

MEETING MINUTES
HUMAN SERVICES SUBCOMMITTEE
JANUARY 8, 1987

The meeting of the human services subcommittee was called to order by Vice Chairman Richard Manning on January 8, 1987 at 8:08 a.m. in room 108 of the state Capitol building.

ROLL CALL: Chairman Cal Winslow was excused, all other members were present.

The committee reviewed and finalized the tentative schedule for a tour of SRS, to be held Monday, January 19, 1987.

The committee adjourned to the department of health at 8:12.

At 8:25, the committee heard testimony from Ray Hoffman, administrator of the Financial Management Division, delineating the budget, services, and specifications of the Maternal/Child Health Block Grant (exhibits 1-4). He then continued with an overview of the Preventive Health Block Grant (exhibits 5, 7, 8) and DHES funding (exhibit 6).

Specific areas of discussion between Dr. Drynan, Mr. Hoffman, and the committee included the Super fund, grant match amounts and sources, projections of DHES funding levels, and grant specific criteria.

The committee then toured the department facilities.

A handwritten signature in cursive script that reads "Richard E. Manning - Vice". The signature is written in black ink and is positioned above the printed name of the signatory.

Richard Manning, Vice Chairman

DAILY ROLL CALL

HUMAN SERVICES SUB COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Jan 8, 1987

NAME	PRESENT	ABSENT	EXCUSED
Rep. Cal Winslow, Chairman			X
Sen. Richard Manning, Vice Chair	X		
Sen. Ethel Harding	X		
Sen. Matt Himsl	X		
Rep. Dorothy Bradley	X		
Rep. Mary Ellen Connelly	X		
Rep. Dean Switzer	X		

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

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

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

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

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

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

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

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

(5) Section 1603 of such title is amended—

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

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

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

(D) by striking out subsection (d).

(6) Section 1605 of such title is amended—

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

(B) by striking out subsection (b).

Subtitle D—Maternal and Child Health Services Block Grant

SHORT TITLE OF SUBTITLE

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

MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

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

“TITLE V—MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

“AUTHORIZATION OF APPROPRIATIONS

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

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

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

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

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

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

"(b) For purposes of this title:

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

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

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

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

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

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

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

- "ALLOTMENTS TO STATES AND FEDERAL SET-ASIDE

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

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

"(2) For purposes of paragraph (1)—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"PAYMENTS TO STATES

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

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

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such year shall remain available to such State for obligation during the next fiscal year. No payment may be made to a State under this title from allotments for a fiscal year for expenditures made after the following fiscal year. 2 YES

"USE OF ALLOTMENT FUNDS

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

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

"(1) inpatient services, other than inpatient services provided to crippled children or to high-risk pregnant women and infants and such other inpatient services as the Secretary may approve;

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

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

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

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

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

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

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

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

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

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

"DESCRIPTION OF INTENDED EXPENDITURES AND STATEMENT OF ASSURANCES

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

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

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

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

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

"(C) the State will use—

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

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

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

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

(b)

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

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

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

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

"REPORTS AND AUDITS

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

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

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

MCH

EXHIBIT 2
11-8-87

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Public Health Service

NOTICE OF BLOCK GRANT AWARD

Grantee	a. Name: State of Montana	1. Issue Date	Mo./Day/Year OCT 28 1986
	b. Organization Unit: Dept. of Health & Environ. Services	3. Award Period	Mo./Day/Year Mo./Day/Year From 10/01/86 Through 09/30/88
	c. Street: Cogswell Building		
	d. City: Helena		
	e. State: Montana		
	f. Zip Code: 59601		
4.	Block Grant Award		
a. Program Identification	MCHS		
b. Authorization (Legislation/Regulation)	P.L. 97-35, Title V, SSA, 45 CFR 96		
5. Catalog of Federal Domestic Assistance No.	13.994		
6. Grant No.	87B1MTMCHS-01		
7. Administrative Code	MC B 04		
8. Federal Funds Approved			
a. Total	1,897,421		
b. Financial Assistance	1,897,421		
c. Direct Assistance	-0-		
9. Current Year's Funds Awarded			
a. Amount of this Action:	474,355		
b. Financial Assistance	474,355		
c. Direct Assistance	-0-		
d. Cumulative Awards to Date:	474,355		
e. Financial Assistance	474,355		
f. Direct Assistance	-0-		
0. Unawarded Balance of Current Year's Funds (Line 8 minus 9 d.)	1,423,066		

Remarks (Other Terms and Conditions Attached) - Yes No

Authority under P.L. 99-500.

