

MINUTES OF THE MEETING
PUBLIC HEALTH, WELFARE AND SAFETY COMMITTEE
MONTANA STATE SENATE

January 28, 1987

The meeting of the Senate Public Health, Welfare and Safety Committee was called to order by Chairman Dorothy Eck on January 28, 1987, in Room 410 of the State Capitol.

ROLL CALL: All members of the committee were present.

CONSIDERATION OF SENATE BILL NO. 195: Sen. Tom Rasmussen, District # 22, sponsor of the bill, testified that its purpose is to raise the fine for parking in a handicapped spot from \$10 to \$50, to allow a person to produce a permit within 24 hours, if he were arrested while not carrying the permit, and to extend the permit to long-term care facilities. The bill also defines the width and signage of handicapped parking spots.

PROPOSERS: Michael G. White, disabled veteran and MILP, testified that the physically handicapped face many barriers, which are now being recognized by society and which society is working hard to correct. S.B. 195 plugs certain loopholes in the law now on the books by imposing a stiffer fine on those who consistently park in disabled spots and by making spots wider so that the disabled can use their lifts in getting out of vehicles without damaging adjacent vehicles. The disabled appreciate adequate access to the businesses that they, too, must use. Exhibit # 1.

Kathy Collins, Montana Independent Living Project, stated that because of a lack of people to enforce the current law, abuse of these spots seems to be increasing. A stiffer fine should make people more aware of handicapped people's needs. Since permits sometimes get misplaced, the provision to allow persons to produce them within 24 hours will help.

Joe Swan stated that more handicapped parking spots are open now with the announcement of a potential \$50 fine.

Ralph Rasmussen, Fort Harrison Volunteer, stated that he is lost, if he can't park. Exhibit # 2.

Scott Peterson, restaurant owner, stated that any sensitive business person should react well to this bill and value their handicapped customers. He supports ticketing by the police.

Tim Harris supports extending the permit to long-term care facilities because it aids people transporting residents. Exhibit # 3.

Alfred Koshuky, commissioner, Roosevelt County, stated that he supports the bill for the above reasons and endorsed the larger fine for enforcement.

Mike Dahlin, WestMont Home Health Care, stated that the bill will

enable them to obtain permits and park corporation vehicles in handicapped spots so that they can lessen the distance clients need to walk. Exhibit # 4.

Cris Volinkaty, lobbyist for the developmentally disabled, stated that handicapped parking spots are being abused and the law is not being enforced. This bill may put some teeth into the law.

Larry Majerus, Montana Department of Justice, Motor Vehicle Division, stated that they requested the long-term care provision.

Jane Reed Benson, Governor's Committee on the Employment of the Disabled, stated that with increasing numbers of disabled, the law needs to be enforced. A store owner's installing a handicapped parking sign is enough to allow for enforcement. The law also makes clear that highways, alleys, and parking areas can be designated and enforced parking spaces for the handicapped. Helena recently instituted a \$50 fine without public complaint. Those people in violation need to be fined for lack of respect to others. Exhibit # 5.

Rose Skoog stated that she supports the bill, especially on behalf of her clients.

Rick Glanz, Western Care Nursing Home, stated that the nursing home residents often travel outside to restaurants, stores and doctor's offices and available spaces make their lives much easier. The state's nursing homes will put these spots to good use. Exhibit # 6.

There were no opponents to S.B. 195.

DISCUSSION OF S.B. 195: Sen. Rassmussen: I have a question about the enforcement.

June Benson: Yes, who can enforce is not clear.

Karen Renne: June is right; I will amend that.

Sen. Himsel: What are the qualifications for getting a handicapped permit?

Larry Majerus: Section 49-4-301 defines this. The person must have a physical handicap certified by a health care provider, and they can have a temporary handicap and need to be driven by someone else.

CONSIDERATION OF SENATE BILL NO. 176: Vice-chairman Sen. Tom Hager chaired this section of the meeting for Sen. Eck, district # 40, sponsor of S.B. 176. She stated that the bill revises a few items that were overlooked a few years ago in providing payments for nursing services. The third party payments from Blue Cross-Blue Shield are not covered under regular insurance laws. Nurse practitioners have provided valuable services to Montana outside of their regular duties.

These services are important, but it more feasible for the nurses to do them, if they are paid directly.

