MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON HUMAN SERVICES

Call to Order: By Chairman Bradley, on January 23, 1989, at 8:01 p.m.

ROLL CALL

Members Present: All members were present.

Members Excused: None.

Members Absent: None.

Staff Present: Peter Blouke, analyst

Announcements/Discussion: Rep. Bradley announced the hearing would concern the Family Support Act of 1988. She said this would be an informal hearing, informational in nature, and encouraged participation from the committee and the audience alike.

HEARING ON WELFARE REFORM

Tape No. A1

Presentation and Opening Statement: Lee Tickell, from the department of SRS told the group this would be a brief overview of welfare reform. He informed the committee of a task force that was put together in October. The end product of the task force is a 124 page document. The essentials of that will be included in the hearing.

List of Testifying Proponents and What Group They Represent:

Lee Tickell, SRS
Sue Mohr, Department of Labor and Industry
Tom Gomez,

List of Testifying Opponents and What Group They Represent:

None.

Testimony: (1A) Lee Tickell, SRS, gave a background on a video tape that outlines the Family Support Act of

1988.

The video tape was viewed. This video outlined the major effects the Family Support Act of 1988 addresses. These were referred to as the big three and include increased enforcement of child support and paternity, JOBS program (Job Opportunity and Basic Skills) and transitional services (these include child care and medicaid extensions up to one year).

Following the video, Lee Tickell discussed the provisions for the 12 month extension of medical coverage and the methods of providing child care.

Sue Mohr, Department of Labor and Industry, gave a presentation on the Family Support Act of 1988. Her presentation included a discussion of the JOBS program, which has a goal to assure needy families receive education, training and employment in order to deter long term dependency. She discussed requirements for participation in the program. Child care and medicaid issues were also covered in the presentation. (See exhibit 1)

Tom Gomez discussed 11 bills that have been proposed to the legislature by the joint interim subcommittee on welfare which was formed by the 1987 legislature. Of the 11 bills, 10 are presently in the senate. These bills include SB 101, which would revise current eligibility standards for general assistance; SB 100, which would deny general assistance eligibility to persons who voluntarily quit a job or were discharged due to misconduct; SB 67, which would provide implementing legislation for federal welfare reform insofar as the provision of transitional medicaid services are required for those who lose eligibility for AFDC due to employment; SB 130, would allow the state to establish a demonstration program for the AFDC unemployed parent program to allow AFDC unemployed parent recipients to work more than 100 hours a month; SB 99, would impose stricter sanctions for general relief recipients who refuse to work or refuse to comply with other requirements; HB 72, would mandate quality assurance reviews of the general assistance program; SB 70, would provide implementing legislation for the work provisions of the federal welfare reform act; SB 128, would revise and continue the general assistance project work program; SB 134, would provide greater financial incentives for general assistance recipients to obtain employment; SB 93, would require the use of vouchers for the payment of general assistance to recipients during the initial 30 days of

eligibility; and SB 129, would implement and modify the current mandate of federal welfare reform for new child support enforcement.

Questions From Subcommittee Members: (1A) Sen. Keating: Those funds will be available if you have a match?

Sen. Keating was questioning the federal funding available and what the state match would be for the program. Sue Mohr said Montana's share will be about 400,000 for FY90. However, there is no exact established figure.

Sen. Keating: Does that mean in four years they will all be off?

Sen. Keating was questioning the given figure of 25% per year that would be removed from AFDC as a result of the program. Sue Mohr responded no, that 25% of 7% takes longer than four years to reach everybody.

Rep. Cobb: Is the extended medical coverage included in the cost of that extra medicaid?

Sue Mohr responded that the medical coverage extension costs are not included in the JOBS portion. Therefore, the $3000 per participant for the JOBS portion did not include extended medicaid coverage.

Sen. Keating: We are serving 740 eligibles and that's only 7% of the eligible population?

Sue Mohr indicated that was correct.

Rep. Bradley: Your 7% is confusing, does that mean 740 and 1200?

Sue Mohr said the numbers indicate the number to be served based on an implementation date of October 1, 1989.

Sen. Keating: Is there a similarity between project work and JTPA?

Sue Mohr responded that the similarity is strictly in the job search and counseling portion, which is what project work does for the money involved. However, there is not enough money to do much more than that but the people in project work qualify for JTPA as well.

Rep. Cobb: On this job training partnership act, one

of the priority groups is AFDC people. Of the 7100 served, how many are AFDC right now?

Sue Mohr responded that 1179 were AFDC.

Sen. Keating: When you say disregard, are you disregarding income as part of the quotient for eligibility?

Lee Tickell said that was correct. The current method of computing a grant takes into consideration deducting the amount of child care from the income the family receives.

Rep. Grinde: We haven't seen the fed regulations yet and we don't have to have this on line until 91, right?

Lee Tickell clarified that Rep. Grinde was asking about the child care portion of the Act. That doesn't have to be on line until 91.

Rep. Cody: What if we address all the things that they know so far as far as the regulations are concerned and then the federal government comes out with some big thing that will have a big impact on what we've done. What happens then?

Rep. Bradley responded that it would really depend on the situation. There would be the possibility of a supplemental or if there's an emergency, call a special session or many things in between. From every end, we won't know the financial implications until there is some experience on which to base it.

Rep. Cobb: We spend $3070 on JOBS and JTPA is spending less than that and they have a higher placement rate and they are supposed to be serving AFDC as a priority group, so why is it more expensive to serve under JOBS than it is under JTPA and JTPA has a higher success rate unless we're not serving the same people?

Sue Mohr explained that the 25% figure was reduction in AFDC which does not translate into a placement rate.

ADJOURNMENT

Adjournment At: 9:41 p.m.

Dorothy Bradley

REP. DOROTHY BRADLEY, Chairman

DB/ml

1923p.min

DAILY ROLL CALL

HEALTH & HUMAN SERVICES SUBCOMMITTEE

DATE 1-23-89

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bradley, Chairman	✓		
Sen. Keating, Vice Chairman	✓		
Sen. Van Valkenberg	✓		
Sen. Hofman	✓		
Rep. Cobb	✓		
Rep. Cody	✓		
Rep. Grinde	✓		

Form CS-30A
Rev. 1985

EXHIBIT 1
DATE 1-23-89
HB

TABLE 12.3: CONSUMER PRICE INDEXES

	III 88	IV 88	I 89	II 89	III 89	IV 89	I 90	II 90	III 90	IV 90	1988	1989	1990	1991
LEVELS, 1982-84 = 100.0, SA														
All Items, Urban Wage Earners	117.7	119.0	120.5	122.2	123.6	125.4	126.9	128.4	130.0	131.6	117.0	122.9	129.3	136.2
All Items, Urban Consumers	119.0	120.3	121.9	123.5	125.0	126.8	128.4	129.9	131.6	133.2	118.3	124.3	130.8	137.8
By Expenditure Category:														
Food and Beverages	119.5	120.6	122.4	124.0	125.3	126.2	127.4	128.6	130.0	131.2	118.2	124.5	129.3	134.8
Housing	118.9	120.2	121.6	123.2	124.9	126.8	128.7	130.6	132.5	134.4	118.4	124.1	131.6	139.4
Rent	128.4	129.4	130.7	132.0	133.3	134.7	136.1	137.6	139.1	140.6	127.8	132.7	138.3	144.5
Apparel and Upkeep	114.9	117.9	119.2	120.5	121.8	123.2	124.6	126.1	127.5	129.0	115.5	121.2	126.8	132.8
Transportation	109.5	110.4	112.0	113.6	114.2	116.6	117.6	118.3	119.4	120.4	108.8	114.1	118.9	124.4
Medical Care	140.0	142.0	144.3	146.6	149.0	151.3	153.8	156.2	158.8	161.3	138.7	147.8	157.5	168.0
Entertainment	120.8	122.2	123.4	124.6	125.9	127.1	128.4	129.7	131.0	132.4	120.3	125.3	130.4	135.9
Other Goods and Services	139.0	140.2	142.6	145.0	147.6	150.2	152.7	155.1	157.6	160.1	137.5	146.4	156.4	167.2
Special Indexes:														
Commodities	112.3	113.6	115.2	116.8	117.6	119.5	120.5	121.4	122.4	123.4	111.6	117.3	121.9	126.7
Services	126.4	127.9	129.5	131.2	133.2	135.0	137.2	139.4	141.7	143.9	125.8	132.2	140.5	149.8
Energy	89.4	89.6	92.1	94.5	94.6	99.2	100.0	100.2	101.1	102.0	88.9	95.1	100.9	107.3
All Items less Energy	123.1	124.6	126.0	127.7	129.2	130.7	132.5	134.2	135.9	137.7	122.4	128.4	135.1	142.2
Food	119.7	120.8	122.6	124.4	125.6	126.5	127.7	129.0	130.4	131.7	118.3	124.8	129.7	135.3
All Items less Food	118.8	120.2	121.7	123.4	124.8	126.8	128.5	130.1	131.8	133.5	118.3	124.2	131.0	138.3
All Items less Food & Energy	124.1	125.6	127.0	128.6	130.2	131.9	133.7	135.5	137.4	139.2	123.5	129.4	136.4	144.0
All Items less Medical Care	117.7	119.0	120.5	122.1	123.5	125.3	126.9	128.4	130.0	131.5	117.0	122.9	129.2	136.0
PERCENT CHANGE, ANNUAL RATE														
All Items, Urban Wage Earners	4.9	4.5	5.4	5.6	4.6	5.9	5.1	4.8	5.1	5.0	4.0	5.1	5.2	5.3
All Items, Urban Consumers	4.7	4.5	5.3	5.6	4.7	5.9	5.2	4.9	5.2	5.0	4.1	5.1	5.2	5.4
By Expenditure Category:														
Food and Beverages	8.6	3.7	6.0	5.6	4.0	3.0	3.7	4.1	4.1	4.0	4.1	5.3	3.9	4.3
Housing	3.7	4.4	4.8	5.5	5.6	6.1	6.4	6.0	6.0	5.7	3.8	4.8	6.0	6.0
Rent	4.3	3.1	3.9	4.1	4.1	4.2	4.3	4.3	4.5	4.4	3.8	3.8	4.3	4.5
Apparel and Upkeep	-4.9	10.9	4.3	4.5	4.6	4.6	4.7	4.6	4.8	4.6	4.4	4.9	4.6	4.7
Transportation	5.5	3.3	5.8	5.8	2.1	8.8	3.4	2.4	3.7	3.5	3.1	4.9	4.2	4.6
Medical Care	7.1	6.1	6.6	6.5	6.5	6.5	6.6	6.6	6.6	6.6	6.5	6.5	6.6	6.7
Entertainment	3.5	4.7	4.0	4.0	4.0	4.0	4.1	4.1	4.2	4.2	4.4	4.1	4.1	4.2
Other Goods and Services	7.8	3.5	7.0	7.0	7.2	7.3	6.8	6.5	6.5	6.7	6.6	6.4	6.8	6.9
Special Indexes:														
Commodities	5.0	4.5	5.8	5.7	2.8	6.7	3.4	3.0	3.3	3.4	3.6	5.1	4.0	3.9
Services	4.6	4.7	5.0	5.9	6.3	5.3	6.7	6.6	6.7	6.4	4.6	5.1	6.3	6.6
Energy	3.0	0.9	12.0	10.6	0.3	21.2	3.2	0.8	3.7	3.6	0.8	7.0	6.0	6.4
All Items Less Energy	4.9	4.7	4.8	5.2	5.1	4.7	5.4	5.3	5.3	5.1	4.4	4.9	5.2	5.3
Food	9.2	3.7	6.3	5.9	4.0	3.0	3.8	4.2	4.2	4.1	4.1	5.5	3.9	4.3
All Items less Food	3.9	4.7	5.2	5.5	4.8	6.5	5.5	5.1	5.4	5.2	4.1	5.0	5.5	5.6
All Items less Food & Energy	4.0	5.0	4.5	5.1	5.3	5.1	5.7	5.5	5.5	5.4	4.4	4.8	5.4	5.5
All Items less Medical Care	4.7	4.4	5.3	5.5	4.6	5.9	5.1	4.8	5.1	4.9	3.9	5.0	5.2	5.3
PERCENT CHANGE, YEAR AGO														
All Items, Urban Wage Earners	4.0	4.2	4.8	5.1	5.0	5.4	5.3	5.1	5.2	5.0				
All Items, Urban Consumers	4.1	4.3	4.8	5.0	5.0	5.4	5.4	5.2	5.3	5.1				
Commodities	3.6	4.0	5.1	5.2	4.7	5.2	4.6	4.0	4.1	3.3				
Services	4.6	4.7	4.7	4.9	5.4	5.5	6.0	6.2	6.3	6.6				
Energy	-0.2	0.3	4.8	6.5	5.8	10.8	8.5	6.1	6.9	2.8				
All Items less Energy	4.5	4.7	4.8	4.9	5.0	5.0	5.1	5.1	5.2	5.3				
Food	4.9	5.1	6.1	6.2	5.0	4.8	4.2	3.7	3.8	4.1				
All Items less Food	4.0	4.2	4.6	4.8	5.1	5.5	5.6	5.5	5.6	5.3				
All Items less Food & Energy	4.4	4.6	4.6	4.6	5.0	5.0	5.3	5.4	5.5	5.5				
All Items less Medical Care	4.0	4.2	4.8	5.0	5.0	5.3	5.3	5.1	5.2	5.0				

19-Jan-89

	Fiscal 1988		Fiscal 1989		Fiscal 1990		Fiscal 1991	
TOTAL MEDICAID Service	Caseload: 9,916 PROJECTED	%Increase	9,916 COST	%Increase	10,247 COST	%Increase	10,575 COST	
Inpatient Hospital	$33,154,068	10.227%	$36,544,900	5.570%	$38,580,451	5.570%	$40,729,382	
Number of Services	NA	NA	NA	NA	NA	NA	NA	
Cost per Service	NA	NA	NA	NA	NA	NA	NA	
Outpatient Hospital	$5,666,726	10.23%	$6,246,290	5.57%	$6,594,209	5.57%	$6,961,506	
Number of Services	384,030	3.50%	397,471	3.50%	411,383	3.50%	425,781	
Cost per Service	$14.76	6.50%	$15.72	2.00%	$16.03	2.00%	$16.35	
Physician	$12,481,958	10.23%	$13,758,550	5.57%	$14,524,902	5.57%	$15,333,939	
Number of Services	558,787	3.50%	578,345	3.50%	598,587	3.50%	619,537	
Cost per Service	$22.34	6.50%	$23.79	2.00%	$24.27	2.00%	$24.75	
Other Pratitioners	$2,382,214	10.23%	$2,625,855	5.57%	$2,772,115	5.57%	$2,926,522	
Number of Services	197,359	3.50%	204,267	3.50%	211,416	3.50%	218,815	
Cost per Service	$12.07	6.50%	$12.86	2.00%	$13.11	2.00%	$13.37	
Drugs	$9,269,178	10.23%	$10,217,183	5.57%	$10,786,280	5.57%	$11,387,076	
Number of Services	747,253	3.50%	773,407	3.50%	800,476	3.50%	828,493	
Cost per Service	$12.40	6.50%	$13.21	2.00%	$13.47	2.00%	$13.74	
Dental	$2,989,560	10.23%	$3,295,317	5.57%	$3,478,866	5.57%	$3,672,639	
Number of Services	122,553	3.50%	126,842	3.50%	131,282	3.50%	135,877	
Cost per Service	$24.39	6.50%	$25.98	2.00%	$26.50	2.00%	$27.03	
Other	$9,245,163	10.23%	$10,190,712	5.57%	$10,758,335	5.57%	$11,357,574	
Number of Services	2,597,195	3.50%	2,688,097	3.50%	2,782,180	3.50%	2,879,557	
Cost per Service	$3.56	6.50%	$3.79	2.00%	$3.87	2.00%	$3.94	
TOTAL MEDICAID	$75,188,867	10.227%	$82,878,808	0.06	$87,495,158	0.06	$92,368,638	
ADJUSTMENTS:								
ADD: RIVENDELL - BILLINGS 48 BEDS FY 89-91 @ $300.00/			$2,628,000		$2,628,000		$2,628,000	
RIVENDELL - BUTTE 48 BEDS FY 89-91 @ $300.00/DAY			$1,839,600		$1,839,600		$1,839,600	
SHODAIR - HELENA 20 BEDS FY 89-91 @ $420.00/DAY			$2,299,500		$2,299,500		$2,299,500	
STATE MEDICAL TO MEDICAID TRANSFERS			$450,000		$450,000		$450,000	
LESS: REFUNDS			($700,000)		($700,000)		($700,000)	
FY 88 ADJUSTMENTS	$3,278,686							
ADJUSTED TOTAL MEDICIAD	$78,467,553		$89,395,908		$94,012,258		$98,885,738	