1st Qtr
FY 87

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

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

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

11. Fiscal Data	a. Appropriation	7570350
	b. FY/Can	7-3985150
	c. Object Class	41.15
	d. Document Number (Grant No.)	87B1MTMCHS

2. CRS-EIN 1-810302402-A6

Agency Official (Signature, Name and Title)

W. Avery

Waddell Avery, Chief, Grants Management Branch, BHCDA

AWARD PAYMENT INFORMATION

The Federal payment office for PHS block grants is:

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

MCH BLOCK GRANT FY 1984

PROGRAM	BUDGETED	SPENT	BALANCE
CLINICAL ADM	36,834	36,574	260
COUNTIES	782,623	759,840	22,783
HCS	647,445	627,596	19,749
NURSING BUREAU	25,873	25,146	727
FAMILY PLAN	25,787	25,787	0
DIRECTOR (ADM)	28,264	28,264	0
COUNTIES (BA)	490,350	490,350	0
TOTAL	2,037,196	1,993,657	43,539

MCH BLOCK GRANT FY 1985

PROGRAM	BUDGETED	SPENT	BALANCE
CLINICAL ADM	41,257	25,898	15,359
COUNTIES	954,010	841,274	112,736
HCS	682,882	676,220	6,662
NURSING BUREAU	25,971	25,953	18
FAMILY PLAN	27,334	27,334	0
DIRECTOR (ADM)	28,264	28,264	0
COUNTIES (BA)	255,193	255,193	0
TOTAL	1,994,911	1,870,136	124,775

MCH BLOCK GRANT FY 1986

PROGRAM	BUDGETED	SPENT	BALANCE
CLINICAL ADM	105,756	98,790	6,966
COUNTIES	700,422	663,735	36,687
HCS	501,276	777,536	274,260
NURSING BUREAU	28,000	27,314	686
FAMILY PLAN	28,000	27,269	731
DIRECTOR (ADM)	30,000	30,000	0
HLTH SERV (ADM)	23,683	23,050	633
DENTAL	58,000	58,000	0
PERINATAL	99,026	94,144	4,882
COUNTIES (BA)	148,600	139,247	9,353
TOTAL	2,022,763	1,959,085	63,678

MCH BLOCK GRANT FY 1987

PROGRAM	BUDGETED	SPENT	BALANCE
CLINICAL ADM	80,634		
COUNTIES	685,599		
HCS	643,691		
NURSING BUREAU	28,000		
FAMILY PLAN	29,000		
DIRECTOR (ADM)	30,000		
HLTH SERV (ADM)	23,727		
DENTAL	43,000		
PERINATAL	157,028		
COUNTIES (BA)	20,498		
TOTAL	1,941,177		

BA - Budget Amendment

ADM - Administration

Exhibit 4
1.8.87

MCH BLOCK GRANT

<u>FY</u>	<u>SPENT</u>	<u>MATCHING</u>
FY 82	\$ 743,855	\$ 557,891
FY 83	1,651,904	1,238,928
FY 84	1,993,657	1,495,243
FY 85	1,870,136	1,402,602
FY 86	1,959,085	1,469,314
*FY 87	1,941,177	1,455,883

SOURCE OF MATCHING

	<u>FY 82</u>	<u>FY 83</u>	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>**</u> <u>FY 87</u>
HCS	438,113	88,166				
MCH	162,042	317,285				
PREV HLTH	119,065	115,076				
FAM PLAN	22,950	23,000				
CLIN ADMN			212,002	168,164	40,128	46,692
SHODAIR					197,363	182,887
DENTAL	42,104	95,219	65,372	66,975		
NURSING			73,142	85,349	127,619	119,266
PKU					120,949	
COUNTIES		782,471	1,176,845	1,120,343	1,200,000	1,200,000
SRS S.R.S.			826,136	826,136		
TOTAL	784,274	1,421,217	2,353,497	2,266,967	1,686,059	1,548,845

- Appropriated plus carry-over
**- Estimated

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

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

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

(B) the amendment made by section 815;

(C) the amendment made by section 816; and

(D) the provisions of section 818.

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

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

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

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

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

TITLE IX—HEALTH SERVICES AND FACILITIES

Subtitle A—Block Grants

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

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

“TITLE XIX—BLOCK GRANTS

“PART A—PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT

“AUTHORIZATION OF APPROPRIATIONS

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

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

“ALLOTMENTS

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

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

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

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

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

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

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

"(E) Section 314(d).

"(F) Section 339(a).

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

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

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

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

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

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

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

"(d)(1) If the Secretary—

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

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

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

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

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

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

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

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

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

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

"(2) the populations of the States, and

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

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

"PAYMENTS UNDER ALLOTMENTS TO STATES

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

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

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

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

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

when the furnishing of supplies or equipment or the detail of an officer or employee is for the convenience of and at the request of the State and for the purpose of conducting activities described in section 1904. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to be part of the payment and shall be deemed to have been paid to the State.

