

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS

Call to Order: By Rep. William Menahan , on January 17,
1989, at 8:00 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Taryn Purdy, Associate Fiscal Analyst

Announcements/Discussion: Hearing - Center for the Aged -
Eastmont

Mr. Gerald Butcher, Superintendent for the Center for the Aged and his business manager Denise Thompson, were introduced by Curt Chisholm, Director of the Dept. of Institutions. Mr. Butcher handed out Exhibit 1, a brochure about the Montana Center for the Aged at Lewistown. This is a state Institution licensed in intermediate care, 191 bed facility and it's designed to care for persons 55 years or older who have a psychiatric, geriatric problem. Primarily they treat individuals who do not need the intensive treatment that is available at Montana State Hospital but are not able to function in the community or in another nursing home for some reason.

The Center stresses maintaining the residents' functional abilities, both mentally and physically. They are not established as a transitional facility, although they do have discharges and will transfer people into another facility.

Prior to 1976 all of their admissions at the facility were transfers from the Montana State Hospital. They now get referrals from the hospital and from communities through the Community Mental Health Centers. Mr. Butcher stated that the center provides personal care and nursing services as well as daily living activities,

social work, recreation, food service and dietary. They have a contract for pharmacy with HPI Health Services Inc. They also contract for physical therapy and with local physicians for medical services and the local Mental Health Center for mental health assistance. Since 1987 they have an average daily census of 168.5 and fiscal 1988 an average daily census of 168.7. Due to a Medicaid deficiency they have added 1.0 FTE Social Worker.

During the last four years they have been doing physical assessments of the residents. They've found that the residents' physical conditions are deteriorating requiring more staff time. The oldest resident is 96 and the youngest is 55.

In Fiscal 1988 they generated about \$1,900,000 worth of Medicaid Insurance and private pay reimbursements for the state of Montana, which was deposited to the general fund. They operate under the direction of the Dept. of Institutions, they emphasize the maintenance of the residents' rights and each person's individual dignity as much as they can and staff are committed to maintain all these standards for the residents in the most efficient manner as they possibly can.

One of the major problems he sees facing the facility in the next biennium are the OBRA requirements which will create additional care requirements for the residents, requiring additional staff.

Taryn Purdy referred to Page D52 of the LFA current level analysis under Center for the Aged and briefly went over the information including the food tray system issue.

Bob Anderson, Administrator of the Treatment Services Division discussed differences between the executive budget and current level. He stated that if the executive budget for equipment was authorized they would use those funds to complete purchase of the pellet food tray system, foregoing a telephone system and vehicle. This would require an additional \$2,250 in operating expenses to lease/purchase a telephone system.

Mr. Butcher then discussed the pellet food tray system. In 1987 they felt the gemini food tray system authorized by the legislature would meet their needs.

However, they learned the system would not meet Medicaid specifications. As a result, they converted to the pellet tray system. They will buy a portion of the system with the \$18,000 appropriated by the 1987 legislature and complete purchase in 1990 at a cost of \$25,000. The pellet tray system in comparison to the gemini system was discussed, as well as staff requirements under the system and food temperature requirements under Medicaid regulations. Sen. Aklestad asked how they justify the additional cost over the gemini tray system originally authorized by the 1987 legislature. Mr. Butcher replied that the initial cost is high but once you get the set-up like the trays, the cost of dishes and other utensils, life span is estimated at least six years. Mr. Chisholm stated that they would prefer to maintain the current service system, which is more like a dining hall, but cannot meet Medicaid food temperature and special diet requirements due to limited space in the dining room and manpower.

Mary LaFond, from the Budget Office, handed out Exhibit 2, Center for the Aged, and explained that benefits were not applied to overtime, holidays worked and differential. OBPP agreed to add this to the 1400 employee benefits category to bring the numbers back to the agency request. The highlighted lines she discussed indicate where the changes are from the previous submitted budget for the Center for the Aged.

In response to a question from Rep. Menahan, Mr. Butcher stated they requested positions to meet OBRA regulations that were not included in the executive budget and a vehicle was not included in the executive budget or the LFA current level. Rep. Menahan suggested that a good vehicle could be exchanged out of the Motor Pool.

In response to a question from Sen. Aklestad Taryn Purdy stated that .7 FTE pharmacist and related personal services have been deleted from LFA current level in response to earlier committee action.