PROPOSERS: Margo Caldwell, Montana Nurse Practitioners, stated that since SB 70 was passed in 1983, several loopholes have been found, which are preventing third-party payment to nurse practitioners by Medicaid and Blue Cross-Blue Shield. BC-BS states that they are not liable and SRS asked the legislature to handle this. Nurse specialists should be reimbursed directly because they deserve direct payment for the money they have earned, direct payment allows the consumer to go to the provider of their choice, nurse-specialists offer cost-effective care, and statistics from direct payment will demonstrate the part they play in the health care delivery system. The bill is revenue-neutral. It is especially important that rural Montanans have access to nurse practitioner services, since physicians are not available in those areas. Twenty-five states currently provide for direct reimbursement of nurses' services and eighteen states provide for reimbursement through Medicaid.

Direct billing by nurse specialists has been shown to be cheaper to the consumers because they bill less than the physicians who bill for them. Opponents have fears that nurses will start their own businesses, but that is not happening in other states that have had this reimbursement for several years. A U.S. Senate study on the use of nurse practitioners has shown that their care is equivalent to that of doctors, especially in communications and prevention. This legislation fulfills the intent of S.B. 70.

Exhibit # 7.

Beth Veign, family nurse practitioner, Great Falls, stated that she is a traveling nurse and is prevented from receiving third-party payments from Medicaid. She is serving an area where a doctor is not always available, where people need to have her services and she needs to be paid for them. This is true for other rural nurses in Montana, as well.

Jan Leishamn, certified nurse midwife, Bozeman, stated that she charges \$820 for a normal birth, while doctors charge \$100 more. She offers cost-effective care and needs reimbursement.

OPPOSERS: Lee Tickell, SRS, stated that this is now an optional and not a mandatory service. If the Federal regulations change this to mandatory services, then they may not be covered. Duplication of costs needs to be checked. If the payments are optional, then there is less of a potential problem for the state.

John Alke, Blue Cross- Blue Shield, stated that they oppose Sec. 2 of the bill because they enter into contracts to provide services to clients which should be free of changes. Special contracts are destroyed when fees for services can be lowered. When costs are mandated, then the right of the company to offer a choice of services and prices is destroyed. The nurse practitioner definition

in the bill is also problem, because they provide too many services. Mandating benefits limits services. Costs are a problem which will need to be addressed. Blue Cross contracts provide services at lesser fees.

DISCUSSION OF S.B. 176: Sen. Hims1: Is there a special license for a nurse practitioner? And do they carry special liability insurance?

Margo Caldwell: Yes, they do carry insurance and there is a specially designated place on their licenses to show that they are nurse practitioners.

Sen. Williams: Blue Cross seems to be concerned about being billed twice. Ninety-five percent of babies are delivered without complications. If the nurse delivers, she doesn't charge such a high fee.

Sen. Rassmussen: What are the nurses' intentions? Does this bill meet that?

Margo Caldwell: The intent is to be covered by what is normally a person's policy.

Sen. Rassmussen: Mr. Butler, do you have suggested language?

Mr. Butler: We are working on it.

Sen. Norman: Do you want the carrier to provide an option, or should this be mandated?

Margo Caldwell: The group could choose the services they want to have covered; and the consumer should be able to choose the provider and the nurse should get paid, if they are chosen.

Sen. Norman: How do nurses get into the policy?

Sen. Hims1: Do you just add practitioner?

Margo Caldwell: Yes, that should work.

Sen. Eck: Mr. Butler, you contract with some physicians, some you don't; can you see entering into contracts with other health practitioners?

Mr. Butler: There has been an increase in doctors who have signed contracts from 600 to 800. We would consider signing contracts with nurse practitioners if the bill passes. We now pay for some nurse practitioners.

Sen. Eck: Mr. Tickell, couldn't you establish rates with nurse practitioners?

Mr. Tickell: We perhaps could under Subsection 2.

Sen. Rassmussen: Could you supply an amendment to Line 21?

Margo Caldwell: I could check to see if it would help.

Sen. Jacobson: I object to moving the amendment from Subsec. 1 to Subsec. 2. You don't get paid if this is moved.

Sen. Jacobson: Is this in conflict with the federal regulations?

Margo Caldwell: Only if the federal regulations are changed.

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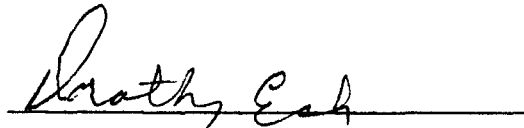
Sen. Meyer: Is this more costly for the consumer?

Mr. Butler: It has the potential for more costs, because more dollars are paid out when we expand the number of providers.

Cathy Caniparoli, President, Montana Nurse Practitioners: The nurse practitioner has lower overhead because of lesser costs in malpractice.

Sen. Eck closed by stating that these nurse practitioner services are important and they need to be available. Doctors sometimes won't take medicaid patients, so this an area that needs attention in Montana. Blue Cross could look at payments for services. The professional integrity of nurses is at stake, and they are being discriminated against.

