

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS

Call to Order: By Rep. William Menahan, on February 10, 1989, at 8:00 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Taryn Purdy, Associate Fiscal Analyst

Announcements/Discussion: EXECUTIVE ACTION - MONTANA
DEVELOPMENTAL CENTER

Taryn Purdy went over the personal services issues on the budget worksheet.

Sen. Aklestad asked if the 427.65 FTE takes into consideration the position deleted of Administrative Assistant II. Ms. Purdy stated that position is already out. Positions flagged due to recruiting problems, two nurses, physical therapist, recreation therapist, psychologist, speech pathologist and occupational therapist are still in the budget and still fully funded within the budget.

Curt Chisholm, Director, Dept. of Institutions, explained about the positions that were flagged due to recruiting problems. They have not been able to recruit for those positions but the budgeted dollars for all of those positions are incorporated in both the executive and LFA current level figures. The position that's not reflected is the Administrative Assistant II position and it had been deleted because it had not been filled for the year. In fact, technically that is true, but the person they were using as a staffing coordinator, which is what the deleted position is, is on full time but being paid out of her former position. The staffing coordinator fills a very critical role. He stated he would like to have that incorporated back into the budget. It was in the executive level recommended budget figures. Technically it wasn't filled but the duties of that position are ongoing.

TAPE 1A 62

Sen. Bengtson moved they take the executive recommendation for personal services and add the Administrative Assistant II to the budget. The executive amount is \$10,330,819

fiscal 1990 and \$10,349,625 fiscal 1991. The Administrative Assistant II position is \$19,437 fiscal 1990 and \$19,445 fiscal 1991. Rep. Peterson stated the Administrative Assistant is one of the key players in certification. Sen. Bengtson stated it is critical they receive this one, but she was puzzled about the 18.5 FTEs that are needed for certification. Mr. Chisholm stated these positions will be addressed in the modified. Motion carried.

OPERATING EXPENSES: Ms. Purdy explained there is a difference between the executive and current level of \$40,904 in fiscal 1990 and \$41,410 in fiscal 1991. The difference is caused by three factors: 1) the executive has replaced USDA commodities in fiscal 1988 with general fund and LFA current level does not. USDA commodities such as cheese, milk, beans and flour are donated to all the Institutions. It does not appear as an expenditure.

The USDA commodities have been going down in the last year and what the Montana Developmental Center has requested is that the total value of those commodities be replaced with general fund because they do not know what the level will be in the next biennium. Current level did not make that adjustment because only three institutions requested any replacement of USDA commodities, each institution used a different method of determining what that loss would be. In talking to SRS who administer the USDA commodity program they indicated at that time that while the USDA commodities were going down they felt they would stabilize in the next couple of years although they do not know what the USDA commodities will look like. Loss of these commodities means they have to then replace those foodstuffs with purchased food.

TAPE 1A 120

2) Current level reduces janitorial, laundry and kitchen supplies by \$32,276. From the LFA standpoint this is done due to fluctuations in those expenditures over the last several years. Current level takes an average over the last five years of each of those different categories rather than the fiscal 1988 base. The executive maintains those expenditures at a fiscal 1988 level.

3) The executive reduced communications and repair and maintenance by \$5,433. LFA current level maintains those expenditures at the fiscal 1988 level so the net effect of the reductions made by the LFA current level and the executive is that LFA current level is below the executive by \$26,843.

Sen. Aklestad asked about the difference and Ms. Purdy explained the difference is in the downward adjustments made to \$26,000 and added to that is the \$14,478 the executive added to the base for USDA commodities; so the total difference is \$40,000.

Mr. Chisholm stated they would obviously like the executive level budget for operations and they are concerned about the differences between the LFA budget and the executive budget for supplies needed for the kitchen, laundry and janitorial.

TAPE 1A 193

Mary LaFond, OBPP, answered a question from Sen. Aklestad concerning boiler-plate language concerning taking money out of personal services and into operating expenses. She stated to line-item the personal services was the Appropriation committee determination and not the budget office.

