

MINUTES

MONTANA SENATE
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON FINANCE AND CLAIMS

Call to Order: By CHAIRMAN PETE STORY, on APRIL 11, 1989,
at 8:00 A.M.

ROLL CALL

Members Present: Senator Gary Aklestad, Senator Loren Jenkins, Senator Esther Bengtson, Senator Matt Himsl, Senator Paul Boylan, Senator Tom Keating, Senator Judy Jacobson, Senator Pat Regan, Senator Larry Tveit, Senator Fred Van Valkenburg, Senator Dennis Nathe, Senator Greg Jergeson, Senator Gerry Devlin, Senator Richard Manning, Senator Sam Hofman, Senator Lawrence Stimatz, Senator Ethel Harding, Senator Pete Story

Members Excused: Senator H.W. "Swede" Hammond,

Members Absent: None

Staff Present: Judy Rippingale, LFA

Announcements/Discussion: None

HEARING ON HB 614

Representative Diane Wyatt, District 37, explained the bill. (See Exhibit 1, 1a, 1b) The bill establishes a program to provide specialized telecommunication and services to the deaf, hard of hearing, and speech impaired people in the State of Montana. The bill as amended provides for an 11 member committee, appointed by the governor, to oversee the complete administration of the program, including the purchasing of the equipment, distribution of those who require it on a loan basis and budgeting responsibilities for the program. The bill also establishes and funds a third party relay system to connect persons who are so handicapped, to hearing persons in public telecommunications service. The bill provides for a legislative assessment of ten cents per month on a telephone customer to make this program self-supporting.

Proponents:

Representative Ed Grady spoke as a proponent to the bill.

He said this legislation is very serious considering the amount of hearing impairment in the state. He pointed out that this was a voluntary program with a very minimum charge on telephone bills and was the only way that to get these devices to people that can't afford them.

Ben Hovedahl, from Helena, testified in support of the bill. (207) He said that special telecommunication and services are of personal interest to him because he was severely hard of hearing. The average conversational level is about 15-20 decibels. He said that he was on the Board of Trustees to a National Organization called Self Help for Hard of Hearing People incorporated with National Headquarters in Bethesda, Maryland. Being hard of hearing is an invisible handicap and to those who are not so afflicted it does not appear to be an obvious problem. He has had vast problems in attempting to communicate verbally by telephone and face to face. The cornerstone of House Bill 614 provides for the loan or lease of specialized telecommunications equipment and other amplification equipment to persons who qualify. It establishes a dual or third party system to connect handicapped persons using this equipment versus persons using standard telephones.

Betty Van Tieger, a deaf person from Great Falls, came in support of House Bill 614. (337) The telephone has become a barrier to the very people that it has come to help, she said. It is a loss privacy and a great inconvenience, because someone is needed to make calls for deaf people. Teletype machines were given to many organizations for the deaf in 1964 because they were surplus. In 1973, came the electronic device for the deaf called the TDD. He sent an example around the committee. He explained that the machine costs \$188.00 and with a printer it costs \$419.00. The flasher light informs the deaf person that the telephone is ringing. It has a dual party relay system. When this is established it will provide direct communication. Congress has passed a national relay service for the deaf and communication handicapped. There is a directory called the blue book that lists all of the TD numbers and the Federal Agencies, motel services, airline services, and certain businesses which have TDD numbers. She was pleased that this bill has been introduced and asked the committee for favorable consideration because it was important to have equal access and telephone use as others do.

Ralph Foster, a farmer/rancher from north of Joplin, told

the committee what House Bill 614 would do to help him. (492) Without telephone use, he has to drive to town, whether it is Havre or Joplin or Chester or wherever to find out about parts or what the price of meat is for marketing or to get appointments, for doctor or dentist for his family. As a farmer he needs to have contact with many services and without this telephone service he has to drive everywhere he goes, and he would like to have the service of being able to contact those things by telephone, and would appreciate support of this bill.

Darwin Yougren, a concerned deaf citizen, has been a user of the TDD for the past 6 years. Without the TDD he would have a lot of troubles, he pointed out. The relay service is of vital importance to those who want to contact businesses or government agencies or friends in the hearing world, he said. The dual party relay system is needed very much. He encouraged all members of the Senate to pass House Bill 614.

Tom McGree, US West Communications, testified in support of this legislation.(586) He explained that the value of a telephone has evolved over the years from not being a luxury to being a necessity. This bill would implement further usage of the telephone system.

Bob Little, AT&T of Helena, spoke in support of the bill. He noted that the companies does offer several dual party relay systems in other states. The usage does increase very rapidly when this dual party relay system is introduced. The budget for funding is adequate to support this system, he stated.

Peggy Williams, from SRS, testified in support of the bill. She noted that SRS will contract for the services provided in this bill and it will complement services that are currently offered by the SRS and other agencies which serve persons with disabilities. Telephone service is not available or accessible to the majority of Montanans with speech and hearing disability. Some Montanans just can't afford the cost of the adaptive equipment, other people can afford it but the telephone system itself is not accessible to them. This bill provides a necessary service to Montanans with disabilities, she said.

Opponents:

Representative Betty Lou Kasten testified in opposition to the bill, representing the people who are going to pay for this program. She opposed funding, because Mid-

Rivers telephone that serves over 25,500 square miles in Eastern Montana has always done its part in helping anyone that had a special need for telephone service and the last two years the only request that they have had to help were for 19 hard of hearing amplifiers, these amplifiers cost \$15.03, which they sold at cost to the people who needed them. She explained that it has been their policy to get equipment needed for any special need and see that equipment is sold to those people at cost. The bill is so much like 911, that the legislature passed three years ago which puts only a \$.25 charge to the local. In less than two years January 1, 1987 through February of 1989, \$225,548 has been spent on administration, \$321,911 has been spent on local assistance. There is almost as much money spent on administration as there has been on assistance. It is usually stated that no one opposes this type of legislation, she said. She pointed out that \$.25 for 911 in the Mid-Rivers territory means \$16,500 a year. The \$.10 for House Bill 614, will mean another \$6,600, that means that the people in the Mid-Rivers territory are giving the state \$23,000 to do at a state level what they are trying to provide at a local level and encompassing that cost. Coop's have been diligent in keeping the rates down. The rates must be kept down. The local companies can do just as good a job at less cost than a government administrated program. It should not be an entitlement. Help at the local level is the way to go, she stated.

Questions From the Committee:

Senator Nathe asked US West or AT&T how the devices worked mechanically as a communication aide between phones. Mr. McGree replied that the way the bill is set up, the hard of hearing would have a compatible device that could communicate between the two devices. The dual part of your unit system is the part of legislation that allows for that. What you do is dial to a centralized location, it would have a compatible machine at their location. They would take the message from the machine, pick up a normal telephone, and complete the call through a regular voice conversation.

Senator Nathe asked if he knew offhand why SRS is involved. Mr. McGree replied that an agency or state government ought to oversee the operation of this program. He said that it was a separate privatized operation. Representative Wyatt commented that SRS would supply the means for those who could not afford it. (919)

Senator Aklestad asked Representative Wyatt if the relay

system was taken care of in the bill. Representative Wyatt said that was the most important component and the reason it has to be statewide.

Senator Jenkins asked Mr. McGree if the cost to the telephone company would be more. Mr. McGree replied that there would be no added cost. The relay system would be the biggest cost because it would be manned 7 days a week, 24 hours a day. He said that they did not know what that would cost, because there is no way of knowing what the volume is going to be.

(Tape 1-B)

Senator Keating pointed out that the bill provides for the telephone company to retain 3/4 of 1% of the collection as a administrative fee.

Senator Regan asked what the administrative cost for 911 was. Mr. McGree replied that there a cost but he didn't know what the percentage was. The money is sent to the state, every quarter.

Senator Jenkins asked if the calls would be long distance. Mr. McGree replied that there are other ways of doing this with reduced rates. The dual party relay system hasn't been firmly designed, so they didn't know exactly what it is like, but that was how it is done in Minnesota.

Senator Keating asked Mr. McGree if there would be additional duties within the telephone operation in handling these services. Mr. McGree said he didn't think that there would be. The collection of the dime, would be an additional duty, and then the transfer of these monies on a quarterly basis to the state would be an additional duty, but technically, there would be no additional fees.

Senator Bengtson asked if the cooperative telephone companies that exist in the state were willing to participate in this and if there is going to be an additional cost to the people in those areas. Representative Wyatt replied that rural telephone companies were not polled.

Senator Jenkins asked how much of the money goes to the purchasing of equipment. Peggy Williams replied that \$55,000 in the first year and \$232,000 in the second year, but the \$232,000 does not include the cost of the hardware for the relay system.

Senator Bengtson asked about other charges on telephone bills, beside the \$.25 on the 911. Mr. McGree said

that there are other charges such as the low income telephone assistance program at ten cents, the 911 at 25 cents, and this bill at 10 cents.

Senator Hims1 wanted to know that if there was anyplace else in this bill where this bill has been amended, instead of involving SRS, where it would involve a committee of eleven appointed people. Peggy Williams said that they are asking the legislature to make a statutory appropriation to SRS.

Senator Keating asked how much the committee is going to cost to operate for this distribution. Peggy Williams said that they figured they would meet once a month, initially this first year.

Senator Keating asked SRS if they had calculated the cost of the administration and operation of the committee. Peggy Williams replied that it would be approximately the same as what is in the fiscal note under personal services and operating expenses, which would be about \$66,000 the first year and about \$109,000 the second year. (See Exhibit #1c)

Representative Wyatt closed.

HEARING ON HB 773

Representative Wyatt explained House Bill 773. She stated the purpose of the bill was to assure the mothers, access to quality maternal and child health services. Early medical care for young mothers has a direct correlation to providing cost effective and socially sound components to society, she stated.

Proponents:

Dr. Karen Lander, a pediatrician from Helena representing the Montana Counsel for Maternal and Child Health and the Montana Children's Alliance testified in support of the bill. (468) She said that in Montana each year 120 infants die before one year of age. Low birthweight is present in approximately one half of the infants who died before their first birthday. These babies can be very expensive to care for and may go on to have lifelong disabilities. (See Exhibit 2) Pictures were passed around. She said that case management approach is an attempt to provide low income, high risk women access prenatal care. (See Exhibit 3 for letter from Dr. Pat Hennessy, Montana Medical Association would like to go on record in support of this bill.)

Marietta Cross, Registered Nurse employed at Community Medical Center in Missoula, also serve as president of Healthy Mothers, Healthy Babies, Montana Coalition read her testimony to the committee. (Exhibit #4.) She urged favorable support for this bill. (610)

Chuck Batan, March of Dimes Foundation, said that he supports the Miami Project.(723) He said that for 50 years the March of Dimes has pioneered projects to insure that health of America's children and babies. They work to reduce the incidence of low birth rate and infant mortalities. The importance of prenatal care, he said that studies have shown that early and regular prenatal care for women is vital. Infant mortality and low birth rate can be significantly decreased if women received early and regular prenatal care. Every dollar spent on prenatal care saves more than three dollars in medical costs for low birthweight infants. He urged the Legislature to appropriate the funds necessary to implement this project. It will provide an opportunity to reduce state health care costs and is an investment and a healthy start in the life of Montana citizens.

Elizabeth Bozdog, Director of Healthy Mothers, Healthy Babies and Chairperson of the Montana Children's Alliance, spoke in support of House Bill 773. She said it was endorsed by over 35 state-wide organizations. (Read Exhibit #5, letter from Roxanne Yiesterman, she had a low birthrate baby.)

Bob Johnson, Director of Lewis and Clark City/County Health Department, and member of Montana Public Health Association told of his own program that was started in this county about a month and half ago. They concluded that there is a severe problem of infant mortality in this county and consequently, temporarily funded a prenatal care program. (See Exhibit #6). Passage of this bill will ensure that programs like this, will be able to continue to exist.

Dr. Don Espelin, a pediatrician, testified in support of the bill. He pointed out that half of the babies dying a year are preventable. (See Exhibit #7) He said that post neo-natal infant mortality in the state has not changed in 30 years. Lost productivity is costing the state 40 million dollars a year. He said that because of the DRG system, Medicaid only pays half of the bill. The hospitals are stuck with the other half. He showed a graph. He showed a comparison of the babies that are born in each weight group. Less than 5 1/2 pounds is a low birthweight baby. He said that this group of babies is not being impacted. The problem is in the

access. He went over briefly the points of the Miami project. He said that public education is the first point, and private sponsors will help carry the load. The second point is the Mortality Review which can be done in a hospital with the clinical history to investigate those deaths. He pointed out that the community would need to be assessed and the local health departments involved. Low birthweight projects work. An advisory committee is really important to study the strategies, evaluate the programs and the studies and write a report on this for the next session. (988)

(Tape 2-A)

Kay Foster said that was that this was one of the most important bills that she was able to support in this legislature. She pointed out that a cure, in this case, is known as an access to care in education.

Opponents: None

Questions From the Committee:

Senator Story (167) asked if the fact that we have the highest rate of saving babies contribute to the fact that we are losing more afterwards. Isn't it a tremendous risk in saving babies that others can not save, he asked.

Mr. Espelin replied that argument doesn't hold up. They have been accused by people that the more effort that put into lukewarm nurseries, the more defective babies are saved, and that is not true. What happens is the more effort put into those newborns the less trauma they have. These studies have been written up in medical literature, he said.

Representative Wyatt closed. She said that national studies show that prenatal care prevents low birthweight babies and show over a three dollar return within three years for every dollar invested. Montana cannot afford to pass up this investment.

HEARING ON HOUSE BILL 739

Representative Wm. Boharski, District 4, explained the bill. He feels that it has a misleading title. He has fought every attempt in the House and every committee to raise the bed tax. Two years ago they were trying to figure out how to put in a selective sales tax, but they could not figure out how to keep the general fund. General fund money appropriated to state agencies for in state travel expenses. For example, they would pay \$24.00 a

night and 96 cents in tax. The trick is how to get that money back into the general fund, and that is the reason for this bill.

Proponents: None

Opponents: None

Representative Boharski closed.

HEARING ON HOUSE BILL 718

Representative Menahan explained the bill and the amendments. (360)

Proponents:

Hal Manson representing the American Legion, supported the bill.

John Sloan representing the Military Order of the Purple Heart, testified in support of the bill. There is only 25 VA nursing homes and there is a need for adequate facilities. It is a state obligation, he said.

George Posten (434), representing the United Veteran's Committee in Montana testified in support of the bill. He said that with age comes the need for a nursing home. Right now all of the Veteran's Nursing Home beds are filled and there is a waiting list. Now is the time to get started.

Rich Brown, Administrator for the Montana Veterans Affairs Commission, testified in support of the bill. The board unanimously endorses this bill, he stated.