The meeting adjourned at 2:50.

A handwritten signature in cursive script, reading "Dorothy Eck", is written over a horizontal line.

CHAIRMAN

ROLL CALL

Public Health, Welfare and Safety COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 1-28-87

NAME	PRESENT	ABSENT	EXCUSED
Dorothy Eck	X		
Bill Norman	X		
Bob Williams	X		
Darryl Meyer	X		
Eleanor Vaughn	X		
Tom Rasmussen	X		
Judy Jacobson	X		
Harry H. "Doc" McLane	X		
Matt Himsl	X		
Tom Hager	X		

Each day attach to minutes.

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Beth Veign	MT Nurse Practitioners	176	X	
Margo Caldwell	MT. Nurse Practitioners	176	✓	
Rick GLANZ	MT. HEALTH CARE ASSOC	195	✓	
Barb Roobee	MT. Nurses Assoc	176	✓	
Joe Swan	Wardrobe	195	✓	
Shirley G. Thomas	Self - M.N.P.C.	176	X	
George O. Poston	United Veterans Committee	195	✓	
Kathy D. Collins	Mont. Indep. Living Proj.	195	X	
Michael G. White	Montana Ind Living Proj	195	✓	
Jane Reed Brown	Sen. Com. on Employ. ^{Disability}	SB195	✓	
Larry Meyers	Mont Dept. of Justice	195	✓	
Mary Muzgo	Montana Nurses Assn	176	X	
Tom Harris	Mont Ind. Living Proj	195	✓	
Rob R.	"	"	✓	
Scott Peterson	Small Businessmen		X	
Mike Kubi	Westmont Habilitation	195	X	
Judy Harris	Montana Independent Living ^{Project}	SB195	X	
Betty Swindler	Concerned Parent	SB195	✓	
Chris Villakaty	How D.T.	195	✓	
Donna Greenwood	MT Nurse Practitioners	SB176	✓	
Cathy Caripardi	^{President} MT Nurse Practitioners	SB176	✓	
Alice Shauer	Canoll College Student Nurse	SB176	✓	
Joe Tubee	J.R.S	SB176		
Cheryl Tubee	Retired Nurse School Nurse	SB176	✓	
Jan Leishman	Certified Nurse Midwife	SB176	✓	

TESTIMONY
SENATE PUBLIC HEALTH COMMITTEE
SENATE BILL #195

THE PROBLEMS FACED BY THE DISABLED IN OUR SOCIETY ARE LEGION. BARRIERS; PHYSICAL, ARCHITECTURAL, ATTITUDINAL ARE ERECTED IN OUR PATHS WHEREVER WE TURN. IN THE PAST, OUR VOICES WERE SILENT. WE WILL BE SILENT NO MORE. ADVOCACY GROUPS ALL OVER THE WORLD ARE STUDYING BLUEPRINTS, TESTIFYING BEFORE LEGISLATIVE COMMITTEES, WORKING WITH CITY, COUNTY, AND PRIVATE PLANNERS TO MAKE OUR WORLD MORE ACCESSIBLE. IN THIS DAY AND AGE WE FIND MORE AND MORE BUSINESSES, SCHOOLS, GOVERNMENT BUILDINGS, APARTMENT HOUSES, ETC. BEING MADE MORE ACCESSIBLE TO THE DISABLED. OUR SOCIETY HAS BEGUN, AND I EMPHASIZE THE WORD BEGUN, TO RECOGNIZE NOT ONLY THE NEEDS OF THE DISABLED BUT THE DESIRES OF THE DISABLED TO BECOME PRODUCTIVE MEMBERS OF OUR SOCIETY.

WITH THIS AWARENESS OF THE NEEDS OF THE DISABLED COMES THE RESPONSIBILITY OF THOSE WHO MAKE OUR LAWS TO RECOGNIZE THEIR PART IN REMOVING THE BARRIERS THAT PREVENT THE PHYSICALLY CHALLENGED FROM REALIZING THEIR FULL POTENTIAL.

TODAY I COME BEFORE YOU TO ADVOCATE THE PASSAGE OF SENATE BILL #195. A PERSON WITH A DISABILITY ONLY BECOMES HANDICAPPED WHEN HE OR SHE IS PREVENTED FROM ENTERING A BUILDING BY A FLIGHT OF STAIRS OR SHOPPING AT A STORE BECAUSE A WHEELCHAIR TREK THROUGH AN ICE-RUTTED PARKING LOT IS NOT POSSIBLE.