19-Jan-89

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
SSI RELATED	Caseload: 9,916	Caseload: 9,916		Caseload: 10,247		Caseload: 10,575	
Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$14,133,988	10.227%	$15,579,542	5.570%	$16,447,322	5.570%	$17,363,438
Number of Services	1,321,190	NA	NA	NA	NA	NA	NA
Cost per Service	$10.70	NA	NA	NA	NA	NA	NA
Outpatient Hospital	$2,234,256	10.227%	$2,462,765	5.570%	$2,599,941	5.570%	$2,744,757
Number of Services	186,176	1.04	192,692	1.04	199,436	1.04	206,417
Cost per Service	$12.00	1.07	$12.78	1.02	$13.04	1.02	$13.30
Physician	$3,488,273	10.227%	$3,845,036	5.570%	$4,059,205	5.570%	$4,285,302
Number of Services	221,701	1.04	229,461	1.04	237,492	1.04	245,804
Cost per Service	$15.73	1.07	$16.76	1.02	$17.09	1.02	$17.43
Other Pratitioners	$806,026	10.227%	$888,462	5.570%	$937,950	5.570%	$990,193
Number of Services	63,271	1.04	65,485	1.04	67,777	1.04	70,150
Cost per Service	$12.74	1.07	$13.57	1.02	$13.84	1.02	$14.12
Drugs	$7,185,378	10.227%	$7,920,263	5.570%	$8,361,421	5.570%	$8,827,152
Number of Services	538,330	1.04	557,172	1.04	576,673	1.04	596,856
Cost per Service	$13.35	1.07	$14.22	1.02	$14.50	1.02	$14.79
Dental	$707,579	10.227%	$779,947	5.570%	$823,390	5.570%	$869,252
Number of Services	22,392	1.04	23,176	1.04	23,987	1.04	24,826
Cost per Service	$31.60	1.07	$33.65	1.02	$34.33	1.02	$35.01
Other	$7,489,629	10.227%	$8,255,631	5.570%	$8,715,469	5.570%	$9,200,921
Number of Services	2,269,236	1.04	2,348,659	1.04	2,430,862	1.04	2,515,943
Cost per Service	$3.30	1.07	$3.52	1.02	$3.59	1.02	$3.66
TOTAL SSI	$36,045,129	10.227%	$39,731,645	0.06	$41,944,697	0.06	$44,281,017

19-Jan-89

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
AFDC RELATED	Caseload: 9,916	Caseload: 9,916		Caseload: 10,247		Caseload: 10,575	
Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$19,020,080	10.227%	$20,965,359	5.570%	$22,133,129	5.570%	$23,365,944
Number of Services	NA	NA	NA	NA	NA	NA	NA
Cost per Service	NA	NA	NA	NA	NA	NA	NA
Outpatient Hospital	$3,432,470	10.227%	$3,783,526	5.570%	$3,994,268	5.570%	$4,216,749
Number of Services	197,854	1.035	204,779	1.035	211,946	1.035	219,364
Cost per Service	$17.35	1.07	$18.48	1.02	$18.85	1.02	$19.22
Physician	$8,993,685	10.227%	$9,913,514	5.570%	$10,465,697	5.570%	$11,048,636
Number of Services	337,086	1.04	348,884	1.04	361,095	1.04	373,733
Cost per Service	$26.68	1.07	$28.41	1.02	$28.98	1.02	$29.56
Other Pratitioners	$1,576,188	10.227%	$1,737,393	5.570%	$1,834,165	5.570%	$1,936,328
Number of Services	134,088	1.04	138,781	1.04	143,638	1.04	148,666
Cost per Service	$11.75	1.065	$12.52	1.02	$12.77	1.02	$13.02
Drugs	$2,083,800	10.227%	$2,296,921	5.570%	$2,424,859	5.570%	$2,559,924
Number of Services	208,923	1.04	216,235	1.04	223,804	1.04	231,637
Cost per Service	$9.97	1.07	$10.62	1.02	$10.83	1.02	$11.05
Dental	$2,281,981	10.227%	$2,515,371	5.570%	$2,655,477	5.570%	$2,803,387
Number of Services	100,161	1.04	103,667	1.04	107,295	1.04	111,050
Cost per Service	$22.78	1.07	$24.26	1.02	$24.75	1.02	$25.24
Other	$1,755,534	10.228%	$1,935,081	5.570%	$2,042,865	5.570%	$2,156,653
Number of Services	327,959	1.04	339,438	1.04	351,318	1.04	363,614
Cost per Service	$5.35	1.07	$5.70	1.02	$5.81	1.02	$5.93
TOTAL AFDC	$39,143,738	10.227%	$43,147,164	0.06	$45,550,461	0.06	$48,087,621

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

MEDICAL ASSISTANCE

GRANTS

MEDICAID PRIMARY CARE	1990	1991
Executive	$97,724,031	$100,919,108
LFA Current Level	$94,012,258	$98,885,738
Difference	$3,711,773	$2,033,370

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A. The Committee will need to consider what, if any, inflation factors to apply to non fee based services.

B. The Committee will need to consider increases for fee based providers such as physicians, the various therapist, dentists.

C. The Committee will need to consider the optional versus mandatory service.

D. The Committee will need to consider what, if any, limitations to place on the amount, scope, and duration of services currently provided.

E. The Committe will need to consider requests for expansion of services.

1. Committee Issues

1) [illegible] - Med. Necessity

Med. Necessity - 0 3% [illegible]

[illegible]

2. Committee Action

22 Jan-89

2 programs served by Medicaid
AFDC
SSI

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
AFDC RELATED							
Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$18,875,139	10.227%	$20,805,594	3.500%	$21,533,790	3.500%	$22,287,472
Number of Services	NA	1.035	NA	1.035	NA	1.035	NA
Cost per Service	NA	1.065	NA	1.000	NA	1.000	NA
Outpatient Hospital	$3,437,415	10.228%	$3,788,977	3.500%	$3,921,591	3.500%	$4,058,846
Number of Services	198,323	1.035	205,264	1.035	212,449	1.035	219,884
Cost per Service	$17.33	1.065	$18.46	1.000	$18.46	1.000	$18.46
Physician	$8,970,003	5.052%	$9,423,212	3.500%	$9,753,025	3.500%	$10,094,381
Number of Services	335,094	1.035	346,822	1.035	358,961	1.035	371,525
Cost per Service	$26.77	1.015	$27.17	1.000	$27.17	1.000	$27.17
Other Pratitioners	$1,577,294	3.500%	$1,632,499	3.500%	$1,689,637	3.500%	$1,748,774
Number of Services	134,269	1.035	138,968	1.035	143,832	1.035	148,866
Cost per Service	$11.75	1.000	$11.75	1.000	$11.75	1.000	$11.75
Drugs	$2,082,205	3.500%	$2,155,082	3.500%	$2,230,510	3.500%	$2,308,578
Number of Services	209,353	1.035	216,680	1.035	224,264	1.035	232,113
Cost per Service	$9.95	1.000	$9.95	1.000	$9.95	1.000	$9.95
Dental	$2,284,300	3.501%	$2,364,279	3.500%	$2,447,029	3.500%	$2,532,675
Number of Services	100,102	1.035	103,606	1.035	107,232	1.035	110,985
Cost per Service	$22.82	1.000	$22.82	1.000	$22.82	1.000	$22.82
Other	$1,740,395	3.500%	$1,801,309	3.500%	$1,864,355	3.500%	$1,929,607
Number of Services	333,455	1.035	345,126	1.035	357,205	1.035	369,708
Cost per Service	$5.22	1.000	$5.22	1.000	$5.22	1.000	$5.22
TOTAL AFDC	$38,966,751	7.710%	$41,970,952	0.03	$43,439,936	0.03	$44,960,333
TOTAL MEDICAID							

EXHIBIT 2
DATE 1-23-89
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OPTION 1

SSI RELATED Type of Service	Fiscal 1988 PROJECTED	Fiscal 1989 %Increase	 PROJECTED COST	Fiscal 1990 %Increase	 PROJECTED COST	Fiscal 1991 %Increase	 PROJECTED COST
Inpatient Hospital	$13,885,741	10.227%	$15,305,905	3.500%	$15,841,612	3.500%	$16,396,068
Number of Services	1,323,288	1.035	NA	1.035	NA	1.035	NA
Cost per Service	$10.49	1.065	NA	1.000	NA	1.000	NA
Outpatient Hospital	$2,225,794	10.227%	$2,453,437	3.500%	$2,539,307	3.500%	$2,628,183
Number of Services	190,417	1.035	197,082	1.035	203,979	1.035	211,119
Cost per Service	$11.69	1.065	$12.45	1.000	$12.45	1.000	$12.45
Physician	$3,466,426	5.052%	$3,641,567	3.500%	$3,769,022	3.500%	$3,900,938
Number of Services	220,812	1.035	228,540	1.035	236,539	1.035	244,818
Cost per Service	$15.70	1.015	$15.93	1.000	$15.93	1.000	$15.93
Other Pratitioners	$809,479	3.500%	$837,811	3.500%	$867,134	3.500%	$897,484
Number of Services	63,202	1.035	65,414	1.035	67,704	1.035	70,073
Cost per Service	$12.81	1.000	$12.81	1.000	$12.81	1.000	$12.81
Drugs	$7,193,191	3.500%	$7,444,953	3.500%	$7,705,526	3.500%	$7,975,219
Number of Services	539,188	1.035	558,060	1.035	577,592	1.035	597,807
Cost per Service	$13.34	1.000	$13.34	1.000	$13.34	1.000	$13.34
Dental	$712,149	3.500%	$737,074	3.500%	$762,872	3.500%	$789,572
Number of Services	22,432	1.035	23,217	1.035	24,030	1.035	24,871
Cost per Service	$31.75	1.000	$31.75	1.000	$31.75	1.000	$31.75
Other	$7,492,911	3.500%	$7,755,163	3.500%	$8,026,594	3.500%	$8,307,524
Number of Services	2,271,746	1.035	2,351,257	1.035	2,433,551	1.035	2,518,725
Cost per Service	$3.30	1.000	$3.30	1.000	$3.30	1.000	$3.30
TOTAL SSI	$35,785,691	6.679%	$38,175,910	0.03	$39,512,067	0.03	$40,894,989

22-Jan-89

TOTAL MEDICAID Service	Fiscal 1988 PROJECTED	Fiscal 1989 %Increase	Fiscal 1989 COST	Fiscal 1990 %Increase	Fiscal 1990 COST	Fiscal 1991 %Increase	Fiscal 1991 COST
Inpatient Hospital	$32,760,880	10.227%	$36,111,499	3.500%	$37,375,401	3.500%	$38,683,541
Number of Services	NA	NA	NA	NA	NA	NA	NA
Cost per Service	NA	NA	NA	NA	NA	NA	NA
Outpatient Hospital	$5,663,209	10.227%	$6,242,414	3.500%	$6,460,898	3.500%	$6,687,030
Number of Services	388,740	0.035	402,346	0.035	416,428	0.035	431,003
Cost per Service	$14.57	0.065	$15.52	0.000	$15.52	0.000	$15.52
Physician	$12,436,429	5.052%	$13,064,780	3.500%	$13,522,047	3.500%	$13,995,319
Number of Services	555,906	0.035	575,363	0.035	595,500	0.035	616,343
Cost per Service	$22.37	0.015	$22.71	0.000	$22.71	0.000	$22.71
Other Pratitioners	$2,386,773	3.500%	$2,470,310	3.500%	$2,556,771	3.500%	$2,646,258
Number of Services	197,471	0.035	204,382	0.035	211,536	0.035	218,940
Cost per Service	$12.09	0.000	$12.09	0.000	$12.09	0.000	$12.09
Drugs	$9,275,396	3.500%	$9,600,035	3.500%	$9,936,036	3.500%	$10,283,797
Number of Services	748,541	0.035	774,740	0.035	801,856	0.035	829,921
Cost per Service	$12.39	0.000	$12.39	0.000	$12.39	0.000	$12.39
Dental	$2,996,449	3.501%	$3,101,353	3.500%	$3,209,901	3.500%	$3,322,247
Number of Services	122,534	0.035	126,823	0.035	131,261	0.035	135,856
Cost per Service	$24.45	0.000	$24.45	0.000	$24.45	0.000	$24.45
Other	$9,233,306	3.500%	$9,556,472	3.500%	$9,890,948	3.500%	$10,237,131
Number of Services	2,605,201	0.035	2,696,383	0.035	2,790,756	0.035	2,888,433
Cost per Service	$3.54	0.000	$3.54	0.000	$3.54	0.000	$3.54
TOTAL MEDICAID	$74,752,442	7.216%	$80,146,862	3.500%	$82,952,002	3.500%	$85,855,322
ADJUSTMENTS:							
ADD: RIVENDELL - BILLINGS 48 BEDS FY 89-91 @ $300.00/			$2,628,000		$2,628,000		$2,628,000
RIVENDELL - BUTTE 48 BEDS FY 89-91 @ $300.00/DAY			$1,839,600		$1,839,600		$1,839,600
SHODAIR - HELENA 20 BEDS FY 89-91 @ $420.00/DAY			$2,299,500		$2,299,500		$2,299,500
STATE MEDICAL TO MEDICAID TRANSFERS			$450,000		$450,000		$450,000
LESS: REFUNDS			($700,000)		($700,000)		($700,000)
FY 88 ADJUSTMENTS	$3,278,686						
ADJUSTED TOTAL MEDICIAD	$78,031,128		$86,663,962		$89,469,102		$92,372,422

22-Jan-89

OPTION 2

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
AFDC RELATED Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$18,875,139	10.227%	$20,805,594	10.227%	$22,933,486	10.331%	$25,302,744
Number of Services	NA	1.035	NA	1.035	NA	1.035	NA
Cost per Service	NA	1.065	NA	1.065	NA	1.066	NA
Outpatient Hospital	$3,437,415	10.228%	$3,788,977	10.227%	$4,176,494	10.331%	$4,607,968
Number of Services	198,323	1.035	205,264	1.035	212,449	1.035	219,884
Cost per Service	$17.33	1.065	$18.46	1.065	$19.66	1.066	$20.96
Physician	$8,970,003	5.052%	$9,423,212	3.500%	$9,753,025	3.500%	$10,094,381
Number of Services	335,094	1.035	346,822	1.035	358,961	1.035	371,525
Cost per Service	$26.77	1.015	$27.17	1.000	$27.17	1.000	$27.17
Other Pratitioners	$1,577,294	3.500%	$1,632,499	3.500%	$1,689,637	3.500%	$1,748,774
Number of Services	134,269	1.035	138,968	1.035	143,832	1.035	148,866
Cost per Service	$11.75	1.000	$11.75	1.000	$11.75	1.000	$11.75
Drugs	$2,082,205	3.500%	$2,155,082	3.500%	$2,230,510	3.500%	$2,308,578
Number of Services	209,353	1.035	216,680	1.035	224,264	1.035	232,113
Cost per Service	$9.95	1.000	$9.95	1.000	$9.95	1.000	$9.95
Dental	$2,284,300	3.501%	$2,364,279	3.500%	$2,447,029	3.500%	$2,532,675
Number of Services	100,102	1.035	103,606	1.035	107,232	1.035	110,985
Cost per Service	$22.82	1.000	$22.82	1.000	$22.82	1.000	$22.82
Other	$1,740,395	3.500%	$1,801,309	3.500%	$1,864,355	3.500%	$1,929,607
Number of Services	333,455	1.035	345,126	1.035	357,205	1.035	369,708
Cost per Service	$5.22	1.000	$5.22	1.000	$5.22	1.000	$5.22
TOTAL AFDC	$38,966,751	7.710%	$41,970,952	7.442%	$45,094,535	7.607%	$48,524,727

