1:

Children and Youth #3, #4 - support services for foster childrent and youth; increased capacity to meet child protective services.

Disability #1, #2, #5, #6 - increased funding for rehabilitation services; increased funding for rehabilitation extended employment programs; expanding federal participation to reduce service waiting lists; addressing needs of people with special disabilities.

Economically Needy #10, #14, #23 - implement Medicaid cost-containment pilots; restore AFDC payment level to 51% of poverty; establish staffing patterns for program eligibility.

Seniors #3 - expand Medicaid Home and Community-Based Services Program. The council requested clarification how state funded in-home services be coordinated with community-based Medicaid services to minimize duplication.

TIER #2:

Children and Youth #7, #8 - inpatient alcohol/drug treatment for indigent youth; increase adoption program subsidies.

Economically Needy #8, #15b, #22 - design acute care reimbursement; increase state general assistance to 51% of poverty; restore AFDC unemployed parent program.

Seniors #1 and Disabilities #2 - discontinuation of LIEAP transfer fund; increase funding for vocational rehabilitation in extended employment.

TIER #3:

Economically Needy #4, #20 and Children and Youth #6 - timely resolution of fair hearing; improve commodity transportation; increase day care sliding scale maximum to 75% of income.

Seniors #5 and Disabilities #11 - increase in-home services funding \$450,000 from current biennium of \$550,000; increase direct care staff salary.

The council officially stands in support of the key priorities of other constituent groups.

Following a review of Legacy Legislature priorities and of aging interest groups, the council recommended the following in addition to those covered by PFP:

1. Require unannounced, yearly inspection of all licensed, long-term care facilities (i.e., skilled, intermediate, personal care), to determine individual quality of care.
2. Provide statutory authority for the terminally ill in Montana to prepare a "living will," which instructs their physician to withhold artificial medical measures if recovery is impossible.
3. Institute measures to help contain the cost of health care. This involves seriously considering a variety of options, such as eliminating the State Board of Health's authority over the State Health Department Director regarding Certificate-of-Need determination, and to establish a medical rate review commission.
4. Consider excluding Social Security benefits from state income tax. This will need clarification and study.
5. Amend Elder Abuse Prevention Act to provide penalties for abuse, neglect or exploitation.

6. Provide a \$3,600 exemption of all retirement plans from state individual income tax.
7. Provide a statutory placement of the Long-Term Care Ombudsman Program within state government. The program is federally funded and is mandated for receipt of funds in the Older Americans Act. It is presently located in the Mental Disabilities Board of Visitors.
8. Establish a Montana Nursing Home Resident's Bill of Rights.
9. Provide statutory authority to stagger terms of the Governor's Advisory Council on Aging.

The council will finalize its recommendations at its December meeting.

cc: Dave Lewis ✓
Dave Hunter
Dr. John Drynan
John LaFaver
Senator Fred Van Valkenburg

LEGISLATIVE PLATFORM

1985 Session

Mental Health Association of Montana

As advocates for quality mental health care and the rights of those in need of it, the Association supports the following in 1985:

I. Funding by the Department of Institutions (DOI) for:

A. Community Mental Health Centers

We strongly support the DOI request for funding at the same level with a 4% inflation factor and the replacement of discontinued federal funds from State general funds.

In addition, we propose that Centers providing services in excess of those contracted in all areas should receive some State compensation.

B. The Montana Youth Treatment Center

We advocate adequate salaries to attract adequately trained staff.

C. Montana State Hospital

We strongly encourage staffing finance based on realistic projections of hospital population.

D. The Renovation & Expansion of the Forensic Unit at MSH

The Association opposed the renovation plan funded by the last Legislature as inadequate for Ward 56 in particular. It applauds and supports the DOI decision to seek funds to do a complete job.

II. Funding by the Department of Social and Rehabilitation Services (SRS).

The Priorities for People Committee has developed a list of SRS service delivery priorities. The Association supports those two requests directly affecting treatment of emotionally disturbed children.

A. We encouraged funding for the development of support services for foster children and youth.

B. We support funding to increase staff and thereby reduce caseloads of those working with abused or neglected children.

III. Legislative Proposals

A. We strongly support legislation to abolish the 50% limit on state funds financing Mental Health Center operations.

B. The Association supports the Priorities for People proposal for a Children's Trust Fund financed by voluntary contributions from income tax refunds.

