

MINUTES OF THE MEETING
HUMAN SERVICES SUBCOMMITTEE
HOUSE OF REPRESENTATIVES
49TH LEGISLATURE
SPECIAL SESSION III
June 11, 1986

The meeting was called to order by Chairman Cal Winslow at 8:45 a.m., Wednesday, June 11, 1986 in the SRS Auditorium.

ROLL CALL: All subcommittee members were present

Tape 5A,0.00

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Priorities for People:

Bob Frazier, Facilitator for People, gave testimony to the committee and a brief history of the program explaining that the PFP operates under a consensus model. The team has made some strong recommendations that specific areas should not be cut. Reference being made to page 2, Exhibit 1, showing summary statements and listing ways of doing things to lessen the blow. (page 8, Exhibit 1) lists the reductions PFP opposes. Handout, Exhibit 2, shows the description of revenues and the impact it has on general funding.

The five spokespeople for the team are:

Larry Dominick: HRDC, Kalispell, Economic Needs
Bill Leary: Hospital Association; Medical Services
Brodie Moll: Disabilities
Joe Upshaw: AARP; Senior Team
John Wilkenson: Children and Youth

First speaker, John Wilkenson, Children and Youth, also Administrator of Intermountain Deaconess Home, made reference to Exhibits 1, 2 and 3 as being realistic documents towards freezing or making cutbacks where necessary. Mr. Wilkenson made reference to page 4, Exhibit 1, reviewing the reductions and impacts indicating big brothers & sisters probably having the greatest potential public support. chairman Winslow asked if this reduction were changed from 50% to 25%, would that be agreeable? Mr. Wilkenson responded that whatever can be done rather than drop this program, would be most helpful. It is indicated that at present there are 11 big brother & sister programs throughout the state.

5A:28.36

Brodie Moll, representative of the Montana Association of Independent Disability Services and service provider from Conrad referred to the proposals in the governor's budget affecting the disabilities team (page 4, Exhibit 1). Reference was then made to the reductions PFP opposes (bottom page 6, Exhibit 1). Mr. Moll also pointed out that there is an extensive waiting list for developmental disability services.

Maggie Bullock was asked by Representative Bradley to explain more about the visual services program. Ms. Bullock explained that this is a program the legislature approved to serve the blind and the blind of very young children who do not have adequate insurance coverage.

Larry Dominick, spokesman for the economically needy team stated the majority of their time was spent on the GA (Exhibit 1, page 5), lists the cut recommendations that PFP is supporting.

Freezing 4 auditors and .5 FTE in legal services does support the proposals within the governor's recommendations. To eliminate emergency GA is agreeable. PFP suggest that food and shelter are top priority and that being a moral responsibility of the state of Montana. Aid to families with AFDC and GA benefit levels is at an absolute minimum. HB 12 which is a work program for GA recipients accomplished one important thing, making the GA program not so much a welfare program, but more of an employment program, that being a positive outlook. Senator Christiaens asked Mr. Dominick, "In reducing the food stamp issue, what is the current situation?" Mr. Dominick responded saying that contracts for food stamp issuance were individually negotiated. The intent is to establish the same reimbursement rates for all providers. Senator Christiaens again asked, "How many AFDC's are issuing food stamps now?" Mr. Tickell responded by saying 5 in the state. Mr. Dominick stressed the important point trying to be made is that discussion in food stamps, fuel assistance, or special commodities, we are keeping GA in perspective of the welfare program.

Chairman Winslow asked if there was any discussion by PFP of the AFDC program - this seems to be an economic trap. Mr. Dominick responded that a possible solution he picked up on while attending an out of state conference is an employment program.

5B:25.20

Bill Leary, President, Montana Hospital Association, representing the medical services committee of PFP, read testimony from Exhibit 4, indicating unanimous support not to eliminate any of the medicaid services. Also, they are in support of a 10 cent increase on all tobacco items with 50% of that increase to go into human services program administered by SRS.

Representative Bradley questioned why the freeze on benefits did not include nursing homes.

Rose Skoog, Montana Health Association, stated it was because of litigation. There is a court order that covers rates from July 1983-June 30, 1987.