THIS BILL WILL ROUND OUT THE EXISTING LAWS THAT DEAL WITH THE SPECIAL VETERAN AND HANDICAPPED LICENSE PLATES AND PERMITS AND THE PLACES THAT THESE SPECIAL VEHICLES MAY BE PARKED. WE SEE THROUGHOUT MONTANA MORE AND MORE HANDICAPPED PARKING PLACES BEING

SENATE HEALTH CARE
EXHIBIT NO. 1
DATE 1-28-87
BILL NO. SB 195

MADE AVAILABLE TO THE DISABLED. HOWEVER, AS THESE PARKING PLACES INCREASE IN NUMBER, SO DO THE INSTANCES OF NON-DISABLED PEOPLE PARKING IN THESE SPECIALLY DESIGNATED PARKING SPOTS. THE TIME HAS COME FOR THE LEGISLATURE OF THE STATE OF MONTANA TO SHOW ITS WILLINGNESS TO HELP US IN OUR QUEST FOR ACCESSIBILITY.

THIS BILL WILL ESTABLISH GUIDELINES FOR THE CONSTRUCTION OF ADEQUATE HANDICAPPED PARKING PLACES. A PERSON WITH A LIFT ON THE SIDE OF THEIR VEHICLE CANNOT DROP THEIR LIFT IF A CAR IS PARKED NEXT TO THEM WITHOUT DAMAGING THAT CAR IF THE HANDICAPPED SPOT IS NOT WIDE ENOUGH. IT WILL IDENTIFY THE INDIVIDUALS ELIGIBLE TO PARK IN THOSE SPECIALLY DESIGNATED PLACES AND IT WILL ALLOW THE DISABLED TO PARK IN A REGULAR PARKING SPOT FOR AN UNLIMITED LENGTH OF TIME. LASTLY, BUT PROBABLY MOST IMPORTANTLY, IT WILL ESTABLISH A PENALTY THAT WILL MAKE AN IMPRESSION ON THE VIOLATORS OF SUCH A LAW.

WE NEED THIS BILL WHICH PROVIDES UNIFORMITY OF ACCESS FOR THE THOUSANDS OF DISABLED PEOPLE ACROSS OUR STATE. THIS BILL IS JUST THE TICKET.

ON BEHALF OF THE DISABLED OF MONTANA, I WISH TO THANK YOU, IN ADVANCE, FOR THE SPEEDY PASSAGE OF SENATE BILL #195.

MICHAEL G. WHITE
SECRETARY-TREASURER,
MONTANA INDEPENDENT LIVING PROJECT

Mr. Chairman, Members of the committee

Good afternoon, my name is Ralph Rasmussen, I am here to lend my support to Senate Bill #195. I became totally & permanently disabled while serving with the U.S. Army more than 21 years ago. Without ^{enforced} handicapped parking the "handicapped" are denied the simple pleasures of eating out, shopping in the store of their choice and many other seemingly simple tasks that the "able bodied" take for granted. For the "able bodied", not finding a parking space close to an office building means few more steps and a late appointment, for the "handicapped" it means a lost appointment, sale or whatever.

Again I urge your support on this bill and I hope and pray that you never get the "opportunity" to use a handicapped parking space. But should you some day require a handicapped parking space, one would be reserved for you. Thank you for time.

January 28, 1987

Re: SB 195

I offer these comments in support of the passage of SB 195. Many times I have attempted to park my vehicle in parking places designated for the handicapped in various cities in Montana. Far too often the parking places have been occupied by vehicles without proper authorization. This violation is a source of great frustration to the disabled citizens of Montana. I heartily support the increase in the fine. It seems that the way to a person's heart in this matter is through the wallet. Perhaps a few \$50 fines will break a bad habit.

I also strongly support extending permit privileges to long-term care facilities. Transporting elderly disabled to and from appointments can be troublesome when the transporter is unable to park a facility-owned vehicle in a designated parking place. If the driver has more than one elderly disabled in the car, the problems are compounded, with distances and obstacles to overcome.

I believe SB 195 is a major step in controlling abuse of vehicles illegally parking in places designated for the disabled. I commend the Legislature for its stand on the rights of the disabled.

Thank you for your consideration.

Tim Harris
1817 Silver St.
Helena, MT 59601

To the members of the Senate Public Health Subcommittee.

West Mont Habilitation Services, as a provider of long term care services to persons with developmental disabilities, supports Senate Bill 195. We currently provide services to several severely disabled people in wheelchairs and many more who, while being ambulatory, cannot move as fast or as far as people without disabilities. There continues to be a need to provide transportation for clients to locations where the inability to park corporation vehicles close to the necessary buildings results in unnecessary hardship on the the disabled individual and the agency staff who are transporting them.