IV. Further Issues Now Under Consideration by the MHA:

A. Changes in the admission laws to make treatment more readily available for seriously mentally ill.

B. A bill to provide for state certification of professional counselors.

Glendive Branch American Association of University Women

(Statement of support adopted by Montana AAUW, 9/30/84)

With increased national attention to psychologically and physically safe environments for children who are cared for outside the home, whether in a private home (as a neighborhood baby-sitter) or in a geoup home (licensed or not) now is the time for Montana to take preventive measures to assure that some of the grotesque situations for young children have no chance of oocuring in our state.

Because of AAUW's interest in education and in our educated, literate populace and because it is known through research conducted through federal governmental agencies that intellectual capacity is established before 5 years of age, it is logical that interest in provinding a stimulating, intellectual, social-emotional environment become a high priority for AAUW branches as they participate in regional hearing conducted by SRS and "Priorities for the People."

Alma R. Ragar
President, Glendive Branch AAUW



WHEELCHAIRS, CRUTCHES & PEOPLE



October 2, 1984

To: John LaFaver, Director
Social and Rehabilitation Services

Fr: Dan McCauley, President *Dan McCauley*
Boyd Peterson, Vice President *Boyd Peterson*
Scott Birkenbuel, Treasurer *Scott Birkenbuel*
Wheelchairs, Crutches and People - Montana State University

Re: Priorities for People

As elected representatives of the three hundred and fifty disabled students at Montana State University we would like to go on record in support of the PFP proposed budget for the 1986-87 biennium. We feel that the priorities established accurately reflect our needs and address the concerns of disabled students. We feel strongly that other disabled persons should have the opportunity to be rehabilitated as addressed by initiative D-1. We feel that extended employment programs should be supported and expanded to meet a growing waiting list as covered by D-2. We support the concept that many developmentally disabled persons are waiting for services and we need to appropriate money to reduce those growing lists as provided in D-5. We also find it paramount to attack the problems of physically disabled persons who are not presently provided services as in initiative D-6.

It is our feeling that in addition to the four initiatives mentioned that the total budget drawn by "Priorities for People" has truly begun to address the needs of Montanans. The initiatives put together by PFP have given people a real opportunity to participate in the budgetary process.

We would like to thank you for that opportunity.

October 4, 1984

To: Priorities for People

Fr: Scott Wheat

Scott Wheat

I am a visually impaired student attending Montana State University in my second year of school. I chose to attend MSU because many jobs which are available to sighted persons were not available to me without a higher education. When I decided to attend college I contacted Visual Services which provided me with some of the assistance I needed to attend. Going to MSU has allowed me the opportunity to meet people which is sometimes difficult for visually impaired people. I feel that I am gaining confidence that I could not get without being in the competitive environment of a college campus. I am becoming increasingly more independent because of the kinds of activities I am involved in and the training I am gaining will allow me to realize my life goal of becoming employed in the computer science field.

Because I think it is important that other visually impaired people have the same opportunities, I am in support of the proposed PFP budget. The impact it has will be a positive one for visually impaired people.

PFP
Response

October 3, 1984

To: Priorities for People

Kathleen Perry

Fr: Kathleen Perry

I would like to go on record in support of the proposed Social and Rehabilitation Services budget as developed by Priorities for People. During the last two years I have been receiving assistance through Rehabilitation Services to attend Montana State University. Several positive things have happened to me after making my decision to return for a higher education. Going to school has given me more pride in myself and what I will be able to give to others once I become a teacher. Attending MSU has helped me to discover what other disabled persons are going through and how they adapt to their disabilities. The confidence I have gained has transferred to my children who now discuss their future plans and goals.

This was made possible through Rehabilitation Services who in a sense turned my disability into an asset and gave me the opportunity to make something out of my life. Additionally, Vocational Rehabilitation has given me a reliable funding source that allows me the chance to progress toward a degree and a job.

In conclusion, I would like to see others have the opportunity I have had. And that is why I support the proposed PFP budget.

17 Madison Ct.

Bozeman, MT 59715

October 11, 1984

TO Whom it may Concern,

As one of the people first
involved with Priorities for People
and one whom voted for its
present 6 members I am very
happy with its meetings.