Representative Bradley asked Ms. Skoog, "What inflation rates are being used?" Ms. Skoog said the built-in inflators are 4% on the operating side and 2% on the property side of the rate - average of 3.5%.

6A:10.07

Chairman Winslow asked that Dave Lewis give an overview of the executive recommendations and Peter Blouke, LFA, will review the LFA options.

Dave Lewis, Director SRS, stated that the supplemental situation in foster care is the most critical issue.

Day Care: Making reference to Exhibit 6, each of the benefit areas in community service were reviewed. The first was day care. Executive recommends only eliminating the general fund. LFA has included a reduction of all funds.

Chairman Winslow asked for public testimony on day care. There being none, the meeting continued on with legal services.

Legal Services: This service is mainly offered to the elderly. It was stated by the LFA that if this contract were eliminated, services would still be offered by Montana Legal Services. (Refer to exhibit 6B).

Norma Harris, administrator, Community services clarified that recipients of legal services other than senior citizens, are clients from SSI AFDC. If this contract were eliminated, the staff would have to be cut, making it difficult for those seeking legal service to get the services they need.

Neil Haight, Director of Montana Legal Services, stated his office in Wolf Point would be closing July 1, due to not having funds. Chairman Winslow asked how many legal services we have in the state. Mr. Haight responded saying 9 at the present time but, when the office in Wolf Point is closed, there will be 8. Representative Rehberg asked Mr. Haight what his general fund appropriation is, he responded that \$100,000 is general fund.

Senator Manning asked if elimination of this program would do a lot of harm. Mr. Lewis stated that because of the bureaucracy, for the elderly, the complications of forms, procedures, etc. is necessary legal assistance. he supported continuation of this program.

6A:27.48

Domestic Violence: The executive proposed to freeze benefits at the FY86 level. There was no public testimony.

Big Brother's and Sisters: Referring to page 2, Exhibit 6, are the following proposals: Executive proposal to freeze the FY 86 benefit level. Second proposal is to cut this program in half. LFA's option is to reduce the state's support.

Dave Lewis commented that additional cuts would translate into layoffs or holding positions open. No question on the value of the program. Due to the local support in this program, SRS makes up out of about 25% of their total budgets.

Judith Carlson, representing Big Brother's & Sisters, stated that this is primarily a locally supported organization with 75% local support and 25% state support. Ms. Carlson introduced other spokesmen in support to this program, to give testimony.

Senator Van Valkenberg, Missoula, testified in support of this program. Senator Dave Fuller, Helena, testified in support of this program.

Linda LaFavour, President, Federation of Big Brother's and Sisters, Missoula, explained why this program exists and the need for continued state support.

Theresa Graham, Helena, testified in support of the program and her experience as a single parent.

23.11

Marty Heller, Board of Directors, testified in favor of this program. he states he has been a Big Brother for 15 years and a member of the local Big Brother's for 5 years.

Max VanHeel, CPA, gave a brief overview of the Big Brother's and Sisters budget problems brought about by these proposed cuts. #9

Judy Carlson closed with an excerpt of Judge Bennett's letter (Exhibit 8).

6B:3.38

PUBLIC TESTIMONY

Jenny Burkman, parent and active in the Big Brothers and Sisters program, is a single parent of *3) children. She and her son, Andrew, age 8 years old, testified in support of the program.

Chairman Winslow asked what the percentage is of children from divorces in the Big Brothers and Sisters program. The response was about 85% - 95%. peter Blouke, LFA, will get the information on the source of fund for dislocated homemaker's that could be appropriated for this program.

Doris Bardum, Billings, Executive Director for Big Brothers and Sisters, stated they are currently serving 175 active matches in Billings, but 80 children are still on the waiting list. The TV series, "Wednesday's Child" has brought in approximately 15 volunteers in the last month. 30% of the children received are referred to us by the welfare system.

Meeting was recessed for lunch at 12:01 p.m.

7A:0.00

Meeting was reconvened at 1:10 p.m. with Chairman Winslow calling the meeting to order and continuing with home health.

Home Health: LFA reviewed the proposals and options (Exhibit 6). There were two executive proposals: 1) freeze on benefits 2) eliminate contract with Lewis & Clark County for personal services. Savings of both proposals: \$16,202.00.