While we currently have permits for all of our vehicles, this Bill would permit us to acquire those permits in a manner that is in accordance with the law.

We urge and thank you for your support.

TO: Senate Public Health Committee

FROM: Jane Reed Benson, Member of GCED *Jane Reed Benson*

SUBJECT: Testimony Regarding S.B. 195--Handicap Parking

DATE: Jan. 27, 1987

As a member of the Governor's Committee for Employment of the Disabled and as a member of the local Helena Task Force on Handicap Parking, I would like to address several important changes in Montana's handicap parking law.

The change in Section 1 takes away the necessity of a private property owner signing an agreement with a law enforcement agency. This section recognizes that if, for example, a store owner was concerned enough to install a designated parking sign and create a handicap parking space, that act itself will allow for enforcement.

Part 4 of Section 1 recognizes that sometimes the only available parking for any person might be Main Street and oftentimes Main Street is a state highway. This section makes it clear that any reasonable place to park (highway, alley, parking area) may have a designated place for the handicapped and it will be enforced.

Section 2 establishes an exact fine of \$50. This amount was recently enacted by the Helena City Commission with no protest from the public nor commissioners. (Correction, one person spoke up and said the fine ought to be stiffer!) Both of the groups I represent believe it reasonable to impose a \$50 fine statewide.

Section 3 provides that any licensed nursing or care facility can get a handicap parking permit for its car, van, bus or whatever so that its transported clients will have the advantage of an accessible parking place when needed.

As a closing point, let us acknowledge that in Montana--same as nationwide--we now have an increasingly larger percentage of our population who are physically disabled and working or going to school the same as everyone else. One difference--and we're dealing with it today--is that a disabled person finds it difficult to get in and out of a vehicle and into your business, school, hospital, or restaurant. Those citizens who are fully able but violate those special parking places certainly must be fined \$50 anywhere in the state for such selfishness and lack of respect for others.

Thank you for the opportunity to speak to you.

January 14, 1987

HANDICAPPED PARKING FOR NURSING HOME RESIDENTS

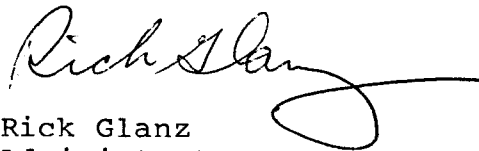
As the Administrator of a Nursing Home administrator in Montana, I would like to commend this committee for investigating the needs of those who utilize handicap parking spaces in our state.

As I understand it, part of the legislation involves the issuance of handicapped parking permits to legitimate nursing homes. I see this as a very valuable and useful step in providing this kind of service to our elderly. Although it is rare for a Nursing Home Resident to own their own vehicle, they often travel outside the facility to restaurants, stores, doctor's offices or other public places where the use of handicapped parking spaces would make their lives very much easier.

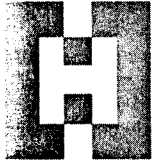
A majority of these citizens are handicapped in some way and I see this type of legislation as the only method to include them in the group that utilize handicapped parking.

I think I speak for the entire industry when I say that our State's Nursing Homes would put handicapped parking permits to good use.

Respectfully Submitted,



Rick Glanz
Administrator
Western Care Nursing Home



Western Care Nursing Home

2475 Winne Avenue
Helena, Montana
59601-4997
(406) 442-1350

*The Hillhaven Corporation
A Subsidiary of
National Medical Enterprises, Inc.*

MONTANA'S NURSE PRACTITIONERS

... A HEALTHY CHOICE



Montana's Nurses' Association
Montana Nurse Practitioner State Interest Group
P.O. Box 5718
Helena, Montana 59604

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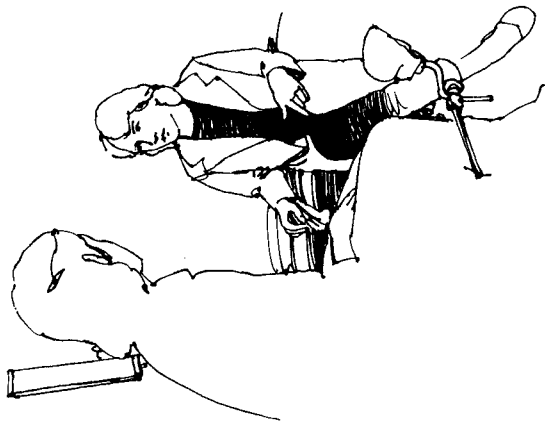
MONTANA'S
NURSE
PRACTITIONERS
... A HEALTHY
CHOICE

Nurse practitioners can help reduce the costs of health care. Emphasis on illness prevention and home health care reduces hospital admissions, and lowers medical costs and insurance premiums. All major medical insurance companies in Montana now include the services of nurse practitioners in their coverage.

