

MEETING MINUTES
HUMAN SERVICES SUBCOMMITTEE
MARCH 5, 1987

The meeting of the human services subcommittee was called to order at 8:05 a.m. on March 5, 1987 in room 108 of the state capitol building by Chairman Cal Winslow.

ROLL CALL: Rep Bradley was excused, all other members were present.

(56a:000) The committee reviewed the recommendations previously presented by Chairman Gene Donaldson. The first issue was the proposed elimination of the Nursing Bureau in the Department of Health and Environmental Sciences (DHES).

(56a:032) Maxine Ferguson, chief of the Nursing Bureau, discussed issues that had not been addressed. One was an 1985 modified request for three (3) FTE, two (2) full time nursing consultants and one (1) secretary, which passed the subcommittee and full appropriation, but was lost during the budget balancing process. The same modified was submitted to this session, and the request was not accepted. She stated even though the bureau was small, they remained a very effective support group for local public health nurses and school nurses.

She stated the bureau's responsibilities will not be assumed or covered by other services should the bureau be eliminated. She added the bureau is actively seeking alternative funding sources, like grants, to alleviate funding problems. Ms Ferguson stated school nurses are a statewide mandated service, which the bureau enforces. Another issue, she said, is that the bureau provides consultation services to a large range of groups, including but not limited to perinatal nurses, school superintendents, county commissioners, residential facility directors, health associations and graduate nurses.

(56a:066) Chairman Winslow noted the large amount of funding in the Maternal and Child Health Block Grant for perinatal services, and suggested using that funding for perinatal consultant services performed by this bureau. He also stated he could not understand why this bureau had to enforce Office of Public Instruction (OPI) statutes concerning mandatory school nurses instead of that department. Ms Ferguson stated it was a "hidden statute", and that many people were not aware of the statute; and the bureau was pushing this service where OPI was not. She added the bureau was trying to make this service part of the school accreditation standards.

SENATE BILL 216 - AN ACT INCREASING THE INCOME LIMIT FOR MEDICAID ELIGIBILITY FOR PRENATAL, DELIVERY, AND POSTPARTUM CARE AND FOR INFANTS, ETC.

(56a:189) Sen Judy Jacobson, senate district 36, introduced this legislation for an additional optional Medicaid service which would allow women below the poverty level but above the AFDC level to be eligible to receive care for their pregnancy, delivery, post natal care, and for the first year of the baby's life. She stated this bill deals strictly with the care of the pregnancy, and not with other medical problems. The bill also limits resources to the SSI limits. She noted women in this category are most susceptible to low birth rate babies, with an average cost of babies in that category running \$13,616. She added this is a preventive measure, and a preventive bill to enable earlier intervention and care.

(56a:259) Dr Espelin submitted a fact sheet (exhibit 1) on the fiscal impact of low birth weight babies. He noted the figures and percentages relative to Montana, and added that for every dollar invested in preventive prenatal care, there is a savings of \$3.38 in avoidable costs.

(56a:259) Barbara Archer, Women's Lobbyist fund, spoke in support of the legislation, which provides an expansion of Medicaid services for prenatal, delivery, and post partum care. She stated there are 19,019 families in Montana that live below the poverty level, and that this is a highly cost effective, preventive program. She stated only 54% of teenage mothers begin prenatal care in the first trimester of pregnancy, and others receive late or no care, which results in a three (3) fold increase in the risk of infant mortality.

(56a:280) Eileen Robbins, Montana Nurses Association, also noted the higher mortality rate among infants born to poor and low income families. She noted the positive relationship between low birth weight and mental retardation and developmental disabilities - resulting in increased health care costs. She stated nationally, a 1% reduction in the number of low birth rate babies would save \$24 million. She asked for funding for this legislation, saying money spent now would improve the outcome of infants and eventually save money for the state.

(56a:298) Dorothy Bompart, director of the Montana Senior Citizens Association (MSCA), expressed this organization's concern about infant mortality and teen pregnancy. MSCA supports this legislation and the expansion of medicaid funding and the care it would provide.

She said the MSCA also would like to offer an amendment to the bill. She noted the federal guidelines allow the extension of medicaid coverage if the individual's income rises above the poverty level during pregnancy. She added MSCA also supported this further expansion of services. Ms Bompert will make the amendment available to the committee at a later date.

Discussion continued on the legislation, the expansion it would provide in the Medicaid program, its impact as a preventive measure, and the legislation's intent as a bill payment mechanism for doctors and hospitals.

(56a:385) Chairman Winslow questioned why the MCSA supported increased services at a time when the state cannot cover the existing services, and services to seniors are being reduced. He noted Medicaid has risen 395% in the last eight (8) years. Ms Bompert stated the MSCA position, as a member of the Montana Alliance for Progressive Tax Reform, felt responsibility to all groups, not just senior citizens. She stated this bill would save money because of the federal match coming into the state, and the legislation's potential impact to welfare services.

(56a:417) Dave Lewis, DSRS, stated the department is not taking a stand on this legislation. He stated in the long run the bill would probably save state and federal medicaid money, but the department could not support expansion at a time when services are being cut in the Medicaid program. He added the system doesn't allow the state to make long term investments that could save dollars ten, fifteen or twenty years from now. Balancing the budget for the next two (2) years is the main issue.

Chairman Winslow noted it is easy to address preventive measures when there is a surplus of funding, but with a budget in the hole the legislature is up against the wall in just trying to fund current acute care needs.

(56a:442) Sen Harding questioned the relationship of early and low birth rates and the use of alcohol. Dr Espelin stated there is "soft" evidence of a decline in alcohol use in the state, and felt that the impact of smoking was a bigger problem. Women who smoke ten (10) or more cigarettes a day are three (3) times more likely to have a low birth weight baby.