Norma Harris commented that the proposal from the executive would be to add a position to Lewis & Clark County to be consistent in providing homemaker services in other parts of the state.

The supervisor of In-Home services in the Lewis & Clark County Health Department read from testimony.

Jim Campbell, County Commissioner of Lewis & Clark, discussed three points in regard to the home health program.

- 1) concept of the home attendant
- 2) equity and fairness
- 3) management concept

Norma Harris stated that PFP recommends that the contract remain with the health department but be reduced to \$15,000. Executive proposed to move an FTE into the Lewis & Clark County - savings of \$17,000.

7A:11.24

West Yellowstone: (Reference to page 3, Exhibit 6). Essentially a freeze on the benefits to hold it at FY 86 level.

Subsidized Adoption: (page 4, Exhibit 6). This program projects under-expenditure during FY 86 and projects a similar rate of expenditure for the FY 87.

Supplemental Income: (page 4, Exhibit 6). Two executive proposals:

- 1) freeze the supplemental security income at FY 86 level
- 2) projected under-expenditure projecting the same rate of expenditure in FY 87.

Aging: (page 5, Exhibit 6). Executive proposal to freeze the benefits at the FY 86 level.

Training: (page 5, Exhibit 6). Freeze at the FY 86 level.

Alcohol & Drugs: (page 7, Exhibit 6). Executive proposes to reduce the FY 87 appropriations by 5%. LFA options discussed on page B-78.

Norma Harris commented that the total amount of appropriations has been obligated for FY 86. Fifty-one children have been placed to date at \$110/day for up to 40 days. Eligibility requirements have to be met by income requirements.

TESTIMONY

Chemical Dependency

(7A:20.30)

Mike Murray, representative of the Chemical Dependency Program of Montana indicated that tax put on beverages, with the understanding that individuals needing treatment in the state, would be cared for through this program administered by SRS. Private and community programs have formed a partnership with the state of Montana in donating their fees to accept youngsters referred by the SRS program. The legislature added a tax to beer to meet a need of special funding to balance a budget. The vacancy saving LFA refer to is due to the children not completing the program.

Doug Settles, Director of the Shodair Chemical Dependency Program, Helena, spoke in support of the program.

Joe Campeau, contractor in Helena representing his daughter, Annette and her husband Steve Jones from Missoula, supported the need to continue the Child Development Center program in Missoula. (Exhibit 10).

Foster care: LFA reviewed the proposals and options making reference to (page 7, Exhibit 6). Department is requesting a supplemental of 1.1 million dollars for this program. LFA did raise (2) options (see Exhibit 6).

Dave Lewis commented on the supplemental. The number of children is much greater than what was budgeted. SRS tried to set priorities, see handout, Exhibit 11, which gives a summary of issues FY 87 foster care.

Norma Harris continued testimony on supplemental making reference to Exhibit 11. In FY 86, there was a 56% increase in cost of in-state treatment and a reduction of 2% in out-of-state treatment in an attempt to placing kids in residential care rather than out-of-state. Foster Care has increased in ALL placement areas.

Gary Finley, Director of Kings Hill Youth Home, White Sulphur Springs, Montana, presented testimony regarding foster care (see Exhibit 12). He stated he appeared before the governor's council and presented this (Exhibit 12) commentary.

Cherie Sigrist, Director, Horizon Home for the care and treatment of abused children. This is primarily a non-profit group home for female sexually abused children from ages 7-17 years. It is a licensed group home receiving foster care rates. The home is staffed 24 hours a day with intensive treatment for these children. Funding for foster care is not enough to treat kids. (brochure handout, Exhibit 13).

John Wilkenson, represents both Montana Residential Child Care Association as well as the Deaconess Home in Helena. They are successfully keeping 85% of the kids from being reinstitutionalized. There are 34 kids in out-of-state treatment programs from the state of Montana. Seven kids went to out-of-state treatment in April. The program cannot work with families of these children if they are out-of-state.