Patients deserve the kind of care which nurse practitioners are able to provide: honest information, expert care, respect for a patient's wishes and concerns. Nurse practitioners offer Montanans more for their health care dollars — more time, more thorough involvement, more encouragement to help people take charge of their own good health.

HEALTH CARE IN AMERICA IS CHANGING.

People are taking more responsibility for their own health, learning about good habits, such as nutrition and exercise, and working to understand illness prevention. Patients are taking a more active role in their own treatment when illness strikes, and do not hesitate to ask their physicians and nurses for detailed information about health concerns. They seek health care professionals who will take time to discuss options and involve patients in their health care planning. Nurse Practitioners are just such professionals, committed to promoting the highest level of health possible.



A nurse practitioner is a registered nurse with additional education in analysis and management of specific problems. In Montana, nurse practitioners are required by the State Board of Nursing to pass a National Certification examination, and to have a minimum of one academic year of advanced education and practice. Their educational background enables them to exercise a much broader role in providing health care than nurses have assumed in the past.

Nurse practitioners have been part of the American health care scene since 1965, when the first pediatric nurse practitioner program was established at the University of Colorado. Since that time, their numbers have increased, and their role has expanded to include many other specialized fields of nursing, such as geriatrics, family practice, cardiology, psychiatry, gynecology, and school practice. Today, patients seeking health care can choose from an excellent variety of nurse practitioner specialists.

Services provided by nurse practitioners are as varied as the health needs of their patients. Nurse practitioners provide prenatal care, emphasizing good nutrition, exercise, and prepared childbirth. They also provide pediatric care, immunizations, and development assessment. They provide patients with family planning methods and education. They can help patients deal with extremely stressful situations, such as divorce, or unemployment. They can help a patient cope with illnesses such as arthritis, diabetes, or high blood pressure, so that the patient can remain as active and independent as possible.

"The nurse practitioners I work with are very competent. They stay current, and their style of practice lends itself to spending more time with their patients... I'm comfortable 100% of the time supervising them. I know that when I sign their patients' charts each week, each patient has been well taken care of."

Duncan Hubbard, M.D. Missoula, Montana

Nurse practitioners are dedicated to providing comprehensive health care, with an emphasis on wellness. A nurse practitioner takes the time to really help an individual cope with crisis, whether counseling a young mother on how to deal with a colicky baby, or providing therapy for an elderly stroke victim. Nurse practitioners manage many types of illness, not just with medication, but also by helping patients incorporate good habits into daily living: correct use of prescription and over-the-counter drugs, self-examination for early detection of certain diseases, good nutrition, and other positive health habits. In essence, the goal of the nurse practitioner is to help patients take greater responsibility for their own well-being, not just during one period of illness, but throughout their lives.

In many situations, the Nurse Practitioner can provide total care; for more complex problems involving special medications or treatment, he or she works in collaboration with a physician. A nurse practitioner can provide important 'follow-up' once a patient's program of care has been initiated by a physician. A diabetic, for example, may rely on a nurse practitioner for education about diet and administration of insulin, once this treatment has been prescribed by the doctor. The nurse practitioner and the M.D. work in a complimentary role relationship, and this team effort allows for a more complete delivery of health care.

**Montana Nurse Practitioner
State Interest Group**

**REIMBURSEMENT OF NURSING SPECIALISTS BY MEDICAID & HEALTH CORPORATIONS
FACT SHEET**

- The original intent of SB 70, which was passed unanimously by both Houses in the 1983 Session, was to provide reimbursement to nursing specialists by all insurance companies and Medicaid. Since that time several "loop holes" have been found which are preventing reimbursement from Medicaid and health service corporations (Blue Cross, Blue Shield); the current proposed bill will provide for reimbursement from these organizations.

-Nursing "Specialists" are Nurse Practitioners, Nurse Midwives, and Nurse Anesthetists who are responsible and accountable for the quality of health services they provide, as defined in the Montana Nursing Practice Act. In order to use a nursing specialist title in Montana, the nurse must meet specific educational requirements and hold individual certification from a Board of Nursing approved certifying body.

-Nursing specialists should be directly reimbursed because:

- a. they deserve to receive *directly* the money they legally earned;
- b. direct reimbursement allows the consumer to obtain health care services directly from the *provider of their choice*, thus increasing access to and decreasing duplication of services;
- c. nursing specialists provide *cost-effective* health care;
- d. direct reimbursement provides a way to generate the statistics necessary to prove how important nursing specialists are in the health care delivery system.