John Denherder, Legislative Director for the Department of Montana Disabled Veterans, testified in support of the bill. He feels that the standards have improved throughout Montana over the years. Veterans administration, nursing home standards, closely parallel the state licensure and the Medicare requirements. He said that our Veteran population is aging rapidly and the need is now.

Representative Pavlovich discussed the two cents increase on cigarette tax, which would generate 24 million dollars over the next biennium. In House Bill 202 there will be 30 thousand dollars set aside for Military Veterans Affairs Division for the study of House Bill 547. There will be money to take care of the annex in Galen.

There is a termination clause in House Bill 202, that once the buildings are built the 2 cents comes off automatically. There is approximately 2.4 million in the 2 cents fund, he explained. (535)

Questions from the Committee:

Senator Bengtson asked how the Institution will deal with this remodeling or expansion. Mr. Chisolm (563) said that if the legislature was interested in passing House Bill 718, and establishing some Veterans beds in the Galen facility, some amendments would have to be made. He asked the Committee to give him some additional time to establish these beds. He stated that it would be virtually impossible to establish the program by July 1, 1989. He thought that it would be appropriate to eliminate any reference to House Bill 202 in this bill. He said that the appropriation section must be left in the bill. He suggested that they give him a year to investigate the federal, the state, and the VA regulations that would be appropriate. He wanted to do this to be sure to get VA participation. He said that there will be no VA participation in the upcoming biennium, because according to the Veterans Administration there will be a year to a year and half lag time before they will start participating in the beds. The General Fund money that is in this operation reflects a 40 bed operation in Galen, he said.

Senator Keating wanted to know if the state operated Veterans beds in Columbia Falls. Mr. Chisolm replied that there are 151 beds in that facility. He said that there are 90 nursing home beds. Mr. Chisolm said that the intent of the sponsor is to establish those beds as nursing home beds.

Senator Keating asked if it was an expansion of nursing home care for Veterans and what kind of a cost would they be talking about. Mr. Chisolm said that it would cost \$790,000 a year that will cost the General Fund about \$425,000 a year for those 40 beds, the rest will be made up by private payees.

Senator Keating wanted to know if that facility was capable of expansion. Mr. Chisolm replied that this would be a new provider status.

Senator Regan pointed out that Galen has traditionally been a setting for alcohol and mental problems. She was concerned that this wasn't an appropriate setting for a Veterans nursing home.

Mr. Chisolm said that he wasn't sure of the intent of the sponsor of the bill. He stated that they need to set aside a distinct wing separate from the other patients and to designate that wing for Veterans, as an annex of the Columbia Falls Veterans Home, for Veterans who need nursing care.

Senator Bengtson inquired about the cumulative cost.

Senator Van Valkenburg wanted to clarify that the on-going cost for operation was \$200,000 a year after the cigarette tax has come and gone.

Mr. Chisolm responded by saying that 40 beds it would be somewhere between \$200,000 to \$300,000 a year.

Senator Van Valkenburg wanted to know if the Galen expansion, or creation, had to go through a certificate of need process, before it would be allowable. Mr. Chisolm said that he had always operated under the presumption that state projects such as these were exempt from the certificate of need.

Senator Van Valkenburg asked if Mr. Chisolm if the department done some analysis as to the need for these beds. Mr. Chisolm said that he had not. He said that he could give some statistical information that they had worked on for the last couple of years.

Senator Bengtson wanted to know if there had been any compensation with the Montana Health Care Association as to the need for this in Montana.

Representative Menahan replied that he thought that it was important to consider. He said that the Veterans wanted their own facility and not in a nursing home. He said that there isn't a cheaper place to put a VA hospital in the state.

Representative Menahan closed. In closing he said that this bill was brought to him in the 1981 session by Veterans from southwest Montana and at that time he made the proposal for this and instead the legislature opted to add on some beds at Columbia Falls and build a building and spent a lot more money at that time than what they could have done by putting this in at the same time. He thought that this is a very inexpensive way to go. He said that it was just sitting there going to waste and was a good use for it.

HEARING ON HOUSE BILL 547

Representative John Johnson, District 23, explained the bill. It is a bill for funding Veterans home in Eastern Montana and that it brings forth a plan for the state Veterans home. He stated that there are representatives present from communities that support it. He said that an important feature for the bill is that a site selection committee will be appointed by the governor to recommend the site. There are presently 7 members on the committee. The members would be honorably discharged veterans. He said amendments that will add to that committee as non-voting members would be offered. He explained that this committee would evaluate sites and the need and the appropriateness of a nursing home in Eastern Montana. He said that they establish criteria by using federal guidelines. He said that they would solicit proposals from interested communities, hold public hearings and finally, make a recommendation to the governor. It is provided for in House Bill 202 that the expenses of this committee would be paid for with that particular tax. He submitted the amendments.
(233)

Representative Johnson said that they need to add to that bill the exemption from the certificate of need. It was their understanding that state institutions such as this, are exempt from the state certificate of need, but to make certain that this will be amended into the bill. (See Exhibit #8)

(Tape 2-B)

Pat Edgar, a consultant and researcher for the Eastern Montana Veterans Home and a veteran, testified in support of the bill. He pointed out that it is stated in the Montana Constitution Montana Veterans are to be give special consideration determined by the Legislature. These articles indicate the special recognition that Montana has traditionally given to its Veterans. The Veterans Home in Eastern Montana is greatly needed to uphold that commitment. He said according to the National Association of State Veterans Homes, a state home is established by a state for Veterans disabled by age, disease, or otherwise, who by reason sought disability are incapable of earning a living. He pointed out that there are currently 24,000 Veterans over the age of 65, in Montana and was expected to increase to 40,000 by the year 2,000. The number of Veterans over the age of 70 will increase by 30% by the year 2,000. He said that there is a shortage of 175 nursing home beds in Eastern Montana alone. The need for these beds will be high and

continue to persist for 30 to 50 years. He said that since the VA is in the process of drastically reducing the private care benefits in favor of state homes, that we should be prepared to get back our federal tax dollars to care for own.

Representative Betty Lou Kasten testified in support of the bill for building the facility in Eastern Montana. She pointed out that there are many people in that area and very few facilities.

Robert Van De Vere, a concerned citizen/lobbyist, testified in support of the bill. He pointed out that there was approximately 90 thousand merchant seamen in the country.

Mr. Rich Brown, Administration for the Veterans Affairs Commission, testified in support of the bill. He said that on behalf of Chairman Bob Derke and the entire Board of Veterans Affairs they have unanimously endorsed House Bill 547. He read "notice was hereby given to all localities, communities, and persons having eligible sites that are not less than 40 acres of good tillable land with a water right there sufficient to irrigate, and are willing to donate the land to the state of Montana...". He said that this ad was used 95 years ago. He stated that the VA would pay 65% of cost of construction of the home, excluding the cost of land. When the home is complete and occupied, the VA will not only pay those war time Veterans, pension and aid monies, but would pay the state home \$20.35 for each patient, each and every day that they are in the state veterans nursing home.

Representative Roger DeBruycker went on record as supporting the bill.

Senator Abrams went on record as supporting the bill. He thought that the state could come with the money.

John Denherder, representing disabled vets, endorsed the provisions of the bill. (247)

Representative Tom Zook, representing Custer County and Prairie County supported the bill.

Nancy Ugrin, Executive Director of the Miles City Chamber of Commerce, testified in support of the bill. (See Exhibit #9)

Representative Jessica Stickney gave her support for the bill.

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Hal Manson, representing the American Legion of Montana, testified in support of the bill. He thought that this was an economical and good idea to have the VA share the cost to the great degree that they do, but the people that are in those homes often have families that are elderly and cannot travel very far across the state to visit. He felt the need will accelerate as time goes by.

Senator Cecil Weeding expressed his support. He said the Eastern part of the state is sparse and there is not much public transportation. There is a need for this nursing home. (363)

John Sloan, representing the Purple Heart, felt that there is a great need and it will get more evident. He said that in 1979 the VA identified over 380 veterans that were in need of nursing home and care and he felt that there is much greater need now.

Kathy Spor, Executive Director of Glendive Forward an economic development group in Glendive, expressed her support of the bill.

George Posten, speaking for the United Veterans Committee in Montana, stated that with age the need increases. He pointed out that the war time action cut deeply into the Veterans ability to mass savings which it could use to finance this care. He said that all of the Veterans nursing home beds in Montana are full. Medical care has been promised to these needy Veterans and there are some in Montana now who are not receiving it.

Lester Olerman, Mayor of the city of Glendive, spoke for the Veterans of Eastern Montana. He asked for support of the bill. He said that he was a Korean War Veteran, a member of the American Legion, and the VFW. Collections of cigarette tax could easily fund the Veterans Home.

Senator Bob Williams pointed out the distance involved. He said if they had a home in eastern Montana it would not only be convenient for the Veterans but would be good therapy to have friends or relations, stop in a visit.

Johnny Buck, representing the Vietnam Veterans Chapter 234, American Legion Post 28, Veterans of Foreign Wars Post 1125, in Glendive, testified in support of the bill. All of the mentioned groups asked for support of the bill. He said the need for additional nursing home beds is justified. A resolution supporting a state

Veterans Nursing Home in Eastern Montana was adopted by the state VFW convention and the state American Legion convention this past summer. He said that there is a definite need for a state Veteran home in eastern Montana.

Larry Longfellow, Quartermaster Adjutant, said that they support this bill. (634)

Fred Patten, representing Legacy Legislature, testified in support of the bill. He said that of all the bills that were passed during the session, there were five prioritized, and this bill was one of the top priorities. Legacy Legislature urged support of this bill.

Art Zody, from Glendive, supported House Bill 547. He is not a veteran, but involved because he felt that it was his chance to be able to repay to a very small degree what the veterans have done for him over the years. He said that before there were any facilities, for the retarded in eastern Montana, he had to travel 500 miles one way to bring his son up here to receive services. That was 1,000 miles if he wanted to come and visit him. He said that was extremely hard and trying time, and emotionally hard. He urged support of the bill.

Gary Eastland, Chairman for the Glendive Forward, requested that they send a positive message to Veterans. He asked for support of the bill.

Representative Bob Pavlovich stated that House Bill 202 has the funding mechanism to fund House Bill 547. He said that there is \$30,000 appropriated in House Bill 202. There is also the money that will be deposited in the Department of Administration, which will sit there until we are ready to build that facility in eastern Montana, he said. The money will not be put into the long range building process because if you put it in there we will be on the bottom of the list.

Jim Ahrens representing the Montana Hospital Association, testified in support of the bill. He received a call from Don Rush, who is the administrator for the Sidney Memorial Hospital. He gave Don Rush's testimony in written communication.

Melvin Roxstad stated that the nursing home was necessary for eastern Montana.

Senator Larry Tveit testified in favor of a facility in eastern Montana. He thought that it was important that

these veterans be close to their relatives. He feels that it would serve the veterans better in that area. A respectable nursing home is needed and for those reasons he supported House Bill 547.

Senator Gerry Devlin went on record as being in favor of the bill. (882)

Senator Richard Manning went on record as being in favor of the bill.

Senator Nathe added support to the concept.

Sharon Ranstrom, from the Department of Administration, felt that there were a few technical problems with this bill. She said they had done an analysis with the Department of Institutions which ties the three bills together and points out some technical problems. She said that there should be language in this bill to somehow limit spending until federal support and participation in the project is known. The bill does pledge financial support for the ongoing operation of this bill, where the fiscal note doesn't reflect that general fund commitment into the next biennium. She said that the operational cost, the general fund cost, would be about 1.4 million annually. She said that the bill starts to get complicated when you talk about the dependency on the cigarette tax. If the bill fails, this bill obligates the Department of Military Affairs for the expenses of the site collections for about \$30,000. The bill obligates the Department of Institutions to enter into an agreement to pay off the debt services for bonds that will be sold. (See Exhibit #10) (998)

Questions from the Committee:

Senator Devlin wanted to get a run-down on what was going to be the state's share for the upkeep and ongoing expenses.

(Tape 3-A)

Mr. Brown noted that the federal law is lumped together. He said that the feds are eliminating their private nursing home contracts.

Senator Keating wanted to know if the feds were cutting defense spending at the federal level. He asked what portion of the federal budget does Veterans benefits come from. Mr. Brown said that it comes from HUD and independent agencies on a national level. It isn't under defense.

Senator Keating asked how many of the Veterans were Medicaid eligible. Mr. Brown replied that if they are wartime Veterans, which 90% of them are, then they become eligible for pension, those amounts of money make them ineligible for Medicaid, because it puts them over the limit. So less than 10%. He said that if you have 90 days of continuous service you are eligible.

Senator Jenkins asked how long would there be a need for it. Mr. Brown replied that there are about 33,000 World War II Veterans, 18,000 Korean Veterans, and 36,000 Vietnam Veterans, averaging about 40 years of age. His intent was to serve all of the Veterans in Montana as an ongoing thing.

Senator Jenkins asked if the feds, in restricting the private nursing care, still had an obligation if there is a Veteran that needs nursing care. Mr. Brown replied that they did not. There are Veterans being turned away from the VA facilities, for hospitalization, out-patient care, or nursing home care, being told to go elsewhere. The feds believe that they have no obligation.

Senator Keating said that part of this package deals with a state building and he wanted to know if the Department of Institutions, or if there was any long range policy as to the use of buildings, or if there was any committee looking into establishing a policy as to who is served and how long they are served and how long buildings are going to last.

David Ashley explained what they do. They solicit the summer before legislative session all of those building proposals throughout state government and then they prioritize proposals according to the money available. The residual buildings rely on the cash program---the money from the cigarette tax. (178)

Senator Van Valkenburg asked if the Department of Institutions pursued Medicaid reimbursement for any of the nursing home patients at Columbia Falls. Mr. Chisolm said that they have, but they get very little Medicaid reimbursement because the Veterans have specific resources. He said that they do have VA subsidy and sufficient resources. All institutions that provide medical and nursing services fall under the reimbursement statute. (497)

Senator Bengtson asked if she heard correctly that the state spends about 5 million a year just for maintenance of the buildings and if that was paid for by the cigarette


tax. David Ashley replied that they do have that money from the cigarette tax but the maintenance requirement for the buildings could more than absorb that amount of money and consequently they get into deferred maintenance.

Senator Jenkins wanted to know if the new definition of Veterans included National Guard service. Mr. Brown responded that recently in the House and the Senate passed a new definition of Veterans. He said that it excluded the National Guard Personnel. The federal government also excludes this.