SSI RELATED Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$13,885,741	10.227%	$15,305,905	10.227%	$16,871,317	10.331%	$18,614,292
Number of Services	1,323,288	1.035	NA	1.035	NA	1.035	NA
Cost per Service	$10.49	1.065	NA	1.065	NA	1.066	NA
Outpatient Hospital	$2,225,794	10.227%	$2,453,437	10.227%	$2,704,362	10.331%	$2,983,750
Number of Services	190,417	1.035	197,082	1.035	203,979	1.035	211,119
Cost per Service	$11.69	1.065	$12.45	1.065	$13.26	1.066	$14.13
Physician	$3,466,426	5.052%	$3,641,567	3.500%	$3,769,022	3.500%	$3,900,938
Number of Services	220,812	1.035	228,540	1.035	236,539	1.035	244,818
Cost per Service	$15.70	1.015	$15.93	1.000	$15.93	1.000	$15.93
Other Pratitioners	$809,479	3.500%	$837,811	3.500%	$867,134	3.500%	$897,484
Number of Services	63,202	1.035	65,414	1.035	67,704	1.035	70,073
Cost per Service	$12.81	1.000	$12.81	1.000	$12.81	1.000	$12.81
Drugs	$7,193,191	3.500%	$7,444,953	3.500%	$7,705,526	3.500%	$7,975,219
Number of Services	539,188	1.035	558,060	1.035	577,592	1.035	597,807
Cost per Service	$13.34	1.000	$13.34	1.000	$13.34	1.000	$13.34
Dental	$712,149	3.500%	$737,074	3.500%	$762,872	3.500%	$789,572
Number of Services	22,432	1.035	23,217	1.035	24,030	1.035	24,871
Cost per Service	$31.75	1.000	$31.75	1.000	$31.75	1.000	$31.75
Other	$7,492,911	3.500%	$7,755,163	3.500%	$8,026,594	3.500%	$8,307,524
Number of Services	2,271,746	1.035	2,351,257	1.035	2,433,551	1.035	2,518,725
Cost per Service	$3.30	1.000	$3.30	1.000	$3.30	1.000	$3.30
TOTAL SSI	$35,785,691	6.679%	$38,175,910	6.630%	$40,706,827	6.785%	$43,468,780

22-Jan-89

OPTION 2

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
TOTAL MEDICAID Service	PROJECTED	%Increase	COST	%Increase	COST	%Increase	COST
Inpatient Hospital	$32,760,880	10.227%	$36,111,499	10.228%	$39,804,803	10.331%	$43,917,037
Number of Services	NA	NA	NA	NA	NA	NA	NA
Cost per Service	NA	NA	NA	NA	NA	NA	NA
Outpatient Hospital	$5,663,209	10.227%	$6,242,414	10.227%	$6,880,857	10.331%	$7,591,718
Number of Services	388,740	0.035	402,346	0.035	416,428	0.035	431,003
Cost per Service	$14.57	0.065	$15.52	0.065	$16.52	0.066	$17.61
Physician	$12,436,429	5.052%	$13,064,780	3.500%	$13,522,047	3.500%	$13,995,319
Number of Services	555,906	0.035	575,363	0.035	595,500	0.035	616,343
Cost per Service	$22.37	0.015	$22.71	0.000	$22.71	0.000	$22.71
Other Pratitioners	$2,386,773	3.500%	$2,470,310	3.500%	$2,556,771	3.500%	$2,646,258
Number of Services	197,471	0.035	204,382	0.035	211,536	0.035	218,940
Cost per Service	$12.09	0.000	$12.09	0.000	$12.09	0.000	$12.09
Drugs	$9,275,396	3.500%	$9,600,035	3.500%	$9,936,036	3.500%	$10,283,797
Number of Services	748,541	0.035	774,740	0.035	801,856	0.035	829,921
Cost per Service	$12.39	0.000	$12.39	0.000	$12.39	0.000	$12.39
Dental	$2,996,449	3.501%	$3,101,353	3.500%	$3,209,901	3.500%	$3,322,247
Number of Services	122,534	0.035	126,823	0.035	131,261	0.035	135,856
Cost per Service	$24.45	0.000	$24.45	0.000	$24.45	0.000	$24.45
Other	$9,233,306	3.500%	$9,556,472	3.500%	$9,890,948	3.500%	$10,237,131
Number of Services	2,605,201	0.035	2,696,383	0.035	2,790,756	0.035	2,888,433
Cost per Service	$3.54	0.000	$3.54	0.000	$3.54	0.000	$3.54
TOTAL MEDICAID	$74,752,442	7.216%	$80,146,862	7.055%	$85,801,362	7.217%	$91,993,507
ADJUSTMENTS:							
ADD: RIVENDELL - BILLINGS 48 BEDS FY 89-91 @ $300.00/			$2,628,000		$2,628,000		$2,628,000
RIVENDELL - BUTTE 48 BEDS FY 89-91 @ $300.00/DAY			$1,839,600		$1,839,600		$1,839,600
SHODAIR - HELENA 20 BEDS FY 89-91 @ $420.00/DAY			$2,299,500		$2,299,500		$2,299,500
STATE MEDICAL TO MEDICAID TRANSFERS			$450,000		$450,000		$450,000
LESS: REFUNDS			($700,000)		($700,000)		($700,000)
FY 88 ADJUSTMENTS	$3,278,686						
ADJUSTED TOTAL MEDICIAD	$78,031,128		$86,663,962		$92,318,462		$98,510,607

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
AFDC RELATED Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$18,875,139	10.227%	$20,805,594	10.227%	$22,933,486	10.331%	$25,302,744
Number of Services	NA	1.035	NA	1.035	NA	1.035	NA
Cost per Service	NA	1.065	NA	1.065	NA	1.066	NA
Outpatient Hospital	$3,437,415	10.228%	$3,788,977	10.227%	$4,176,494	10.331%	$4,607,968
Number of Services	198,323	1.035	205,264	1.035	212,449	1.035	219,884
Cost per Service	$17.33	1.065	$18.46	1.065	$19.66	1.066	$20.96
Physician	$8,970,003	5.052%	$9,423,212	5.570%	$9,948,085	5.570%	$10,502,194
Number of Services	335,094	1.035	346,822	1.035	358,961	1.035	371,525
Cost per Service	$26.77	1.015	$27.17	1.020	$27.71	1.020	$28.27
Other Pratitioners	$1,577,294	3.500%	$1,632,499	5.570%	$1,723,430	5.570%	$1,819,425
Number of Services	134,269	1.035	138,968	1.035	143,832	1.035	148,866
Cost per Service	$11.75	1.000	$11.75	1.020	$11.98	1.020	$12.22
Drugs	$2,082,205	3.500%	$2,155,082	5.570%	$2,275,120	5.570%	$2,401,844
Number of Services	209,353	1.035	216,680	1.035	224,264	1.035	232,113
Cost per Service	$9.95	1.000	$9.95	1.020	$10.14	1.020	$10.35
Dental—	$2,284,300	3.501%	$2,364,279	5.570%	$2,495,969	5.570%	$2,634,995
Number of Services	100,102	1.035	103,606	1.035	107,232	1.035	110,985
Cost per Service	$22.82	1.000	$22.82	1.020	$23.28	1.020	$23.74
Other	$1,740,395	3.500%	$1,801,309	5.570%	$1,901,642	5.570%	$2,007,563
Number of Services	333,455	1.035	345,126	1.035	357,205	1.035	369,708
Cost per Service	$5.22	1.000	$5.22	1.020	$5.32	1.020	$5.43
TOTAL AFDC	$38,966,751	7.710%	$41,970,952	8.299%	$45,454,226	8.410%	$49,276,733

OPTION 3

SSI RELATED Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$13,885,741	10.227%	$15,305,905	10.227%	$16,871,317	10.227%	$18,596,831
Number of Services	1,323,288	1.035	NA	1.035	NA	1.035	NA
Cost per Service	$10.49	1.065	NA	1.065	NA	1.065	NA
Outpatient Hospital	$2,225,794	10.227%	$2,453,437	10.227%	$2,704,362	10.331%	$2,983,750
Number of Services	190,417	1.035	197,082	1.035	203,979	1.035	211,119
Cost per Service	$11.69	1.065	$12.45	1.065	$13.26	1.066	$14.13
Physician	$3,466,426	5.052%	$3,641,567	5.570%	$3,844,402	5.570%	$4,058,536
Number of Services	220,812	1.035	228,540	1.035	236,539	1.035	244,818
Cost per Service	$15.70	1.015	$15.93	1.020	$16.25	1.020	$16.58
Other Pratitioners	$809,479	3.500%	$837,811	5.570%	$884,477	5.570%	$933,742
Number of Services	63,202	1.035	65,414	1.035	67,704	1.035	70,073
Cost per Service	$12.81	1.000	$12.81	1.020	$13.06	1.020	$13.33
Drugs	$7,193,191	3.500%	$7,444,953	5.570%	$7,859,637	5.570%	$8,297,418
Number of Services	539,188	1.035	558,060	1.035	577,592	1.035	597,807
Cost per Service	$13.34	1.000	$13.34	1.020	$13.61	1.020	$13.88
Dental	$712,149	3.500%	$737,074	5.570%	$778,129	5.570%	$821,471
Number of Services	22,432	1.035	23,217	1.035	24,030	1.035	24,871
Cost per Service	$31.75	1.000	$31.75	1.020	$32.38	1.020	$33.03
Other	$7,492,911	3.500%	$7,755,163	5.570%	$8,187,125	5.570%	$8,643,148
Number of Services	2,271,746	1.035	2,351,257	1.035	2,433,551	1.035	2,518,725
Cost per Service	$3.30	1.000	$3.30	1.020	$3.36	1.020	$3.43
TOTAL SSI	$35,785,691	6.679%	$38,175,910	7.737%	$41,129,450	7.794%	$44,334,896

22-Jan-89

	Fiscal 1988		Fiscal 1989		Fiscal 1990		Fiscal 1991	
TOTAL MEDICAID Service	PROJECTED	%Increase	COST	%Increase	COST	%Increase	COST	
Inpatient Hospital	$32,760,880	10.227%	$36,111,499	10.228%	$39,804,803	10.287%	$43,899,575	
Number of Services	NA	NA	NA	NA	NA	NA	NA	
Cost per Service	NA	NA	NA	NA	NA	NA	NA	
Outpatient Hospital	$5,663,209	10.227%	$6,242,414	10.227%	$6,880,857	10.331%	$7,591,718	
Number of Services	388,740	0.022	397,471	0.048	416,428	0.035	431,003	
Cost per Service	$14.57	0.078	$15.71	0.052	$16.52	0.066	$17.61	
Physician	$12,436,429	5.052%	$13,064,780	5.570%	$13,792,488	5.570%	$14,560,729	
Number of Services	555,906	0.035	575,363	0.035	595,500	0.035	616,343	
Cost per Service	$22.37	0.015	$22.71	0.020	$23.16	0.020	$23.62	
Other Pratitioners	$2,386,773	3.500%	$2,470,310	5.570%	$2,607,906	5.570%	$2,753,167	
Number of Services	197,471	0.035	204,382	0.035	211,536	0.035	218,940	
Cost per Service	$12.09	0.000	$12.09	0.020	$12.33	0.020	$12.58	
Drugs	$9,275,396	3.500%	$9,600,035	5.570%	$10,134,757	5.570%	$10,699,263	
Number of Services	748,541	0.035	774,740	0.035	801,856	0.035	829,921	
Cost per Service	$12.39	0.000	$12.39	0.020	$12.64	0.020	$12.89	
Dental	$2,996,449	3.501%	$3,101,353	5.570%	$3,274,099	5.570%	$3,456,466	
Number of Services	122,534	0.035	126,823	0.035	131,261	0.035	135,856	
Cost per Service	$24.45	0.000	$24.45	0.020	$24.94	0.020	$25.44	
Other	$9,233,306	3.500%	$9,556,472	5.570%	$10,088,767	5.570%	$10,650,712	
Number of Services	2,605,201	0.035	2,696,383	0.035	2,790,756	0.035	2,888,433	
Cost per Service	$3.54	0.000	$3.54	0.020	$3.62	0.020	$3.69	
TOTAL MEDICAID	$74,752,442	7.216%	$80,146,862	8.031%	$86,583,676	8.117%	$93,611,629	
ADJUSTMENTS:								
ADD: RIVENDELL - BILLINGS 48 BEDS FY 89-91 @ $300.00/			$2,628,000		$2,628,000		$2,628,000	
RIVENDELL - BUTTE 48 BEDS FY 89-91 @ $300.00/DAY			$1,839,600		$1,839,600		$1,839,600	
SHODAIR - HELENA 20 BEDS FY 89-91 @ $420.00/DAY			$2,299,500		$2,299,500		$2,299,500	
STATE MEDICAL TO MEDICAID TRANSFERS			$450,000		$450,000		$450,000	
LESS: REFUNDS			($700,000)		($700,000)		($700,000)	
FY 88 ADJUSTMENTS	$3,278,686							
ADJUSTED TOTAL MEDICIAD	$78,031,128		$86,663,962		$93,100,776		$100,128,729	

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OPTION 4

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
AFDC RELATED							
Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$18,875,139	10.227%	$20,805,594	10.227%	$22,933,486	10.331%	$25,302,744
Number of Services	NA	1.035	NA	1.035	NA	1.035	NA
Cost per Service	NA	1.065	NA	1.065	NA	1.066	NA
Outpatient Hospital	$3,437,415	10.228%	$3,788,977	10.227%	$4,176,494	10.331%	$4,607,968
Number of Services	198,323	1.035	205,264	1.035	212,449	1.035	219,884
Cost per Service	$17.33	1.065	$18.46	1.065	$19.66	1.066	$20.96
Physician	$8,970,003	5.052%	$9,423,212	6.605%	$10,045,616	6.605%	$10,709,128
Number of Services	335,094	1.035	346,822	1.035	358,961	1.035	371,525
Cost per Service	$26.77	1.015	$27.17	1.030	$27.99	1.030	$28.82
Other Pratitioners	$1,577,294	3.500%	$1,632,499	6.605%	$1,740,326	6.605%	$1,855,274
Number of Services	134,269	1.035	138,968	1.035	143,832	1.035	148,866
Cost per Service	$11.75	1.000	$11.75	1.030	$12.10	1.030	$12.46
Drugs	$2,082,205	3.500%	$2,155,082	6.605%	$2,297,425	6.605%	$2,449,170
Number of Services	209,353	1.035	216,680	1.035	224,264	1.035	232,113
Cost per Service	$9.95	1.000	$9.95	1.030	$10.24	1.030	$10.55
Dental	$2,284,300	3.501%	$2,364,279	6.605%	$2,520,440	6.605%	$2,686,915
Number of Services	100,102	1.035	103,606	1.035	107,232	1.035	110,985
Cost per Service	$22.82	1.000	$22.82	1.030	$23.50	1.030	$24.21
Other	$1,740,395	3.500%	$1,801,309	6.605%	$1,920,285	6.605%	$2,047,120
Number of Services	333,455	1.035	345,126	1.035	357,205	1.035	369,708
Cost per Service	$5.22	1.000	$5.22	1.030	$5.38	1.030	$5.54
TOTAL AFDC	$38,966,751	7.710%	$41,970,952	8.728%	$45,634,072	8.819%	$49,658,320

SSI RELATED							
Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$13,885,741	10.227%	$15,305,905	10.227%	$16,871,317	10.227%	$18,596,831
Number of Services	1,323,288	1.035	NA	1.035	NA	1.035	NA
Cost per Service	$10.49	1.065	NA	1.065	NA	1.065	NA
Outpatient Hospital	$2,225,794	10.227%	$2,453,437	10.227%	$2,704,362	10.331%	$2,983,750
Number of Services	190,417	1.035	197,082	1.035	203,979	1.035	211,119
Cost per Service	$11.69	1.065	$12.45	1.065	$13.26	1.066	$14.13
Physician	$3,466,426	5.052%	$3,641,567	6.605%	$3,882,093	6.605%	$4,138,505
Number of Services	220,812	1.035	228,540	1.035	236,539	1.035	244,818
Cost per Service	$15.70	1.015	$15.93	1.030	$16.41	1.030	$16.90
Other Pratitioners	$809,479	3.500%	$837,811	6.605%	$893,148	6.605%	$952,141
Number of Services	63,202	1.035	65,414	1.035	67,704	1.035	70,073
Cost per Service	$12.81	1.000	$12.81	1.030	$13.19	1.030	$13.59
Drugs	$7,193,191	3.500%	$7,444,953	6.605%	$7,936,692	6.605%	$8,460,910
Number of Services	539,188	1.035	558,060	1.035	577,592	1.035	597,807
Cost per Service	$13.34	1.000	$13.34	1.030	$13.74	1.030	$14.15
Dental	$712,149	3.500%	$737,074	6.605%	$785,758	6.605%	$837,657
Number of Services	22,432	1.035	23,217	1.035	24,030	1.035	24,871
Cost per Service	$31.75	1.000	$31.75	1.030	$32.70	1.030	$33.68
Other	$7,492,911	3.500%	$7,755,163	6.605%	$8,267,391	6.605%	$8,813,453
Number of Services	2,271,746	1.035	2,351,257	1.035	2,433,551	1.035	2,518,725
Cost per Service	$3.30	1.000	$3.30	1.030	$3.40	1.030	$3.50
TOTAL SSI	$35,785,691	6.679%	$38,175,910	8.290%	$41,340,761	8.327%	$44,783,246