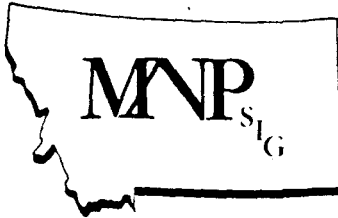
-**25** States currently permit direct reimbursement of nurses' services; **18** States currently provide Medicaid reimbursement to nursing specialists.

-This Bill will be **revenue-neutral**. A poll of 34 of the 43 members of the MT Nurse Practitioner State Interest Group demonstrated that 24 nurse practitioners are in a position to bill Medicaid and Health Service Corporations; of those 24, 20 are currently billing through another mechanism, and 4 who are not billing would bill if they are able to do so directly. There are a limited number of Nurse Midwives and Nurse Anesthetists in the state who would be seeking direct reimbursement for their services.

A 1986 study on the cost of reimbursement to nurse practitioners in Oregon and Maryland has demonstrated that a limited percentage of nurse practitioners in those 2 states have sought reimbursement on a fee-for-service basis. The findings also demonstrate that nurses who are being directly reimbursed charge **less** for their services; furthermore, when billing for nurses' services is done under the physician's or employer's name, charges are greater than when the reimbursement is made directly to the nurses.

-In 1981 Dr. Claire M. Fagan reviewed all the available studies on the cost-effectiveness of nurse practitioners and she concluded that nurse practitioners alter the production of health services in a way that improves access and reduces cost. She also reported that in 21 studies comparing primary ambulatory care provided by nurse practitioners and physicians, there were essentially *no differences* between the two types of health care providers in relation to outcome of illness and process of care.

-A study done by the New York State Dept. of Social Services on nurses providing women's health care at the Margaret Sanger Clinic in New York City showed that the cost would be \$8,400 more per provider if services were provided by a physician.



Montana's Healthy Choice

MONTANA NURSE PRACTITIONER STATE INTEREST GROUP

P.O. Box 5718
Helena, MT 59604

TESTIMONY SUPPORTING DIRECT REIMBURSEMENT OF NURSING SPECIALISTS BY MEDICAID AND HEALTH SERVICE CORPORATIONS SB 176 Sponsor - Eck

The following testimony is offered in support of Senate Bill 176 by the Montana Nurses' Association and the Montana Nurse Practitioner State Interest Group (an Interest Group of the Montana Nurses' Association).

During the 1983 legislative session Senate Bill 70 was unanimously passed by both houses of the legislature, thus providing for direct reimbursement of nursing specialists by health insurance companies, workman's compensation, and we erroneously thought, Medicaid. The intent of the bill was to provide the consumer with freedom of choice in selecting a health care provider to deliver services already covered in existing health policies or plans. Nursing "specialists" include Nurse Practitioners, Nurse Midwives, and Nurse Anesthetists who are directly responsible and accountable to the consumer for the quality of health services they provide, as defined in the Montana Nursing Practice Act [37-8-202(5)]. In order to use a nursing specialist title in Montana, the nurse must meet specific educational requirements and hold individual certification from a Board of Nursing approved certifying body.

While implementing reimbursement under Senate Bill 70 over the past four years, nurse practitioners in the state have been repeatedly denied payment by Medicaid and Blue Cross and Blue Shield on the basis that Senate Bill 70 did not apply to their organizations. The Department of Social and Rehabilitative Services

Montana Nurses' Association
Page 2

has indicated that nursing "specialists" are not a reimburseable provider by Medicaid according to the Administrative Rules of Montana, despite the fact that nursing specialists provide several of the *services* that are covered by Medicaid. Blue Cross and Blue Shield have denied claims because they identify themselves as *health service corporations* rather than insurance companies; the State Insurance Commissioner has concurred with Blue Cross' and Blue Shield's claims that Senate Bill 70 does not apply to *health service corporations*.

During the past year the Montana Nurse Practitioner State Interest Group, in conjunction with the Montana Nurses' Association, attempted to implement an Administrative Rule change through the Department of Social and Rehabilitative Services (SRS) to provide direct reimbursement to nurse practitioners. SRS refused to implement a rule change, indicating they felt the Legislature should provide them with such direction for reimbursing nurse practitioners. Thus, we had no alternative but to attempt a legislative change to provide direct reimbursement for nursing specialists by Medicaid and health service corporations.

This proposed Bill will eliminate the remaining barriers to full implementation of direct third party reimbursement for nursing specialists in Montana. It will ensure that **all** consumers have full freedom of choice in choosing their primary health care provider. Access to nursing specialists is especially important in a rural state such as Montana where nursing specialists have consistently demonstrated their ability to provide high quality care in certain geographic areas and health agencies where physicians have not been available on a regular basis.