Representative Johnson closed on House Bill 547. He said that there is a need for a Veterans home in eastern Montana. Distance is a factor. The cost of the initial construction, for the state is 35% or 1.4 million dollars, that would be matched by federal funds at the rate of 65% or 2.6 million dollars. He wanted to emphasize that this is a coalition of communities from eastern Montana and that the amendments do address some of the needs from the Department of Administration. There is a time schedule of July 1990, for application to the federal government. It places them in a position to get on a priority list. He explained that they must be on the priority list first. They can't spend the state money first, but have to get the federal money, because otherwise would not get any federal funding if they don't. (649)

ADJOURNMENT

Adjournment At: 11:56 A.M.



PETE STORY, Chairman

PS/dt

FCS411

DAILY ROLL CALL

FINANCE AND CLAIMS

COMMITTEE - 1989

DATE 4-11-89

NAME	PRESENT	ABSENT	EXCUSED
Senator Gary Aklestad	✓		
Senator Loren Jenkins	✓		
Senator Esther Bengtson	✓		
Senator Matt Himsel	✓		
Senator Paul Boylan	✓		
Senator Tom Keating	✓		
Senator Judy Jacobson	✓		
Senator H.W. "Swede" Hammond		✓	
Senator Pat Regan	✓		
Senator Larry Tveit	✓		
Senator Fred Van Valkenburg	✓		
Senator Dennis Nathe	✓		
Senator Greg Jergeson	✓		
Senator Gerry Devlin	✓		
Senator Richard Manning	✓		
Senator Sam Hofman	✓		
Senator Lawrence Stimatz	✓		
Senator Ethel Harding	✓		
Senator Pete Story	✓		

Statement on HB 614

DATE 4-11-89To Senate Finance and Claims Committee FILE NO. 614

Mr. Chairman and Members of the Committee:

House Bill 614 was introduced to meet a need. The need is for telecommunication access and equipment for handicapped individuals in Montana. Handicapped people in this law includes deaf people, hard of hearing people who have a telephone handicap, speech impaired persons, individuals who have lost the power of speech and the deaf-blind.

The bill empowers an 11 member committee to purchase telecommunication equipment appropriate for the needs and to loan this equipment on a need eligibility basis to qualified handicapped individuals.

The second and perhaps the more important provision of the bill is to establish a third-party-relay system which will enable handicapped people to have telephone access to nonhandicapped people, businesses, and governmental agencies. Under present circumstances handicapped people can only access nonhandicapped by going in person to a place of business, an agency or to an individual and inquire or converse through writing on a pad. This constitutes a burden and an inconvenience that is expensive, time consuming and in many cases impossible.

The bill provides for a legislation assessment of 10 cents per month -- \$1.20 a year -- on telephone customers to make the program self-supporting. All expenses of administration, equipment, services and auditing are to be paid from collected funds.

There is an obvious question relating to the number of individuals to be served. The fiscal note attached to the bill is based on service to 400 handicapped people in the first biennium. After the relay system is in operation and becomes known, the demand and use could rise greatly. An estimate based on census puts a figure of 7,000 hearing impaired people in Montana. This figure includes all ages.

Our estimate of 400 is quite low because we have no way of knowing how many older telephone handicapped people will find and use the service. Experience in other states has been that they underestimated numbers and use.

An interesting statistic has been discovered in California's relay system. Sixty percent of originated calls are from hearing or nonhandicapped callers. Businesses or professionals calling their clients -- family members calling their handicapped number, etc.

A number of handicapped people and concerned individuals are here to testify as to what this bill means to them. I request and urge your favorable action on HB 614.


REP. DIANNA WYATT

Sponsor

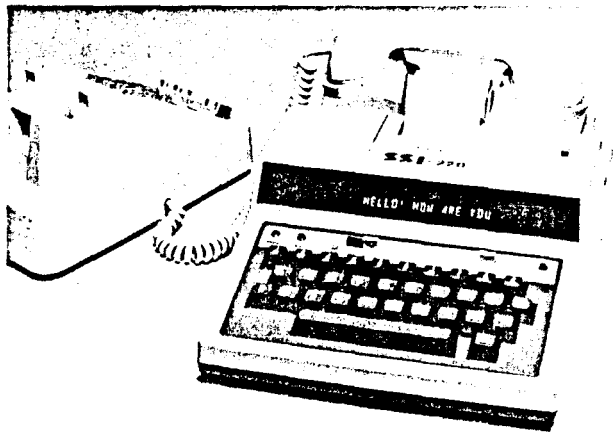
HB 614
4/11/89

What You Should Know About TDDs

Telecommunication Devices for the Deaf (TDDs) are growing in popularity daily. A TDD lets a deaf person make a telephone call directly to another person having similar equipment, without the need for an interpreter, since the conversation is typed through one machine to another machine instead of spoken. Here's a brief summary of what TDDs can do and how they can help a deaf person. This information was adapted from **Telephone Training for the Deaf** by Dr. Diane L. Castle (publisher, Alexander Graham Bell Association for the Deaf, Washington, D.C.).

Selecting a TDD

Choosing the right TDD depends on your needs and the environment in which you'll use the TDD. For example, if you have vision problems you may want to choose a TDD with large, clear print. If you have limited space in your home or office, you may select a small TDD that is very quiet. Before buying a TDD, try out different kinds of equipment. Think about the advantages and disadvantages of each piece of equipment. Decide what features are important to you.



TDDs can be portable, semi-portable, or non-portable, depending upon your needs, and can cost from approximately \$230 to \$1,000. Some have a paper print-out and some have large visual display areas so you can actually see the conversation.

For more information about TDDs, contact other deaf TDD users and Telecommunications for the Deaf, Inc. (TDI), 814 Thayer Avenue, Silver Spring, MD 20910. TDI is a non-profit organization with regional representatives who can inform hearing or hearing-impaired persons about different TDDs and couplers and how they can be obtained. Also, TDI publishes a special telephone directory that lists TDD telephone numbers for persons living in the United States and in other countries.



Decide which kind of TDD you want to order: portable or not, paper copy or not, mechanical or electronic. Contact your TDI representative or write directly to one of the companies listed at the end of this brochure. In some states, you can rent a TDD from the telephone company. Call the business office to find out information about renting TDD equipment from the telephone company.



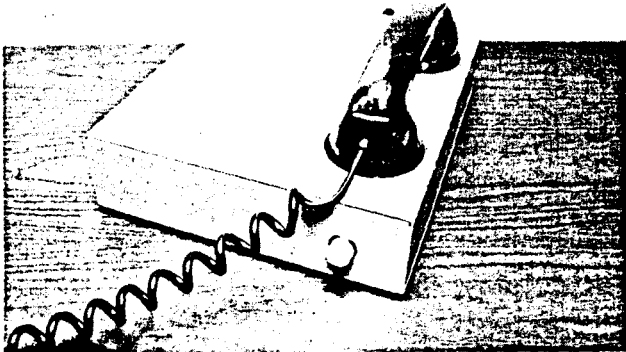
You May Need Additional Equipment

Some telephones won't work with some TDDs. For example, the Slimline or Trimline telephones won't work with reconditioned TDDs. Some TDDs need the standard telephone Series 500 handset to assure transmitting the strongest signal, especially for long-distance calls. You can use a wall or desk telephone. Ask for a private line. Until several years ago, most TDD owners requested an unlisted phone number so they would not be bothered by receiving voice calls. Recently some TDD owners have listed their name and phone number, without the address, in the telephone directory with the

What You Should Know

About TDDs

letters TDD. This plan makes it possible to find TDD numbers in the standard directory.



An acoustic coupler allows the TDD to send and receive typed messages through standard telephone lines. If your TDD does not have a built-in coupler, you need a separate coupler. Order it from your TDI representative or directly from a company that sells couplers.

Most deaf people need a light attached to the telephone to let them know when the telephone is ringing. You can order a signal light from the telephone company when you have your telephone installed. The telephone company will charge a monthly rental for the signal light. This cost will be listed on your telephone bill. You may prefer to buy a signal light from one of several different companies, from a hearing aid dealer, or from your TDI representative. For more information about signaling devices, write for a free copy of **Signaling Devices for the Hearing Impaired**, available from the Alexander Graham Bell Association for the Deaf, 3417 Volta Place N.W., Washington, DC 20007.

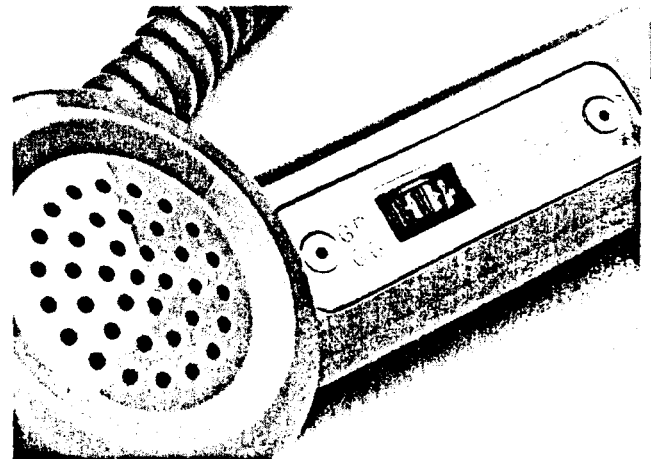
Troubleshooting

TDD calls usually go smoothly, but sometimes problems do occur. It is frustrating to continue a TDD call when the printed message is mixed up. If you understand how different problems can occur, perhaps you will be able to prevent them.

Problem: Using the wrong handset

The older, reconditioned TDD equipment requires a 500 series telephone handset. The 500 series handset has a magnetic conductive microphone. The magnetic microphone gives the strongest transmission of the tones through the telephone. If you are using the wrong telephone handset, you may get a confused message (scrambled letters and numbers). However, some of the

new portable TDDs will transmit typed messages through any style telephone handset.



Problem: The amplifier is not on zero

If you have a volume control dial (amplifier) on your telephone, be sure the amplifier is set on zero. If the amplifier volume is turned higher, you can pick up other sounds in the room which will put extra letters and numbers in your message.

Problem: A bad connection

A bad connection can affect the transmission of sound through the telephone. A bad connection can occur when you talk or type over the phone. If you have a bad connection, your TDD conversation may be confused with extra letters and numbers. You should be able to get a better connection if you hang up and dial again. Before you hang up, explain to the other person that you cannot understand their message. Tell the person that you will call back immediately, or ask the other person to call you back immediately.

Problem: An old coupler

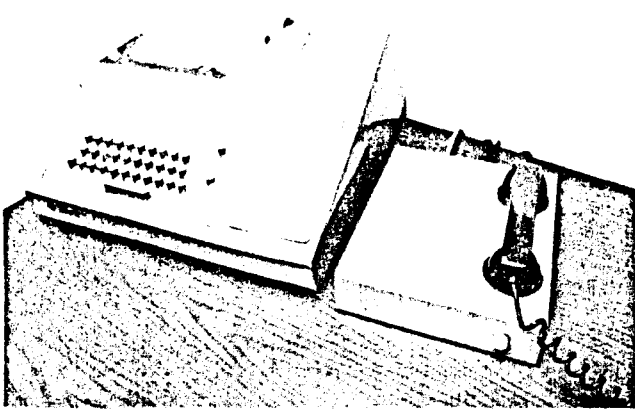
Many old couplers, purchased for reconditioned equipment, may no longer work correctly. For technical reasons, the coupler does not transmit the TDD code accurately. Therefore, the message is not received clearly. Often, the coupler can't be repaired and the best solution is to buy a new coupler.

Problem: The person did not shift back to letters after using numbers

Like a typewriter, the TDD has a shift key on each side of the keyboard. On the TDD keyboard, these keys may be labeled shift (SHIFT), or figures (FIGS) and letters (LTRS). Press the key to type numbers or characters

4/11/89

printed on the upper part of the key. On some TDDs you must press the key again to change back to letters. Sometimes the person sending the message will forget to press the shift or letters key after using numbers in the message. The message from that point on is a confusion of numbers and punctuation marks. If this happens, explain the problem and tell the person to press the shift or letters key. Sometimes you can press the shift key on your TDD to clear up some of the confused message.



Problem: The mechanical TDD did not start at the left margin

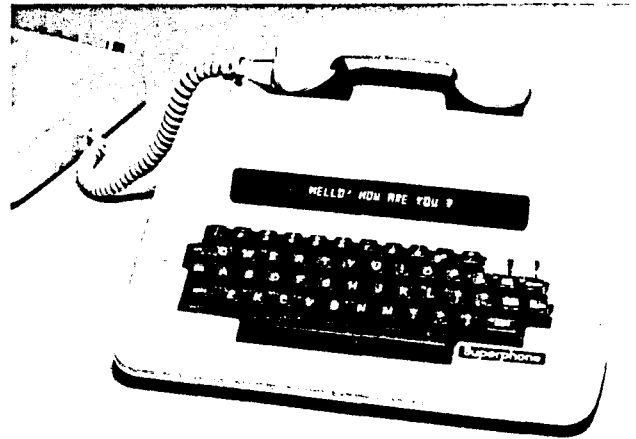
Both people, the caller and the answerer, should begin typing at the left-hand side of the paper or display area. If both people do not begin at the left margin, the letters on one TDD may print on top of each other. For example, one TDD begins at the left-hand margin and another TDD begins at the middle of the line. The TDD starting in the middle of the line will reach the end of the line first. The letters will be printed on top of each other. Before starting a conversation, press the line feed/return keys to be sure you are starting at the left margin.

Problem: The person did not press the line feed/return keys at the end of each line

If you are using a mechanical TDD that requires using the line feed/return keys, you must press line feed/return at the end of each line. Sometimes a person sending the message forgets to press the line feed/return keys at the end of the line. The person receiving the message sees each letter printing on top of the last one. The person receiving the message can quickly press the line feed/return keys to save some of the message from piling up at the end of the line. However, it is the responsibility of the person sending the message to press the line feed/return keys.

Problem: Using a backspace key when both TDDs don't have it

Several of the electronic TDDs have a backspace key. This key can be used instead of typing **XX** for a spelling mistake. However, both people need to use a TDD that has the backspace key. Otherwise the message is confused.



A New Trend: The Superphone

New TDDs have many fine features you may find attractive. Before you buy a TDD, be sure you are up-to-date on the many new features available today. For example, many TDDs now have one key that can be used to type **GA**, **SK**, or **XX**. As an example of the new electronics currently being built into TDDs, consider one very interesting TDD, called the Superphone. Ultratec, Inc. introduced this TDD product that can be used to call any hearing person—and the hearing person doesn't even need a TDD. That means any deaf person can call a doctor, a hospital, the police, or fire department in an emergency without needing a TDD on the receiving end. Here are two of its features, as described in the company's literature. (We're not making claims... only passing the information along to you.)