Norma Harris stated that 3 or 4 kids were court ordered out of state. In-state treatment has increased 56% so SRS feels they have utilized the in-state facilities as much as the need represented. Approximately 6 kids did go out of state because the Deaconess had no opening.

Chairman Winslow asked Ms. Harris how could Montana get the message to the Court that we do have the facilities in the state that could do an equal job at half the price and be closer to family? She responded saying the Law says that the Court cannot order a child out-of-state until they have reviewed all in-state placements.

Chairman Winslow stated that twice as much money is being spent on out-of-state placements, like Colorado, which is taking away money that could be spent on Horizon Home or Kings Hill or other Montana facilities. He would like to see more support for in-state treatment.

7B:28.37

Norma Harris responded that she has always felt it is better to treat a child in-state rather than out-of-state due to family contracts.

Dave Lewis stated that another cottage could certainly be opened, but Deaconess Home needs start up money from SRS and substantial increase in their fees.

Seantor Manning asked who is paying the out-of-state cost for these 3-4 children and what are the rates.

Dave Lewis responded that rates vary from \$36 up to \$90 depending on the program and situation. However, looking at \$750,000 going out-of-state during FY 86, this could be used to pay for a 90-day evaluation process allowing us to keep some of the kids in state.

Senator Story asked what the average length of stay out-of-state is, Mr. Lewis replied approximately two years.

35.20

PUBLIC TESTIMONY

Social Workers: Sharon Hanton, Executive Director of the Montana Chapter of the National Association of Social Workers, read her testimony from Exhibit 13 in strong support to appropriate funds necessary to increase the FTE social work positions in child protective services.

8A:1.00

Gene Huntington answered questions by the subcommittee regarding the apprenticeship bureau, with reference to Exhibit 14. The purpose of the program is to provide standardization of training. Exhibit 14 also shows an apprenticeship report for the month of December 1985 and lists the different occupations with apprenticeships.

Senator Chistiaens asked, if this Bureau were eliminated, where this authority would go? Sue Mohr responded saying that the federal bureau has to determine if apprentice operating under the Davis Bacon Act are paid properly only on those projects under federal Davis Bacon jurisdiction. The state program deals with state Davis Bacon in the same way.

EXECUTIVE ACTION (Exhibit 15)

LABOR AND INDUSTRY

Representative Rehberg moved to accept the LFA personal services of \$1,071,458 which will eliminate the apprenticeship bureau.

Substitute motion was made by Senator Manning to accept the Executive.

ROLL CALL VOTE on substitute motion FAILED.
Original motion PASSED with Senator Manning and Senator Christiaens opposing.

Representative Rehberg moved to accept the LFA operation expenses. Motion PASSED with Senator Manning opposed.

Representative Rehberg moved to accept the LFA's recommendation for funding. Motion PASSED unanimously.

Representative Rehberg moved to accept the executive 5% cut on personal services. Motion PASSED with Senator Manning opposed.

Representative Rehberg moved to accept the executive 5% cut on operating expense. Motion PASSED with Senator Manning opposed.

Representative Rehberg moved to accept the executive level in operating expense of funding issue to transfer \$20,000 from general fund unemployment insurance penalty & interest to personal services. Motion PASSED unanimously.

Representative Rehberg moved to accept the executive level of general fund employment services of \$125,000, switching \$209,000 for pre-employment training and dislocated workers from general fund to unemployment insurance penalty and interest monies. Motion PASSED unanimously.

Representative Rehberg moved to transfer \$125,000 of crime victim's fund to the general fund. Substitute motion was made by Senator Christiaens to transfer \$100,000. Substitute motion PASSED unanimously.

8A:26.13

EXECUTIVE ACTION - continued

DEPARTMENT OF HEALTH

Director's Office

Representative Rehberg moved to accept the executive 5% cut in personal services. Motion PASSED unanimously.

Representative Rehberg moved to accept the executive 5% cut in operating expense. Senator Christiaens made a substitute motion to accept the reduction of legal fees of \$8,000 but not reduce the Renal program by \$18,750. Substitute motion PASSED unanimously.

Financial Management Division

Representative Rehberg moved to accept the LFA's recommendation to replace \$10,000 in the general fund in the Financial Management division with the vital statistics fund balance. Motion PASSED unanimously.