Mr. Chisholm stated the Governor's budget office is recommending an applied vacancy savings factor to all agency budgets. At the same time the position of the Appropriations committee is they don't apply vacancy savings to these budgets. In the process of applying no vacancy savings to the budgets there will be a position taken by the appropriations committee that you can't transfer money out of personal services into operations. This subcommittee has recognized the vagaries of that relative to not being able to hire certain critical positions.

Sen. Aklestad moved that instead of having the \$40,904 difference in fiscal 1990 and \$41,410 in fiscal 1991 they add the \$26,843 on to each year so there would be a \$14,478 difference for operating expenses. Sen. Bengtson asked if he was moving the LFA operating expense and he replied he was. Motion carried.

TAPE 1A 241

EQUIPMENT: Sen. Bengtson moved to accept the executive recommendation on equipment. Motion carried.

Sen. Aklestad asked why it was costing more money for the drug contracts over the cost of the pharmacists. Mr. Chisholm answered that the level they were providing services was inadequate when they were operating their own pharmacy and it is true that now it is costing more money. However, they were not meeting certification standards before.

FUNDING: Sen. Bengtson moved the executive recommendation on funding. Donations \$14,000 fiscal 1990 and 1991 Chapter I & II \$19,937 fiscal 1990 and \$19,909 fiscal 1991 and School Foods \$3,399 fiscal 1990 and \$2,476 fiscal 1991. Motion carried.

Sen. Bengtson moved to adopt the modified for the additional FTEs of 17.5 positions. This modified budget requests continuation of the 15.0 FTE habilitation aides added in fiscal 1988 after medicaid surveyors cited deficiencies in meeting medicaid standards. The modified also requests an additional 2.5 FTE aggregate positions to meet HCFA staff training requirements.

Personal services and general fund amounts are \$337,877 fiscal 1990 and \$338,144 fiscal 1991 for the 17.5 FTEs. Motion carried.

Rep. Grady moved to accept the modified budget of \$79,010 in fiscal 1990 and \$78,909 in fiscal 1991 to add a 1.0 FTE aggregate position to establish a resident work program, which would allow residents to be compensated for work performed. Motion carried.

SUPPLEMENTAL - CORRECTIONS MEDICAL

TAPE 1B 297

Discussion then followed on the need for a supplemental in the Corrections Medical Program. Taryn Purdy stated there were three options for the committee: 1) fund the approximately \$48,000 requirement outright, 2) take no action, which would mean the department would transfer authority from the expected \$90,000 of excess authority in the prison budget, which they currently have the authority to do, or 3) insert language in House Bill 301 allowing the department to transfer a portion of the anticipated reversion of workers' compensation funds from the prison, which language in House Bill 2 currently restricts them from doing. Potential language allowing this transfer was handed out to the committee. Curt Chisholm stated the department's preference for option 3, as they may have to use the potential reversion of prison authority to house inmates this spring. Sen. Aklestad stated he would like to see the language in HB2 be in effect and workmen's comp money not used for this. An appropriation should be made in a different manner, according to Sen. Aklestad. Rep. Peterson stated she would rather vote for \$48,000 outright. It was the intent of the committee to take no action on this and that potential language could be added at some other point in the process.

ADJOURNMENT

Adjournment At: 9:30 a.m.


REP. WILLIAM MENAHAN, Chairman

3524.min

2-10-89

DEPARTMENT OF INSTITUTIONS
MONTANA DEVELOPMENTAL CENTER

<u>PERSONAL SERVICES</u>	<u>1990</u>	<u>1991</u>
Executive FTE	427.65	427.65
LFA Current Level FTE	<u>427.65</u>	<u>427.65</u>
Difference	-0-	-0-
 Executive	 \$10,330,819	 \$10,349,625
LFA Current Level	<u>10,331,284</u>	<u>10,348,274</u>
Difference	\$ (465)	\$ 1,351