The proposed legislation is consistent with national trends. Twenty five states currently provide for direct reimbursement of nurses' services; 18 states

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provide Medicaid reimbursement to nursing specialists. The federal government has passed legislation that enables certain nursing specialists to be directly reimbursed through the Rural Health Clinics Act and CHAMPUS.

This bill will be **revenue-neutral**, and could actually decrease health costs in the long run. A recent poll of the 43 members of the Montana Nurse Practitioner State Interest Group demonstrated that 24 of the 34 nurse practitioners who responded are in a position to bill Medicaid and health service corporations. Of the 24 who could bill, 20 are currently billing through another mechanism, and the 4 who are not billing would bill if they are able to do so directly. There are a limited number of Nurse Midwives and Nurse Anesthetists in the state who would be seeking direct reimbursement for their services.

There are unsubstantiated fears by opponents to direct third party reimbursement for nursing services that it will increase health care costs and that many or all nurses will start their own businesses and begin charging for their services. A 1986 study by Griffith on the degree to which nurses are receiving reimbursement in Oregon and Maryland (states with reimbursement laws for 7 and 4 years, respectively) and the effects of the reimbursement on cost, has demonstrated that a limited percentage of nurse practitioners in both states have sought reimbursement on a fee-for-service basis, or are receiving direct third party reimbursement. Clearly, nurses are not coming out in droves to establish their own practices. Griffith's study also demonstrated that nurses who are being reimbursed on a fee-for-service basis and/or are receiving direct third party reimbursement, charge **less** for their services. Furthermore, when billing for nurses' services is done under the physician's or employer's name, charges are more likely to be greater than when reimbursement is made directly to the nurse.

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The cost-effectiveness of nursing specialists and the quality of care they provide have been substantially demonstrated in many studies. An addendum is included which provides a summary of some of the significant findings of such studies.

In summary, this proposed legislation is needed to fulfill the original intents of Senate Bill 70 and the unanimous vote of the 1983 Legislature to directly reimburse nursing specialists the money they have legally earned through the provision of health care services to the citizens of Montana. It will assure that **all** Montana consumers have access to quality, cost-effective health care services from the provider of their choice. We respectfully urge the committee to give this Bill a "do pass" recommendation.

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ADDENDUM TO TESTIMONY SUPPORTING DIRECT REIMBURSEMENT
OF NURSING SPECIALISTS BY MEDICAID & HEALTH CORPORATIONS

SUMMARY OF FINDINGS OF STUDIES ON NURSING SPECIALISTS

-In 1981 Dr. Claire M. Fagin reviewed the available studies that had been done on the cost-effectiveness of nurse practitioners and she concluded that nurse practitioners alter the production of health services in a way that improves access and reduces cost. She also reported that in 21 studies comparing primary ambulatory care provided by nurse practitioners and physicians, there were essentially **no differences** between the two types of health care providers in relation to outcome of illness and process of care.

-A national attitudinal survey published in June 1985 demonstrates that the public was very supportive of direct reimbursement for nurses with special education for providing expanded health care services. These respondents also indicated they thought the cost of services would be lowered if performed by nurses.

-Several studies have shown that nurse practitioners are more knowledgeable about patient's problems, more available, and identify more relevant signs or symptoms than physicians. In addition, nurse practitioners have been found to utilize less drug therapy, achieve better patient compliance, and provide greater follow-up when compared with physicians.

-Nurse practitioners caring for patients with chronic illnesses have demonstrated dramatic improvements in reducing blood pressure in hypertensive patients; in reducing blood sugar levels of diabetic patients; and a **50%** reduction in hospitalization.

-Following the introduction of nurse midwives into a community with previously poor pregnancy outcomes, infant mortality rates dropped significantly and pregnancy outcomes improved dramatically.

-A study done by the New York State Department of Social Services on nurses providing women's health care at the Margaret Sanger Clinic in New York City showed that the cost would be **\$8,400** more per provider if services were provided by a physician.

-Health care costs have been shown to be decreased in childbearing centers utilizing nurse midwives, and in the CHAMPUS program where the reimbursement of nurse practitioners was **31%** less when compared with physician's rates.

-The Health Care Financing Administration's 1985 review of *Cost, Utilization and Productivity of Nurse Practitioners and Physician Assistants in Urban Health Centers* established that nurse practitioners/physician assistants in fee-for-service clinics are most productive in that they serve the greatest number of patients per \$10,000. HCFA also cited a quality of care level comparable to similar facilities in the country.