After the PFP hearing in
St. Falls I feel the Concerned
Citizens Coalition has no beef
with the present set up.

Of the six members I feel
I represented low-income issues.

I Congratulate John and his
staff and the 6 members for
a job well done. I feel

it a blessing and look for-
ward with working with this

Concept in the future. Sincerely

Carl J. Brown



October 2, 1984

Mr. John LaFavor, Director
Department of Social &
Rehabilitation Services
P.O. Box #4210
Helena, MT 59604

Dear Mr. LaFavor and Members of the "Priorities for People" Disabilities Team:

The summary of initiatives and resolutions developed as the result of the "Priorities for People" process clearly reflect the dedication and hard work of the team members. In general, I am supportive of the results of the initiative process as it reflects on disabled persons in Montana, but would like to make specific comments on a few of the initiatives and resolutions.

Initiative D-1: Increase in State Appropriations for Visual Services and Rehabilitative Services. This past year with the limited budget rehabilitation services has had available for case monies, an actual decrease in services offered and available to disabled clients has been evident. I strongly support increasing the general fund appropriation for visual services and rehabilitative services to restore the funding level to the 1983 service level. This increase in funds must be separate from Workers' Compensation monies in order that those persons who are not eligible for Workers' Compensation Services receive the assistance they require.

Initiative D-2: Increase in State Appropriations for Vocational Rehabilitation Extended Employment Program. I strongly support the increase of this general fund appropriation as it will provide much needed services for persons with disabilities other than developmental disabilities to receive long-term employment training services. The need for such services is readily demonstrated by the waiting list at the facilities around the state and by contacting professionals involved with disabled persons in various communities.

Initiative D-6: Addressing the Needs of Special Disabled Populations. I strongly support the efforts of the "Priorities for People" process to provide funding to address the needs of disabled persons who are not eligible for Vocational Rehabilitation Services and also not considered developmentally disabled. The needs of this special population of people are great and varied. The very nature and progression of these special disability groups require that services be developed within creative systems in facilities which can provide the wide continuation of services needed. The department within SRS which most nearly meets the philosophy base needed for the provision of these services is Rehabilitation Services. I would strongly support that if this initiative is funded that it becomes the responsibility of the Rehabilitation Services Department for administration. In addition,

Mr. John LaFavor

10/2/84

Page 2

because services required by these populations are complex and varied, it would seem to be desirable to have case monies available in a block grant form for special projects as well as fee for services for facilities around the state.

Initiative D-14: Providing Funding for Special Populations Programs and General Rehabilitation Services. I am in strong support of this initiative as I feel it begins to address a responsible way for generating revenue for payment of services for many disabled persons.

Resolution R-14: Review of Rules and Regulations for Physically Disabled Service Programs. A cooperative review of the Medicaid Home- and Community-Based Services Waiver conducted by staff of SRS and representatives of the physically disabled case management teams as well as the case management teams for the elderly to address the issues brought up in this resolution would be very helpful in evaluating the effectiveness of the Medicaid Waiver Program monetarily and in provision of services. I would also suggest that consumers of services under the Medicaid Waiver be consulted to determine their opinion of the effectiveness of services in the operational flow of the program.

Thnak you for the opportunity to submit comments on the "PFP" process. If you have any questions, please do not hesitate to contact me for clarification.

Sincerely,



Wendy Holmes, OTR
Program Director
SUMMIT

WH/lib

October 19, 1984

John LaFaver
Director SRS
Box 4210
Helena, Mt. 59604

Dear John LaFaver,

As a Montana advocate for Children and Youth, I applaud your efforts to recognize the needs of this group. I am concerned, however, that the only initiative affecting Child Care is sliding scale. And that it only made it to the third tier in priority. We need to make young children top priority in Montana to guarantee the future of their lives and our State Quality Child Care does not just happen, we must provide training and education to insure quality. Please consider adding a training initiative to the top of your list of priorities.

Sincerely,

Jane Lapp
Box 1875
Kalispell, Mt. 59901

P.S. Would you please share my concern with the Priorities for the People team.

RECEIVED
DIRECTOR'S OFFICE



(PFF) LG

National Association of Social Workers

Sharon Hanton
20 Hodgman Canyon
Bozeman, MT 59715
(406) 586-9500

MONTANA
CHAPTER

October 14, 1984

Mr John La Faver,
111 Sanders
Helena, MT 59601

Dear Mr LaFaver,

The Montana Chapter of the National Association of Social Workers has been involved with and tracking the Priorities for People Committee work since its inception. We strongly endorse the proposals of the Committee.