Voice Output

The Superphone can be made with an optional electronic voice. This voice sounds like a person talking. When words are typed by the deaf person on the Superphone, the words are spoken into the telephone by the electronic voice. Using this special TDD, a deaf person who cannot use his speech can call a hearing person and type a message on the Superphone. The message is spoken into the telephone by the electronic voice. The hearing person listens to the message. When it is the hearing person's turn to talk, the hearing person

types a reply using the Touch-Tone keys on his telephone. Only the deaf person needs the Superphone. The hearing person does **not** need a TDD.

Touch-Tone Signals

The Superphone can be made with an optional feature for receiving signals from Touch-Tone telephones. Using this TDD, the deaf person can call a hearing friend or family member who does not have a TDD. The deaf person who can use his speech can talk to the hearing person. When it is the hearing person's turn to respond, the hearing person uses the keys on his Touch-Tone telephone to type a message. The Superphone receives the Touch-Tone signals and puts the letters on the Superphone screen. The deaf person can now read the message.



Baudot and ASCII Codes

Superphone contains all the necessary electronics for transmitting and receiving both BAUDOT (5-level) and also ASCII (8-level) codes. The BAUDOT mode transmits at 60 words per minute using the standard frequencies for the deaf TTY/TDD network. The ASCII mode allows the user to originate a call from the Superphone to any ASCII system equipped with an answer modem. The user may call computer systems, information systems, and generally use the Superphone as a computer terminal.

1,000 Character Memory

Superphone has 1,000 characters of memory that can be used to save all or portions of a TDD conversation. The memory may be used to store a message before the call is made. The message can then be transmitted at maximum speed, thereby saving time and long-distance costs. Also, the memory can be used for transmitting emergency messages. The memory can be expanded to 2,000 characters.

Telephone Lamp Flasher

Superphone contains a magnetic sensor which detects when the telephone is ringing. A lamp may be plugged into the socket that is built into the Superphone charger and a light will flash when the telephone rings.

Sensitivity Control

Many times long-distance calls or bad connections cause trouble during TDD conversations. The Superphone has a sensitivity control which lets the user adjust for weak telephone signals.

Printer

Superphone may be equipped with its own printer or connected to an external printer. Many printers are available which will connect to Superphone for this purpose. These printers may be purchased through Ultratec or locally for convenient maintenance.

Sources for TDDs

American
Communication Corp.
180 Roberts Street
East Hartford, CT 06108
Voice and TDD: 203-289-3491

C-Phone, Inc.
553 Wolfner Drive
Fenton, MI 63026
Voice and TDD: 314-343-5883

CYBERTECH, Inc.
P.O. Box 543
Thornhill, Ontario,
Canada L3T 4AZ
Canadian TDD

Krown Research, Inc.
6300 Arizona Circle
Los Angeles, CA 90045
Voice and TDD: 213-641-4306

Northern Telecom, Inc.
Advanced Telephone
Products Division
640 Massman Drive
Nashville, TN 37210
Voice: 615-883-9220
TDD: 615-889-1627

Phone-TTY Incorporated
202 Lexington Avenue
Hackensack, NJ 07410
Voice and TDD: 201-489-7889

Plantronics
345 Encinal Street
Santa Cruz, CA 95060
Voice and TDD: 408-462-5606

Specialized Systems, Inc.
11339 Sorrento Valley Road,
Dept. TBJ
San Diego, CA 92121
Voice: 714-481-6000
TDD: 714-481-6060

Ultratec, Inc.
P.O. Box 4062
Madison, WI 53711
Voice and TDD: 608-273-0707

Weitbrecht
Communications, Inc.
655 Skyway, Suite 230
San Carlos, CA 94070
Voice: 415-592-1622
TDD: 415-592-1623

**For more information about
TDDs, contact:**

**Telecommunications for the
Deaf, Inc. (TDI)
814 Thayer Avenue
Silver Spring, MD 20910
Voice and TDD: 301-589-3006**

THE
NATIONAL
INFORMATION
CENTER ON DEAFNESS
GALLAUDET COLLEGE

4/10/89

ESTIMATES OF THOSE WITH HEARING LOSSES

Geographic Area	Total General Population *	Hearing Impaired	Significant Bilateral Loss		Prevocationally Deaf
			Deaf	Deaf	
NORTHEAST U.S.					
Maine	1,124,000	67,000	29,000	8,000	2,000
New Hampshire	919,000	55,000	23,000	6,000	2,000
Vermont	511,000	31,000	13,000	4,000	1,000
Massachusetts	5,728,000	342,000	146,000	40,000	10,000
Rhode Island	946,000	57,000	24,000	7,000	2,000
Connecticut	3,096,000	185,000	79,000	22,000	5,000
New York	17,508,000	1,046,000	446,000	122,000	30,000
New Jersey	7,342,000	439,000	187,000	51,000	13,000
Pennsylvania	11,828,000	707,000	301,000	82,000	20,000
NORTHCENTRAL U.S.					
Ohio	10,772,000	707,000	363,000	104,000	26,000
Indiana	5,461,000	358,000	184,000	53,000	13,000
Illinois	11,355,000	745,000	383,000	110,000	27,000
Michigan	9,239,000	606,000	311,000	89,000	22,000
Wisconsin	4,694,000	308,000	158,000	45,000	11,000
Minnesota	4,049,000	267,000	137,000	39,000	10,000
Iowa	2,909,000	191,000	98,000	28,000	7,000
Missouri	4,906,000	322,000	165,000	47,000	12,000
North Dakota	652,000	43,000	22,000	6,000	2,000
South Dakota	688,000	45,000	23,000	7,000	2,000
Nebraska	1,565,000	103,000	53,000	15,000	4,000
Kansas	2,356,000	155,000	79,000	23,000	6,000
SOUTHERN U.S.					
Delaware	595,000	40,000	20,000	5,000	1,000
Maryland	4,198,000	286,000	143,000	38,000	8,000
Washington, DC	635,000	43,000	22,000	6,000	1,000
Virginia	5,323,000	362,000	181,000	48,000	10,000
West Virginia	1,931,000	131,000	66,000	17,000	4,000
North Carolina	5,848,000	398,000	199,000	52,000	11,000
South Carolina	3,470,000	209,000	105,000	27,000	6,000
Georgia	5,404,000	368,000	184,000	48,000	11,000
Florida	9,580,000	652,000	326,000	86,000	19,000
Kentucky	3,643,000	248,000	124,000	33,000	7,000
Tennessee	4,546,000	309,000	155,000	41,000	9,000
Alabama	3,870,000	263,000	132,000	35,000	8,000
Mississippi	2,511,000	171,000	86,000	22,000	5,000
Arkansas	2,284,000	155,000	78,000	20,000	4,000
Louisiana	4,200,000	286,000	143,000	38,000	8,000
Oklahoma	3,001,000	204,000	102,000	27,000	6,000
Texas	14,174,000	963,000	483,000	127,000	28,000
WESTERN U.S.					
Montana	784,000	56,000	29,000	7,000	2,000
Idaho	944,000	68,000	35,000	9,000	2,000
Wyoming	469,000	34,000	17,000	4,000	1,000
Colorado	2,882,000	207,000	106,000	27,000	6,000
New Mexico	1,295,000	93,000	48,000	12,000	3,000
Arizona	2,719,000	195,000	100,000	25,000	5,000
Utah	1,459,000	105,000	54,000	14,000	3,000
Nevada	800,000	57,000	29,000	7,000	2,000
Washington	4,115,000	295,000	151,000	38,000	8,000
Oregon	2,618,000	188,000	96,000	24,000	5,000
California	23,545,000	1,688,000	864,000	219,000	46,000
Alaska	400,000	29,000	15,000	4,000	1,000
Hawaii	965,000	69,000	35,000	9,000	2,000

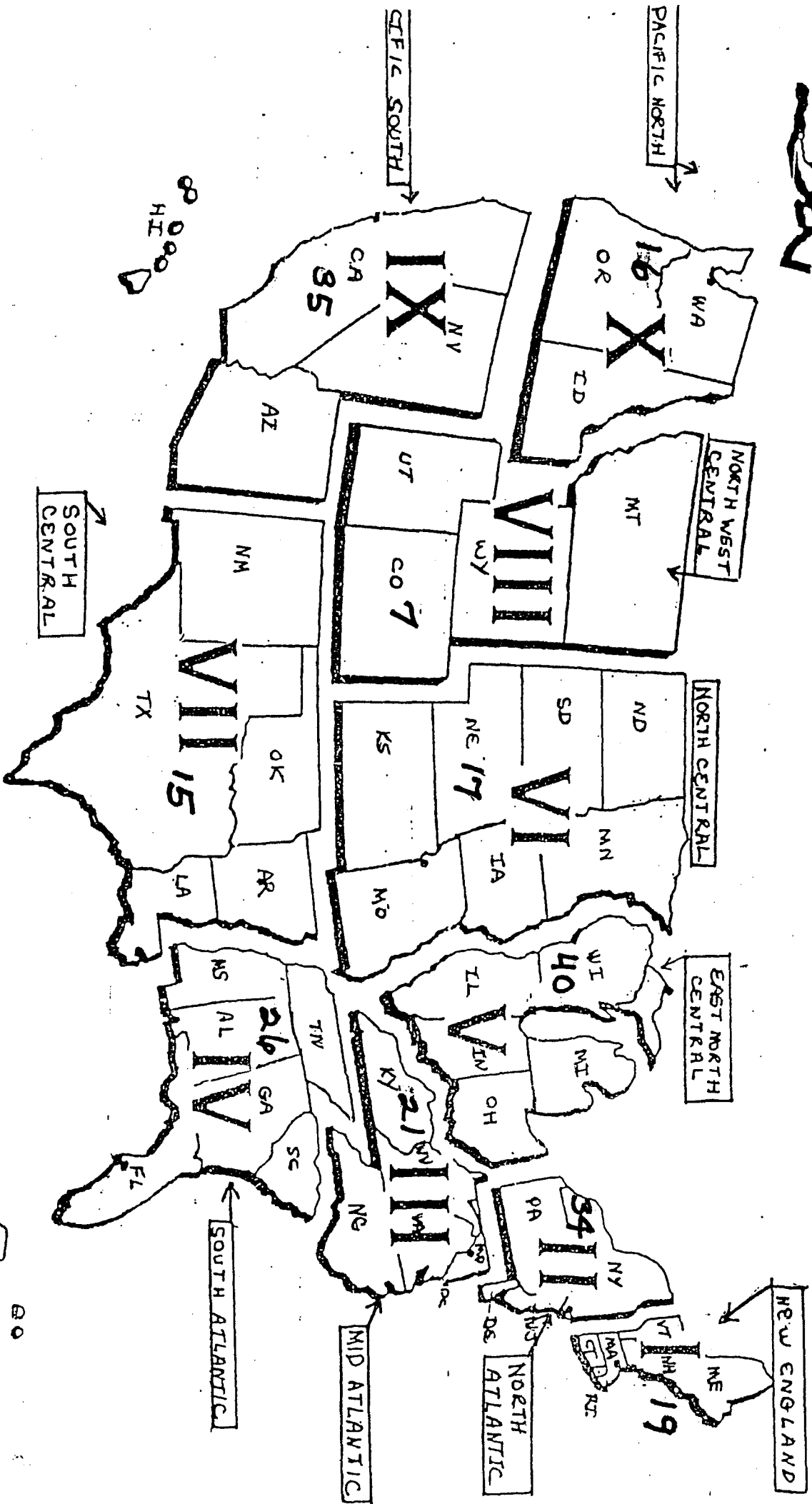
* U.S. Bureau of the Census, April 1980.

Hearing Impaired = any degree of hearing loss in one or both ears.
Significant Bilateral Loss = those hearing impaired who have substantial difficulty hearing in both ears.
Deaf = cannot hear and understand speech.
Prevocationally Deaf = those who became deaf prior to 19 years of age.

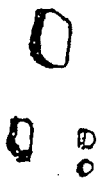
Prepared by: Office of Demographic Studies, Gallaudet College, Washington, DC.



SHHH REGIONS



NUMBERS = Char. Area / Census 11/88



Ex. # 1a
4/11/87

STATE TDD DISTRIBUTION PROGRAMS & RELAY SERVICES
PAGE 1

JURISDICTION	LAW	PUC	FUNDED BY	ELIGIBLE			PROVIDES					LIMITATIONS AND STATUS	
				DEAF	HH	OTH	TDD	FLASH	3DPTY RELAY	AMPS	BRAILLE		OTHER
CALIFORNIA	X		-SURCHARGE ON TEL LINE OF .03 PER MONTH. -SB 60 AUTHORIZES NEW CAP OF .10 PER LINE PER MONTH.	X	X	X	X	X	X	X	X	X	-TDDS & SIGNALERS, MESSAGE RELAY CURRENTLY PROVIDED. -DISTRIBUTION OF OTHER DEVICES PENDING ACTION OF PUC. -APPROX 16,500 TDDS DISTR THRU 12/86. -AGENCIES SERVING DEAF MAY REQUEST APPROVAL FOR TDDS.
CONNECTICUT	X		-SNETCO GIVES \$100,000 A YEAR FOR 5 YEARS (EXP. 12-86) -ALTERNATE FUNDING BEING SOUGHT.	X			X	X	NOTE 1		NOTE 2		-LIMITED FUNDS REQUIRED PRIORITIES. APPROX. 775 TDDS DISTRIBUTED BY 12/31/86.
RHODE ISLAND	X		-A .30 surcharge for 6 months on residence phones. (Note 3)	X			X	X	NOTE 8		X	X Note 8	-DVR SUPERVISION. APPROX. 400 TDDS DISTRIBUTED (2/87) ABOUT 100 MORE BY 3/31/87)
ARIZONA	X		-SURCHG VIA EXCISE TAX ON TEL LINES (NOTE 7)	X			X	X	X		X		-COUNCIL ON DEAF & HI ADMINST. -MESSAGE RELAY BEGINS 3/15/87 -APPROX. 1200 TDDS DIST (2/87)
NEVADA	X		-SURCHG ON TEL LINES (NOTE 3)	X			X	X	NOTE 9				-DEPT OF VOC REHAB ADMINIST. -APPROX. 250 TDDS DIST (2/87) -AGENCIES MAY APPLY.
FLORIDA	X		-INITIAL FUNDING IS \$550,000 FROM A PUC FUND. ADDED FUNDING BEING SOUGHT.	X NOTE 4	X		X	X	X NOTE 5	X			-COUNCIL OF DEAF & HI ADMINST. -INITIAL TDDS WILL BE DISTRIBUTED BEGINNING 3/15/87. -MESSAGE RELAY BEING STUDIED.
ILLINOIS	X		-SURCHARGE ON ALL TEL LINES (NOTE 3)	X			X	X	X NOTE 6				-RULEMAKING & HEARINGS WITH SCC, ITA, & DEAF ADVOCATES HELD. REOPENED TO INCLUDE DISCUSSION OF NEW TECHNOLOGY.