7A:32.47

John Fields, Co-Chairman of the Developmental Disability Legislative Action Committee briefly introduced himself and discussed the proposed cuts for the developmental disability program.

Susan Duffy, Missoula, speaking in behalf of her 5 year old daughter, "Keo", who has Down's Syndrome, supported the developmental disability program and the need for funds.

Terry and Dick Hager and their son Steve, from Belgrade, expressed their thanks for the program Family outreach has given them and spoke in support of the program.

Beverly Owens, Billings, State President of the Montana Association for Retired Citizens, spoke in support of the program and opposed any budget cuts.

Connie Zapato, mother of seven children spoke in support of the Family Outreach program.

Jerri Lanky, Great Falls, has a daughter 31 years old who is in the day program. This makes it possible for her to work part-time. (Written testimony provided opposing cuts in funding for day programs).

7B:8.16

Rita Schilling, Director of Vocational Placement in Job Training, Billings, introduced Bobby who is mentally retarded and who spoke in behalf of vocational placements. Also introduced was Bobby's former employer who expressed the advantages from both sides and supported this program.

Linda Rehn, Executive Director of the Copper Chapter Epilepsy of Great Falls, which is an agency working on referrals on counseling disorders, expressed her concern about the cut back for optional medicaid services affecting her program and clients.

Lori Hefeniter, Director of Residential Support Services in Billings, indicated that fund raising activities are not adequate to raise enough money to offset the deficit budget.

Jim McGrath, Missoula, father of two disabled sons, age 19 years and 2 years, spoke in support of day programs.

Holly Ann Frisch, guardian of two adult disabled persons, spoke in support of family training programs.

Mike Hagen, Director of the Montana Center for Handicapped Children, Billings, a diagnostic evaluation center, spoke in support of early intervention.

John Cosby, Anaconda, testified in favor of the Outreach program, (refer to testimony) in behalf of his daughter, Amy.

Marina Crisman, Great Falls, speaking in behalf of her son, spoke in support of the Easter Seal program.

Chuck Super stated that looking at the LFA recommendations of options A, B and C of 5% - 10% cuts makes him nervous. He commented on the problems he would have if the LFA options were adopted.

Becky Manor from Helena, spoke in support of family outreach.

Pat Sharp from the Montana Advocacy program and representing Kris Bakula who is Executive Director, read her testimony (attached) supporting the developmental disabilities division.

9A:1.36

Becky Hotchkiss, moved to Helena from Cut Bank last January mainly to get therapy for her son with cerebral palsy. Cut Bank did not offer the services needed for her son. Chase is 15 months old. He was adopted at the age of 1 year at which time it was determined he had cerebral palsy. Family Services taught her how to cope with this. Ms. Hotchkiss supported continued funding for the program.

Cheri Copp, and Advocate for a 24 year old male who is developmentally disabled, spoke in support of day programs.

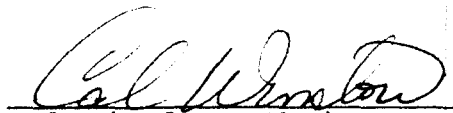
Gloria Stedman, Lolo, has a granddaughter, Heather, (Infant) who has brain tissue missing causing retardation and cerebral palsy. She has very severe seizure disorders. Mrs. Stedman expressed concern about cuts in medication.

12.28

Jennifer Charles, parent of a handicap child stated how distressed she is to hear of the cut in family outreach. Through family outreach, they have learned positive parenting skills, stress, failures and frustration. She stated her son was 2 yrs. old when they started family outreach. He then could not talk, no language or social skills. Today, he is a well adjusted 7 yr. old who can ride a bike, can read, and is a whizz at math. This would not have been possible without the intervention of family outreach. They no longer use this program because this son can now function independently, but wanted to share this success story to let you know what this program has done for them.

Connie Kalberg, Director of Child and Family Service, CDC, Missoula, gave some statistics for their programs.

Meeting was adjourned to the public at 5:45 PM. Committee members were asked to stay as well as those designed by the SRS department. The closed meeting adjourned at 6:15 PM.


Cal Winslow, Chairman