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OPTION 4

TOTAL MEDICAID Service	Fiscal 1988 PROJECTED	%Increase	Fiscal 1989 COST	%Increase	Fiscal 1990 COST	%Increase	Fiscal 1991 COST
Inpatient Hospital	$32,760,880	10.227%	$36,111,499	10.228%	$39,804,803	10.287%	$43,899,575
Number of Services	NA	NA	NA	NA	NA	NA	NA
Cost per Service	NA	NA	NA	NA	NA	NA	NA
Outpatient Hospital	$5,663,209	10.227%	$6,242,414	10.227%	$6,880,857	10.331%	$7,591,718
Number of Services	388,740	0.022	397,471	0.048	416,428	0.035	431,003
Cost per Service	$14.57	0.078	$15.71	0.052	$16.52	0.066	$17.61
Physician	$12,436,429	5.052%	$13,064,780	6.605%	$13,927,708	6.605%	$14,847,633
Number of Services	555,906	0.035	575,363	0.035	595,500	0.035	616,343
Cost per Service	$22.37	0.015	$22.71	0.030	$23.39	0.030	$24.09
Other Pratitioners	$2,386,773	3.500%	$2,470,310	6.605%	$2,633,474	6.605%	$2,807,415
Number of Services	197,471	0.035	204,382	0.035	211,536	0.035	218,940
Cost per Service	$12.09	0.000	$12.09	0.030	$12.45	0.030	$12.82
Drugs	$9,275,396	3.500%	$9,600,035	6.605%	$10,234,117	6.605%	$10,910,081
Number of Services	748,541	0.035	774,740	0.035	801,856	0.035	829,921
Cost per Service	$12.39	0.000	$12.39	0.030	$12.76	0.030	$13.15
Dental	$2,996,449	3.501%	$3,101,353	6.605%	$3,306,198	6.605%	$3,524,572
Number of Services	122,534	0.035	126,823	0.035	131,261	0.035	135,856
Cost per Service	$24.45	0.000	$24.45	0.030	$25.19	0.030	$25.94
Other	$9,233,306	3.500%	$9,556,472	6.605%	$10,187,677	6.605%	$10,860,573
Number of Services	2,605,201	0.035	2,696,383	0.035	2,790,756	0.035	2,888,433
Cost per Service	$3.54	0.000	$3.54	0.030	$3.65	0.030	$3.76
TOTAL MEDICAID	$74,752,442	7.216%	$80,146,862	8.519%	$86,974,833	8.585%	$94,441,567
ADJUSTMENTS:							
ADD: RIVENDELL - BILLINGS 48 BEDS FY 89-91 @ $300.00/			$2,628,000		$2,628,000		$2,628,000
RIVENDELL - BUTTE 48 BEDS FY 89-91 @ $300.00/DAY			$1,839,600		$1,839,600		$1,839,600
SHODAIR - HELENA 20 BEDS FY 89-91 @ $420.00/DAY			$2,299,500		$2,299,500		$2,299,500
STATE MEDICAL TO MEDICAID TRANSFERS			$450,000		$450,000		$450,000
LESS: REFUNDS			($700,000)		($700,000)		($700,000)
FY 88 ADJUSTMENTS	$3,278,686						
ADJUSTED TOTAL MEDICIAD	$78,031,128		$86,663,962		$93,491,933		$100,958,667

OPTION 5

SSI RELATED Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$13,885,741	10.227%	$15,305,905	10.227%	$16,871,317	10.227%	$18,596,831
Number of Services	1,323,288	1.035	NA	1.035	NA	1.035	NA
Cost per Service	$10.49	1.065	NA	1.065	NA	1.065	NA
Outpatient Hospital	$2,225,794	10.227%	$2,453,437	10.227%	$2,704,362	10.331%	$2,983,750
Number of Services	190,417	1.035	197,082	1.035	203,979	1.035	211,119
Cost per Service	$11.69	1.065	$12.45	1.065	$13.26	1.066	$14.13
Physician	$3,466,426	5.052%	$3,641,567	10.227%	$4,014,008	10.331%	$4,428,696
Number of Services	220,812	1.035	228,540	1.035	236,539	1.035	244,818
Cost per Service	$15.70	1.015	$15.93	1.065	$16.97	1.066	$18.09
Other Pratitioners	$809,479	3.500%	$837,811	10.227%	$923,498	10.331%	$1,018,904
Number of Services	63,202	1.035	65,414	1.035	67,704	1.035	70,073
Cost per Service	$12.81	1.000	$12.81	1.065	$13.64	1.066	$14.54
Drugs	$7,193,191	3.500%	$7,444,953	10.227%	$8,206,385	10.331%	$9,054,187
Number of Services	539,188	1.035	558,060	1.035	577,592	1.035	597,807
Cost per Service	$13.34	1.000	$13.34	1.065	$14.21	1.066	$15.15
Dental	$712,149	3.500%	$737,074	10.227%	$812,458	10.331%	$896,394
Number of Services	22,432	1.035	23,217	1.035	24,030	1.035	24,871
Cost per Service	$31.75	1.000	$31.75	1.065	$33.81	1.066	$36.04
Other	$7,492,911	3.500%	$7,755,163	10.227%	$8,548,322	10.331%	$9,431,449
Number of Services	2,271,746	1.035	2,351,257	1.035	2,433,551	1.035	2,518,725
Cost per Service	$3.30	1.000	$3.30	1.065	$3.51	1.066	$3.74
TOTAL SSI	$35,785,691	6.679%	$38,175,910	10.227%	$42,080,351	10.290%	$46,410,210

OPTION 5

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
AFDC RELATED Type of Service	PROJECTED	%Increase	PROJECTED COST	%Increase	PROJECTED COST	%Increase	PROJECTED COST
Inpatient Hospital	$18,875,139	10.227%	$20,805,594	10.227%	$22,933,486	10.331%	$25,302,744
Number of Services	NA	1.035	NA	1.035	NA	1.035	NA
Cost per Service	NA	1.065	NA	1.065	NA	1.066	NA
Outpatient Hospital	$3,437,415	10.228%	$3,788,977	10.227%	$4,176,494	10.331%	$4,607,968
Number of Services	198,323	1.035	205,264	1.035	212,449	1.035	219,884
Cost per Service	$17.33	1.065	$18.46	1.065	$19.66	1.066	$20.96
Physician	$8,970,003	5.052%	$9,423,212	10.227%	$10,386,971	10.331%	$11,460,049
Number of Services	335,094	1.035	346,822	1.035	358,961	1.035	371,525
Cost per Service	$26.77	1.015	$27.17	1.065	$28.94	1.066	$30.85
Other Pratitioners	$1,577,294	3.500%	$1,632,499	10.227%	$1,799,463	10.331%	$1,985,366
Number of Services	134,269	1.035	138,968	1.035	143,832	1.035	148,866
Cost per Service	$11.75	1.000	$11.75	1.065	$12.51	1.066	$13.34
Drugs	$2,082,205	3.500%	$2,155,082	10.227%	$2,375,493	10.331%	$2,620,905
Number of Services	209,353	1.035	216,680	1.035	224,264	1.035	232,113
Cost per Service	$9.95	1.000	$9.95	1.065	$10.59	1.066	$11.29
Dental	$2,284,300	3.501%	$2,364,279	10.227%	$2,606,086	10.331%	$2,875,320
Number of Services	100,102	1.035	103,606	1.035	107,232	1.035	110,985
Cost per Service	$22.82	1.000	$22.82	1.065	$24.30	1.066	$25.91
Other	$1,740,395	3.500%	$1,801,309	10.227%	$1,985,538	10.331%	$2,190,664
Number of Services	333,455	1.035	345,126	1.035	357,205	1.035	369,708
Cost per Service	$5.22	1.000	$5.22	1.065	$5.56	1.066	$5.93
TOTAL AFDC	$38,966,751	7.710%	$41,970,952	10.227%	$46,263,531	10.331%	$51,043,017

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OP 0045

	Fiscal 1988	Fiscal 1989		Fiscal 1990		Fiscal 1991	
TOTAL MEDICAID Service	PROJECTED	%Increase	COST	%Increase	COST	%Increase	COST
Inpatient Hospital	$32,760,880	10.227%	$36,111,499	10.228%	$39,804,803	10.287%	$43,899,575
Number of Services	NA	NA	NA	NA	NA	NA	NA
Cost per Service	NA	NA	NA	NA	NA	NA	NA
Outpatient Hospital	$5,663,209	10.227%	$6,242,414	10.227%	$6,880,857	10.331%	$7,591,718
Number of Services	388,740	0.022	397,471	0.048	416,428	0.035	431,003
Cost per Service	$14.57	0.078	$15.71	0.052	$16.52	0.066	$17.61
Physician	$12,436,429	5.052%	$13,064,780	10.227%	$14,400,980	10.331%	$15,888,745
Number of Services	555,906	0.035	575,363	0.035	595,500	0.035	616,343
Cost per Service	$22.37	0.015	$22.71	0.065	$24.18	0.066	$25.78
Other Pratitioners	$2,386,773	3.500%	$2,470,310	10.227%	$2,722,961	10.331%	$3,004,270
Number of Services	197,471	0.035	204,382	0.035	211,536	0.035	218,940
Cost per Service	$12.09	0.000	$12.09	0.065	$12.87	0.066	$13.72
Drugs	$9,275,396	3.500%	$9,600,035	10.227%	$10,581,878	10.331%	$11,675,092
Number of Services	748,541	0.035	774,740	0.035	801,856	0.035	829,921
Cost per Service	$12.39	0.000	$12.39	0.065	$13.20	0.066	$14.07
Dental	$2,996,449	3.501%	$3,101,353	10.227%	$3,418,544	10.331%	$3,771,714
Number of Services	122,534	0.035	126,823	0.035	131,261	0.035	135,856
Cost per Service	$24.45	0.000	$24.45	0.065	$26.04	0.066	$27.76
Other	$9,233,306	3.500%	$9,556,472	10.227%	$10,533,860	10.331%	$11,622,113
Number of Services	2,605,201	0.035	2,696,383	0.035	2,790,756	0.035	2,888,433
Cost per Service	$3.54	0.000	$3.54	0.065	$3.77	0.066	$4.02
TOTAL MEDICAID	$74,752,442	7.216%	$80,146,862	10.227%	$88,343,883	10.311%	$97,453,227
ADJUSTMENTS:							
ADD: RIVENDELL - BILLINGS 48 BEDS FY 89-91 @ $300.00/			$2,628,000		$2,628,000		$2,628,000
RIVENDELL - BUTTE 48 BEDS FY 89-91 @ $300.00/DAY			$1,839,600		$1,839,600		$1,839,600
SHODAIR - HELENA 20 BEDS FY 89-91 @ $420.00/DAY			$2,299,500		$2,299,500		$2,299,500
STATE MEDICAL TO MEDICAID TRANSFERS			$450,000		$450,000		$450,000
LESS: REFUNDS			($700,000)		($700,000)		($700,000)
FY 88 ADJUSTMENTS	$3,278,686						
ADJUSTED TOTAL MEDICIAD	$78,031,128		$86,663,962		$94,860,983		$103,970,327

MEDICAL ASSISTANCE

PRIMARY CARE OPTIONS

The following are various options the Committee may consider regarding the impact of inflation and increase for fee based providers under the medicaid primary care budget.

Option 1.

With no inflation allowed for any of the various services but including a 3.5 percent increase in the caseload:

FY 88	FY 89	FY 90	FY 91
$78,031,128	$86,663,962	$89,469,102	$92,372,422

Percent Increase 1989-1991 biennium: 10.4%

Annual Increase 1989-1991: 3.3%

Option 2.

Includes medical care component of Consumer Price Index for hospital based services; no increase for fee based providers; and a 3.5 percent caseload growth:

FY 88	FY 89	FY 90	FY 91
$78,031,128	$86,663,962	$92,318,462	$98,510,607

Percent Increase 1989-1991 biennium: 15.7%

Annual Increase 1989-1991: 6.5%

Option 3.

Includes medical care component of Consumer Price Index for hospital based services; a 2 percent increase for fee based providers; and a 3.5 percent caseload growth:

FY 88	FY 89	FY 90	FY 91
$78,031,128	$86,663,962	$93,100,776	$100,128,729

Percent Increase 1989-1991 biennium: 17.3%

Annual Increase 1989-1991: 7.5%

Option 4.

Includes medical care component of Consumer Price Index for hospital based services; a 3 percent increase for fee based providers; and a 3.5 percent caseload growth:

FY 88	FY 89	FY 90	FY 91
$78,031,128	$86,663,962	$93,491,933	$100,958,667

Percent Increase 1989-1991 biennium: 18.1%

Annual Increase 1989-1991: 7.9%

Option 5.

Includes medical care component of Consumer Price Index for hospital based services and all fee based providers; includes a 3.5 percent increase in caseload growth.

FY 88	FY 89	FY 90	FY 91
$78,031,128	$86,663,962	$94,860,983	$103,970,327

Percent Increase 1989-1991 biennium: 20.7%

Annual Increase 1989-1991: 9.5%

The incremental cost for each 1 percent increse for fee based providers is $1,221,000 of which $346,000 is general fund.

(b) The requirements and limits of this subpart apply for all services defined in Subpart A of this part.

[46 FR 48528, Oct. 1, 1981]

§ 440.210 Required services for the categorically needy.

A State plan must specify that, as a minimum, categorically needy recipients are provided the services as specified in §§ 440.10 through 440.50, 440.70, and (to the extent nurse-midwives are authorized to practice under State law or regulation) 440.165.

[47 FR 21050, May 17, 1982]

§ 440.220 Required services for the medically needy.

A State plan that includes the medically needy must specify that the medically needy are provided, as a minimum, the following services:

(a) Prenatal care and delivery services for pregnant women.

(b) Ambulatory services, as defined in the State plan, for—

(1) Individuals under age 18; and

(2) Individuals entitled to institutional services.

(c) Home health services (§ 440.70) to any individual entitled to skilled nursing facility services.

(d) If the State plan includes services in an institution for mental diseases (§ 440.140 or § 440.160) or in an intermediate care facility for the mentally retarded (§ 440.150(c)) for any group of medically needy, either of the following sets of services to each of the medically needy groups:

(1) The services contained in §§ 440.10 through 440.50 and (to the extent nurse-midwives are authorized to practice under State law or regulation) 440.165; or

(2) The services contained in any seven of the sections in §§ 440.10 through 440.165.

[46 FR 47992, Sept. 30, 1981; 46 FR 54744, Nov. 4, 1981, as amended at 47 FR 21050, May 17, 1982]

§ 440.230 Sufficiency of amount, duration, and scope.

(a) The plan must specify the amount, duration, and scope of each service that it provides for—

(1) The categorically needy; and

(2) Each covered group of medically needy.

(b) Each service must be sufficient in amount, duration, and scope to reasonably achieve its purpose.

(c) The Medicaid agency may not arbitrarily deny or reduce the amount, duration, or scope of a required service under §§ 440.210 and 440.220 to an otherwise eligible recipient solely because of the diagnosis, type of illness, or condition.

(d) The agency may place appropriate limits on a service based on such criteria as medical necessity or on utilization control procedures.

[46 FR 47993, Sept. 30, 1981]

§ 440.240 Comparability of services for groups.

Except as limited in § 440.250—

(a) The plan must provide that the services available to any categorically needy recipient under the plan are not less in amount, duration, and scope than those services available to a medically needy recipient; and

(b) The plan must provide that the services available to any individual in the following groups are equal in amount, duration, and scope for all recipients within the group:

(1) The categorically needy.

(2) A covered medically needy group.

[46 FR 47993, Sept. 30, 1981]

§ 440.250 Limits on comparability of services.

(a) Skilled nursing facility services (§ 440.40(a)) may be limited to recipients age 21 or older.

(b) Early and periodic screening, diagnosis, and treatment (§ 440.40(b)) must be limited to recipients under age 21.

(c) Family planning services and supplies must be limited to recipients of childbearing age, including minors who can be considered sexually active and who desire the services and supplies.