NOTES:

1. MESSAGE RELAY PROVIDED BY CONVERSE COMMUNICATIONS AND FUNDED BY COMM ON DEAF AS LINE ITEM -LAW NOW REQUIRES MESS REL.
2. COMM PLANNING LIMITED DISTRIBUTION OF TELE-BRAILLE UNITS WITHIN BUDGET CONSTRAINTS.
3. RI, NEV AND ILL HAVE LAWS SIMILAR TO INITIAL CALIFORNIA LEGISLATION.
4. FLA COVERS SPEECH-IMPAIRED ALSO SPECIFIES LAW AND EMERGENCY ORGANIZATIONS MUST GET TDDS AT DEPARTMENTAL EXPENSE.
5. FLA LEGISLATURE BEING ASKED TO FUND A COMPREHENSIVE MESSAGE RELAY STUDY.
6. ILL COMMERCE COMMISSION WILL HOLD HEARINGS ON MESSAGE RELAY SERVICES -SOME AGENCIES WILL GET TDDS UNDER PROGRAM.
7. ARIZ INCLUDES SPEECH-IMPAIRED. EACH YR AMOUNT OF TAX TO BE COLLECTED WILL BE DETERMINED. TAX EPITRES 6-30-88.
8. RI ADVISORY BOARD TO STUDY MESSAGE RELAY. RI COVERS SPEECH-IMPAIRED & NEURO-MUSCULAR IMPAIRMENTS.
9. NEV DVR ALSO FUNDS 24 HR RELAY ON CONTRACT BASIS IN MAJOR POPULATION AREAS.

STATE TDD DISTRIBUTION PROGRAMS & RELAY SERVICES
PAGE 2

JURISDICTION	LAW	PUC	FUNDED BY	ELIGIBLE			PROVIDES					LIMITATIONS AND STATUS	
				DEAF	HH	OTH	TDD	FLASH	30PTY RELAY	AMPS	BRAILLE		OTHER
WISCONSIN	X		-STATE FUNDING OF \$100,000 PER YEAR (BUDGET CUT TO \$80,000 7-1-86)	X	X		X	X		X	X		-ADM BY HEALTH & SOCIAL SVS. -VOUCHER PROGRAM \$600 PER FAMILY. EARNINGS LIMITATION TO QUALIFY. DEAF/BLIND MAY OBTAIN \$5500 PER FAMILY. -APPROX. 375 VOUCHERS BY 7/87
MASS.	X		-INITIAL \$15,000 TO PURCHASE 40 TDDS & SIGNALERS.COMMISSION TO SEEK ADDED FUNDING -RELAY SERVICE FUNDED SEPARATELY.	X			X	X	X				-COMM FOR DEAF & HI ADMIN. -TDDS CAN BE LEASED, RENTED OR PURCHASED. MIN PRICE 50% OF PURCHASE OR WHOLESALE PRICE. -PRIORITY SYSTEM DUE TO LIMITED FUNDING. -43 TDDS & SIGNALERS (2/87)
NEW HAMPSHIRE	X		-AN INITIAL EQUIPMENT FUND OF \$4000. -APPLYING FOR RENEWAL.	X NOTE 1			X	X	X NOTE 3				-DVR ADMINISTRERS. -INCOME LIMITATIONS & OTHER PRIORITIES. -LOANED WHILE IN STATE CANNOT BE A DVR CLIENT. -10 TDDS DISTRIBUTED (2/87).
OKLAHOMA	X		-SURCHARGE .05 PER MO. PER TELEPHONE LINE.	X NOTE 1			X	X	X		X		-DEPT HUMAN SVS ADMINISTRERS. -FINANCIAL LIMITATION 200% OF FEDERAL GUIDELINES FOR NO CHARGE DISTRIBUTION. SLIDING SCALE OF FEES FOR OTHERS. -AFTER 3 YEARS USER ASSUMES OWNERSHIP OF TDDS. -CONTRACT BIDDING IN PROCESS.
MAINE	X		-COST SHARING PROGRAM FOR TDDS UP TO 50% PAID BY STATE. REMAINDER BY TOWNS, INDIVIDUALS & ORGS. -A SEPARATE PROGRAM FOR LOANERS.	X NOTE 1					NOTE 4				-BUREAU OF REHAB ADMINISTRERS. -MAY OBTAIN MAX OF \$300 PER TDD FROM STATE. ALSO LOANERS AVAILABLE-SEPARATE PROGRAM. -APPROX. 250 TDDS THRU 3/87.
NEW YORK		X	-PUC ORDERED TELCOS TO PROVIDE MESSAGE RELAY AS PART OF SERVICE COSTS.	X					X				-HEARINGS AND STUDIES UNDER WAY TO DEVELOP PROVIDER RESPONSIBILITIES AND TO PROPOSE TECHNOLOGY.
UTAH	X		-SURCHARGE OF .03 PER MO. ON PHONE LINES.	X NOTE 1&2			X	X	X		X		-EFF DATE OF LEGISLATION IS APR 26, 1987. START-UP EST FOR 6-1-87. TWO YEARS TO COMPLETE. PROG BEING DESIGNED

NOTES:

1. SPEECH-IMPAIRED ALSO ELIGIBLE.
2. UTAH BILL BROADLY WORDED AND MAY INCLUDE HARD OF HEARING. THIS IS TO BE DETERMINED.
3. SEPARATE FUNDING FOR 24 HOUR RELAY SERVICE IN NEW HAMPSHIRE

J. B. HEIL, JR.

Ex. #1a
4/11/89

STATE TDD DISTRIBUTION PROGRAMS & RELAY SERVICES
PAGE 3

JURISDICTION	LAW	PUC	FUNDED BY	ELIGIBLE			PROVIDES					LIMITATIONS AND STATUS		
				DEAF	HH	OTH	TDD	FLASH	3DPTY RELAY	AMPS	BRAILLE		OTHER	
MINNESOTA		X	-PUC DIRECTED NW BELL TO PROVIDE A PROGRAM OF NO-INTEREST LOANS FOR NW BELL RES CUST.	X	X	X								-CUSTOMER MAY BORROW UP TO \$1600 TO PURCHASE ASSISTIVE TELEPHONE DEVICES. APPLIES TO ALL DISABILITIES.
TEXAS			-TEXAS COMM FOR DEAF PROVIDES RELAY SERV THROUGH CONTRACTS							X				-CONTRACTS WITH 23 COMMUNITY BASED NON-PROFIT ORGS TO PROVIDE RELAY SERVICES.
KANSAS			-KANSAS COMMISSION FOR THE DEAF PROVIDES MESSAGE RELAY SERVICE							X				-STATEWIDE TDD RELAY, MONDAY THROUGH FRIDAY, 8 AM UNTIL 5 PM.
SOUTH DAKOTA	X		-DVR PURCHASES AND DISTRIBUTES TDDS AND SIGNALLERS.	X			X	X	X					-DVR PROVIDES FROM GENERAL FUNDS. HAVE DISTRIBUTED ABOUT 300 UNITS (3/87) -24 HOUR RELAY SERVICE PROVIDED.

California Relay Service

- The California Relay Service (CRS) began operating January 1, 1987. The CRS was established by Legislative act in 1983. The "Telecommunication Devices for the Deaf (TDD) Relay System Act" (Chapter 741), adding Section 2881(b) to the Public Utilities Code requires that the California Public Utilities Commission (CPUC) implement a dual party relay system using third party intervention to connect deaf or severely hearing-impaired persons with persons of normal hearing using the telephone systems within the State of California. Any additional Legislative or Public Utilities information can be obtained by writing CPUC, 505 Van Ness Ave, Room 2002, San Francisco, CA 94102.
- The CRS is open 24 hours a day, 7 days a week. There are 120 positions, 2 Managers, 16 Group Managers, 2 clerks and approximately 227 Communications Assistants. Call volumes are in excess of 6600 calls per day with 7 minutes average talk time per call. All calls placed by the CRS must originate, terminate and be billed within the State of California.
- Toll free 800 (California originated only) numbers are available to connect to the service. Calls are billed at AT&T and/or Local Telephone Company direct dial, or operator handled rates, as appropriate. For example, a call from San Francisco to Sacramento will be billed at the direct dial rate. There are no charges to the calling customer for the connection to the CRS, or for the connection from the CRS to the called party.
- In addition to the technical training, the CRS personnel receive training in the following areas: cultural and linguistic differences between the deaf community and the hearing community; an understanding of how ASL (American Sign Language) and English vary in written form; interpreting and transliterating ASL; coping with difficult situations; and code of conduct, ethics and confidentiality.
- An essential part of telephone service is privacy. CRS personnel must keep all conversations confidential and never give a customer reason to believe that conversations, or the nature of any message, will become known to anyone else through any fault of the CRS or its personnel. The CRS is committed to this policy.
- In order to protect the confidentiality of the users and the specialized nature of CRS communications, there are no public tours permitted.
- CRS does not try to judge whether a call is either obscene or illegal. Enforcement of such a practice is contrary to an individual caller's right to free speech. However, if obscenities or abusive remarks are directed to the CRS Assistant, the Assistant will request the caller to stop, if the caller continues, the Assistant will notify a Manager prior to terminating the call.
- CRS has a public office available to deaf or severely hearing-impaired customers. The hours are 8:00 am - 5:00 pm, 7 days a week. The public office has 2 booths, equipped with TDD's, so that the public can place calls to other TDD's or the CRS. All calls placed from the public office require alternate billing: Collect, Calling Card, or Bill to Third number (billing is verified prior to placing the call and must be a California billing number).
- In instances where the CRS receives an emergency call, the CRS Assistant directs the caller to hang up and dial 9-1-1. 9-1-1 is a statewide emergency number for all agencies. The 9-1-1 emergency number has TDD capability and should be called in the event of an emergency. This instruction is given for the users' benefit because dialing 9-1-1 is faster and safer.
- CRS does not replace the TDD/TTY operator used today. (The TDD/TTY operator assists on calls from TDD to TDD only.) A customer should continue to call the TDD operator for: calls placed from a TDD to a TDD that require operator assistance or alternate billing; assistance reaching a number if there are problems with a call; credit in the event of problems on a direct-dial call; telephone numbers not found in the telephone book; and reporting any other telephone service problems.
- The service is funded in part by the surcharge (Communications Devices Funds for Deaf and Disabled) that appears on all California subscribers telephone statements.

4/11/89

HB 614

STATEMENT ON HB 614

TO SENATE FINANCE AND CLAIMS COMMITTEE

by Representative Diana Wyatt

Mr. Chairman, members of the committee. For the record, I am Representative Diana Wyatt, representing House District 37, Cascade County. HB 614 establishes a program to provide specialized telecommunications equipment and services to the deaf, hard of hearing, and speech impaired people in Montana.

The bill has been heard and passed by three committees, two in the House and one in the Senate, has passed second reading in the House twice and 3rd reading with strong majority votes. The House amended the bill to make the program a good candidate for the Governor's privatization of government services program.

The bill, as amended, provides for an eleven member committee appointed by the Governor, to oversee the complete administration of the program, including the purchasing of the equipment, the distribution to those who require it on a loan basis, and budgeting responsibility for the program. The bill also establishes and funds a third party relay system to connect persons who are so handicapped, to hearing persons and public telecommunications services. The bill provides for a legislative assessment of ten cents per month on telephone customers to make the program self-supporting.

The hand-out to the committee, includes information about what is a "telecommunication device for the deaf" commonly referred to as a TDD or teletypewriter, a TTY.

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HB 614 STATEMENT-WYATT
Page 2

When using a TDD or TTY, conversation is not spoken and heard, it is typed and read. Calls made from one TDD to another TDD can be made without the involvement of a third person. A handicapped person can call a doctor, hospital, the police or fire department and anyone else who has a similar instrument. There are currently expanding network TDD relay systems and HB 614 provides for such a relay system that connects users of TDD's through a relay operator with normal hearing people using their voices on the telephone. The specially trained relay operators alternate between speaking and typing the conversation. Calls that are typed are spoken to the normal-hearing person and visa versa. Under HB 614, this service will be provided at no cost to the user. Severely hard of hearing people can and do use TDD's because although they can hear sounds, many times they do not understand what is being said. It's the same thing as not being able to hear at all.

The hand-out also reflects census information showing that some 29,000 Montanans have a significant bilateral hearing loss and 7,000 are deaf and cannot hear and understand speech. These are all potential beneficiaries of the program in HB 614.

The fiscal note indicates that the ten cent per month (\$1.20 per year) assessment would raise \$277,831 in FY90 and \$477,475 in FY91 for a total of \$755,306.

The following is a breakdown of estimated collections based on a monthly fee times the 347,289 phone lines in Montana noted in the fiscal note and reflects the varying amount of revenue for varying monthly charges as may be assessed under Section 12, paragraph (1) in the bill for FY90 and FY91:

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HB 614 STATEMENT-WYATT
Page 3

<u>Mon. Chg</u>	<u>Qtr. Revenue</u>	<u>FY90</u>	<u>FY91</u>	<u>Total</u>
.10	\$104,000	\$312,000	\$416,000	\$728,000
.09	\$ 93,600	\$280,800	\$374,400	\$655,200
.08	\$ 83,200	\$249,600	\$332,800	\$582,400
.07	\$ 72,800	\$218,400	\$291,200	\$509,600
.06	\$ 62,400	\$187,200	\$249,600	\$436,800
.05	\$ 52,000	\$156,000	\$208,000	\$364,000

The revenue estimates on the fiscal note were made by SRS and the slight variation in FY90 & FY91, when compared to the above figures, appear to be caused by a time lag in collections.

Although the fiscal note estimates that 400 persons will be served during FY90 and FY91 under the program, it is not easy to determine at this point a precise number. I think the estimate of 400 persons for the biennium is low and would likely be closer to 600 plus.

The hand-out includes a recap of the states that have enacted the program. Colorado is considering similar legislation I understand, and Oregon adopted legislation in 1987 for a total of 20 states. Montana will be the 21st. We have looked at budget information from some of these states.

Based on the experience in Minnesota, where a similar program was enacted and placed in operation just this year, the budget for the program in Montana would be approximately \$470,000.

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HB 614 STATEMENT-WYATT
Page 4

This is arrived at by assuming that 600 telecommunication devices will be purchased at an estimated cost of \$250 each including a light flasher, for a total cost of \$150,000.

The budget for relay service in Montana is estimated to be approximately \$190,000 to \$200,000. Of this amount, about 47% to 50% is for operator costs while the balance is for phone lines, management, equipment purchase, rent, etc. It is to be presumed that a private organization will operate the relay system. It could be operated on a non-profit basis by the deaf and hard of hearing community or possibly by U.S. West. These options would have to be explored by the committee.