Proposal EN-10 Medicaid Cost Containment Pilot/ Capitation and Recipient Education/ Benefits Package is of particular interest to us. We are asking that social workers be included on the committee to study this issue since social workers are health care providers. We recommend for the committee Bill Evans, 555 Fuller, Helena, Mt 59601 phone number 442-7256 and/or Carroll Jenkins 555 Fuller, Helena, MT 59601, phone 442-7256. Both of these social workers are mental health providers who understand medicaid issues and could provide critical information and alternatives to the committee.

Thank you for your attention.

Sincerely,

Sharon Hanton MSW
Sharon Hanton, MSW
Executive Director

cc Bill Evans, ACSW
Carroll Jenkins, MSW

RECEIVED
OCT 17 1984
DIRECTOR'S OFFICE

October 15, 1984

Priorities for People
Box 4210
Helena, MT 59604

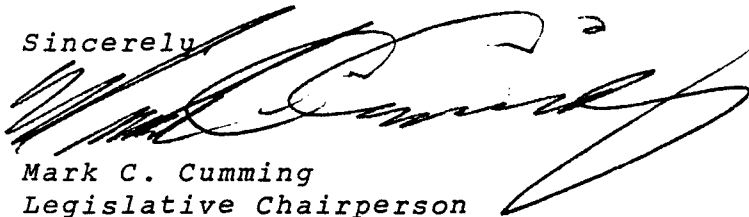
RECEIVED
OCT 16 1984
DIRECTOR'S OFFICE

To whom it may concern:

This letter is to inform you that the Montana Association of Rehabilitation endorses the SRS Budget Package developed by your group on 9/6/84.

If you need any further comment or clarification, please do not hesitate to get in touch with me.

Sincerely,



Mark C. Cumming
Legislative Chairperson
Montana Association of Rehabilitation
1018 Burlington
Missoula, MT 59801



Billings Workshop, Inc.

200 South 24th Street Billings, Montana 59101 406 248-9115

RECEIVED
OCT 10 '84
DIRECTOR'S OFFICE

October 5, 1984

Priorities for People
Box 4210
Helena, MT 59601

Dear Sirs:

The Billings Workshop, Inc. strongly supports the grassroots approach of the Priorities for People process. We submit our commendations for this effort.

We would like to go on record as supporting the following initiatives and our rationale for support. They are as follows:

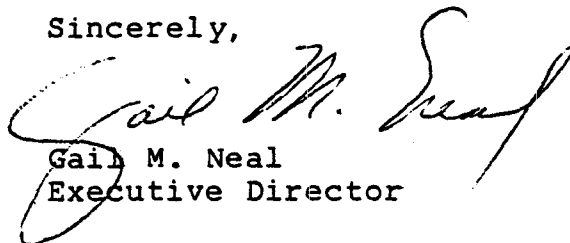
- A. 4% cost of living increase is a bare minimum increase as programs have been receiving 6% increases for several years when inflation was between 10-13%. There is no way programs can catch up for these losses over the years.
- D-1 Increase state appropriation for rehabilitation and visual services in the amount of \$300,000 over the next biennium is not adequate to make up for the loss in 1982 but will help assist persons who haven't been able to be served during the last two years.
- D-2 Increase state appropriation for extended employment. This program has been in existence since 1974 with \$200,000 appropriated and \$125,000 given to RSD - \$75,000 to D.D. In 1981-82 the amount increased to \$230,000, which was the only increase since the beginning of the program. Since this is not a high client turnover program, the waiting list for these services has grown steadily. Currently there are 40 mentally ill clients and 16

brain injured and stroke victims in need of extended employment services from our facility.

- D-5 Reduction in waiting list through increased federal participation. It appears that the need is well established and by managing funds more money can be made available for the extensive number of Statewide developmentally disabled persons who also are waiting for services.
- D-6 Special disabled populations have long been neglected. These people are largely unserved by the present system. There is need in these groups for extended employment, group and transitional homes, etc. Many of them can benefit from independent living and vocational services.
- D-11 Increase of salaries to direct care staff has been a problem for several years. As the economy has improved the turnover rate has increased significantly in our facility. There is also a great deal of disparity from program to program as to what direct care staff are paid plus a variation from city to city depending on the city's prevailing wages. In Billings higher wages prevail and it is difficult for our facility to compete with the qualifications we require of training staff.