Rep. Menahan closed the hearing at 9:00 a.m.

EASTMONT HUMAN SERVICES CENTER

Sylvia Hammer gave the committee an overall briefing of the campus. The facility is licensed by Medicaid.

Capacity is 55 and they are presently full. Twenty-four hour care is provided residents with the ultimate goal to make them as independent as possible. They offer training in the areas of recreation and leisure activities, speech and communication, vocational training, self-help skills, community orientation home living and socialization. They are presently recruiting for a speech pathologist, a psychologist and an LPN. They recently filled an RN position and also a dietician food service manager. In fiscal 1988 they spent approximately \$6,000 on recruitment and they successfully hired only a social worker. They want the recruitment money to stay in their budget so they can continue to advertise for these positions and help people to relocate.

They contract for dental, optometric, pharmacy, medical records, physician, physical therapy, hair care and occupational therapy, legal services for the residents and various maintenance services. They will soon be terminating the dietician contract due to the fact that they have hired a dietician. As was referenced previously they recently had a Medicaid survey and they were found to be deficient in providing a continuous and aggressive, active treatment program.

Ms. Purdy referred to Page D-55 of the LFA current level analysis under Eastmont and explained the budget recommendations.

Further discussion concerned Medicaid regulations and the pay plan. Mr. Anderson mentioned that studies of the level of pay to professionals could be made but Medicaid expects compliance immediately.

In response to a question from Rep. Grady, Mr. Chisholm stated they would provide the committee with a comparison of the costs of hiring vs. contract, including costs per hour or day and total amounts expended in fiscal 1988.

Ms. Hammer concluded by stating she felt they needed two additional QMRPs and several pieces of equipment not included in either the executive budget or the LFA current level.

Mary LaFond passed out Exhibit 3 for the Eastmont

budget which showed the benefits not applied to overtime, holidays worked and differential. OBPP agreed to add this to the 1400 employee benefits category to bring the numbers back to the agency request. The amount included in this worksheet is \$10,708 FY 1990 and \$12,052 FY 1991 in Contracted Services. The highlighted lines indicate where the changes are from the previous submitted budget.

ADJOURNMENT

Adjournment At: 9:55 a.m.


REP. WILLIAM MENAHAN, Chairman

WM/ms

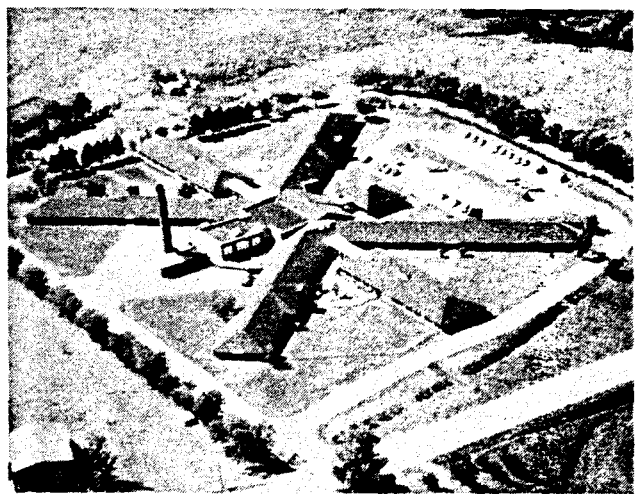
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The Montana Center for the Aged was constructed in 1952 on a 40 acre site donated by the community. Four mountain ranges can be seen from its' location overlooking the city of Lewistown.

The Montana Center for the Aged is directed by the Montana Department of Institutions.

The Center is built with six large wings and a center section that includes a large kitchen, central dining room, lounge, multipurpose room, offices and nursing stations. The six residential wings include a lounge on each wing in addition to single and double rooms. The multipurpose room is used by all residents and serves as a visiting lounge, recreation room, and Chapel area. The facility is licensed as an Intermediate Care facility by the Department of Health and Environmental Sciences.



MONTANA CENTER FOR THE AGED
800 CASINO CREEK ROAD
LEWISTOWN, MONTANA 59457
(406) 538-7451

Exhibit 2

January 17, 1989

Center for the Aged

The previous OBPP staff took the position of reducing the base in drugs by 10% and then applying inflation to the same. This committee has approved the HPI contract with the present OBPP position reducing the base 5% and applying inflation to the Drug category.