- - - - - Personal Services Issues - - - - -

1. Appropriations Committee Policy

	<u>1990</u>	<u>1991</u>
Positions Deleted:		
Administrative Assistant II	\$19,437	\$19,445
Positions Flagged due to Recruiting Problems:		
Nurse (2.0 FTE)	\$57,147	\$57,082
Physical Therapist	\$29,825	\$29,780
Recreation Therapist (3.0 FTE)	\$90,130	\$90,200
Psychologist	\$34,631	\$34,580
Speech Pathologist	\$29,825	\$29,780
Occupational Therapist	\$29,825	\$29,780
Vacancy Savings Added:		
Executive	\$199,636	\$199,632
LFA Current Level	\$316,644	\$316,748

Subcommittee Policy - HPI Drug Contract

Pharmacy Positions Deleted from Current Level	2.0	2.0
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Personal Services Reduced from Current Level	\$49,262	\$49,189
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Executive Benefits

Added to Executive Budget for Benefits and Insurance	\$87,608	\$93,244
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2. Committee Issues

Committee Action

OPERATING EXPENSES

	<u>1990</u>	<u>1991</u>
Executive	\$1,777,031	\$1,823,775
LFA Current Level	<u>1,736,127</u>	<u>1,782,365</u>
Difference	\$ 40,904	\$ 41,410

- - - - -Operating Expenses Issues - - - - -

1. Subcommittee Policy - HPI Drug Contract

	<u>1990</u>	<u>1991</u>
HPI Management Fee Added to Current Level	\$64,975	\$68,224
Drugs Added (Subtracted) to (from) Current Level	\$(5,977)	\$(6,318)
Drugs Added to Executive	\$5,354	\$5,658

2. The difference between LFA current level and the executive, which totals 2.3 percent of total operating expenses, is due to three factors:

1) current level does not include \$14,478 each year added by the executive due to the potential loss of USDA commodities,

2) current level reduces janitorial, laundry, and kitchen supplies by \$32,276, and

3) the executive reduced communications and repair and maintenance by \$5,433. The net effect of the reductions made is \$26,843.

3. Committee Issues

Committee Action

<u>EQUIPMENT</u>	<u>1990</u>	<u>1991</u>
Executive	\$25,000	\$25,000
LFA Current Level	<u>28,660</u>	<u>28,660</u>
Difference	\$(3,660)	\$(3,660)

- - - - -Equipment Issues - - - - -

1. The executive includes equipment funds to be expended at the discretion of the center. LFA current level includes the average of the actual fiscal 1986 and 1987, and appropriated fiscal 1988 equipment levels, which would allow the purchase of two station wagons, one 14 passenger van, eight refrigerators, 10 washers, audiology equipment, and four burnishers (floor buffers).

2. Committee Issues

Committee Action

FUNDING

1990

1991

	<u>Exec</u>	<u>LFA</u>	<u>Exec</u>	<u>LFA</u>
Donations	\$14,000	\$14,000	\$14,000	\$14,000
Chapter I & II	19,937	19,937	19,909	19,909
School Foods	3,399	3,399	2,476	2,476

- - - - - Funding Issues - - - - -

1. Chapter I & II, and School Foods funds are from the federal Department of Education.

2. Committee Issues

Committee Action

MODIFIED BUDGET
MONTANA DEVELOPMENTAL CENTER

HCFA FTE

This modified budget requests continuation of the 15.0 FTE habilitation aides added in fiscal 1988 after medicaid surveyors cited deficiencies in meeting medicaid standards. The modified also requests an additional 2.5 FTE aggregate positions to meet HCFA staff training requirements.

	<u>1990</u>	<u>1991</u>
FTE	17.5	17.5
Personal Services and General Fund	\$337,877	\$338,144

Committee Issues

Committee Action

**MODIFIED BUDGET
MONTANA DEVELOPMENTAL CENTER**

Resident Work Program

This modified budget would add a 1.0 FTE aggregate position to establish a resident work program, and would allow residents to be compensated for work performed.

	<u>1990</u>	<u>1991</u>
FTE	1.0	1.0
Personal Services and General Fund	\$79,010	\$78,909

Committee Issues

Committee Action