Thank you for the opportunity to give input into the process.

Sincerely,



Gail M. Neal
Executive Director

GMN/ays

Whereas, the Montana State Constitution (Article XII, Section (3)(3)), creates a right to such economic assistance "as may be necessary" and Section 53-3-204 Montana Codes Annotated provides General Relief Assistance "shall be provided to meet a minimum subsistence compatible with decency and health;" and

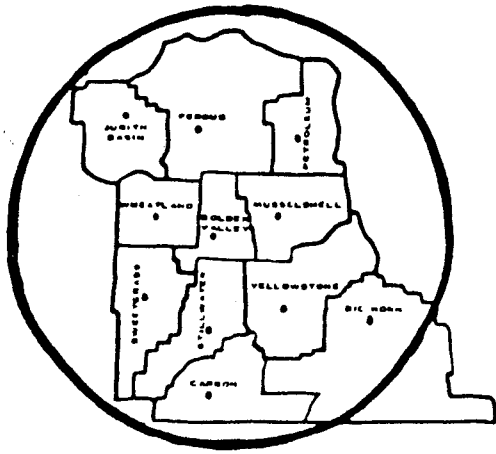
Whereas, District Judge Arnold Olsen, on June 29, 1984 decreed that the regulations for general assistance as proposed by SRS on May 17 "are unlawful because they do not provide benefits sufficient to meet living needs as required by the Montana Constitution and the Montana Codes;" and

Whereas, we feel that the General Assistance regulation prior to Judge Olsen's order did not meet the standards of decency and health.

Therefore, the human services representatives and lobbyists supporting PFP go on record as supporting and working toward the General Assistance standards ordered by the court.

Therefore, the human services representatives and lobbyists supporting PFP support the development, conduct and completion of a needs assessment.

Therefore, the human services representatives and lobbyists supporting PFP also support an adequate General Assistance program and an AFDC-UP program.



AREA AGENCY ON AGING MONTANA - AREA II

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

STATEMENT BY
STAN ROGERS - AREA II, SENIOR CITIZENS ADVOCATE
2031 HEWITT DRIVE - BILLINGS, MONTANA 59102

BEFORE THE

HUMAN SERVICES - APPROPRIATIONS SUB-COMMITTEE
HELENA, MONTANA

JANUARY 24, 1985

SUBJECT: PRIORITIES FOR PEOPLE - SENIORS INITIATIVE #S-1 - DISCON-
TINUATION OF 10% LIEAP (LOW INCOME ENERGY ASSISTANCE PROGRAM)
TRANSFERTO SOCIAL SERVICES BLOCK GRANT

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE. FOR THE RECORD, MY NAME IS STAN ROGERS AND I RESIDE AT 2031 HEWITT DRIVE, BILLINGS. I AM THE AREA II ADVOCATE FOR SENIOR CITICENS, A VOLUNTEER APPOINTED POSITION.

FIRST, I WANT TO THANK YOU FOR GIVING ME THE OPPORTUNITY TO APPEAR BEFORE THIS COMMITTEE AS A MEMBER OF THE DEPARTMENT OF SRS, PFP (PRIORITIES FOR PEOPLE) SENIORS BUDGET BUILDING TEAM. I MUST CONFESS THAT ALTHOUGH THIS WAS A DIFFICULT AND COMPLEX TASK, WHICH TOOK MOST OF THE SUMMER, AT TIMES I WISHED I WAS OUT FISHING RATHER THAN BEING A MEMBER OF THE PFP TEAM. HOWEVER, IT TRULY WAS AN EDUCATION AND EXPERIENCE FOR ME TO LEARN ABOUT THE PROGRAMS AND PROBLEMS OF THE OTHER THREE TEAMS, THE DISABLED, CHILDREN AND YOUTH AND THE ECONOMICALLY NEEDY.