Benefits were not applied to Overtime, Holidays Overtime and Differential. OBPP agreed to add this to the 1400 Employee Benefits category to bring the numbers back to the agency request.

The highlighted lines indicate where the changes are from the previous submitted budget for the Center for the Aged.

	EXEC FY90	LFA FY90	DIF FY90	EXEC FY91	LFA FY91	DIF FY91
Salaries	769,560	784,506	-14,946	769,560	784,506	-14,946
Overtime	9,246	9,246		9,246	9,246	
Differential Pay	2,351	2,351		2,351	2,351	
Longevity	9,949	9,949		11,387	11,387	
Holidays Worked	29,432		29,432	32,375		32,375
Employee Benefits	174,792	174,792		179,152	179,152	
Health Insurance	62,100	63,480	-1,380	62,100	63,480	-1,380
Vacancy Savings	-20,063	-33,145	13,082	-20,159	-33,303	13,144
1800		29,432	-29,432		32,375	-32,375
Total Level	1,037,367	1,040,611	-3,244	1,046,012	1,049,194	-3,182
Contr Serv-Infla	43	43		88	88	
Supp/Matls-Infla	22,872	20,897	1,975	34,139	31,141	2,998
Commun-Infla	-222	-121	-101	-114	-114	
Utilities-Infla	10,196	10,196		14,070	14,070	
Contr Serv	51,606	28,562	23,044	52,992	28,732	24,260
Supplies/Materials	348,781	329,227	19,554	346,881	327,327	19,554
Communication	10,584	12,549	-1,965	10,584	12,549	-1,965
Travel	1,961	2,314	-353	1,961	2,314	-353
Rent	2,802	2,802		2,802	2,802	
Utilities	88,373	88,373		88,373	88,373	
Repair & Maint	24,239	31,370	-7,131	24,239	31,370	-7,131
Other Expenses	6,795	6,833	-38	6,795	6,833	-38
Goods/Resale	7,335	7,327	8	7,335	7,424	-89
Total Level	575,365	540,372	34,993	590,145	552,909	37,236
Equipment	25,136	9,200	15,936		9,200	-9,200
Total Program	1,637,868	1,590,183	47,685	1,636,157	1,611,303	24,854
General Fund	1,620,833	1,573,148	-47,685	1,621,022	1,596,168	24,854
CFA Canteen	7,335	7,335		7,335	7,335	
CFA Donations	9,700	9,700		7,800	7,800	
Total Program	1,637,868	1,590,183	47,685	1,636,157	1,611,303	24,854