In response to a second question from Sen Harding, Dr Espelin stated this legislation would impact the factors contributing to low birth weight by getting women to health care providers earlier in their pregnancies and getting them informed on the implications of smoking and alcohol.

(56a:526) Sen Harding then asked how many of the women care about the babies. Dr Espelin stated an offshoot of the perinatal program was the Healthy Mothers - Healthy Babies Program. The main thrust of the program is public education, while the main thrust of the perinatal program is educating professional people on the services available. This program just applied for a grant from the Kaiser Family Foundation for \$150,000 for five (5) years to put in place 15 local community-oriented community run programs to address teen pregnancy. If the grant is approved, the program will be in operation July 1 of this year.

(56a:591) Sen Jacobson then presented her closing remarks. She stated health care and day care were the biggest problems faced for low income women. This legislation would allow women in low paying jobs to continue to work and still receive the care they needed during their pregnancy. She noted the importance of preventive health to alleviate birth disabilities. She stated the difference between programs in place and this program is that this target group would be allowed direct medical care.

In response to an inquiry from Chairman Winslow, Dave Lewis, DSRS, will provide data on what other states are expanding into this area.

Dave Lewis, then addressed the current language in the appropriations act, which states the department cannot alter the amount, scope, or duration of medicaid services without legislative permission. Mr Lewis stated this has been a 15 year issue, and that last session he had asked the legislature to provide the department with direction, and specifically in the medicaid budget. Mr Lewis recommended that the legislature should make a policy statement of intent: Should the department cut optional services if the fund was short? Should the department or the legislature decide what optional services could or would be eliminated? Or should the department maintain the amount, scope, and duration at the level approved by the legislature and return with supplemental requests if the funds are insufficient, as current legislation states.

(56b:025) Mr Lewis stated he interpreted Chairman Donaldson's recommendation as a dramatic change in the language for the coming biennium; that he wanted language dealing with more accountability from the department as far as the total budget is concerned, probably a specific reference to medicaid, a long time issue. Mr Lewis noted the committee has several options, any which are acceptable to the department: (1) Priority list - directing the department to cut optional services, and if so, which ones; (2) Increase copayments; (3) direct the department to

establish priorities and give direction as to how far they should go in reducing optional services. According to Mr Lewis, the problem with the department making the decisions is that no matter what is decided, there will be a major dispute because the decisions will not meet everyone's approval. He stated he wanted to avoid interim disputes; (4) Language could be inserted stating the department may not return for a supplemental, but live within the appropriated amount. He stated in this instance the department would prepare a letter clearly defining the course of action that would be taken if the department is short of funding, and be up front about budget shortfall solutions. He added the department's biennial budget for medicaid has been sufficient only once in the last seven (7) bienniums.

(56b:089) Chairman Winslow stated the legislature should make the decisions on cuts in optional medicaid services, not the department, because that is what legislatures are elected to do.

The meeting was adjourned at 8:55 a.m. (56b:101)

A handwritten signature in cursive script, reading "Cal Winslow", written in black ink. The signature is positioned above a horizontal line.

Cal Winslow, Chairman

cw/gmc/3.5

February 10, 1987

EXHIBIT 1

DATE 2.5.87

HB _____

FACT SHEET
LOW BIRTH WEIGHT COSTS

Average Low Birth Weight costs - \$13,616*

92% survive and require additional \$1,025.00 hospital care the first year.

20% suffer long-term disability.

The special education and long-term care needed by each such disabled child, over the course of a lifetime, is estimated to cost \$122,854.*

*1984 dollars

Montana has about 800 LBW's per year.

800 X \$ 15,000 = \$12,000,000 per year
20% of 800 is 160 X \$125,000 = 20,000,000 per year
LBW costs MT \$32,000,000 per year

Poor women do not get appropriate prenatal care. In Montana:

2 or less prenatal visits LBW is 11%
10 or more prenatal visits LBW is 4%

PRENATAL CARE CAN SAVE MONEY

10M Study states that for every one dollar invested in prenatal care, we save \$3.38 in avoidable costs.

If the Montana Perinatal Program is successful in the Low Birth Weight Program projects and we cut the LBW in half, we could save \$16,000,000 per year in Montana.

REFERENCES: 10M Study 1985
Robert Woods Johnson Special Report #2
DHES Vital Statistics Bureau

Montana Senior Citizens Assn., Inc.

WITH AFFILIATED CHAPTERS THROUGHOUT THE STATE

P.O. BOX 423 - HELENA, MONTANA 59624



2.5.87

(406) 443-5341

March 5, 1987

Chairman Cal Winslow
Human Services Subcommittee
Appropriations Committee

Mr. Chairman and Members of the Committee:

On behalf of the more than 7000 members of the Montana Senior Citizens Association, I would like to express our support of SB 216 that would expand the eligibility guidelines for Medicaid to include pregnant women with incomes up to 100% of the poverty line.

MSCA has worked diligently to improve the affordability and accessibility of health care in Montana and have joined with other groups of all ages nationally to promote this goal.

As grandparents and great-grandparents of our future generations we are very concerned about the increasing rate of infant mortality and teen pregnancy in our nation. We all know that early care in pregnancy will give us healthy children and save money in the long run by avoiding serious health problems in our pregnant women and young children.

There are now 37 million Americans who do not have health insurance and that number seems to be increasing. SB 216 would address a portion of that needy population by allowing them access to health care that they do not have.

We believe that health should be a right of all and we believe SB 216 is a step in that direction. We urge you to support this bill.

Sincerely,

Elsie Latham Lee

Elsie Latham Lee

President