"USE OF ALLOTMENTS

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

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

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

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

"(D) Comprehensive public health services.

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

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

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

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

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

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

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

"(1) provide inpatient services;

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

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

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

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

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

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

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

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

Admin COSTS

"APPLICATION AND DESCRIPTION OF ACTIVITIES

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

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

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

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

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

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

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

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

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Hypertension

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

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

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

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

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

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

Supplant
clause

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

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

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

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

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

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

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

"REPORTS AND AUDITS

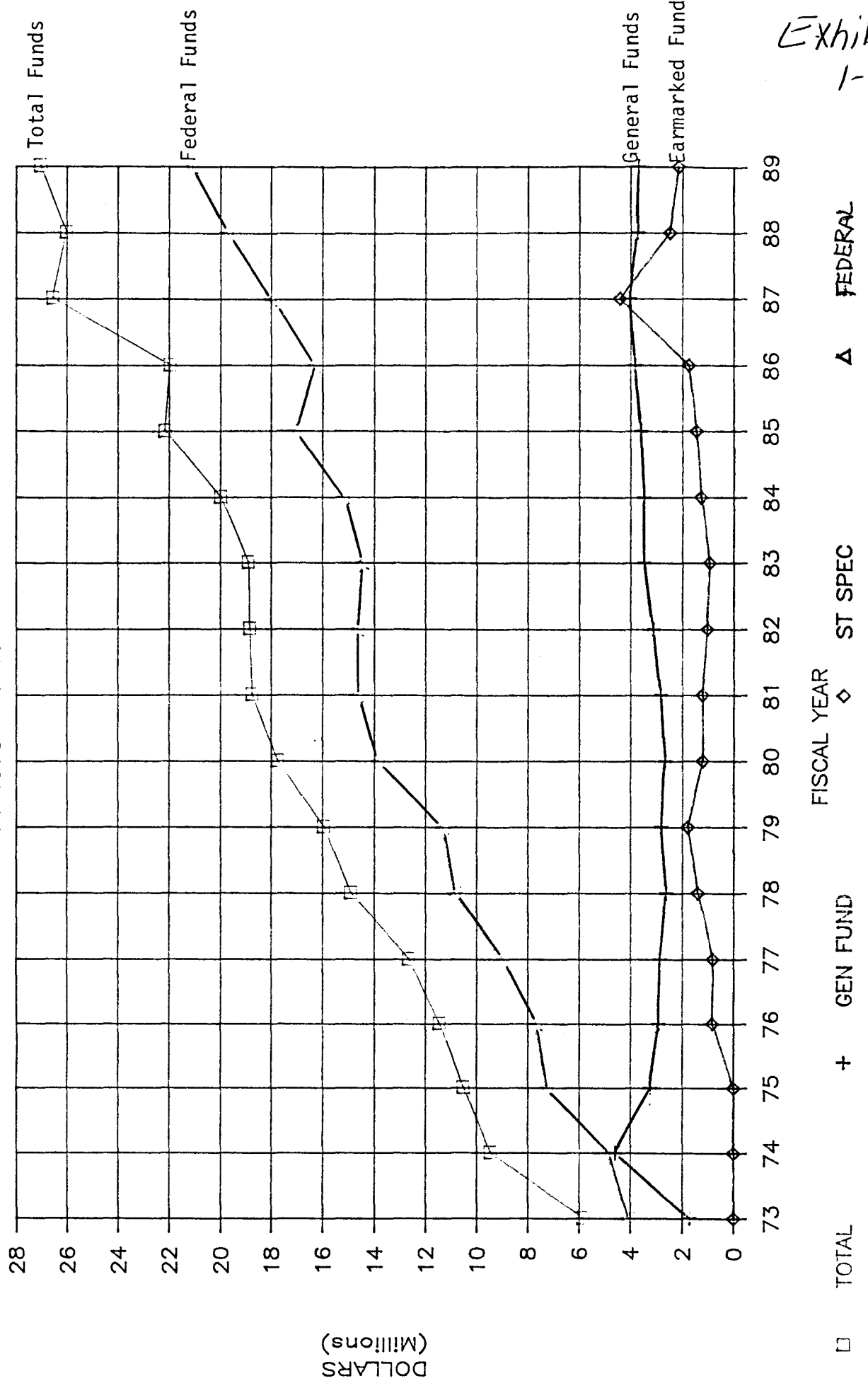
"SEC. 1906. (a)(1) Each State shall prepare and submit to the Secretary annual reports on its activities under this part. Such reports shall be in such form and contain such information as the Secretary