It is estimated that 6 operator stations manned 24 hours per day using 20 to 24 operators working 2 to 4 hour increments would be needed. If operated as a private non-profit operation, this would provide an excellent employment opportunity for students and some handicapped individuals. It is estimated that these operators may be handling 4,000 to 5,000 calls per month initially when the relay is in full operation, and then increase. Experience in California and other states have seen a domino effect in usage.

The volume has in fact exceeded expectations by a considerable amount once their program is in effect. California's experience showed that sixty percent of the originating calls are from hearing or non handicapped callers. The hand-out includes information about that state's relay service.

Ex #1b
4-11-89

It is presumed that the third party relay system in Montana under HB 614, would not be in effect until FY91 and that it would require an expenditure of approximately \$100,000 for equipment in that year. Costs of operators, rent, and other costs would be about \$90,000 per year.

The total estimated budget for the program for the next biennium is arrived at as follows:

<u>FY 90 & 91</u>	
600 TDD's	\$150,000
Other Equipment	20,000
Equip. 3rd Party Relay & Phone Lines	100,000 (FY91)
Operator Costs, Rent, Special Training, etc.	90,000 (FY91)
Administration, Personnel Services, Committee Expense (according to revised SRS est)	100,075
Miscellaneous Costs	10,000
TOTAL	<u>\$470,000</u>

It would appear from these budget estimates that perhaps the telephone access line assessment might be adjusted to a lower figure. However, I would hope the committee would keep in mind that the budget costs are estimates or may be better described as guesses. I feel that we would be wise to leave the 10 cent assessment as is until the budget determination can be made by the committee and we attain experience in the formulation and operation of the program. The assessment can then be adjusted more realistically in the next session of the Legislature.

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HB 614 STATEMENT-WYATT
Page 6

The fiscal note assumes that two full time employees are needed by SRS to administer the program. This fiscal note was drawn based on the first third reading version of HB 614. Since the House Appropriations Committee amended the bill to require the program to be administered by the eleven member Committee on Telecommunications Services for the Handicapped rather than SRS, the need for the two FTE's would be eliminated. As a confirmation of this, I've attained a copy of a letter to me from Julia Robinson, Director of SRS, which confirms this position.

One final point....objections were raised at the House Appropriations hearing that the program is likened to the 9-1-1 emergency phone service program in that rural communities pay the assessment and have not yet received the service. This is a completely different set of issues. No such delay is expected with HB 614. The committee's membership includes representatives from the hard of hearing, deaf and speech impaired community and has the responsibility to seek out the handicapped Montanans and communicate to them about the program in rural areas and urban areas all over the state.

Thank you for you consideration.

DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES

Ex. 1 b

4-11-89



STAN STEPHENS, GOVERNOR

P.O. BOX 4210

STATE OF MONTANA

HELENA, MONTANA 59604-4210

March 9, 1989

Representative Diana Wyatt
House of Representatives
State Capitol
Helena, Montana 50624

Dear Representative Wyatt:

As the new Director of the Department of Social and Rehabilitation Services, I have taken the opportunity to review HB 614. If passed, it will definitely provide a very necessary service to Montanans with disabilities. I am interested in establishing an administrative approach in the bill which would insure the program's successful implementation when passed.

This program is also one that is very amenable to Governor Stephens' privatization initiative while assuring quality services. In accordance with the privatization emphasis, I will be suggesting the attached amendments to HB 614. These amendments will provide for SRS to contract the entire program (as defined in the bill) with an organization that has statewide service capacity. I am also assigning Dan Pouliot, Chief Budget Officer, to be the lead SRS person to oversee and monitor the contractual activities associated with this effort.

This approach would save the state of Montana the two FTE's requested by SRS staff prior to my arrival.

Please let me know if I, or department staff, can assist you in any other way.

Sincerely,

Julia E. Robinson
Julia Robinson
Director

cc: Wayne Phillips

Mr. Chairman and Members of the Committee

Exhibit # 1c

4-11-89

HB 614

I am Robert LeMieux from Great Falls, Montana. I appear before you today as a member of the Governor's Committee on Employment for People with Disabilities for 8 years. Also I have been active member of the Social and Rehabilitation Services Advisory Council for 9 years. In addition, I am a tax-paying citizen of Montana, and have qualified myself as a professional through education and experience--(27 years of teaching at MSDB).

Prior to 1964, use of the telephone by deaf people was practically unknown except for isolated attempts at devising a crude code or YES-NO type of communication. In 1964, surplus outdated TDD machines made by AT&T were available to handicapped persons who quickly caught on to the use of this communication tool. But within a few years, the supply of available teletypewriters was exhausted, creating a demand for portable TDDs.

The Governor's Committee on Employment for People with Disabilities endeavors to remove the barrier in order to allow disabled people full access to public services and public telephone services.

Those deaf and hard of hearing people who live in the rural or sparsely-populated country face a serious problem, namely, communication. So are other ones in towns and cities. The TDD bill makes telecommunication services possible for them to bridge the communication gap.

Yet, handicapped people who still have obsolete TDDs have experienced such frustrations when line noise associated with data creates "garbled" messages which need to be repeated by the users.

Handicapped people strongly support HB 614--The TDD bill because it will provide the responsibility to the committee to explore and secure the best technical and assistive devices that are cost-effective as well as to eliminating obsolete communicating system. Best tools give disabled people the best advantage of communicating more effectively in their personal, social and work life.

Please give your support to HB 614. Thank you.

TESTIMONY FOR THE SENATE FINANCE AND CLAIMS COMMITTEE

Support for the "MIAMI" Project

Name: Karen Landers, MD, Pediatrician from Helena

Representing: Montana Council for Maternal and Child Health
Montana Children's Alliance

We live in a nation that ranks 19th amongst industrialized countries in infant mortality. We have dropped four positions from our ranking of 15th in 1968.¹ In Montana, each year, an average of 120 infants die before one year of age. Low birthweight (less than 5.5 lbs at birth) is present in approximately one-half of the infants who die before their first birthday. These babies can be very expensive to care for at birth and may go on to have lifelong disabilities. In 1986, there were 3031 Medicaid babies born in Montana. Their total medical costs for the first year of life was approximately \$5.4 million. Eighty-three of those 3031 babies cost \$2.7 million or one-half of the total expenditure. Over half of the infants (55.4%) were low birthweight.² Early, quality prenatal care has been identified as the most effective way to prevent infant deaths and low birthweight.³

The "MIAMI" Project is proposed as Montana's statewide effort to reduce infant mortality. It is based on the already successful low birthweight projects that have been running for two years. The Miami Project has four components. These will include low birthweight prevention, review of infant deaths, changes in Medicaid to allow low income pregnant women to access early prenatal care such as presumptive eligibility, shortened application forms, and elimination of the resource test, and a

ex # 2

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public education-outreach program called Baby Your Baby based on a Utah program to increase public awareness on the need for prenatal care. The low birthweight projects will provide a case management approach to help low income, high risk women access prenatal care to help promote a healthy outcome to their pregnancy. Case management includes assisting Medicaid eligible women to enter the system, arranging for prenatal care from a rotating base of providers who share the responsibility of caring for this at-risk population, interfacing with WIC and health departments to provide nutrition and health education, and the provision of general support in encouraging those behaviors which promote a healthy baby. The project will also review infant deaths to examine causes and how best to impact them. The report of the National Commission to Prevent Infant Mortality outlines a plan of action to reduce the number of infant deaths which basically describes the "MIAMI" Project."

Does this work? The Access/Links low birthweight project in Missoula has successfully reduced its low birthweight rate by half during its two years of operation. There have been other successes. In 1986, shortly after the Beaverhead County low birthweight project was initiated, a 28 year old woman with a heart condition in her fourth pregnancy was admitted for early labor. She was carrying twins. She had premature labor with her first pregnancy, and premature delivery with her second which required a one month stay in the newborn intensive care unit. With intensive case management, she delivered healthy twin babies at term which required no extra care. The cost savings of this

ex. #2
4-11-89

one case were probably of a magnitude to support several other low birthweight programs. There is currently a low birthweight baby in Missoula, born to a 14 year old who received no prenatal care whose medical costs have reached approximately \$200,000. Preventing one infant like this will nearly pay for the funds requested at this time for the MIAMI Project.

Priorities for People included this project in its top eleven priorities for the Governor's consideration. It is also included in the 1989 Montana Children's Agenda. We urge this Committee to give its support to the "MIAMI" Project.

References

- 1 The National Commission to Prevent Infant Mortality, August, 1988.
- 2 Study on High Cost Medicaid Infants, Dept. of SRS, January, 1989.
- 3 The National Commission to Prevent Infant Mortality, August, 1988.
- 4 The National Commission to Prevent Infant Mortality, August, 1988.

Exhibit 2a HB 773

4-11-89

Topic: INFANT MORTALITY

Lynda Johnson Robb, 45, is a member of the National Commission to Prevent Infant Mortality, which will ask Congress today for measures to help lower the USA's infant-mortality rate. Robb, daughter of President Johnson, began her work with children's programs when her husband, Sen. Charles Robb, was Virginia governor. She was interviewed by USA TODAY's Barbara Reynolds.



Lynda Robb

We let babies die — an expensive disgrace

USA TODAY: On Wednesday, the National Commission to Prevent Infant Mortality will call for legislation authorizing \$100 million to fight infant mortality. How popular will such a measure be in a deficit-fighting atmosphere?

ROBB: We're saying, let's spend our money on prevention so that we have a healthy mother and a healthy baby. It just makes more sense to spend \$400 in good medical care and a support service than to spend \$400,000 in trying to resuscitate a baby who was born weighing two pounds and already has many physical problems.

USA TODAY: With all the medical advances in recent years, aren't we saving more lives than we used to?

ROBB: There are so many babies that even if we can save their lives, they may have mental or physical handicaps. One of the shocking things is that although we are able to save babies now who never would have survived, we still have the same percentage of low birth-weight babies being born now that we did 20 years ago.

USA TODAY: Why is it that some babies born in Third World countries have a better chance of surviving than

Indian babies in this country

ROBB: It is a disgrace. We rank about 19th of the industrialized countries. A baby has a better chance if it's born in Singapore. A baby has a better chance if it's born in Costa Rica than if it's born in Washington D.C., or Richmond, Va.

USA TODAY: The same can't be said for the white population.

ROBB: Our white infant mortality rate is also disgraceful. It is much higher than in France, Germany, England, any of the Scandinavian countries and Japan.

USA TODAY: Why does Japan have the world's lowest infant-mortality rate?

ROBB: They put a higher premium on their babies. They had a bad infant-mortality rate and they did some of the things that we're urging. They have made it a national concern. For instance, pregnant women ride free on the buses. They say, you are pregnant, and we think it's very important to our nation that we take care of you. They give support services which we don't in this country. It's not that they have better doctors; more of their women get good prenatal care.

USA TODAY: What is the



NINEPIPE MEDICAL ASSOCIATES

St. Mary's Lake Road
St. Ignatius, Montana 59865
Telephone: (406) 745-4300

SENATE FINANCE AND CLAIMS
EXHIBIT NO. 3
DATE 4-11-89
BILL NO. 773

PATRICIA HENNESSY, M.D.
J. MICHAEL WISE, M.D.

March 29, 1989

TO: The Montana Senate Finance and Claims Committee

RE: HB 773 [The Miami Project]

As a public health physician whose area of special interest is maternal and child health, I heartily endorse the above bill.

In 1986 the Montana Department of Health and Environmental Science funded four prototypes for the Miami Project. For two years I supervised the Missoula project for the Missoula City-County Health Department. It was called ACCESS/LINKS and provided low income women with prenatal care while we helped them find a doctor. We helped the doctors by screening these women early for medical/obstetrical problems, paying for their lab work, and by assisting them in getting on Medicaid. Since the program used existing public health nursing staff and WIC services, our costs were low and our results were amazing. We had fewer low birthweight babies than predicted and helped our women get into prenatal care earlier. Even MD's who were skeptical at first are now ardent supporters of this program.

*The Montana OB liability crisis is a tragedy for doctors, expectant families, and all our communities alike. The lack of maternity insurance in the US is incredible in this land of so many resources. These two factors are relentlessly squeezing young Montana families with the most potential and the fewest resources. MIAMI will help them effectively and efficiently.

National studies show early prenatal care prevents low birthweight babies and shows over a \$3 return within three years for every dollar invested. Montana cannot afford to pass up this investment.

Please support and fully fund HB 773.

Cordially,

Patricia Hennessy, MD

To the Honorable Pete Story, Chairman
Senate Finance and Claims Committee
Members of the Committee

I wish to give testimony in FAVOR of House Bill 773, "The Miami Bill".

My name is Marietta Cross. I am a registered nurse, employed at Community Medical Center in Missoula. I also serve as President of Healthy Mothers, Healthy Babies, the Montana Coalition.

This bill is a step in the right direction. \$240,000 is not chicken feed..but when one mother is able to carry her pregnancy to 34 weeks instead of 27 weeks, you have paid for the program. We have already seen this happen in two pilot projects in Missoula and Dillon. We need to do more of it.

We need to get on with prevention.

For the past 16 years I have been involved in the care of infants and mothers, both healthy and sick. Half of those years were spent participating in the intensive care of sick newborns. I am well acquainted with the joy and excitement that surrounds the anticipation of birth..I am also acquainted with the devastation, grief and guilt that surrounds the families of babies that are born too small, too soon.

We can and do provide excellent care for sick babies in this state. The technology that is available to us has made it possible to save two pound babies, some even smaller. But the care of these infants will cost us many tens of thousands of dollars for the first year of life, and for some will approach millions if they live beyond that. I am not exaggerating. By the time one gets through initial care, possible surgery, retinopathy of prematurity, bronchopulmonary dysplasia, developmental delay and infection, the medical costs will defy description.

We have the tools to prevent some of this. It is called education, early prenatal care, nutrition counseling, and more education. We have sufficient data to support what we already know...that women who are poor, with poor nutrition, less education, who are single with no support systems, and who get little or no prenatal care, have a higher incidence of babies with low birth weight, birth defects, mental retardation, growth and development problems, blindness, cerebral palsy and epilepsy. Many of these children will be forever dependent upon society for their care, both as children and adults. In 1986 in Montana, Medicaid expended over \$2.5 million dollars for less than 3% of the total number of infants assisted that year. Over half of them were low birth weight.

I urge your favorable vote on this bill, for the future citizens of Montana.

Thank you for listening to me.

Marietta Cross

Marietta Cross, RN
Administrative Assistant
Maternal Child Health Care Services
Community Medical Center

President
Healthy Mothers, Healthy Babies
The Montana Coalition

APPROPRIATIONS COMMITTEE

March 16, 1989

PERSONAL TESTIMONY SUPPORTING THE EMOTIONAL AND FINANCIAL COSTS OF
A LOW BIRTH WEIGHT INFANT-Roxanne Hiesterman

A premature birth is a family crisis. It is an emotional nightmare of confusion, guilt, frustration and sadness.