(d) If covered under the plan, services to recipients in institutions for mental diseases (§ 440.140) must be limited to those age 65 or older.

(e) If covered under the plan, inpatient psychiatric services (§ 440.160)

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
ECONOMIC ASSISTANCE DIVISION
February 12, 1988

BUDGET MODIFICATION: Eliminate the Medically Needy Program and reduce optional categorical coverage groups to cover only children for whom the state has financial responsibility and those persons who qualify for home and community based services and adopt a special income level to provide coverage for the aged/disabled institutional population. This budget modification assumes that the legislature has control over General Relief Medical coverage by virtue of a constitutional amendment.

RATIONALE: Presently, we cover all groups possible under the Categorical and Medically Needy Programs. This proposal would eliminate all those who are medically needy (income above cash assistance standard) and those under certain optional categorical coverage groups:

a. Those eligible for cash assistance but not applying,
b. Those eligible for cash assistance except for institutional status,
c. AFDC children over age 18 who are expected to graduate before their 19th birthday, and
d. Those who would be AFDC eligible if we chose categorical coverage of all AFDC groups.

We began the Medically Needy Program and began covering all groups in the optional categories in 1972. Montana has usually opted for the most liberal options of services and coverage possible.

Adoption of a special income level would maintain coverage for the majority of the institutional population while elimination of Medically Needy Program would drop coverage for aged, blind and disabled persons, caretaker relatives and children, whose income is above cash assistance standards.

ESTIMATED FINANCIAL AND BUDGETARY IMPACTS: This choice would affect a total of at least 2,345 recipients; 2,225 of these are non-institutionalized. Average Medicaid cost per non-institutional case is $3,641. Total savings from eliminating these recipients would be $8,101,225; 29.68% of this amount is general fund. General fund saving would be $2,404,444 annually.

Savings from the 120 institutionalized recipients would amount to a total of $499,680 or a general fund saving of $148,305 annually.

		Cases	Total Savings	General Fund
A.	Medically Needy			
	No longer eligible	2,420	$8,810,698	$2,615,015
	Reduced Nursing Home	120	499,680	148,305
B.	Optional Groups			
	18 Year Old AFDC (est)	318	1,274,544	378,285
	Other Optional Groups	Unknown	Unknown	Unknown
	Total	2,748	$10,584,922	$3,141,605

Jan. 16, 1989

EXHIBIT 5
DATE 1/23/89
Hum Serv Subcom

Human Services Subcommittee
Appropriations Committee
Capital Station
Helena, Mt. 59601

Dear Subcommittee Members:

I am writing to support the Montana Speech and Hearing Association's recommendation that Medicaid reimbursement rates for Speech Pathology services be increased. Although, I realize that this is an inopportune time to be making such a request, I also am aware that it is likely that there never will be a good time for this type of request.

I feel that such a rate is justified as it has been almost 8 years since this rate has increased. Even the State employees have faired better than speech pathologists in this area. As a self-employeed speech pathologist and the Chair of the MSHA Medicaid Committee, I feel that our organization has made every attempt to contain the costs for our services. For example, we recently participated with SRS in revising our regulations for Medicaid reimbursement. Consequential to this revision, we reduced our allowable billable hours from 200 to 100 (30 of these 100 require peer review to determine their necessity) per client. Additionally, we have tightened documentation requirements to assure than unnecessary services were not being provided. Our organization feels that these controls establish the likelihood that only the most medically necessary services are being provided.

As a private practioner, I have watched my business expenses rise annually without a concomittant increase in reimbursement for my Medicaid clients. I know of very few professionals or business people that would have endured this in silence for so long. So I believe that it is timely that our organization should finally be making this request.

Finally, I feel that it should be pointed out that we are by far at the bottom of the Medicaid reimbursement scale. For example, other therapies with fewer academic credentials are reimbursed at a rate much greater than are speech pathologists. For equity sake, we should at least be reimbursed at the same rates as are the the other therapies and comparable professionals.

Thank you for your consideration at this inopportune time.

Sincerely,

Mary Anne Molineux

Mary Anne Molineux

January 18, 1989

Human Services Subcommittee
Capital Station
Helena, MT 59601

Dear Subcommittee Members:

I am writing in strong support of the Montana Speech and Hearing Association's recommendation that Medicaid reimbursement rates for Speech Pathology services be increased.

The existing rates were established eight years ago, without revision since. My business expenses have risen considerably without a concurrent increase in reimbursement for the Medicaid clients I serve. Our profession has worked closely with SRS in the past few years to contain costs as much as possible. We currently serve those clients most in need of services, including pre-schoolers and adults who are disabled by a sudden brain injury.

The training (Master's level) and continuing education requirements demanded of our profession are stringent. Yet, as service providers, we are considered at the bottom of the list, after providers with fewer educational and clinical experience demands. I believe equality is at least in order.

Thank you for your consideration in this important matter.

Sincerely

Ellen Vogelsang

Ellen Vogelsang

Human Services Subcommittee:

I am writing in regards to the Montana Speech and Hearing Association's recommendation that Medicaid rates for speech pathology services be increased. As a therapist involved in a private clinic, I see the demands that the business confronts. Financially, these demands increase each year. In order to serve our clients appropriately, tests and other client related materials are essential. Therefore, the financial demands need to be met.

Furthermore, it has been 8 years since the rates have last changed. I reemphasize the fact that due to financial increases within speech and language businesses and proper service to our clients an increase in rates is necessary.

I STRONGLY URGE you to consider the Montana Speech and Hearing Association's recommendation to increase Medicaid speech pathology rates.

Thank you for your time.

Sincerely,

Christine A Caniglia

Christine A. Caniglia, M.S., CCC-Sp
Speech and Language Pathologist

EASTERN
MONTANA COLLEGE

1500 North 30th Street, Billings, MT 59101-0298 Montana Center for Handicapped Children 406/657-2312

December 1, 1988

Mary Anne Molineux
Chair, MSHA Medicaid Committee
Speech and Language Clinic
Arcade Building
Suite 4C
Helena, MT. 69601

Dear Mary Anne:

I apologize for the lateness of this response, but hope you can integrate this into your material or that is representative of the data you currently have.

I will respond in the same order you originally asked each question.

1. $35.00 hour
2. We are currently receiving 75% of the billed costs which does not cover the cost of the service. This will cause us to reconsider seeing individuals on Medicaid.
3. We do not calculate an overhead rate
4. We cannot afford to provide the service without generating the cost of providing the service. Additionally, as our cases increase with Medicaid, we don't have the ability to offset costs by private paying customers.
5. If Medicaid is still based on percentage of costs, there needs to be a larger percentage of return on the billed charges.

Thank you for the opportunity to respond to your questions and hope this will help in changing the current Medicaid rates.

Sincerely,

Michael Hagen
Director

January 18, 1989

Human Services Subcommittee Members:

I am writing to voice my opposition regarding recent recommendations to eliminate Speech Pathology, Occupational Therapy and Physical Therapy from the Medicaid budget.

I had an anyeurism and subsequent cerebral hemorrhage approximately one year ago. Following three months in the hospital, I was discharged home receiving Speech Pathology and Physical Therapy in the community on an out-patient basis. Without these services, I would not have progressed as quickly nor completely. I feel I am now well on my way to once again becoming a productive member of society in soon being able to return to work.

I strongly urge the Subcommittee to retain these essential out-patient therapy services. For other adults, like myself who have experienced some sort of neurological trauma, these services are critical to our continued recovery and vocational future.

Sincerely,

Mike Muszkiewcz

January 18, 1989

Appropriations committee
Human Service Subcommittee
Capital Station
Helena, MT 59620

Dear Subcommittee Members:

I am writing to express my opposition to the Fiscal Analysts' recommendation to eliminate Speech Pathology services from the Medicaid budget. As a private Speech Pathologist, I have worked with adults and children who experience speech, language and cognitive disorders. The benefits of therapy in establishing patterns for success whether that be in an academic or work setting, have been obvious.

Without out-patient services, my clients would face poor academic achievement, longer terms on disability and welfare roles or life in institutions. My services along with those of other professionals in the community, enable disabled adults and children to function more independently.

Out-patient speech pathology services constitute a very low percentage of the Medicaid budget, $199,778.00 in fiscal year 1988. A cut that could save the State that amount now, may well result in increased costs from institutionalization, and longer terms on welfare and disability roles. I strongly believe that the existing use of monies for optional services such as speech pathology are an efficient and effective use of tax payers dollars.

I strongly urge you to dismiss Option A of the Fiscal Analysts' recommendations.

Sincerely,

Ellen Vogelsang

Ellen Vogelsang
Speech-Language Pathologist

Human Service Subcommittee Members:

I am a speech and language pathologist working in private practice. I have concerns regarding the elimination of speech and language therapy services for Medicaid recipients. The clients served in the clinic range from birth to adulthood and exhibit difficulties communicating competently in our society. These clients depend on us to teach or re-teach (e.g., as in the case of a head-injured or stroke patients) them the communicative process. This includes speaking appropriately, cognitive retraining, and the functional use of language. Without the services to habilitate or rehabilitate, a client's ability to functionally use language to express ideas through speaking, reading, and writing would be limited or obsolete.

Another service that would be eliminated as a result of the exclusion of Medicaid services is parent training. Within therapy sessions it is essential to educate parents on how to utilize speech and language techniques to insure maximum benefits from therapy. This service assists in the learning process so that the gap between the child's developmental and chronological age lessens.

Speech and language services provide those with the lack of or the loss of speech, cognition, and language the opportunity to learn how to be successful in school, on the job, and in social situations.

I STRONGLY URGE you to reconsider the elimination of speech and language services. Without these services the ability of these recipients to acquire communicative, educational, vocational, and social competence will be taken away.

Sincerely,

Christine A. Caniglia

Christine A. Caniglia, M.S., CCC-Sp
Speech and Language Pathologist

Jan. 16, 1989

Appropriations Committee
Human Service Subcommittee Members
Capital Station
Helena, Mt. 59620

Dear Subcommittee Members:

I am writing to express my concern regarding the Fiscal Analysts' recommendation to eliminate Medicaid reimbursement for Speech Pathology services. As a Speech Pathologist with 18 years of experience providing services to adults and children, I have had the opportunity to observe the impact of the lack of such services on individuals with speech and language disabilities.

The results of not having the opportunity to obtain speech pathology services have ranged from poor self-esteem and low academic achievement all the way to inability to hold a job. It has been my experience that many communicatively- impaired individuals have developed greater problems as a result of their original communication handicap when speech therapy services were not available. Without communication skills they often became burdons on the state within the welfare roles, residential treatment centers, or penal institutions.

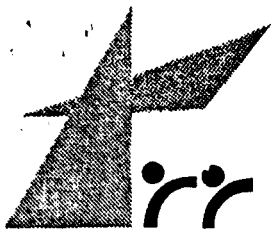
Unfortunately, limiting speech pathology services to hospitals would restrict the availability of such services to a large portion of Montana's population, those living in rural areas. Because the lack of these services can have such dire consequences on those needing them, I would strongly encourage you to reconsider the recommendation to eliminate outpatient Medicaid reimbursements. What may save the State some dollars now may eventually cost them much more later in welfare stipends, institutional care and lack of tax monies from communicatively delayed citizens who are unable to hold jobs.

I encourage you to consider the longterm consequences of such an action.

Sincerely,

Mary Anne Molineux

Mary Anne Molineux
Speech-Language Pathologist



Family Outreach, Inc.

Main Office:
825 Helena Ave.
Helena, MT 59601
(406) 443-7370

Branch Offices:
19 N. 10th
Bozeman, MT 59715
(406) 587-2477

2001 Harrison Avenue
Butte, MT 59701
(406) 723-7138

To the Members of the Human Services Subcommittee:

My name is Billie Miller. I work as a Family Trainer with Family Outreach in Helena. I work with families who have children with disabilities or who's children are at risk of being labeled as disabled.

A majority of the children with whom I work require some type of support services such as speech therapy, occupational therapy or physical therapy. I have seen the provision of these services make significant improvements in the lives of many children.

Often the problems resulting from various disabilities are complicated enough that support services provided by skilled therapists are essential to the development of effective treatment and habilitation planning.

I urge you to maintain the benefits medicaid supplies. These services are needed and well used.

Thankyou,

Billie Miller

Billie Miller

January 18, 1989

ATTN: HUMAN SERVICE SUBCOMMITTEE
DOROTHY BRADLEY, CHAIR

It was with deep dismay that I read of the Appropriations Committee's recommendation to eliminate speech pathology services as a Medicaid benefit.

I have been involved in the early childhood profession for eight years and have seen firsthand the benefits and cost effectiveness of early intervention. If children do not have access to speech pathology prior to entering the public schools **because their families do not have the necessary income to provide such services it represents the worse kind of discrimination.**

If this shortsighted and utterly illadvised recommendation were to see the light of day countless children and their families would suffer. Early intervention often prevents a mild or moderate handicap from becoming severe. The ability to communicate is essential and when children do not receive appropriate services in the pre-school years their handicaps become multiple. The child whose immature articulation prevents him from being understood becomes increasingly frustrated until his behavior earns him the label 'emotionally disturbed'. By the time this child receives services the expense, time, emotional and social stress are heavily increased while the success rate drops. In effect the costs to the individual and to society are increased both in terms of dollars and in quality of life.

Such essential services should not be accessable only to those who can afford them. Often, poverty and developmental delays go hand in hand. If the environment a child finds himself thrust into lacks the necessary stimulation language and speech development may suffer. If a child is then doubly penalized by being born poor and, the 'safety net' rejects his needs both he and the 'safety net' will collapse under the expense and the difficulty of what **was once** a problem with a solution. Conversely, if the speech and language delay is severe to begin with **only with early and appropriate intervention** will the child be capable of reaching his potential. And **whatever** that potential may be it is all of our responsibility to ensure that **each and every** child, regardless of his income level, is provided with opportunities and services which will foster and nuture his optimal development.

On behalf of those who cannot speak for themselves I implore you to do whatever you can to ensure that optional Medicaid benefits for speech pathology services are maintained.

Sincerely,

Joan Borneman

Joan S. Borneman
P.O. Box 1093
Anaconda, MT 59711

Speech & Language Clinic
Arcade Building
Suite 4C
Helena, MT 59601
(406)449-2736

Mary Anne Molineux, M.A., C.C.C.

Ellen Vogelsang, M.A., C.C.C.

Jan. 16, 1989

Dorothy Bradley
Chair of Human Services Subcommittee
Capitol Station
Helena, Mt. 59620

Dear Ms. Bradley,

I wish to encourage your committee to please maintain optional Medicaid benefits for speech pathology services. Appropriately two-thirds of my clients in Headstart need these benefits in order to receive services. Without these services I feel we will be sending children to the public schools with much more severe articulation and language delays. This will cause a heavier burden on the public schools as well as set these children up for early frustration and failures. I also have worked with older children who need continued services in the summer and are dependant on Medicaid funding for this. I strongly urge you to continue funding for the services these groups of children need.

Thank you,
Jan L. Blossom C.C.C.
Speech Pathologist

Deaconess Home
INTERMOUNTAIN DEACONESS HOME FOR CHILDREN

500 S. LAMBORN
HELENA, MONTANA 59601
PHONE 406/442-7920

JOHN H. WILKINSON
Administrator

SHARON HOWE
Director
Resource Development

January 18, 1989

To: Dorothy Bradley, Chair of the Human Services Sub-Committee

From: Claudia Morley, Director of Education

Re: Speech Pathology Services

It has been brought to my attention that the Appropriations Committee has made a recommendation to eliminate speech pathology services currently funded under Medicaid.

I feel it is important for your committee to know that approximately 40% of our children at Deaconess suffer with communication disorders, so elimination of these services would have significant impact upon their treatment. These are vital services to this group of children because not only are articulation problems worked on and corrected, but the therapy also focuses upon remediation of linguistic processing difficulties, which are so prevalent with our severely emotionally disturbed population. Remediation of language processing skills are crucial to a child's overall treatment, as their ability to communicate in a competent manner is necessary for them to re-enter their family, not to mention public school and the mainstream of society.

If speech therapy is discontinued we have no other resources or alternatives available that can provide this very necessary language program.

Thank you for considering my input and I hope that you and your committee will remember the importance of these services to our children and will vote to recommend retaining them. Thanks again!