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

AGENCY : 6404 CENTER FOR THE AGED
PROGRAM : 30 RESIDENTIAL SERVICES
CONTROL : 00000

AE/OE	DESCRIPTION	ACTUAL FY 88	BUDGET FY 89	EXEC FY 90	LFA FY 90	DIFF FY 90	EXEC FY 91	LFA FY 91	DIFF FY 91
0000	FULL TIME EQUIVALENT (FTE)	97.99	98.84	47.14	47.84	- .70	47.14	47.84	- .70
1100	SALARIES	482,006.07							
1102	OVERTIME	2,445.11	1,649,058	769,560	784,506	-14,946	9,246	784,506	-14,946
1112	DIFFERENTIAL PAY	2,350.52		9,246	9,246		2,351	2,351	
1113	LONGEVITY	5,345.60		9,949	9,949		11,387	11,387	
1114	HOLIDAYS WORKED	26,489.39		29,432		29,432	32,375		32,375
1200	HOURLY WAGES	1,095,352.93							
1400	EMPLOYEE BENEFITS	512,349.60	420,376	161,533	174,792	-13,259	164,884	179,152	-14,268
1500	HEALTH INSURANCE		126,960	62,100	63,480	-1,380	62,100	63,480	-1,380
1600	VACANCY SAVINGS		-61,187	-20,063	-33,145	13,082	-20,159	-33,303	13,144
1800					29,432	-29,432		32,375	-32,375
	TOTAL LEVEL	2,126,339.22	2,135,207	1,024,108	1,040,611	-16,503	1,031,744	1,049,194	-17,450
2021	CONTRACTED SERVICES-INFLATI			43	43		88	88	
2022	SUPPLIES & MATERIALS-INFLAT			22,872	20,897	1,975	34,139	31,141	2,998
2023	COMMUNICATIONS-INFLAT			-222	-121	-101	-114	-114	
2026	UTILITIES-INFLATION			10,196	10,196		14,070	14,070	
2100	CONTRACTED SERVICES	34,697.77	24,553	51,606	28,562	23,044	52,992	28,732	24,260
2200	SUPPLIES & MATERIALS	314,603.32	329,671	346,079	329,227	16,852	344,179	327,327	16,852
2300	COMMUNICATIONS	12,550.26	15,214	10,584	12,549	-1,965	10,584	12,549	-1,965
2400	TRAVEL	1,960.54	3,165	1,961	2,314	-353	1,961	2,314	-353
2500	RENT	2,664.39	1,419	2,802	2,802		2,802	2,802	
2600	UTILITIES	88,372.17	113,274	88,373	88,373		88,373	88,373	
2700	REPAIR & MAINTENANCE	31,063.56	24,239	24,239	31,370	-7,131	24,239	31,370	-7,131
2800	OTHER EXPENSES	5,389.98	5,186	6,795	6,833	-38	6,795	6,833	-38
2900	GOODS PURCHASED FOR RESALE	4,718.14	7,335	7,335	7,327	8	7,335	7,424	-89
	TOTAL LEVEL	496,020.13	524,056	572,663	540,372	32,291	587,443	552,909	34,534
3100	EQUIPMENT			25,136	9,200	15,936		9,200	-9,200
	TOTAL LEVEL	433.00		25,136	9,200	15,936		9,200	-9,200
	TOTAL PROGRAM	2,622,792.35	2,659,263	1,621,907	1,590,183	31,724	1,619,187	1,611,303	7,884
01100	GENERAL FUND	2,616,110.40	2,649,528	1,604,872	1,573,148	31,724	1,604,052	1,596,168	7,884
02914	CFA-CANTEEN	4,718.14	7,335	7,335	7,335		7,335	7,335	
02924	CFA-DONATIONS	1,963.81	2,400	9,700	9,700		7,800	7,800	
	TOTAL PROGRAM	2,622,792.35	2,659,263	1,621,907	1,590,183	31,724	1,619,187	1,611,303	7,884

Exhibit 3

January 17, 1989

Eastmont Training Center

Benefits were not applied to Overtime, Holidays Overtime and Differential. OBPP agreed to add this to the 1400 Employee Benefits category to bring the numbers back to the agency request.

On Line Edit and Entry was omitted in the OBPP budget. The amount included in this worksheet is \$494 each year in Contracted Services.

The highlighted lines indicate where the changes are from the previous submitted budget ~~for the General Fund - 1989~~

	EXEC FY90	LFA FY90	DIF FY90	EXEC FY91	LFA FY91	DIF FY91
Salaries	793,432	793,432		793,432	793,432	-
Overtime	4,651	4,651		4,651	4,651	
Differential Pay	5,053	5,053		5,053	5,053	
Longevity	7,820	8,872	-1,052	8,872	8,872	
Holidays Worked	25,740		25,740	28,314		28,314
Employee Benefits	184,306	184,306		184,306	184,306	
Health Insurance	64,860	64,860		64,860	64,860	
Vacancy Savings	-20,827	-41,654	20,827	-20,853	-41,706	20,853
1800		25,740	-25,740		28,314	-28,314
Total Level	1,065,035	1,045,260	-19,775	1,068,635	1,047,782	-20,853
Contr Serv-Infla		-89	89		-123	123
Supp/Matls-Infla	3,838	4,990	-1,152	5,860	7,618	-1,758
Commun-Infla	7	56	-49	10	10	
Utilities-Infla		9,937	-9,937		13,731	-13,731
Contr Serv	95,245	93,445	18,000	95,245	93,571	1,674
Supplies/Materials	112,306	109,731	2,575	112,912	109,731	3,181
Communication	8,885	8,746	139	8,885	8,746	139
Travel	736	736		736	736	
Rent	165	165		165	165	
Utilities	65,500	62,115	3,385	65,576	62,115	3,461
Repair & Maint	18,877	18,877		18,877	18,877	
Other Expenses	7,401	1,175	6,226	7,401	1,206	6,195
Total Level	312,960	309,884	3,076	315,667	316,383	-716
Equipment	20,766	4,289	16,477	760	4,289	-3,529
Total Program	1,398,761	1,359,433	39,328	1,385,062	1,368,454	16,608
General Fund	1,398,061	1,358,733	39,328	1,384,362	1,368,454	16,608
Eastmont-Donations	700	700		7,335	7,335	
Total Program	1,398,761	1,359,433	39,328	1,385,062	1,368,454	16,608

