

MEETING MINUTES
HUMAN SERVICES SUBCOMMITTEE
FEBRUARY 17, 1987

(43b:000) The meeting of the human services subcommittee was called to order by Chairman Richard Manning at 8:00 a.m. in room 108 of the state capitol building on February 17, 1987.

ROLL CALL: Roll call was taken, Rep Bradley was absent.

HOUSE BILL 243 - AN ACT TO STATUTORILY APPROPRIATE THE REVENUES RECEIVED FROM A PORTION OF CERTAIN LICENSE FEES TO PAY LOCAL BOARDS OF HEALTH FOR INSPECTIONS OF FOOD ESTABLISHMENTS.

Rep Hal Harper, district 44, Helena, introduced this legislation that would add three (3) sections of statutory appropriations to the 42 current sections. He stated these were appropriate statutory appropriations, and if they weren't, he didn't know what would be appropriate. He stated his introduction would consist of a memo from Taryn Purdy, LFA, to Rep Francis Bardanouve in response to this statutory appropriation. The memo stated each licensed establishment in the state under the jurisdiction of the department must pay an annual license fee of \$30. 85% of the fees collected are deposited to the credit of the local board inspection fund account, and the balance (15%) goes to the state general fund. The legislature currently appropriates the amount deposited to the local board inspection account. The proposed legislation would statutorily appropriate this portion. He stated the memo also notes another option available to fulfill the statutory obligations of the department by legislative appropriation to ensure adequate authority while maintaining legislative control, and provides potential language (exhibit 1). He concluded by stating this bill basically says the Department of Health has the authority to do what the law says they would do; and that reason would dictate this legislation is necessary and the right way to go for the appropriations committee, and to do other wise would break the law.

Ray Hoffman, administrator of Centralized Services Division, Department of Health, noted this was a paperwork reduction act to the state of Montana, and a very good bill.

Sen Hims1 commented that he was opposed to earmarking of special revenue or statutory appropriations because they are not subject to review in the appropriation process. There are currently over 212 earmarked accounts in the state budget, and less than one third of the total amount of appropriation money is at the discretion of general fund appropriation, with the balance all earmarked revenue. He noted Montana has the highest level of earmarked set aside

funds; and these type of fundings absolve themselves of periodic review for evaluation, which determines how many funds have to be appropriated.

Rep Harper then closed testimony on HB 243.

Peter Blouke, LFA, then presented, at the committee's request, figures reflecting the poverty index, the current payment level, and the adjustments the committee had acted on earlier in setting the AFDC payment level at 47% of the federal poverty index (exhibit 2).

Discussion followed on the inflation rates and the process of computation of the figures presented.

EXECUTIVE ACTION

DEPARTMENT OF SOCIAL AND REHABILITATIVE SERVICES

Aid to Families with Dependent Children (AFDC)

Sen Harding made a motion to accept an inflation rate of 2.6% in compiling benefits for AFDC recipients.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley and Rep Winslow absent.

(43b:176) Rep Winslow resumed the meeting.

Medical Assistance

Personal Services

In response to a question from Chairman Winslow, Lee Tickell stated long term care workers prescreen individuals who are going into nursing homes for the appropriateness of that services and the level of care they require.

In response to a second question from Chairman Winslow, Mary Dalton, SRS, stated nurses fill out a portion of the screening from relating to medical conditions, and the second part of the screen is completed by a social worker through the use of a geriatric function scale to establish personal needs services.

Chairman Winslow asked if the contracts for nursing services could be expanded to have the nurses complete the entire evaluation.

(43b:237) John Patrick, Medicaid Bureau, SRS, noted that this is being done where no long term care specialist is available. He stated the areas where a state long term care specialist is available, the rates of denial for nursing home admission is higher. There are currently nine (9) specialists in the state.

Further testimony will be heard before a decision is made on the medical assistance personal services FTE level.

Operating Expenses

Sen Manning made a motion to accept the executive of \$2,620,286 for 1988 and \$3,380,399 for 1989.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley absent.

Equipment

Sen Manning made a motion to accept the LFA current level of \$5,052 for 1988 and \$1,700 for 1989.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley absent.

Department of Health Surveys

(43:418) Sen Manning made a motion to accept the executive of \$207,566 for 1988 and \$207,080 for 1989.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley absent.

Medicaid Waiver

Mr Blouke covered the issues and statistics involved with this program.