Exhibit 6
1-8-87

Exhibit 4
1-8-87

DHES FUNDING

FY 1973 - 1989



□ TOTAL
 + GEN FUND
 ◇ ST SPEC
 △ FEDERAL

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Public Health Service

Exhibit 7
1-8-87

NOTICE OF BLOCK GRANT AWARD

2. Grantee		a. Name: State of Montana	1. Issue Date Mo./Day/Year	OCT 24 1986
		b. Organization Unit: Department of Health/Env. Sciences		
		c. Street: Cogswell Building		
		d. City: Helena		
		e. State: Montana		
		f. Zip Code: 59620		
			3. Award Period	
			Mo./Day/Year	Mo./Day/Year
			From 10/01/86	Through 09/30/88
4.		Block Grant Award		
a. Program Identification		Preventive Health Services		
b. Authorization (Legislation/Regulation)		Part A, Title XIX, PHS Act, as amended		
5. Catalog of Federal Domestic Assistance No.		13.991		
6. Grant No.		87-B1-MT-PRVS-01		
7. Administrative Code		CCB01		
8. Federal Funds Approved				
a. Total		\$632,187		
b. Financial Assistance		\$632,187		
c. Direct Assistance		\$ 0		
9. Current Year's Funds Awarded				
a. Amount of this Action:		\$158,047		
b. Financial Assistance		\$158,047		
c. Direct Assistance		\$ 0		
d. Cumulative Awards to Date:		\$158,047		
e. Financial Assistance		\$158,047		
f. Direct Assistance		\$ 0		
10. Unawarded Balance of Current Year's Funds (Line 8 minus 9 d.)		\$474,140		

*PHS
10/27/87*

Remarks (Other Terms and Conditions Attached - Yes No)

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

Total Funds Approved:	\$11,970
Amount of this Action:	\$ 2,993
Cumulative to Date:	\$ 2,993

The amount cited in item 9a, 9b and 9c represent 25 percent of the annual appropriation.

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

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

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

11. Fiscal Data	a. Appropriation	7570943
	b. FY/Can	7-5145/7-9212687
	c. Object Class	41.15
	d. Document Number (Grant No.)	87-B1-MT-PRVS-01

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1-810302402-A6

13. Agency Official (Signature, Name and Title)

Leo A. Sanders, Grants Management Officer

Leo A. Sanders

GRANT PAYMENT INFORMATION

The Federal payment office for PHS block grants is:

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

Exhibit 8
1.8.87

PREVENTIVE HEALTH BLOCK GRANT FY 1984

PROGRAM	BUDGETED	SPENT	BALANCE
DIRECTOR (ADM)	44,975	44,975	0
RAPE CRISIS	10,860	10,860	0
MICRO LAB	34,000	28,735	5,265
HYPERTENSION	78,105	75,556	2,549
HLTH ED	34,671	34,314	357
FAMILY PLAN	203,968	203,968	0
DIABETES	34,157	34,157	0
EMS	157,128	145,734	11,394
TOTAL	607,264	603,501	3,763

PREVENTIVE HEALTH BLOCK GRANT FY 1985

PROGRAM	BUDGETED	SPENT	BALANCE
DIRECTOR (ADM)	44,975	44,975	0
RAPE CRISIS	11,542	11,542	0
MICRO LAB	34,000	33,641	359
HYPERTENSION	24,810	24,810	0
HLTH ED	35,759	35,487	272
FAMILY PLAN	203,048	203,048	0
DIABETES	19,157	19,157	0
EMS	235,255	220,614	14,641
EMS (COUNTIES)	149,872	135,985	13,887
TOTAL	758,418	729,259	29,159

PREVENTIVE HEALTH BLOCK GRANT FY 1986

PROGRAM	BUDGETED	SPENT	BALANCE
DIRECTOR (ADM)	43,557	43,557	0
RAPE CRISIS	11,970	11,970	0
MICRO LAB	34,000	22,864	11,136
HLTH SER ADM	10,150	9,879	271
HLTH ED	48,714	47,885	829
FAMILY PLAN	200,754	198,275	2,479
PERINATAL	97,573	94,967	2,606
EMS	185,439	165,836	19,603
TOTAL	632,157	605,233	26,924

PREVENTIVE HEALTH BLOCK GRANT FY 1987

PROGRAM	BUDGETED	SPENT	BALANCE
DIRECTOR (ADM)	48,645		
RAPE CRISIS	11,770		
MICRO LAB	34,600		
HLTH SER ADM	10,168		
HLTH ED	49,257		
FAMILY PLAN	201,961		
PERINATAL	56,205		
EMS	204,855		
DENTAL	15,000		
COUNTIES (BA)	47,672		
TOTAL	679,733		