REPORT 1BSR99
DATE : 01/03/89
TIME : 10/53/01

OFFICE OF BUDGET & PROGRAM PLANNING
EXECUTIVE BUDGET SYSTEM
AGENCY/PROGRAM/CONTROL -- BUDGET DETAIL COMPARISONS

AGENCY : 6405 EASTMONT TRAINING CENTER
PROGRAM : 12 CARE & CUSTODY
CONTROL : 00000

CURRENT LEVEL SERVICES ONLY

AE/OE	DESCRIPTION	ACTUAL FY 88	BUDGET FY 89	EXEC FY 90	LFA FY 90	DIFF FY 90	EXEC FY 91	LFA FY 91	DIFF FY 91
0000	FULL TIME EQUIVALENT (FTE)	92.02	92.02	45.45	45.45		45.45	45.45	
1100	SALARIES	1,354,547.57	1,505,582	793,432	793,432		793,432	793,432	
1102	OVERTIME	4,650.85		4,651	4,651		4,651	4,651	
1112	DIFFERENTIAL PAY	5,053.31		5,053	5,053		5,053	5,053	
1113	LONGEVITY	7,566.45		7,820	8,872	-1,052	8,872	8,872	
1114	HOLIDAYS WORKED	23,166.43		25,740		25,740	28,314		28,314
1400	EMPLOYEE BENEFITS	431,289.88	337,639	175,239	184,306	-9,067	175,505	184,306	-8,801
1500	HEALTH INSURANCE		126,960	64,860	64,860		64,860	64,860	
1600	VACANCY SAVINGS		-42,117	-20,827	-41,654	20,827	-20,853	-41,706	20,853
1800					25,740	-25,740	28,314	28,314	-28,314
	TOTAL LEVEL	1,826,274.49	1,928,064	1,055,968	1,045,260	10,708	1,059,834	1,047,782	12,052
2021	CONTRACTED SERVICES-INFLATI				-89	89		-123	123
2022	SUPPLIES & MATERIALS-INFLAT			3,838	4,990	-1,152	5,860	7,618	-1,758
2023	COMMUNICATIONS-INFLATION			7	56	-49	10	10	
2026	UTILITIES-INFLATION				9,937	-9,937		13,731	-13,731
2100	CONTRACTED SERVICES	104,309.92	92,622	94,751	93,445	1,306	94,751	93,571	1,180
2200	SUPPLIES & MATERIALS	111,153.98	113,950	112,306	109,731	2,575	112,912	109,731	3,181
2300	COMMUNICATIONS	8,746.17	9,704	8,885	8,746	139	8,885	8,746	139
2400	TRAVEL	741.96	1,806	736	736		736	736	
2500	RENT	165.00	124	165	165		165	165	
2600	UTILITIES	62,114.57	83,975	65,500	62,115	3,385	65,576	62,115	3,461
2700	REPAIR & MAINTENANCE	18,874.83	20,013	18,877	18,877		18,877	18,877	
2800	OTHER EXPENSES	7,400.88	1,888	7,401	1,175	6,226	7,401	1,206	6,195
	TOTAL LEVEL	313,507.31	324,082	312,466	309,884	2,582	315,173	316,383	-1,210
3100	EQUIPMENT	12,356.05		20,766	4,289	16,477	760	4,289	-3,529
	TOTAL LEVEL	12,356.05		20,766	4,289	16,477	760	4,289	-3,529
	TOTAL PROGRAM	2,152,137.85	2,252,146	1,389,200	1,359,433	29,767	1,375,767	1,368,454	7,313
01100	GENERAL FUND	2,150,715.42	2,248,146	1,388,500	1,358,733	29,767	1,375,067	1,367,754	7,313
02925	EASTMONT-DONATIONS	1,422.43	4,000	700	700		700	700	
	TOTAL PROGRAM	2,152,137.85	2,252,146	1,389,200	1,359,433	29,767	1,375,767	1,368,454	7,313