(43b:550) Chairman Winslow voiced his concerns as to the original intent of this program in serving as an alternative option to nursing home care for elderly individuals and where the program is today with the number of slots allocated to disabled persons. He stated this area is continuing to expand, and he felt there was no handle on the direction of that expansion. He noted that legislatively there was never an understanding that the waiver would be dealing with more disabled individuals than elderly.

Dave Lewis noted he would not differ much from the statement expressed by Chairman Winslow, he stated the department didn't realize the amount of demand and need for slots for the disabled; and that this area has grown much faster than the need for slots for elderly individuals.

(43b:590) Lowell Uda, SRS, stated nationally this is the response to the waiver from the disabled population, and there is a demand for waiver slots for disabled individuals.

(43b:605) Chairman Winslow asked about the possibility of using federal Vocational Rehabilitation funding for this type of program. Dave Lewis noted that VR money is not available for this purpose.

Discussion followed on the medicaid waiver program, populations being served under the waiver, and the expansion of the program into Butte and Havre (100% general funds for start up).

John Patrick, SRS, stated there is a waiting list of 30 for disabled slots and none on the waiting list for elderly slots.

Dave Lewis, noted that four (4) years ago the discussion around the waiver was that it would stop the growth of nursing home beds in the state, and the department didn't specifically state that at the time, but it was perceived as such by the legislature and the budget office. He stated the program that developed slowed the need for nursing home beds but did not stop that need, and people were picked up that were living in their homes and needed services to maintain that independence.

(44a:086) Chairman Winslow asked if SRS had been working with the personal care attendants since the hearing to resolve the salary dispute. Dave Lewis stated the department is continuing to work with Westmont within their contracted amount to try and get a break on their unemployment insurance and Workers' Compensation rates which would enable them to raise the attendants salaries slightly. He stated the department is not increasing the contracted amount with Westmont for salary increases.

Sen Manning made a motion to accept the executive of \$2,894,711 for 1988 and \$3,378,128 for 1989 for the Medicaid Waiver Program.

Sen Himsl made a substitute motion to accept funding of the medicaid waiver at the 1988 level (\$2,894,711) for each year of the biennium.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley and Rep Connelly absent.

Medicare Buy In

Sen Manning made a motion to accept the LFA current level figures on caseload size, 9,080 for 1988 and 9,370 for 1989; the executive premium level, \$18.42 for 1988 and \$19.85 for 1989; for a total of \$2,007,043 for 1988 and \$2,231,934 for 1989.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley and Rep Connelly absent.

Medicaid Nursing Home

Sen Manning made a motion to accept \$47,606,000 for 1988 and \$48,555,000 for 1989, which includes a 2% rate increase.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley and Rep Connelly absent.

Foster Care

Discussion continued on a 2% rate increase for residential foster care and implementation of a new rate system.

Sen Manning made a motion to accept a 2% rate increase for residential and group homes with the intent that for the first year the 2% increase would be given across-the-board. In the second year, the 2% increase would be incorporated in the rate review schedule.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley and Rep Connelly absent.

Assistance Payments

Modified Request - FAMIS

Sen Manning made a motion to accept the modified request of \$3,362,019 for 1988 and \$906,051 for 1989.

A voice vote was taken and the motion PASSED unanimously, with Rep Bradley and Rep Connelly absent.

HOUSE BILL 217

Sen Manning made a motion that HB 217 DO PASS.

A voice vote was taken and the motion PASSED, with Sen Manning, Rep Switzer, and Sen Himsl voting yes, Sen Harding and Rep Winslow voting no, Rep Connelly and Rep Bradley absent.

HOUSE BILL 635

Sen Manning made a motion that HB 635 DO PASS.

A voice vote was taken and the motion PASSED unanimously, with Rep Connelly and Rep Bradley absent.

The meeting was adjourned at 10:00.



Cal Winslow, Chairman

EXHIBIT 1
DATE 2.17.87
HB _____

January 13, 1987

TO: Representative Francis Bardanouve
Seat #6

FROM: Taryn Purdy
Assistant Fiscal Analyst

SUBJECT: Statutory Appropriation for Local Board Inspection Account

This memo is in response to proposed legislation to create a statutory appropriation for the Department of Health and Environmental Sciences for a portion of license fees collected. Since another option exists to fulfill the statutory obligations of the department, some question exists as to the requirement of a statutory appropriation.