THE PURPOSE OF MY BEING HERE TODAY IS IN SUPPORT OF THE SENIORS TEAM INITIATIVE #S-1 WHICH RECOMMENDS THAT THE 10% TRANSFER OF APPROXIMATELY \$2,400,000 FOR THE FY 86-87 BI-ENNIUM NOT BE MADE FROM LIEAP (LOW INCOME ENERGY ASSISTANCE PROGRAM) TO THE SOCIAL SERVICES

BLOCK GRANT. AT THIS TIME, FOR THE BENEFIT OF THOSE WHO MAY NOT BE FAMILIAR WITH LIEAP, I BELIEVE THE FOLLOWING INFORMATION MIGHT BE HELPFUL:

1. LIEAP IS TOTALLY FEDERAL FUNDED.
2. THE PRIORITY ESTABLISHED BY THE FEDERAL GOVERNMENT IS FOR SENIORS 60 YEARS OF AGE AND OVER, THE HANDICAPPED AND LOW INCOME PEOPLE TO BE NEXT PRIORITY.
3. TO BE ELIGIBLE, A PERSON'S INCOME MUST NOT EXCEED THE 125% POVERTY LEVEL; HOWEVER, OUT OF POCKET HEALTH COSTS MAY BE USED IN THIS DETERMINATION.
4. THE LIEAP MATRIX IS DESIGNED TO PAY APPROXIMATELY 80% OF A HOUSEHOLDS HEATING BILL FOR THE HEATING SEASON WHICH IS OCTOBER 1ST THROUGH APRIL 30TH. THE OTHER 20% IS RELATED TO ENERGY REQUIRED FOR THE HOT WATER TANK, COOKING AND NON-WINTER MONTHS.

OF COURSE, THERE ARE MANY MORE FACTORS TO CONSIDER BUT THESE ARE THE MAJOR ELIBIBILITY REQUIREMENTS.

NOW BACK TO INITIATIVE #S-1. I AM SURE THAT MOST OF YOU ARE WELL AWARE THAT THE 10% TRANSFER HAS BEEN MADE IN PREVIOUS YEARS. HOWEVER, BECAUSE OF SUFFICIENT CARRYOVER FUNDS AND A LOW NUMBER OF APPLICATIONS, LIEAP MANAGED TO AVOID A CRISIS AND STAY SOLVENT. UNFORTUNATELY, THAT PICTURE HAS CHANGED DRAMATICALLY IN THE PAST FOUR (4) YEARS. EACH YEAR THERE HAS BEEN A SIGNIFICANT INCREASE IN APPLICATIONS, RESULTING IN A GREATER DECREASE IN CARRYOVER FUNDS. IN ADDITION, YOU ARE AWARE THAT THERE HAVE BEEN SIGNIFICANT ENERGY RATE INCREASES WHICH HAVE RESULTED IN HIGHER ENERGY COSTS TO INDIVIDUALS AND LESS CARRYOVER FUNDS. ALSO, THIS PROGRAM IS FEDERALLY FUNDED WITH NO FUNDING INCREASE IN THE PAST SEVERAL YEARS. THIS HAS RESULTED IN MANY STATES NOT OPTING TO

TRANSFERRING 10% TO THE SOCIAL SERVICES BLOCK GRANT PROGRAM, AND REQUIRING SOME STATES TO EVEN APPROPRIATE STATE FUNDS TO SUPPLEMENT LIEAP.

BECAUSE OF THE FOLLOWING STATISTICS, WE ARE REQUESTING FUNDS NOT BE TRANSFERRED TO THE SOCIAL SERVICES BLOCK GRANT PROGRAM:

1. IN FY 82, A TOTAL OF 14,802 HOUSEHOLDS WERE SERVED FOR A TOTAL EXPENDITURE OF \$6,300,000 FOR AN AVERAGE PAYMENT OF \$426.
2. IN FY 83, A TOTAL OF 17,676 HOUSEHOLDS WERE SERVED FOR AN INCREASE OF 2,500 OR 18%. THE TOTAL EXPENDITURE WAS \$7,300,000 FOR AN AVERAGE PAYMENT OF \$414.
3. IN FY 84, A TOTAL OF 20,755 HOUSEHOLDS WERE SERVED FOR AN INCREASE OF 3,700 OR 22%. THE TOTAL EXPENDITURE WAS \$9,800,000 FOR AN AVERAGE PAYMENT OF \$473.
4. FY 85, AS OF DECEMBER 31, 1984, 14,432 APPLICATIONS HAVE BEEN PROCESSED. FOR THE SAME PERIOD LAST YEAR 12,903 APPLICATIONS WERE PROCESSED FOR AN INCREASE OF 1,529 OR 12% INCREASE. BASED ON THIS INFORMATION, IT IS AGAIN EXPECTED THAT THE NUMBER OF HOUSEHOLDS THAT WILL BE SERVED WILL EXCEED 22,000 FOR AN INCREASE OF AT LEAST 8-10%. IT IS EXPECTED THAT A TOTAL OF \$10,000,000 WILL BE EXPENDED FOR AN AVERAGE PAYMENT OF \$458.