I remember being whisked away to Great Falls, 2½ months before the expected birth of my third child, so that the baby would have "a chance" to survive with the high tech equipment in the Neo-Natal ICU at Deaconess Hospital. At the same time, my two young children were hustled off to a babysitter, with little explanation.

Ten minutes after the ambulance arrived a Deaconess, a 2lb. 12oz., tiny, very sick baby girl with Respiratory Distress Syndrome was born. She was taken from me, ever so quickly, and put on a respirator before she had a chance to cry.

During 10 weeks of hospitalization, our baby was treated in three different hospitals, Great Falls-Deaconess, Children's Hospital-Denver, St. Peter's-Helena. She breathed with a respirator for 5 weeks and needed a whisk of oxygen for 3 more weeks. She struggled with a collapsed lung, pneumonia and surgery. Her head was shaved, she was hooked up to machines, was poked and pricked all over her little body.

Ten weeks of emotional turmoil took it's toll.

Then there was the financial burden. The weeks of intensive care care medicine and air ambulance transport cost as much as a moderate size home in 1979.

The medical bills have not ended. The result of our premature infant is a child with Cerebral Palsy. She has visited many doctors, been treated by Physical, Occupational, and Speech therapists, Psychologists and has had several surgeries.

Although our daughter has come a long way, the emotional and financial costs will affect her for a life time.

It's hard for a stable family to cope with premature birth, let alone a vulnerable one or a single parent

PREMATURE BIRTH COSTS LESS WHEN PREVENTED!

Roxanne Hiesterman
Helena, Montana

Opinion

6A

Great Falls Tribune
Thursday, March 23, 1989

Montana's babies deserve help from the Legislature

A program that would reduce Montana's infant mortality rate is one step closer to existence, having been approved on second reading in the House.

Even with the wary eye being cast on every dollar spent by the government, the \$240,746 appropriation for House Bill 773 should be approved and signed into law.

Far too many of the state's youngest citizens, from birth to 12 months of age, are dying. State health department figures put Montana 24th in the nation in infant mortality. A total of 121 infant deaths were reported in 1987.

Interestingly, Montana tops the list in taking good care of its newborns. That shows that the health care available here is top quality, if it's utilized. From birth to one month of age, relatively few of the babies born here die. But the next 11 months take their toll, putting Montana among the five worst states in the nation for infant mortality during those months. The 12 months averaged put us in the middle of the pack.

The amount the program will cost is small compared to the cost both emotionally and financially to the government and the residents of Montana. A 1986 Social and Rehabilitative Services study showed that the state paid \$5.4 million to take care of 3,100 Medicaid babies. Half of that total was spent on only 84 of those

babies, babies whose most common problem was low birth weight.

The proposed program addresses the problem from several angles. Key among them is education, education and more education.

The program is designed to teach proper prenatal care, from the effects of substance abuse to the need for early medical attention and low-birth weight prevention. Those things make for bigger, healthier babies.

The program will also analyze the deaths of babies in Montana. Experts will search for common denominators that can be avoided in the future.

Low-income pregnant women will get additional help with the Medicaid changes proposed. The bill will cut the red tape, getting them onto the program earlier. Early medical care is fundamental in ensuring healthy babies.

An advisory committee would evaluate the program as it works, reporting back to the Legislature next session. The project has a short life span. It must be completed in two years.

We urge the Legislature to pass the bill. Montana's babies shouldn't die, and the proposed program will make our babies healthier.

SCENES WILLIAM I



Take m

IN A COUPLE hundred years when historians study the rise and fall of the once-great nation known as the United States, they will pinpoint April 1989 as the beginning of the end.

No, it won't be because of a nuclear disaster, the end of Japan's economic strength, the free flow of drugs and guns, or a flood of illegal immigrants. It won't be because of the communist menace, the greenhouse effect, or even Dan Rostenkowski.

They will find that the fault lies with the deterioration of our traditional values, the rejection of our heritage, the plunge into decadence and effete-ness.

And they will be able to blame it on Southern California, the Reagan administration, the United States, and even more specifically, the people of the United States.

Our readers' opinions

Elks treated poorly

In regard to the State Class B basketball tournament in Great Falls:

Great Falls got caught unprepared and unorganized. The four Seasons roof leaked, so police seemingly took over. Lack of organization at CMR with the ticket sales was absolutely appalling.

penses of the lodge.

I cannot believe that most members of the Elks would agree with Fred Dahman's quote in the Tribune that "the Elks will have no qualms about selling the painting if the price is right."

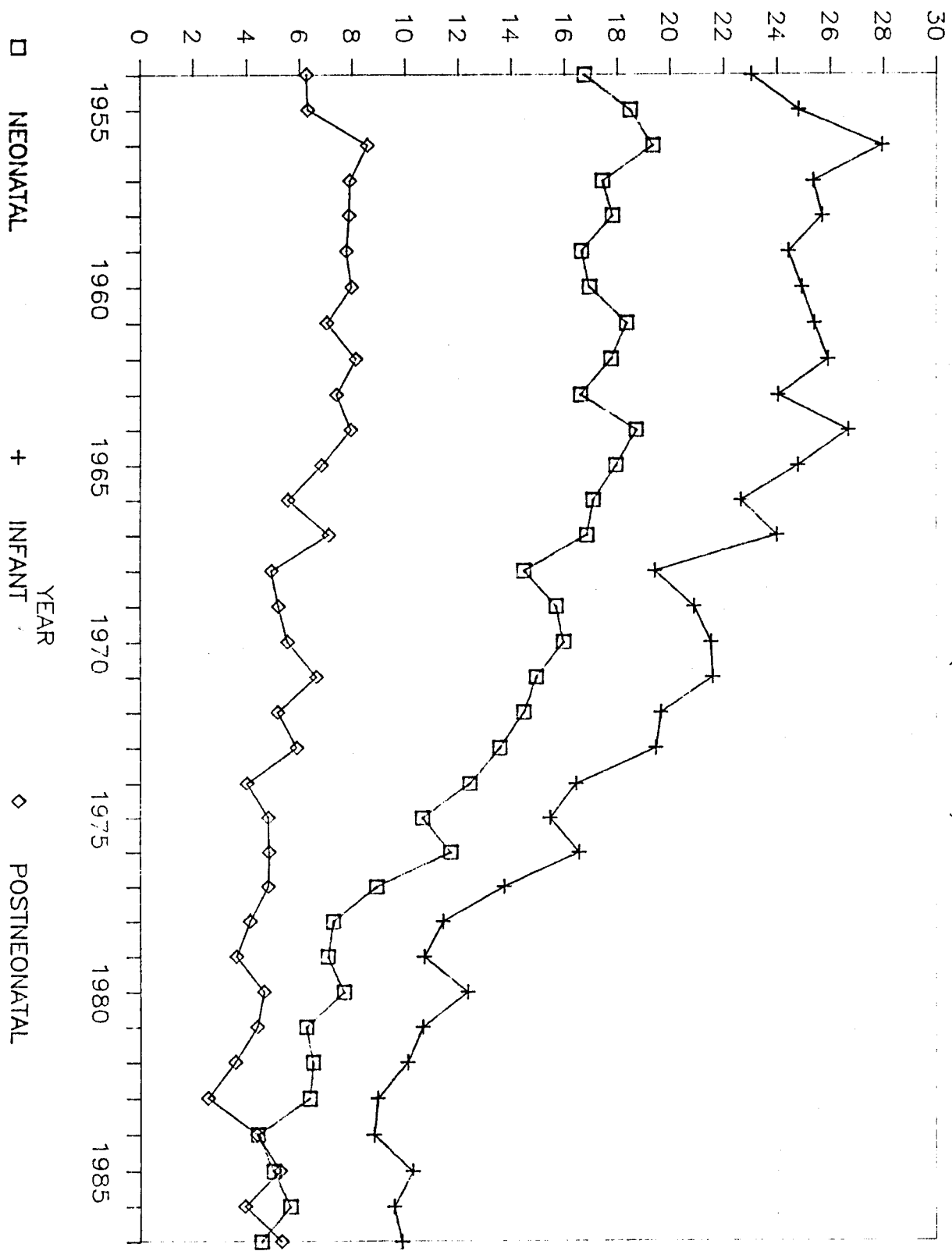
The Elks made a wise decision when they placed the painting on loan to the Russell Museum, where it can be seen by the public.

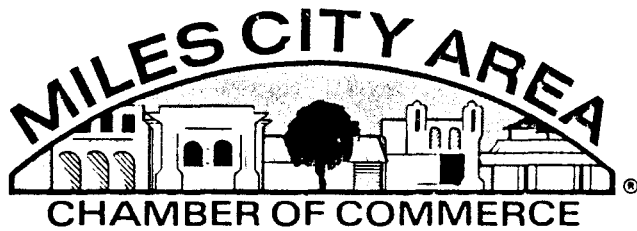
they will agree that it is the murder of an innocent human being.

We are also concerned about the women involved in crisis pregnancies. In November 1986, we started the Pregnancy Help Center which has recently begun the Birthright of Great Falls program, an independently operated, nonprofit

DEATHS: NEONATAL, POSTNEONATAL & INFANT

MONTANA RESIDENTS (1954-1987)





8
DATE 4-11-89
BILL NO. 547

PROUD
PAST



PROGRESSIVE
FUTURE

March 14, 1989

FROM: Nancy Ugrin, Executive Director
Miles City Chamber of Commerce

SUBJECT: TESTIMONY BEFORE THE SENATE FINANCE COMMITTEE IN
SUPPORT OF A STATE VETERANS HOME IN EASTERN MONTANA

The patriotism of Montanans is recognized both nationally and internationally. In both World War I and World War II, Montana had more enlistments per capita than any other state in the Union. When duty called, Montanans were willing to pay the price.

From 1940 to 1975, this country was mobilized to fight three world wars. Today veteran facilities are in the shadow of a tidal wave of veterans demanding health care. According to an economic impact statement performed by the Veteran's Administration; the number of patients treated by the Eastern Montana Veteran's Administration Center in Miles City has doubled.

Likewise the public support for veteran facilities has more than doubled. Today thousands of volunteers raise hundreds of thousands of dollars each year for veteran health care. Through various fund raisers; volunteers raise money to purchase vans for the handicap, wheel chairs and medical equipment.

But the cost for building geriatric health care facilities is beyond the reach of volunteerism. Currently the nursing home unit at the Miles City V.A. Hospital is full. Veteran Administration officials state they have a long waiting list of eligible veterans in need of geriatric care.

Without a State Veteran's Home, these veterans must find other geriatric centers for their health care. Since these centers may not be eligible for veteran's benefits, veteran health care cost create a greater burden upon the Montana tax payer.

Ex. # 8 4-11-89

Veterans admitted into state veteran's home are typically economically disadvantaged. The federal government pays approximately sixty percent (60%) of their health care cost. If these veterans can not get into a veteran's facility, then the State of Montana typically must pay one hundred percent (100%) of their health care cost.

Not only does the lack of a facility cause Montana tax payers to pay a greater portion of veteran health care cost, the federal taxes withheld from Montanan's paychecks are paying a portion of veteran's health care cost in some other state. The alternative to a state veteran's home is greater cost -- both in a actual health cost and in the opportunity cost of not taking advantage of veteran benefits.

Constructing a state veteran's home is not only paying today's price for the cost of defending our country, it is also an investment. In the long term, the cost to construct a veteran's home will be a small percentage of the total cost of veteran geriatric care in the State of Montana. Montana taxpayers are currently paying the health care cost of economically disadvantaged veterans. A state veteran's home will lower the burden upon the Montana taxpayer by making these veteran's eligible for their entitled veteran's benefits.

Therefore, on behalf of the City Council of Miles City, I urge your support and passage of House Bill #546 and House Bill #547 -- bills to construct a state veteran's home in Eastern Montana.

8

SENATE FINANCE AND CLAIMS

EXHIBIT NO. 8-a

DATE 4-11-89

BILL NO. 547

STATE VETERANS HOME ISSUE BRIEF:

Montana is currently home to 106,000 veterans, 24,100 of whom will be over the age of 65 by 1990 and 31,100 over the age of 65 by the year 2000. With the State Veterans Home in Columbia Falls serving the western half of the state, similar services are necessary in Eastern Montana.

Construction for another STATE VETERANS HOME in Eastern Montana may be financed at 65 percent of total costs by the Veterans Administration (VA), including planning. A STATE VETERANS HOME may be established, controlled, and administered by the Department of Institutions. Criteria for bed numbers established by the VA indicate Montana could have between 265 and 424 State nursing home beds. We currently have 90 at Columbia Falls--26 at Miles City. Both are full and waiting lists exist.

THE FOLLOWING INFORMATION IS NOW KNOWN:

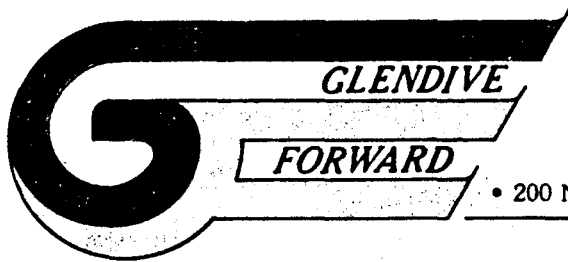
SIZE OF THE FACILITY: 100 beds (divided between nursing home beds and domiciliary). Proposals for facilities with less than 100 beds stand little chance of approval on the Federal level.

CONSTRUCTION: A new facility would cost approximately \$30,000 to \$40,000 per bed, depending on construction standards and contractor estimated costs. HB 547 appropriates 1.4 million as the State's commitment to the construction of this facility.

TIMETABLE: Following legislative approval, the state agency will submit application to the U.S. Veterans Administration by June 15, 1990. A site selection committee made up of Veteran's representatives appointed by the Governor will select the site and the State agency will carry out the project from that point. The facility could be expected in two to four years, subject to Federal priorities.

SERVICES: Most services for the facility, such as pharmacy, physical therapy, physician, health care professionals will be provided through a contractual arrangement with local providers. The Veterans Administration previously contracted with private nursing homes for a 180 day period. Those services have recently been drastically cut to 90 days or less, and only for service related problems.

PLEASE SUPPORT HB 547---THE EASTERN MONTANA STATE VETERANS HOME



• An Economic Development Corporation •

• 200 N. Merrill Ave. • P.O. Box 930 • Glendive, Montana 59330 • (406) 365-8612

Mr. Chairman and members of the committee:

Glendive Forward is an economic development group dedicated to progress and stability not only for our own community, but for all of Eastern Montana.