BUTTE HEAD START

HUMAN RESOURCES COUNCIL, DISTRICT XII
P.O. BOX 608 • BUTTE, MONTANA 59703

January 17, 1989

Dorothy Bradley
Human Services Subcommittee
Speech and Language Clinic
Arcade Building
Suite 4C
Helena, Mt. 59601

Dear Ms. Bradley,

Many people with Medicaid benefits have received the professional services of a Liscensed Speech Pathologist. Theses services have improved the quality of life for many people in Montana.

When children are screened for any of our educational facilities, the biggest area of deficit is in the area of Language, both receptive and expressive. Language and its usage is what makes us human. If interferences such as delayed development, trauma, neurological impairment etc. influence the language process, the quality of communication does decrease.

Positive results are achieved when the program, is tailored to meet the needs of the individual. Such program need to be established by a qualified Speech Pathologist. Preventive treatment is always better than rehabilitation. Early diagnosis is the key. The number of qualified therapists is very low in relation to the population. It is imperative that we keep the Therapists we have and encourage more into the state.

BUTTE HEAD START

HUMAN RESOURCES COUNCIL, DISTRICT XII
P.O. BOX 608 • BUTTE, MONTANA 59703

The Headstart Agencies which are comprised of primarily Medicaid families are having a difficult time finding Speech Pathologists to meet their National guidelines. It is estimated that 50%-75% of the underprivileged have speech and language delays. Early intervention is the answer to overcoming language delays. Let's prevent future problems and maintain the optional Medicaid benefits for the services needed here in Montana.

Sincerely,

Robert Dennehy

Robert Dennehy
Director

Montana
Deaconess
Medical Center
1101 Twenty Sixth Street South
Great Falls, Montana 59405-5193
406 761-1200

January 18, 1989

Mona Jameson
Power Block Bldg, Suite 4F
Helena, Montana 59624

Dear Mona,

I am writing to encourage your support to maintain optional Medicaid benefits for Speech Pathology services. I feel cuts in this area would prove to be devastating for children in need of services. Without Medicaid funding, preschool children will go without services at a time in their lives when it is potentially most beneficial.

Cuts in optional services also goes against the trend of increased services such as those proposed in Public Law 99-457. Montana is presently trying to gear up to meet the letter of that law and obtain federal grant monies.

Please support the "optional" services for Montana's children and oppose any cuts in services.

Sincerely,

Chuck Bock, Director
Department of Speech/Language Pathology

CB:et

Dear Mrs. Jamison,

I help take care of a handicapped child during the week. When I first met Mary she just laid in her tumble-form seat and didn't move or speak at all. She was like a "vegetable."

Mary has received in-home speech therapy and occupational therapy. She also goes to physical therapy once a week.

Mary has improved so much. She is moving around, she is very alert, and she can say a few syllables that we can understand.

If all this is taken away from her I feel she will revert back into a "vegetable" with no movement or sound.

I think every child should have the chance to improve the way Mary has improved.

Sincerely,

Mona Hungate

PHONE 761-0471

JOE O. LUCKMAN, P.T.

PHYSICAL THERAPY AND SPEECH PATHOLOGY
CONSULTATION AND TREATMENT
Great Falls Medical Building
1220 Central Avenue
GREAT FALLS, MONTANA 59401

January 17, 1989

Dear Human Services Subcommittee:

I strongly believe speech pathology and audiology benefits for medicaid recipients need to be maintained.

As a licensed speech pathologist in private practice in this state, I see many children and some adults who benefit greatly from speech therapy services.

Speech therapy helps reduce the frustration and lack of self esteem and confidence that builds when communication is not successful. Unfortunately if communication skills are not well developed in this low income group of people it will make becoming financially independent and able to get off medicaid assistance very difficult.

Speech pathologists also treat people with swallowing and feeding problems which can be life threatening and a source of much anguish within a family if these problems are not addressed.

Limiting speech therapy for medicaid recipients to hospitals is no solution. It takes away the consumers ability to choose a therapist that may not be available at a hospital but has the expertice in the specific area of speech pathology that they need addressed.

I also urge you to give serious consideration to the suffering and consequential problems that may develop if such services are denied.

Please maintain the optional services of speech pathology and audiology.

Sincerely,

Kim McCann

Kimberly McCann, M.A., CCC-SP
Speech-Language Pathologist

KM/cmb

Jan. 17, 1989

Human Services Subcommittee:

I am writing to inform you that I am against you cutting Physical and Speech therapy from Medicaid.

I have a three year old daughter on medicaid. In January of 1987, she was not walking, or talking and just barely beginning to sit up. Now because she is getting Physical and Speech therapy; she is sitting up good, walking with some assistance, and trying to talk. If you cut the therapies from Medicaid, there will be many, like my daughter, who may never have a chance at a normal life all because they could not afford these very much needed services.

Do us all a favor and leave these therapies covered under Medicaid. Don't make it a crime to need assistance, especially for the underprivileged.

Sincerely,
Debra Palmer

Jan 15, 1989

Dear Dorothy Bradley + Members of Human Services
Sub. Committee,

Please maintain Speech Pathology + Audiology
Services as optional for Medicaide Recipien

Many of my patients now have stated (after
therapy) that it has ensured them to a
better quality of life. After undergoing
a CVA many are left with paralysis of
one side. Their adjustment to this along
with retasted communicative abilities
is very devastating!

Please maintain for them Speech and
Hearing funding, to give them a fighting
chance in Society.

January 16, 1989

To whom it may concern about my Medicaid -

I am 79 years old living alone on a limited income. - I am almost deaf in both ears + need hearing aids. Please don't stop this service, or any of the other wonderful ones that benefit us older people -

Dorothy E. Sanderson

Opheim, Montana

January 15, 1989

Mona Jamison
Power Block Building
Suite 4F
Henena, Mt. 59624

Dear Ms. Jamison,

I am writing to you to tell you how much Donald Bailey's new hearing aids have helped him. Donnies speech has always been quite poor, perhaps because he spoke as he heard things. Since he got his new hearing aids we have noticed a great improvement in his speech. When the relatives were home for Christmas thy noticed a great improvement, not having seen him for a while.

We have noticed that the volume control on the television and radio can be turned down now and Donnie can hear it quite well.

He has learned to adjust the controls by himself and when the batteries are dead he can change them himself.

He seems to be happier now that he can hear and tries to join in on our conversation.

We feel that the new hearing aids have helped Donnie 100%.

Sincerely,

Janet E. Bailey

Janet E. Bailey, mother of
Donald J. Bailey
Box 1
Opheim, Mt. 59250

MSHA

MONTANA SPEECH AND HEARING ASSOCIATION

January 12, 1989

Dear Chairwoman Bradley and Members of the Human Services Subcommittee:

I am writing this letter on behalf of the Montana Speech-Language and Hearing Association (MSHA) to urge you to retain speech pathology services as Medicaid Optional Benefits. Since the 1987 Legislative Session, the MSHA Medicaid/Medicare Committee has been working tirelessly with Pat Huber and others from SRS to establish cost containment guidelines which we felt would be workable for clients and clinicians while still saving money.

Newly established guidelines which went into effect July, 1988, reflect the following changes:

- A drop from 200 to 70 available billable hours per fiscal year.
- An additional 30 hours available only following peer review and prior authorization by the Department.
- Specification that maintenance therapy is not reimburseable.

Speech pathologists and audiologists serve Medicaid clients of all ages throughout this entire State. It is our desire that these services remain readily available for all who require them.

We believe that our efforts during the past two years have served to effectively limit Medicaid spending while still maintaining some level of service. On behalf of the Montana Speech-Language and Hearing Association and the clients we serve, I urge you to retain speech pathology services as Medicaid Optional Benefits.

Sincerely,

Rosemary S. Harrison

ROSEMARY S. HARRISON
President

Bitterroot Speech Center
Rosemary S. Harrison, M.S., C.C.C.
Director

January 16, 1989

Dear Human Services Subcommittee:

As a practicing speech-language pathologist and audiologist, I would like to express my opposition to the current proposal to eliminate speech therapy as an optional Medicaid service.

I currently provide speech therapy services to several Medicaid clients. Their disorders are wide ranged, including Spina Bifida, Down's Syndrome, fetal alcohol syndrome, and severe hearing impairment. Many of these children are less than three years old and other funding is not available to cover their therapy expenses. In most cases, early intervention gives speech and language disordered children a needed boost in their upcoming academic careers.

Regarding the issue of medical necessity for Medicaid services (Issue 1) This limitation appears very subjective in the case of speech therapy. Ninety-five percent of my current Medicaid caseload would meet the requirement of "preventing significant disability". The other five percent could be argued as well. "Significant disability" may include having poor communication skills as a result of no intervention.

In addition, the cost of reviewing cases and the mentioned audits would be significant. A cost analysis of this type of reviews should be considered and compared with providing actual Medicaid coverage.

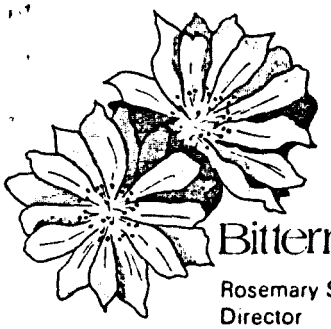
Regarding Issue 2: Elimination of speech therapy services will adversely affect many disordered children. Providing this service often gives children a chance at being successful in life. Communication is crucial to most aspects of life. Successful people usually have good communication skills. Please maintain optional services for speech therapy and give these children a shot at success.

Sincerely,

Eve Bakula

Eve Bakula, M.A.
Speech Pathologist/Audiologist

(406) 721-6096 • 714 Kensington, Missoula, MT 59801



Bitterroot Speech Center
Rosemary S. Harrison, M.S., C.C.C.
Director

402 West Central
Missoula, MT 59801
January 13, 1989

Dear Human Services Subcommittee:

I am writing concerning your upcoming budget cut decisions. I understand that you are considering cutting speech therapy services from Medicaid coverage. I believe this would be a mistake.

As a practicing speech pathologist who provides services for Medicaid clients, I am alarmed to consider needy clients being deprived of services in an area as important and basic as communication. Many of the children I serve come from underprivileged homes, lacking important stimulation and having parents who also were deprived as youngsters and who need guidance in helping their children.

Medicaid children I have served have included brain injured children, cerebral palsied, a stroke victim, autistic children and environmentally deprived children. Their needs are great and resources small. Please don't deprive them of needed help.

Since 1988, the number of allowable reimbursable hours for speech therapy services has been reduced from 200 to 70 hours. Therefore, any projections that you have made for the upcoming fiscal years are inaccurate and unrealistically high. The present cut is already limiting needed services.

Speech therapy services are needed by individuals who, without Medicaid, would be unable to receive the therapy. The majority of Medicaid recipients are children. Helping them now is an investment in their future and indirectly in ours; allowing them to reach potential and become contributors to society.

I urge you to retain speech therapy as an optional benefit.

Sincerely,

Janet C Davison

Janet C. Davison, M.S., C.C.C.
Speech Pathologist

(406) 721-6096 • 714 Kensington, Missoula, MT 59801

Bitterroot Speech Center
Rosemary S. Harrison, M.S., C.C.C.
Director

Dear Chairwoman, Dorothy Bradley, and Members of the Human Services Subcommittee:

Re: Department of Social and Rehabilitative Services Issue 1: Medical Necessity for Medicaid Services

I am extremely concerned that this proposal has been considered. The impact of eliminating "optional" services, such as Speech, Physical and Occupational Therapies, would be highly detrimental to the people of Montana.

I provide speech-language services to predominantly children, ages 18 months to 7 years, in the Missoula Area. My present caseload contains nine children, five of which receive medicaid assistance. I see all five of my medicaid clients in the home. Home therapy seems to assist with rate of progress because it:

1) Allows for maximal participation of the family in treatment.
2) Assures clients consistent attendance.
3) Provides service in a natural environment for the child.

Please note that home therapy was not mentioned in the proposal.

If speech therapy, as an "optional" service is eliminated, I know for a fact that all five of my clients will be unable to finance the service. The result: <u>No service and the child suffers!</u>

Sincerely,

Trish Niehl

Trish Niehl, M.A., C.C.C.
Speech Pathologist

(406) 721-6096 • 714 Kensington, Missoula, MT 59801

Garberson Clinic
(406) 232-0790
2200 Box Elder, Miles City, Montana 59301

January 16, 1989

Senate Human Services Subcommittee

It has been brought to my attention that you are considering reducing and/or eliminating the funding for speech/language, hearing, occupational therapy, physical therapy, and psychology services for Medicaid patients within the state of Montana. I feel that this is not in the best interest of the group of people that Medicaid serves. Many times these services are the ones that allow Medicaid patients to function adequately in the environment in which they live, allows them to be more fully employed, to succeed academically when they enter school, or to lead a quality life as an older person. I think as a state it our responsibility to provide reasonable and appropriate services for those in the state who because of financial hardship are not able to provide for those services on their own, and I would encourage you not to eliminate these services from the Medicaid program.

Sincerely,

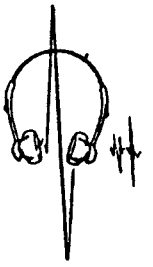
Lynn Harris MA

Lynn Harris, MA CCC SP/A
Speech Language Pathologist, Audiologist

LH:ckr

CASCADE
AUDIOLOGY &
HEARING AID
SERVICE

JEFFREY D. GRIFFIN, M.S. - C.C.C.A., Audiologist
1300 - 28th Street So., Suite 8 ● Great Falls, MT 59405 ● (406) 727-6577



January 13, 1989

Mona Jamison
Power Block Bldg.
Suite 4F
Helena, MT. 59624

RE: Optional Services Audiology & Hearing Aids

Dear Human Services Subcommittee:

I am opposed to cutting Medicaid optional services, especially for Audiology and Hearing Aids, as these services are much needed to help many people continue with hearing.

It is not right that in a time of need, our state should consider depriving those most in need ot these services. The sum of money saved is not that large that it is justified or cannot be found through more sensible means.

By cutting Audiology and Hearing Aids, you deprive many mentally handicap from being able to hear. You force a large portion of our elderly population into isolation and you deny those who could free themselves from Medicaid from doing so by making it difficult for them to find employment without sight, teeth or hearing.

Surely, we can find other areas where the money is not so much needed or a means by which these programs could help pay for themselves by putting people to work when they are on Medicaid.

Please take the time to look for creative ways to solve budget problems.

Sincerely,

Jeffrey D. Griffin, M.S.
C.C.C.A., Audiologist

JDG/tm

HIGHLANDS HEARING CENTER

Pat Ingalls, M.S., CCC-A
Diagnostic Audiology
Electronystagmography
Hearing Aids
Industrial Audiology

January 13, 1989

Chairman
Senate Human Services Subcommittee
Capitol Station
Helena, Montana 59701

Dear Sir:

This letter is in support of Medicaid continuing payment for all optional services, including audiology, speech pathology, occupational therapy, physical therapy, and psychological services.

I was Director of the Butte Easter Seal Center for many years, and in that position saw many clients whose lives were made more tolerable by receiving these services. The return to society is great when its members are able to lead more productive lives, and surely these services assist in that productivity.

These rehabilitation services get people out of nursing homes and hospitals, where the cost is much greater to the state, and into their own homes. Please see this continues by voting against the proposal to eliminate optional services. Thank you.

Sincerely yours,

Patricia M. Ingalls, M.S., CCC-A
Audiologist

PMI/cmh

1369 Harrison Ave. • Butte, MT 59701 • (406)-723-6600

January 16, 1989

Human Services Subcommittee

To whom it may concern:

Thanks to the people at the Speech, Hearing and Language Clinic, my son was able to attend therapy. I am not able to afford these sessions due to my low income. My four year old son was not pronouncing all his words correctly. He has been in therapy for 2 quarters and in December, had tubes put into his ears. He is currently enrolled in his third quarter of therapy.

If it wasn't for Medicaid's assistance, I would not be able to afford his therapy and my son would be talking at a 2 yr. old level. He is continuing to improve everyday. My son deserves to have a better future hearing the things he should be hearing and pronouncing words correctly. For example, my son used to pronounce the word 'fish' like "pish". I work closely with him at home and at his Speech therapy. I participated in the first and second quarter but this quarter he is by himself.

Here is a copy of his records to show the accomplishments therapy has provided. If you cut this program there will probably be alot of diappointed families other than myself.

Sincerely yours,

Dawn Kenyon

Dawn Kenyon
(Robert Kenyon, Speech Therapy)

University of Montana
Department of Communication Sciences and Disorders • Speech, Hearing, and Language Clinic
Missoula, Montana 59812 • (406) 243-4131

Sunday, Jan 15, 1989

Health and Human Services Committee
Montana Senate
State Capitol
Helena, Mt.