WHY THE SIGNIFICANT INCREASES EACH YEAR? THE 1980 CENSUS ESTIMATED THAT THERE WERE 49,000 HOUSEHOLDS IN THE STATE OF MONTANA BELOW 125% OF POVERTY. IN 1984, THE POVERTY LEVEL FOR ONE (1) PERSON WAS \$6,225 PER YEAR OR APPROXIMATELY \$500 PER MONTH, NOT VERY MUCH TO LIVE ON THESE DAYS. UTILITIES ALONE FOR THE WINTER SEASON COULD TAKE 25-30% OF THIS INCOME FOR MOST PEOPLE. THERE ARE MANY REASONS FOR THE SIGNIFICANT

INCREASES IN APPLICATIONS, SUCH AS:

1. INCREASE UNEMPLOYMENT, ESPECIALLY IN THE BUTTE AND ANACONDA AREAS, AS WELL AS MANY OTHER AREAS.
2. SIGNIFICANT INCREASES IN UTILITY RATES.
3. TAKE HOME PAY HAS NOT KEPT UP WITH RISING COSTS.
4. MORE PEOPLE ARE BECOMING AWARE OF THE LIEAP.
5. MORE PEOPLE ARE UNABLE TO PROVIDE FOR THEIR BASIC NEEDS.

AS PREVIOUSLY INDICATED, IN 1982, 14,800 APPLICATIONS WERE PROCESSED. IN 1985, IT IS EXPECTED THAT WELL OVER 22,000 APPLICATIONS WILL BE PROCESSED FOR AN INCREASE OF 7,200 OR 50%. BASED ON THE GROWTH SEEN IN RECENT YEARS, WE BELIEVE THAT THE INCREASE IN APPLICATIONS WILL CONTINUE. THANK THE LORD EXCEPT FOR A FEW WEEKS EACH YEAR FOR THE PAST 2 OR 3 YEARS, THE WINTERS HAVE NOT BEEN THAT SEVERE. LET'S HOPE THAT OUR LUCK CONTINUES; HOWEVER, WE HAVE REACHED THE POINT THAT WE NEED MORE THAN JUST LUCK TO MEET THE TRUE LIEAP NEEDS OF THE ELDERLY, HANDICAPPED AND LOW INCOME PEOPLE. THEY ARE AT THE MERCY OF AND DEPEND ON THE LIEAP. I HAVE VISITED MANY HOMES OF THE ELDERLY, AND IN ORDER TO KEEP ENERGY COSTS DOWN, IT IS NOT UNUSUAL TO SEE THEM WEARING SWEATERS, COATS, ETC. TO KEEP WARM. THEY KEEP THEIR THERMOSTATS DOWN TO SAVE ENERGY OR GO TO BED EARLY TO KEEP WARM. THESE MIGHT BE SAVING MEASURES, BUT ONE HAS TO CONCERN THEMSELVES ABOUT SUCH SAVING MEASURES ESPECIALLY FOR THOSE WITH MEDICAL PROBLEMS SUCH AS: ARTHRITIS, HEART AILMENTS AND OTHER MEDICAL PROBLEMS REQUIRING WARMER THAN USUAL TEMPERATURES.