Each licensed establishment in the state under jurisdiction of the department, such as restaurants, hotels, and trailer courts, must pay an annual license fee of \$30. Section 50-52-202(2), MCA, states that: "The department [of health] shall deposit 85% of the fees collected...to the credit of the local board inspection fund account...and the balance of the fees...[to] the state general fund." The legislature currently appropriates the amount deposited to the local board inspection account. The proposed legislation would statutorially appropriate this portion.

The department has stated that since the amount collected through the license in any year is uncertain, and that 85 percent must be deposited, the department may have insufficient authority to distribute all the funds deposited in the local board inspection fund account. However, a legislative appropriation could be used to ensure adequate authority to

EXHIBIT
DATE 2.17.87
HB

the department to meet their statutory obligations while maintaining legislative control. Potential appropriations language is: "That portion of fees collected under Section 50-52-202, MCA, for deposit to the local board inspection account is appropriated to the department for purposes contained in Section 50-52-302, MCA."

TP1:bn:rb2.

Actual Poverty Index for Fiscal 1986 and Projections for
Fiscal 1987 Fiscal 1988 and Fiscal 1989

DATE 2-17-87
HE

Inflation rates of 2.6, 4.0 and 5.0

family size	Poverty Index							
	Actual Fiscal 1986		Projected Fiscal 1987		Projected Fiscal 1988		Projected Fiscal 1989	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
1	\$5,304	\$442	\$5,442	\$453	\$5,660	\$472	\$5,943	\$495
2	\$7,140	\$595	\$7,326	\$610	\$7,619	\$635	\$8,000	\$667
3	\$8,988	\$749	\$9,222	\$768	\$9,591	\$799	\$10,070	\$839
4	\$10,824	\$902	\$11,105	\$925	\$11,550	\$962	\$12,127	\$1,011
5	\$12,660	\$1,055	\$12,989	\$1,082	\$13,509	\$1,126	\$14,184	\$1,182
6	\$14,508	\$1,209	\$14,885	\$1,240	\$15,481	\$1,290	\$16,255	\$1,355

family size	Payment Level							
	Actual FY 86	% Of Poverty	Actual FY 87	% Of Poverty	Cur Level Fy 88	% Of Poverty	Cur Level Fy 88	% Of Poverty
	1	\$212	47.96%	\$212	46.75%	\$212	44.95%	\$212
2	\$282	47.39%	\$282	46.19%	\$286	45.05%	\$286	42.90%
3	\$354	47.26%	\$354	46.07%	\$360	45.04%	\$360	42.90%
4	\$426	47.23%	\$426	46.03%	\$433	44.99%	\$433	42.85%
5	\$501	47.49%	\$501	46.28%	\$506	44.95%	\$506	42.81%
6	\$570	47.15%	\$570	45.95%	\$580	44.96%	\$580	42.82%

Computation of AFDC Payment At 47% of Poverty Index
Regular Caseload
FY 88

family size	Caseload % Total	FY 88		FY 89	
		Payment Level	Weighted Average	Payment Level	Weighted Average
1	5.44%	\$222	\$12.06	\$233	\$12.66
2	42.06%	\$298	\$125.51	\$313	\$131.78
3	29.22%	\$376	\$109.76	\$394	\$115.25
4	15.17%	\$452	\$68.62	\$475	\$72.05
5	5.43%	\$529	\$28.73	\$556	\$30.17
6	2.68%	\$606	\$16.25	\$637	\$17.06
Maximum			\$360.93		\$378.97
Monthly Average			\$340.10		\$357.11

Computation of AFDC Payment At 47% of Poverty Index
Unemployed Caseload
FY 88

family size	Caseload % Total	FY 88		FY 89	
		Payment Level	Weighted Average	Payment Level	Weighted Average
1	0.00%	\$222	\$0.00	\$233	\$0.00
2	0.00%	\$298	\$0.00	\$313	\$0.00
3	24.45%	\$376	\$91.84	\$394	\$96.43
4	35.11%	\$452	\$158.82	\$475	\$166.77
5	25.00%	\$529	\$132.27	\$556	\$138.89
6	15.44%	\$606	\$93.62	\$637	\$98.30
Maximum			\$476.55		\$500.38
Monthly Average			\$444.72		\$466.96

Total Fiscal 1989 Biennium Costs at 47 %

	Fiscal 1988	Fiscal 1989	Biennium
Federal Funds	\$29,828,341	\$34,695,205	\$64,523,546
County Funds	\$809,447	\$856,128	\$1,665,575
General Funds	\$12,648,151	\$13,370,276	\$26,018,427
Total Funds	\$43,285,939	\$48,921,609	\$92,207,548