Dear Committee,

For sixteen years I have worked at the University of Montana Speech Hearing and Language Clinic training speech pathologists. My primary interest has been in teaching handicapped preschool children to talk.

I plead with you not to cancel speech pathology services under the Medicaid program. The outpatient services primarily serve preschool children who are not yet old enough to get help in the public schools. These children have disorders such as hearing loss, cleft palate, stuttering and delayed language development, but many of them would not qualify for services if the criteria for service was a medical disability.

If Medicaid does not pay for service to this high-risk population, these children will go without help during the years when they should be learning to talk. Many studies have shown that it is cost effective to treat these disorders during the preschool years. Later learning problems are prevented, or made less severe, when children can have help before entering school at age 5.

Failure to fund speech pathology will only transfer the expense to the public school special education programs when these children enter school. Children who have not learned language and articulaton of sounds will not be able to learn to read. The State of Montana will pay more by delaying services.

I am also concerned that audiology and hearing aids may be cut. Unidentified hearing loss in young children causes a failure to learn to talk. These children often have the potential to learn language if they can be identified early, fit with a hearing aid and enrolled in speech therapy.

Please do not cut funding for speech pathology and audiology.

Sincerely,

Beverly Reynolds
Assistant Professor

1-15-89

Dear Human Services Subcommittee;

I am the foster parent of a six-year-old who has had Speech Therapy since he was eighteen months old. He now speaks three-word-sentences. He is receiving five speech lessons a week at school and one full hour at home. If he does not continue to have speech at home, he slides back in his present comprehention.

If we lose the Medicaid coverage, what will happen to these children who need this therapy so badly?

I, and many others, would apreciate it greatly if you would vote to keep therapy covered by Medicaid.

Sincerely,

Ruby H. Pfau

Ruby H. Pfau
936 Cooley
Missoula, MT
59802

January 13, 1988

Dorothy Bradley, Chairperson, and Human Health Subcommittee members
State Capitol
Helena, MT 59601

Dear Ms. Bradley and Subcommittee members:

This letter is being written in effort to reinforce the need of Medicaid funding for Speech Language Pathology and Audiology services within the state of Montana.

Currently Medicaid provides the opportunity for communicatively impaired individuals, in all areas of our state, to receive speech and hearing services which, without financial aid, they would not be able to afford. This, in turn, helps these people to communicate and be productive citizens of our state. Medicaid allows the speech/language impaired child from a rural area in Montana, to recieve direct therapy that will remediate his delay and help reduce the chance of him developing learning problems later in life. It also allows the person who has just had his larynx removed obtain therapy to help him learn an alternate way of speaking. It helps the elderly who suffer from hearing loss to receive audiology services and hearing aids which are necessary to help them remain communicative individuals. This list goes on to include victims of head injury, stroke, aging diseases, among others. There will always be those individuals who can afford services no matter what the cost. But, there will also always be individuals who cannot afford these needed services. Without medicaid providing for these services, they will go untreated. I do not wish this on any citizen of our state.

Another advantage of Medicaid is that it now allows the people who live in rural areas of our state the opportunity to receive intervention from qualified, competent professionals. If Medicaid only funds those who receive services in a medical setting, many would go untreated. Those who cannot travel from their home for services, would go untreated. Those who live in small towns and rural areas, would go untreated. It would seem somewhat discriminatory to me to only fund Medicaid through the medical setting.

As this letter indicates, Medicaid is essential in providing remediation for many speech-language and hearing impaired citizens of our state. To discontinue this funding would be an injustice to the communicatively impaired of our state.

Thank you for your consideration in this matter.

Sincerely,

Nancy JM Rice

Nancy JM Rice, Speech Language Pathologist
Billings, Montana

January 14, 1989

Glenn A. Hladek
803 Rimrock Rd.
Billings, MT. 59102

Representative Dorothy Bradley, Chairperson
Human Services Subcommittee
Capital Station
Helena, MT. 59601

Dear Chairwoman Bradley and Committee Members;

I am writing to express my concern that Speech Pathology and Audiology services are being considered for elimination as optional services being funded by Medicaid.

Our association, the Montana Speech-Language-Hearing Association has worked with SRS over the last two years to create a means to maintain these optional services to the speech and hearing handicapped of Montana in a fiscally responsible way. I have talked with Rosemary Harrison, our association president and she will be detailing that information for you.

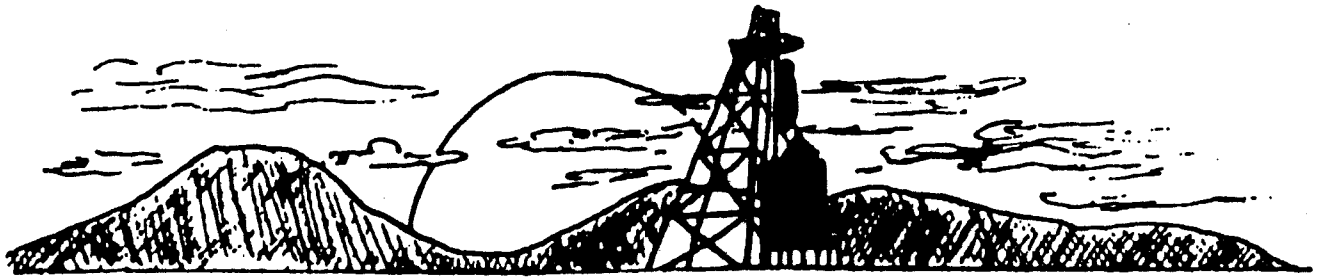
I want to address the issue from another angle. I strongly support the maintenance of these services and the method in which they are presently provided. In the efforts to reduce the deficit, I have heard discussion of the elimination of these services, and if not feasible, then to centralize these services in in-patient facilities.

There are Speech Pathologists and Audiologists throughout Montana. This allows a person who has developed a speech and language problem due to a stroke, degenerative disease, trauma, etc. to receive their communitcation therapy in their local communities. Any attempt to centralize these services in major hospitals or rehabilitation centers denies in part the rural nature of Montana. Medicine in Montana is already being skewed toward our larger communities. Since there are speech pathologists throughout the state, there appears to be no advantage to have the speech and language-impaired person travel to a larger hospital or rehab center to receive these services. Attempts to improve communication skills are much more effective when they are consistent, and are provided in a known environment, where family members can be included. Centralizing these services in Montana would certainly make consistency and familiar environment impossible.

The human need to communicate can not be underestimated. I urge you and your committee members to carefully consider the effects of eliminating Speech Pathology services to the residents of Montana. Thank you for your time, yours will be a difficult task, maintaing the concerns Montanans have always shown its residents in need, with fewer and fewer dollars - Good Luck

Sincerely,

Glenn A. Hladek



MOUNTAIN VIEW SOCIAL DEVELOPMENT CENTER
975 North Main
Walkerville, Montana 59701
Donna Craver, Director Phone: (406) 782-1028

January 13, 1989

Mrs. Mona Jamison
Power Block Building Suite 4F
Helena, MT 59624

Dear Mrs. Jamison:

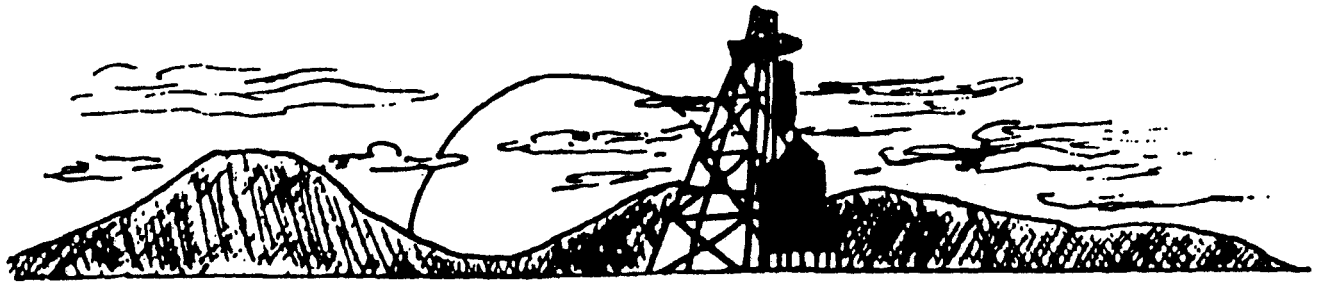
Enclosed please find a letter requesting continuance of Medicaid services. Patricia Ingalls, Audiologist at Highlands Hearing in Butte alerted me to this need for action.

Sincerely,

Donna Craver

Donna Craver, Director

DC/lw



MOUNTAIN VIEW SOCIAL DEVELOPMENT CENTER
975 North Main
Walkerville, Montana 59701
Donna Craver, Director Phone: (406) 782-1028

January 13, 1989

Chairman
Senate Human Services Subcommittee
State of Montana

Dear Sir:

It is my understanding that a hearing regarding Medicaid funding for the following services will be held soon:

Occupational Therapy,

Physical Therapy,

Psychological,

Audiology and Speech Therapy.

I would like to express the hope that these services, particularly Audiology, will be allowed under Medicaid funding.

Our clients are required to have assessments to meet The Accreditation Council on Services for People who are Developmentally Disabled (ACDD) Standards. We must meet these standards in order to provide services. None of our clients are able to afford these assessment services and the program certainly is not able to pay for them.

In addition, several clients have been found to have hearing loss and have been fitted with aids. It is hard enough for them to function without being able to hear.

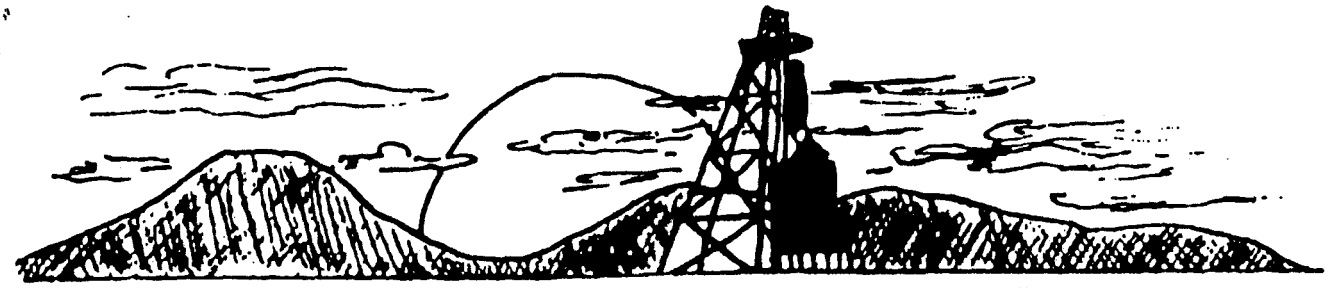
Thank you for your fair consideration.

Sincerely,

Donna Craver

Donna Craver, Director

DC/lw



MOUNTAIN VIEW SOCIAL DEVELOPMENT CENTER
975 North Main
Walkerville, Montana 59701
Donna Craver, Director Phone: (406) 782-1028

January 13, 1989

Dear Sir:

Please continue funding for all services under Medicaid. We are using or may need them.

Thank you,

Staff and Clients of Mountain View Social Development Center

Frances Thompson
Dick Clague
Jake Fox
Mark Sawyer
John Raymond Bradley
Gene Peterson
Bert Floyd
Don Hanson
Martha Reagan
Thomas K. Bailey
Donnie Bunker
Victor Harvey

Jim Roach
Marie Mills
Donna Craver
STANLEY
Mary Bachman
Linda White

GENE W. BUKOWSKI, M.S., CCC-A
Audiology & Hearing Aids
111 South 24th St. West, Suite 9 • Rimrock Mini Mall • Billings, MT 59102 • (406) 656-2003

January 12, 1989

Mona Jamison
Power Block Building
Suite 4F
Helena, Mt 59624

Dear Mrs. Jamison,

I am writing to urge continued audiology and speech pathology services to Medicaid recipients. Many individuals qualifying for Medicaid benefits need hearing and speech services to communicate. If these services are eliminated many needy and deserving persons will go without the help that can change their life.

Montana needs to continue to help its needy residents.

Sincerely,

Gene W. Bukowski

Gene W. Bukowski, M.S., CCC-A
Audiologist

Date: January 13, 1989

To: Senator Dorothy Bradley
Senate Human Services Subcommittee
C/O Mona Jamison
Power Block Building, Suite 4-F
Helena, MT 59624

From: Bob Folsom and Debra Sykes, Audiologists
P.O.Box 38
East Glacier Park, MT 59434

RE: Medicaid funding of "optional" services.

It has come to our attention that there is movement to eliminate "optional" services from the State's Medicaid Program. Although optional services includes a number of aspects, of particular concern to us in the availability of hearing aids for low income people.

Eliminating or reducing the availability of devices which allow a person to function more productively in society is at best a short-sighted cost saving measure. It is our opinion that services such as these should be the **last** to be eliminated, not only because of the potential pay-back to society, but also because it doesn't seem fair to always make the poor pay for cost cuts.

Sincerely,

Bob Folsom and Debra Sykes

Bob Folsom and Debra Sykes

OFFICE OF PUBLIC INSTRUCTION

Nancy Keenan
Superintendent

STATE CAPITOL
HELENA, MONTANA 59620
(406) 444-3095

January 13, 1989

Ms. Mona Jamison
Lobbyist
Montana Speech & Hearing Association
Suite 4, Power Block Building
Helena, Montana 59624

Dear Mona:

This letter is in regard to the decreasing or elimination of optional services by the medicaid program. I oppose those decreases.

What can one say that hasn't been said before? Certainly, the crisis interventions which are paid for (doctor, hospital, drugs, etc.) are necessary. However, in an attempt to rehabilitate people and bring them to a level of being employable, speech, hearing, vision and dental care cannot be overlooked. For example, to correct a client's heart problem does not make him employable if he has a vision problem, is hard of hearing, and is in need of dentures.

It seems only common sense to oppose such decreases or eliminations.

Sincerely,

Merle DeVoe, Coordinator
Hearing Conservation Program
Department of Educational Services

co/11

EXHIBIT 6
DATE 1-23-89
HB

Human Services Subcommittee:

I am writing in regards to the Montana Speech and Hearing Association's recommendation that Medicaid rates for speech pathology services be increased. As a therapist involved in a private clinic, I see the demands that the business confronts. Financially, these demands increase each year. In order to serve our clients appropriately, tests and other client related materials are essential. Therefore, the financial demands need to be met.

Furthermore, it has been 8 years since the rates have last changed. I reemphasize the fact that due to financial increases within speech and language businesses and proper service to our clients an increase in rates is necessary.

I STRONGLY URGE you to consider the Montana Speech and Hearing Association's recommendation to increase Medicaid speech pathology rates.

Thank you for your time.

Sincerely,

Christine A. Caniglia

Christine A. Caniglia, M.S., CCC-Sp
Speech and Language Pathologist

January 18, 1989

Human Services Subcommittee
Capital Station
Helena, MT 59601

Dear Subcommittee Members:

I am writing in strong support of the Montana Speech and Hearing Association's recommendation that Medicaid reimbursement rates for Speech Pathology services be increased.

The existing rates were established eight years ago, without revision since. My business expenses have risen considerably without a concurrent increase in reimbursement for the Medicaid clients I serve. Our profession has worked closely with SRS in the past few years to contain costs as much as possible. We currently serve those clients most in need of services, including pre-schoolers and adults who are disabled by a sudden brain injury.

The training (Master's level) and continuing education requirements demanded of our profession are stringent. Yet, as service providers, we are considered at the bottom of the list, after providers with fewer educational and clinical experience demands. I believe equality is at least in order.

Thank you for your consideration in this important matter.

Sincerely

Ellen Vogelsang

Ellen Vogelsang

Jan. 16, 1989

Human Services Subcommittee
Appropriations Committee
Capital Station
Helena, Mt. 59601

Dear Subcommittee Members:

I am writing to support the Montana Speech and Hearing Association's recommendation that Medicaid reimbursement rates for Speech Pathology services be increased. Although, I realize that this is an inopportune time to be making such a request, I also am aware that it is likely that there never will be a good time for this type of request.

I feel that such a rate is justified as it has been almost 8 years since this rate has increased. Even the State employees have faired better than speech pathologists in this area. As a self-employeed speech pathologist and the Chair of the MSHA Medicaid Committee, I feel that our organization has made every attempt to contain the costs for our services. For example, we recently participated with SRS in revising our regulations for Medicaid reimbursement. Consequential to this revision, we reduced our allowable billable hours from 200 to 100 (30 of these 100 require peer review to determine their necessity) per client. Additionally, we have tightened documentation requirements to assure than unnecessary services were not being provided. Our organization feels that these controls establish the likelihood that only the most medically necessary services are being provided.