IN CLOSING, I AM NOT ADVOCATING FOR HELP FOR PEOPLE LIKE YOU AND ME WHO ARE MORE FORTUNATE IN BEING ABLE TO PROVIDE FOR OURSELVES. I AM PLEADING THAT THE FEDERAL FUNDS APPROPRIATED SPECIFICALLY FOR LIEAP, TO ASSIST THE ELDERLY, HANDICAPPED AND LOW INCOME PEOPLE, BE MADE AVAILABLE FOR THAT PURPOSE. IT IS RESPECTIVELY REQUESTED THAT THE 10%

(5)

TRANSFER NOT BE MADE FROM LIEAP TO THE SOCIAL SERVICES BLOCK GRANT PROGRAM.
ON BEHALF OF ALL THOSE WHO I HOPE WILL BENEFIT FROM YOUR DECISION, I
WANT TO SINCERELY THANK YOU FOR THE BOTTOM OF MY HEART. GOD BLESS
YOU.

Rocky Mountain Development Council
201 South Main
5 days a week -8:00 a.m. to 5:00 p.m.
Gene Leuwer or Billie Jean Hill
442-1552

Youth group home
Senior programs
Energy assistance
Food bank
Senior health care
Transportation

Children's World Day Care
1221 Billings Ave.
5 days a week-mornings
Sue Yannone or Barb Johnson
443-6318

3 R's Day Care
545 S. California
5 days a week before 11:30
Gery or Elena Frederick
449-6367

Inter-Mountain Deaconess Home for Children
500 South Lamborn
5 days a week 10:00 a.m. to 4:00 p.m.
Tom Drooger
442-7920

Vocational Rehabilitation
25 S. Ewing, Room 203
Mon. or Fri. afternoon
Mark Weggenman
444-6802

Helena Industries
1325 Helena Avenue
Tues., Wed., or Thurs., 9:00 a.m.-2:00 p.m.
Mike Bullock or Dawn DeWolf
442-8632

Adult Learning Center
529 North Warren
Tues., or Wed. mornings
Bill Nelson or Chic Barnett

Family Outreach, Inc.
825 Helena Ave.
call for an appointment
Ted Maloney
443-7370

VISITORS' REGISTER

Human Services Sub COMMITTEE

BILL NO. _____

DATE 1-24-85

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
BOB DONALDSON	HELENA - SRS	X	
PAT Godbout	SRS - Helena		
JAMES R DELSIGNED	SRS - CLAWY	X	
NORMA HARRIS	Helena		
Berna Wheeler	Billings	X	
Louise Kruz	Butte, Mh/C	X	
Marge Christians	Blaine County Activities	X	
John C. Mays	KANSVILLE	✓	
Steve Davis	D.D. P.F.P.	X	
Lois Allard B.C.U.	Butte, Mont. P.F.P.	X	
Tom Drogger	Mt. Residential CCA	X	
John Chiswell	Montana Catholic Conf.	X	
Alma Jones	Missoula		
Charles Buff	Helena		
Mary Blake	Helena	X	
Mike Harshew	Helena	X	
Amela Souther	Helena	X	
Susan K. Field	Msia, PFP - ^{Montana State} Low Income Coal		
Phil Sherman	Helena, Mont. Fed. Teacher		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

Human Services Sub COMMITTEE

BILL NO. _____

DATE 1-24-85

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Dane Lewis	Helena SRS		
Ron Brown	" "		
Nike Muszkiewicz	" "		
Stan Rogers	Billings SRS		
Gary Walsh	Helena SRS		
JACK ELLERY	" "		
LEE J. TICKELL	HELENA SRS		
Bebe	" "		
Jessie Schlingens	Kalispell MT State FP (PFP)		
Beverly Gibson	MACO - Helena		
JUDITH H CARLSON	N.A.S.W.		
MADE WILKISON			
Sylvia J. Bowen	RR 2424 GF. 59401	/	
Poland D Pratt	mt optometric Assoc Helena		
Vonnie Koenig	Kalispell - PFP		
Bob Frazier	Bozeman - PFP Disabilities		
Hevily Holmer	Missoula - Summit	X	
Jane Kalmar	Missoula - Summit	X	
Kathleen Stacey	Missoula - Summit	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Human Services Sub COMMITTEE

DATE 1-24-85

[illegible]

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

Human Services Sub COMMITTEE

BILL NO. _____

DATE 1-24-85

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Kim G. DuVall	Missoula, MT.	+	
GARY T. Rudolph	Ms. La, MT	/	
DAVE MANN	Ms. La, LIGHT. MLC.	X	
Peter Lumsdaine	Helena, Montana	✓	
Cathy Campbell	MT. Asan of Cherokee	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.