Actual Poverty Index for Fiscal 1986 and Projections for
Fiscal 1987 Fiscal 1988 and Fiscal 1989

DATE 2-17-87
HE _____

Inflation rates of 2.8, 4.2 and 5.5

family size	Poverty Index							
	Actual Fiscal 1986		Projected Fiscal 1987		Projected Fiscal 1988		Projected Fiscal 1989	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
1	\$5,304	\$442	\$5,453	\$454	\$5,682	\$473	\$5,994	\$500
2	\$7,140	\$595	\$7,340	\$612	\$7,648	\$637	\$8,069	\$672
3	\$8,988	\$749	\$9,240	\$770	\$9,628	\$802	\$10,157	\$846
4	\$10,824	\$902	\$11,127	\$927	\$11,594	\$966	\$12,232	\$1,019
5	\$12,660	\$1,055	\$13,014	\$1,085	\$13,561	\$1,130	\$14,307	\$1,192
6	\$14,508	\$1,209	\$14,914	\$1,243	\$15,541	\$1,295	\$16,395	\$1,366

family size	Payment Level							
	Actual FY 86		Actual FY 87		Cur Level FY 88	% Of Poverty	Cur Level FY 88	% Of Poverty
		% Of Poverty		% Of Poverty				
1	\$212	47.96%	\$212	46.66%	\$212	44.78%	\$212	42.44%
2	\$282	47.39%	\$282	46.10%	\$286	44.87%	\$286	42.53%
3	\$354	47.26%	\$354	45.98%	\$360	44.87%	\$360	42.53%
4	\$426	47.23%	\$426	45.94%	\$433	44.81%	\$433	42.48%
5	\$501	47.49%	\$501	46.19%	\$506	44.78%	\$506	42.44%
6	\$570	47.15%	\$570	45.86%	\$580	44.79%	\$580	42.45%

Computation of AFDC Payment At 47% of Poverty Index
Regular Caseload
FY 88

family size	Caseload % Total	Payment Weighted Level Average		Payment Weighted Level Average	
		FY 88	FY 89	FY 88	FY 89
1	5.44%	\$223	\$12.11	\$235	\$12.77
2	42.06%	\$300	\$125.99	\$316	\$132.92
3	29.22%	\$377	\$110.18	\$398	\$116.24
4	15.17%	\$454	\$68.89	\$479	\$72.68
5	5.43%	\$531	\$28.84	\$560	\$30.43
6	2.68%	\$609	\$16.31	\$642	\$17.21
Maximum		\$362.33		\$382.25	
Monthly Average		\$341.42		\$360.20	

Computation of AFDC Payment At 47% of Poverty Index
Unemployed Caseload
FY 88

family size	Caseload % Total	Payment Weighted Level Average		Payment Weighted Level Average	
		FY 88	FY 89	FY 88	FY 89
1	0.00%	\$223	\$0.00	\$235	\$0.00
2	0.00%	\$300	\$0.00	\$316	\$0.00
3	24.45%	\$377	\$92.20	\$398	\$97.27
4	35.11%	\$454	\$159.44	\$479	\$168.21
5	25.00%	\$531	\$132.79	\$560	\$140.09
6	15.44%	\$609	\$93.98	\$642	\$99.15
Maximum		\$478.40		\$504.71	
Monthly Average		\$446.44		\$471.00	

Total Fiscal 1989 Biennium Costs at 47 %

	Fiscal 1988	Fiscal 1989	Biennium
Federal Funds	\$29,943,959	\$34,995,544	\$64,939,504
County Funds	\$812,585	\$863,539	\$1,676,124
General Funds	\$12,697,177	\$13,486,016	\$26,183,193
Total Funds	\$43,453,721	\$49,345,099	\$92,798,821

VISITORS' REGISTER

HUMAN SERVICES SUB COMMITTEE

BILL NO. _____

DATE February 17, 1987

SPONSOR _____

DEPT _____

NAME (please print)	Representing	SUPPORT	OPPOSE
<i>LOW STANBECK</i>	<i>OSAP</i>		
<i>Sandy Chaney</i>	<i>Women's Hobbyist Fund</i>		
<i>Gene Waldron</i>	<i>MRECA Mental Health Center</i>		

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PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.