As a private practioner, I have watched my business expenses rise annually without a concomittant increase in reimbursement for my Medicaid clients. I know of very few professionals or business people that would have endured this in silence for so long. So I believe that it is timely that our organization should finally be making this request.

Finally, I feel that it should be pointed out that we are by far at the bottom of the Medicaid reimbursement scale. For example, other therapies with fewer academic credentials are reimbursed at a rate much greater than are speech pathologists. For equity sake, we should at least be reimbursed at the same rates as are the the other therapies and comparable professionals.

Thank you for your consideration at this inopportune time.

Sincerely,

Mary Anne Molineux

Mary Anne Molineux

January 18, 1989

Human Services Subcommittee Members:

I am writing to voice my opposition regarding recent recommendations to eliminate Speech Pathology, Occupational Therapy and Physical Therapy from the Medicaid budget.

I had an anyeurism and subsequent cerebral hemorrhage approximately one year ago. Following three months in the hospital, I was discharged home receiving Speech Pathology and Physical Therapy in the community on an out-patient basis. Without these services, I would not have progressed as quickly nor completely. I feel I am now well on my way to once again becoming a productive member of society in soon being able to return to work.

I strongly urge the Subcommittee to retain these essential out-patient therapy services. For other adults, like myself who have experienced some sort of neurological trauma, these services are critical to our continued recovery and vocational future.

Sincerely,

Mike Muszkiewcz

January 18, 1989

Appropriations committee
Human Service Subcommittee
Capital Station
Helena, MT 59620

Dear Subcommittee Members:

I am writing to express my opposition to the Fiscal Analysts' recommendation to eliminate Speech Pathology services from the Medicaid budget. As a private Speech Pathologist, I have worked with adults and children who experience speech, language and cognitive disorders. The benefits of therapy in establishing patterns for success whether that be in an academic or work setting, have been obvious.

Without out-patient services, my clients would face poor academic achievement, longer terms on disability and welfare roles or life in institutions. My services along with those of other professionals in the community, enable disabled adults and children to function more independently.

Out-patient speech pathology services constitute a very low percentage of the Medicaid budget, $199,778.00 in fiscal year 1988. A cut that could save the State that amount now, may well result in increased costs from institutionalization, and longer terms on welfare and disability roles. I strongly believe that the existing use of monies for optional services such as speech pathology are an efficient and effective use of tax payers dollars.

I strongly urge you to dismiss Option A of the Fiscal Analysts' recommendations.

Sincerely,

Ellen Vogelsang

Ellen Vogelsang
Speech-Language Pathologist

Human Service Subcommittee Members:

I am a speech and language pathologist working in private practice. I have concerns regarding the elimination of speech and language therapy services for Medicaid recipients. The clients served in the clinic range from birth to adulthood and exhibit difficulties communicating competently in our society. These clients depend on us to teach or re-teach (e.g., as in the case of a head-injured or stroke patients) them the communicative process. This includes speaking appropriately, cognitive retraining, and the functional use of language. Without the services to habilitate or rehabilitate, a client's ability to functionally use language to express ideas through speaking, reading, and writing would be limited or obsolete.

Another service that would be eliminated as a result of the exclusion of Medicaid services is parent training. Within therapy sessions it is essential to educate parents on how to utilize speech and language techniques to insure maximum benefits from therapy. This service assists in the learning process so that the gap between the child's developmental and chronological age lessens.

Speech and language services provide those with the lack of or the loss of speech, cognition, and language the opportunity to learn how to be successful in school, on the job, and in social situations.

I STRONGLY URGE you to reconsider the elimination of speech and language services. Without these services the ability of these recipients to acquire communicative, educational, vocational, and social competence will be taken away.

Sincerely,

Christine A Caniglia

Christine A. Caniglia, M.S., CCC-Sp
Speech and Language Pathologist

Jan. 16, 1989

Appropriations Committee
Human Service Subcommittee Members
Capital Station
Helena, Mt. 59620

Dear Subcommittee Members:

I am writing to express my concern regarding the Fiscal Analysts' recommendation to eliminate Medicaid reimbursement for Speech Pathology services. As a Speech Pathologist with 18 years of experience providing services to adults and children, I have had the opportunity to observe the impact of the lack of such services on individuals with speech and language disabilities.

The results of not having the opportunity to obtain speech pathology services have ranged from poor self-esteem and low academic achievement all the way to inability to hold a job. It has been my experience that many communicatively- impaired individuals have developed greater problems as a result of their original communication handicap when speech therapy services were not available. Without communication skills they often became burdons on the state within the welfare roles, residential treatment centers, or penal institutions.

Unfortunately, limiting speech pathology services to hospitals would restrict the availability of such services to a large portion of Montana's population, those living in rural areas. Because the lack of these services can have such dire consequences on those needing them, I would strongly encourage you to reconsider the recommendation to eliminate outpatient Medicaid reimbursements. What may save the State some dollars now may eventually cost them much more later in welfare stipends, institutional care and lack of tax monies from communicatively delayed citizens who are unable to hold jobs.

I encourage you to consider the longterm consequences of such an action.

Sincerely,

Mary Anne Molineux

Mary Anne Molineux
Speech-Language Pathologist

Family Outreach, Inc.

Main Office:
825 Helena Ave.
Helena, MT 59601
(406) 443-7370

Branch Offices:
19 N. 10th
Bozeman, MT 59715
(406) 587-2477

2001 Harrison Avenue
Butte, MT 59701
(406) 723-7138

To the Members of the Human Services Subcommittee:

My name is Billie Miller. I work as a Family Trainer with Family Outreach in Helena. I work with families who have children with disabilities or who's children are at risk of being labeled as disabled.

A majority of the children with whom I work require some type of support services such as speech therapy, occupational therapy or physical therapy. I have seen the provision of these services make significant improvements in the lives of many children.

Often the problems resulting from various disabilities are complicated enough that support services provided by skilled therapists are essential to the development of effective treatment and habilitation planning.

I urge you to maintain the benefits medicaid supplies. These services are needed and well used.

Thankyou,

Billie Miller

Billie Miller

January 18, 1989

ATTN: HUMAN SERVICE SUBCOMMITTEE
DOROTHY BRADLEY, CHAIR

It was with deep dismay that I read of the Appropriations Committee's recommendation to eliminate speech pathology services as a Medicaid benefit.

I have been involved in the early childhood profession for eight years and have seen firsthand the benefits and cost effectiveness of early intervention. If children **do not have access** to speech pathology prior to entering the public schools **because their families do not have the necessary income to provide such services it represents the worse kind of discrimination.**

If this shortsighted and utterly illadvised recommendation were to see the light of day countless children and their families would suffer. Early intervention often prevents a mild or moderate handicap from becoming severe. The ability to communicate is essential and when children do not receive appropriate services in the pre-school years their handicaps become multiple. The child whose immature articulation prevents him from being understood becomes increasingly frustrated until his behavior earns him the label 'emotionally disturbed'. By the time this child receives services the expense, time, emotional and social stress are heavily increased while the success rate drops. In effect the costs to the individual and to society are increased both in terms of dollars and in quality of life.

Such essential services should not be accessable only to those who can afford them. Often, poverty and developmental delays go hand in hand. If the environment a child finds himself thrust into lacks the necessary stimulation language and speech development may suffer. If a child is then doubly penalized by being born poor and, the 'safety net' rejects his needs both he and the 'safety net' will collapse under the expense and the difficulty of what **was once** a problem with a solution. Conversely, if the speech and language delay is severe to begin with **only with early and appropriate intervention** will the child be capable of reaching his potential. And **whatever** that potential may be it is all of our responsibility to ensure that **each and every** child, regardless of his income level, is provided with opportunities and services which will foster and nuture his optimal development.

On behalf of those who cannot speak for themselves I implore you to do whatever you can to ensure that optional Medicaid benefits for speech pathology services are maintained.

Sincerely,

Joan Borneman

Joan S. Borneman
P.O. Box 1093
Anaconda, MT 59711

Speech & Language Clinic
Arcade Building
Suite 4C
Helena, MT 59601
(406)449-2736

Mary Anne Molineux, M.A., C.C.C.

Ellen Vogelsang, M.A., C.C.C.

Jan. 16, 1989

Dorothy Bradley
Chair of Human Services Subcommittee
Capitol Station
Helena, Mt. 59620

Dear Ms. Bradley,

I wish to encourage your committee to please maintain optibal Medicaid benefits for speech pathology services. Appropiately two-thirds of my clients in Headstart need these benefits in order to receive services. Without these services I fell we will be sending children to the public schools with much more severe articulation and language delays. This will cause a heavier burden on the public schools as well as set these children up for early frustration and failures. I also have worked with older children who need continued services in the summer and are dependant on Medicaid funding for this. I strongly urge you to continue funding for the services these groups of children need.

Thank you,
Jan L. Blossom C.C.
Speech Pathologist

Deaconess Home
INTERMOUNTAIN DEACONESS HOME FOR CHILDREN

500 S. LAMBORN
HELENA, MONTANA 59601
PHONE 406/442-7920

JOHN H. WILKINSON
Administrator

SHARON HOWE
Director
Resource Development

January 18, 1989

To: Dorothy Bradley, Chair of the Human Services Sub-Committee

From: Claudia Morley, Director of Education

Re: Speech Pathology Services

It has been brought to my attention that the Appropriations Committee has made a recommendation to eliminate speech pathology services currently funded under Medicaid.

I feel it is important for your committee to know that approximately 40% of our children at Deaconess suffer with communication disorders, so elimination of these services would have significant impact upon their treatment. These are vital services to this group of children because not only are articulation problems worked on and corrected, but the therapy also focuses upon remediation of linguistic processing difficulties, which are so prevalent with our severely emotionally disturbed population. Remediation of language processing skills are crucial to a child's overall treatment, as their ability to communicate in a competent manner is necessary for them to re-enter their family, not to mention public school and the mainstream of society.

If speech therapy is discontinued we have no other resources or alternatives available that can provide this very necessary language program.

Thank you for considering my input and I hope that you and your committee will remember the importance of these services to our children and will vote to recommend retaining them. Thanks again!

BUTTE HEAD START

HUMAN RESOURCES COUNCIL, DISTRICT XII
P.O. BOX 608 • BUTTE, MONTANA 59703

January 17, 1989

Dorothy Bradley
Human Services Subcommittee
Speech and Language Clinic
Arcade Building
Suite 4C
Helena, Mt. 59601

Dear Ms. Bradley,

Many people with Medicaid benefits have received the professional services of a Liscensed Speech Pathologist. Theses services have improved the quality of life for many people in Montana.

When children are screened for any of our educational facilities, the biggest area of deficit is in the area of Language, both receptive and expressive. Language and its usage is what makes us human. If interferences such as delayed development, trauma, neurological impairment etc. influence the language process, the quality of communication does decrease.

Positive results are achieved when the program, is tailored to meet the needs of the individual. Such program need to be established by a qualified Speech Pathologist. Preventive treatment is always better than rehabilitation. Early diagnosis is the key. The number of qualified therapists is very low in relation to the population. It is imperative that we keep the Therapists we have and encourage more into the state.

BUTTE HEAD START

HUMAN RESOURCES COUNCIL, DISTRICT XII
P.O. BOX 608 • BUTTE, MONTANA 59703

The Headstart Agencies which are comprised of primarily Medicaid families are having a difficult time finding Speech Pathologists to meet their National guidelines. It is estimated that 50%-75% of the underprivileged have speech and language delays. Early intervention is the answer to overcoming language delays. Let's prevent future problems and maintain the optional Medicaid benefits for the services needed here in Montana.

Sincerely,

Robert Dennehy

Robert Dennehy
Director

EXHIBIT 7
DATE 1-23-89
HB

MONTANA HEALTH CARE ASSOCIATION

36 South Last Chance Gulch, Suite A
Helena, Montana 59601
406-443-2876

COMPARISON OF OBRA COSTS

GOVERNOR'S BUDGET VS. MHCA STUDY

REQUIREMENT	MHCA STUDY FY90 COST	MHCA STUDY FY91 COST	GOVERNOR'S BUDGET [1] FY90 COST	GOVERNOR'S BUDGET [1] FY91 COST
1. NURSE AIDE TRAINING:				
(a) Train the trainer	186,081	-0-	-0-	-0-
(b) Train existing aides	1,606,203	-0-	961,190	-0-
(c) Retrain existing aides who fail test	361,232	-0-	-0-	-0-
(d) Train new aides	1,376,519	1,445,346	468,725	-0-
(e) Retrain new aides who fail test	123,423	141,375	-0-	-0-
(f) Ongoing education	790,427	829,949	-0-	-0-
(g) Supplies & training materials	127,848	-0-	-0-	-0-
(h) Nurse Aide Wage Increases	1,999,006	4,197,912	-0-	-0-
TOTAL NURSE AIDE TRAINING	6,570,739	6,614,582	1,429,915	-0-
2. NURSE STAFFING:				
(a) RNs 8 hrs/day/ 7 days a week	-0-	74,032	862,057)	666,206
(b) 24 hour licensed staff	-0-	130,249	453,213)	
TOTAL NURSE STAFFING	-0-	204,281	1,315,270	666,206
3. QUALITY ASSURANCE COMMITTEE	-0-	350,157	-0-	-0-
4. ASSESSMENTS, REVIEWS, PLANS OF CARE	-0-	845,759	-0-	-0-
5. SOCIAL SERVICES/ELIMINATION OF SNF/ICF DISTINCTIO				
(a) Social Workers	-0-	230,622	-0-	-0-
(b) Qualified Dietitians	-0-	14,859	-0-	-0-
(c) Pharmacy Consultants	-0-	36,254	-0-	-0-
(d) Medical Records Consultants	-0-	21,663	-0-	-0-
TOTAL SOCIAL SVCS/ELIMIN. OF SNF/ICF DISTINCT.	-0-	303,398	-0-	-0-
6. PHYSICIAN INVOLVEMENT - MEDICAL DIRECTORS	-0-	27,263	-0-	-0-
7. MISCELLANEOUS:				
(a) Patient Trust Funds	-0-	20,514	-0-	-0-
(b) Privacy Curtains	-0-	403,480	-0-	-0-
TOTAL MISCELLANEOUS	-0-	423,994	-0-	-0-
T O T A L S	$6,570,739	$8,769,434	$2,745,185	666,206

[1] Governor's budget amounts are approximate, as the specific breakdowns were not available.

EXHIBIT 8
DATE 1/23/89
HB Human Servs. Sub-Com.

VISITORS' REGISTER

Human Services SUBCOMMITTEE

BILL NO. _____ DATE 1-22-89

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Beverly Reynolds	Missoula	support optional benefit	
Rosemary Harrison	Missoula	"	"
Jack Ingalls	Butte	"	
Patricia R. Bartz Patricia R. Bartz	Helena	support optional benefits	
Michael K Wynne	Msla	support optional benefits	
Ellen Voegborg	Helena	support benefits	
Chris Caniglia	Helena	support benefits	
Renea Berg	Helena	support benefits	
R. Sarsall	Helena	support benefits	
Ron Hall	Hln mt		
Crystal Hall	Helena mt		
Janet Alarid	Helena	support optional benefit	
Steven Lilliefke	Helena	"	"
Pam Smith	Helena	"	
Robert Ryan jr.	Helena	"	
Kay Drawdie	Helena	support	
TIM HARRIS	HELENA	SUPPORT	
Maryanne Molineux	Helelena	support	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

Human Services SUBCOMMITTEE

BILL NO. _____ DATE 1-22-89

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
CHARLES NOVOTNY	3815 KANDY, HELENA	SUPPORT	
Lee Tuholske	528 Hauptgen'l.		
Medicat	Helena		
Maria Nyberg	3885 Hwy 12 E.	✓ optional Medicaid	
Doris Luckman	156-18th Ave. W.W. Great Falls, Mt.	Support.	
Connie Gay Mulcahy	3102 NATIONAL - Helena	Medicaid Support	
JOHN THORSON	MENTAL HEALTH ASSN.	SUPPORT	
Nancy Begler	Helena	Support	
Virginia Novotny	Helena	Support	
Mona Jamison	LOBBYIST - MT. SPEECH, LANGUAGE, HEARING ASSN	Support for + audio.	optional Benefit speech
JUDITH CARLSON	NASW		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.