We ask for your support and endorsement for HB 546, ----the Eastern Montana State Veterans Home. The aging Veteran population is becoming the forgotten population.--- The constant threat of drastic cuts in funding on the Federal level is not only a threat to the future of our Veteran's, but a negative message that the Veteran is an unwanted burden--or worse yet that they DON'T MATTER & WE DON'T CARE.

We have the opportunity in our State to make the opposite statement. Passage of this important legislation is an opportunity for the State of Montana to re-affirm to our Veteran population the concern and appreciation for their many sacrifices, their patriotism and their courage.

Have we come so far from patriotism---have we lost sight of what it means to be proud of our country and our Veterans?



My father was a prisoner of war in Germany during WWII, my brother is a career Army man, my husband is a Veteran. My work with our local Veterans has confirmed for me the fact that the men and women who are Veteran's deserve more. Not only do we owe them our respect---we need to keep our promises to them.

The Columbia Falls Veterans Home is a wonderful facility; however--to ask a veteran from Eastern Montana to move to that facility isolates him from his roots, his family, and his friends. The distance from Glendive to Columbia Falls is nearly 1200 miles round trip. Needless to say the Eastern Montana Veteran is completely isolated from his familiar surroundings. How often can a family bring Dad or Mother home for a visit or the Holidays with such vast distance, weather conditions and expense involved.

A Veterans Home in Eastern Montana would provide the Veteran with a facility that would meet all of his care needs, but more importantly provide the comradeship for the residents who share a common bond. The fellowship of friends, the caring of the community is the support system that sustains the quality of life for many aging veterans.

Montana is the second lowest state in the region in the number of dollars spent on it's resident Veterans. Yet we are all gravely concerned about the loss of more families from our State. This appears to be an ideal opportunity to say to this vast population---We want you to stay in our State--we're committed to your future well being and we're willing to make a commitment to you.

Your support of HB 546 will send a clear message of concern and support to the thousands of veterans living in Montana.

HB 547 4/11/89
Ex. 86

John Buck - Representing Vietnam Veterans Chapter 234, Post 28
American Legion, Veterans of Foreign Wars 1125

Mr. Chairman and Members of the Committee:

As past State Commander of the Veterans of Foreign Wars, a member of the American Legion, we ask for your endorsement and support of H.B. 546/547--- the Eastern Montana State Veterans Home. I also speak as an individual Veteran. As you may well know, approximately 107,000 veterans live in Montana. More than one-half served during World War II and the Korean conflict. Their average age being approximately 65 years or older. Therefore, the need for additional nursing home beds is justified. We now have the opportunity in our state to do something about this, and in so doing, say thank you to the Veterans who have made our very freedom possible.

Due to federal budget cuts our veterans are being turned away from hospitals-- which indeed is a slap in the face to all of us. Telling the veteran you don't matter anymore -- take care of yourself. Many veterans today are not capable of doing this.

Eastern Montana has a veterans hospital in Miles City, but lacks a nursing home for veterans in need; and speaking as a veteran, and for the veterans of Eastern Montana-- there is a definite need for a State Veterans Home in Eastern Montana. As of now, Veterans in Eastern Montana have to make the long trip to Columbia Falls, for care which puts a burden on the Veteran and his family.

So at this time you have a chance to do something about it. Every Veteran asks your support for the passage of H.B. 546-- which will tell the Veterans you have not forgotten us.

Member of Senate Finance and Claims Committee:

I am supporting H.B. 547 for two reasons.

First - While I am not a veteran I can in a small way take this means to express my gratitude for sacrifices they have made on my behalf.

Second - As the parent of a retarded child who had to make many trips to Boulder to visit him or to bring him home because at that time there were no facilities for him in Eastern Montana, I can surely sympathize with the veterans of this area because they find themselves in this same exact situation as there are no facilities of this type for them in Eastern Montana!

I ask that the committee bear this in mind as they deliberate and discuss the merits of H.B. 547 and sincerely hope for a favorable decision.

Thank you Senators,

A. A. Zody

A.A. Zody

503 S. Pearson

Glendive, MT 59330

Rep. John Johnson Dist 23

To Whom it may Concern.

I commend you for introducing the bill to try to get a veterans nursing home in Eastern Mont.

It does not matter where it would be located as long as we get it in Eastern Mt. as we should all try and see that we can get it. Let us - all people of Eastern Mt.

Our World War II vets now are 67⁺ some much older, as it is time we are making a nursing home available to those who will need it.

The V.A. is cutting all our benefits till we will have none left. So we had better do something our selves.

Yours truly

Clarence A. Steffen
Bloomfield Mt

59315



10 YEARS

First Fidelity Bank

PROUDLY WORKING FOR
OUR COMMUNITY

THOMAS Y. HAGAN, PRESIDENT
JAMES M. CARTER, VICE PRESIDENT & CASHIER
PERRY O. KING, VICE PRESIDENT
TIM WALL, ASSISTANT CASHIER
SHELLY CHRISTIANSON, ASSISTANT CASHIER

March 7, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear John:


Thank you for your efforts and support of the Eastern Montana Veteran Nursing Home Legislation House Bill 546-547. As an Eastern Montana businessman, I support the proposed legislation and would encourage the entire legislative body to do so.

The future of veteran's health care in Montana will be improved with the expanded facilities. Too often we hear about cuts, reduction in services and complaints about costs of assuring the veteran his promised benefits.

A commitment from Montana that we care about our veteran population and are willing to improve the facilities available to them is a positive signal that we intend to support this very important sector of our population. Another positive signal the passage of this legislation would send is the willingness of the State to support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Eastern Montana and Montana's Veterans. Again, thank you John, for the work that you have put in on this bill.

Sincerely yours,


Thomas Y. Hagan
President

TYH:lmh



glendive

ranger-review

Ex. #8b
HB 547 4/11/89

PO BOX 61
GLENDAVE, MT 59330
PHONE 365-3303

G.R. ZANDER, Publisher

March 8, 1989

Hon. John H. Johnson,
House of Representatives,
Capitol Station,
Helena, MT 59620

Dear John:

This World War II veteran is hopeful that you can successfully continue your efforts toward procurement of a Veterans' Nursing Home for Eastern Montana. Obviously the need for such a facility is imperative.

According to the latest information I have, there are 106,000 veterans in Montana, the most per capita of any state in the nation. The reason for this inordinate number evidently lies within the Selective Service System of yesteryear when draft quotas for our state were double what they should have been.

Possibly that condition could have been corrected decades ago, had Senators Murray, Wheeler or Mansfield ever been inclined to do something about it. But the fact is that these veterans are here TODAY, and they are AGING veterans, who are, or may soon be, in need of nursing home care.

Veterans of World War II (and I realize you are one) are particularly in need of care at this time. These are the people who put their lives on the line while many of their contemporaries stayed home and made unprecedented earnings while employed in defense plants or in the nation's shipyards.

Certainly these and other veterans are deserving of adequate nursing home care in their declining years, and a grateful state and nation should be willing to provide it.

Keep up the good work on this worthy project.

Sincerely,

Frank J. Burke,
Senior Editor.

BOEDECKER RESOURCES

*P.O. Box 777
Glendive, Montana
59330*

Telephone (406) 365-6091

Ex. #8b
HB 547 4/11/89

*Oil and Gas Producers
and Acquisitions*

*Brett A. Boedecker
President*

March 9, 1989

Representative John Johnson
Capitol Station
Helena, Montana 59620

Dear Representative Johnson:

I applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation, HB546 or HB547. As a businessman, I support the proposed legislation and would encourage the entire legislative body to do so.

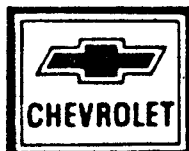
The future for veterans in the state of Montana will be vastly improved by the commitment for improved and expanded facilities for the large population of veterans who live in this state. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the veteran benefits that he has been promised.

A commitment from the state of Montana that they care about their veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our state intends to stand behind and support this very important sector of our population. Another positive signal that passage of this legislation would send is the willingness of the state to work with and support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Montana's veterans.

Very truly yours,


Brett A. Boedecker



HKT BIG SKY MOTORS

1-94 BUSINESS LOOP WEST — P.O. BOX 530 — PHONE (406) 365-3351

GLENDIVE, MONTANA 59330-0530

3-6-89

Representative John Johnson
Capital Station
Helena, MT 59620

Dear John:

Your support and work on HB546 and 547 is sincerely appreciated. I support the proposed legislation and can only hope that the entire legislative body will do so.

Much too often we hear about cuts, reductions of service and complaints about the costs of providing the Veteran the benefits that he has been promised and deserves.

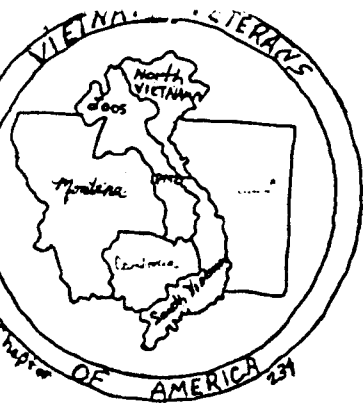
The State of Montana needs to show the Veteran population that it is willing to improve the services and facilities.

I know that if this legislation is successful the Veterans of Montana will be most appreciative and it would also send a signal to Eastern Montana that the other half of the state realizes we are also a part of Montana.

Again, thank you for your help and good work.

Sincerely

Wes Toepke



Ex. #8b
HB 547 4/11/89

VIETNAM VETERANS OF
EASTERN MONTANA CHAPTER #234
P.O. BOX 1334
GLENDDIVE, MT 59330

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

We appreciate your hard work on the Eastern Montana Veteran Nursing Home legislation HB 546 & HB 547. As a Veteran, I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the committment for improved and expanded facilities for the large population of Veteran's who live in this state. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

A committment from the State of Montana that they care about their Veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our State intends to stand behind and support this ver important issue. Another positive signal that passage of this legislation would send is the willingness of the State to work with and support Eastern Montana who too often in the past has been overlooked.

We urge you to help make this Bill become a reality for Eastern Montana and all Veteran's concerned with their future health care.

Sincerely,
Vietnam Veteran's of Eastern Montana
Chapter #234
Glendive, MT 59330

Clyde S. Gordon
Dennis C. Heikere
Harry Honey
Thomas R. Loomis
Lewis Olson

Timothy Johnson
Dennis Leiger
Sibley Leiger

MARCH 14, 1989

FROM: BILL MANDEVILLE, CITY MANAGER
CITY OF MILES CITY

SUBJECT: TESTIMONY BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
IN SUPPORT OF HB #546 AND HB #547

THE PATRIOTISM OF MONTANANS IS RECOGNIZED BOTH NATIONALLY AND INTERNATIONALLY. IN BOTH WORLD WAR I AND WORLD WAR II, MONTANA HAD MORE ENLISTMENTS PER CAPITA THAN ANY OTHER STATE IN THE UNION. WHEN DUTY CALLED, MONTANANS WERE WILLING TO PAY THE PRICE.

FROM 1940 TO 1975, THIS COUNTRY WAS MOBILIZED TO FIGHT THREE WORLD WARS. TODAY VETERAN FACILITIES ARE IN THE SHADOW OF A TIDAL WAVE OF VETERANS DEMANDING HEALTH CARE. ACCORDING TO AN ECONOMIC IMPACT STATEMENT PERFORMED BY THE VETERAN'S ADMINISTRATION; THE NUMBER OF PATIENTS TREATED BY THE EASTERN MONTANA VETERAN'S ADMINISTRATION CENTER IN MILES CITY HAS DOUBLED.

LIKEWISE THE PUBLIC SUPPORT FOR VETERAN FACILITIES HAS MORE THAN DOUBLED. TODAY THOUSANDS OF VOLUNTEERS RAISE HUNDREDS OF THOUSANDS OF DOLLARS EACH YEAR FOR VETERAN HEALTH CARE. THROUGH VARIOUS FUND RAISERS; VOLUNTEERS RAISE MONEY TO PURCHASE VANS FOR THE HANDICAP, WHEEL CHAIRS AND MEDICAL EQUIPMENT.

BUT THE COST FOR BUILDING GERIATRIC HEALTH CARE FACILITIES IS BEYOND THE REACH OF VOLUNTEERISM. CURRENTLY THE NURSING HOME UNIT AT THE MILES CITY V.A. HOSPITAL IS FULL. VETERAN ADMINISTRATION OFFICIALS STATE THEY HAVE A LONG WAITING LIST OF ELIGIBLE VETERANS IN NEED OF GERIATRIC CARE.

WITHOUT A STATE VETERAN'S HOME, THESE VETERANS MUST FIND OTHER GERIATRIC CENTERS FOR THEIR HEALTH CARE. SINCE THESE CENTERS MAY NOT BE ELIGIBLE FOR VETERAN'S BENEFITS, VETERAN HEALTH CARE COST CREATE A GREATER BURDEN UPON THE MONTANA TAX PAYER.

VETERANS ADMITTED INTO STATE VETERAN'S HOME ARE TYPICALLY ECONOMICALLY DISADVANTAGED. THE FEDERAL GOVERNMENT PAYS APPROXIMATELY SIXTY PERCENT (60%) OF THEIR HEALTH CARE COST. IF THESE VETERANS CAN NOT GET INTO A VETERAN'S FACILITY, THEN THE STATE OF MONTANA TYPICALLY MUST PAY ONE HUNDRED PERCENT (100%) OF THEIR HEALTH CARE COST.

FRANCIS W. MANDEVILLE
CITY OF MILES CITY

PAGE 2
MARCH 13, 1989

NOT ONLY DOES THE LACK OF A FACILITY CAUSE MONTANA TAXPAYERS TO PAY A GREATER PORTION OF VETERAN HEALTH CARE COST, THE FEDERAL TAXES WITHHELD FROM MONTANAN'S PAYCHECKS ARE PAYING A PORTION OF VETERAN'S HEALTH CARE COST IN SOME OTHER STATE. THE ALTERNATIVE TO A STATE VETERAN'S HOME IS GREATER COST -- BOTH IN A ACTUAL HEALTH COST AND IN THE OPPORTUNITY COST OF NOT TAKING ADVANTAGE OF VETERAN BENEFITS.

CONSTRUCTING A STATE VETERAN'S HOME IS NOT ONLY PAYING TODAY'S PRICE FOR THE COST OF DEFENDING OUR COUNTRY, IT IS ALSO AN INVESTMENT. IN THE LONG TERM, THE COST TO CONSTRUCT A VETERAN'S HOME WILL BE A SMALL PERCENTAGE OF THE TOTAL COST OF VETERAN GERIATRIC CARE IN THE STATE OF MONTANA. MONTANA TAXPAYERS ARE CURRENTLY PAYING THE HEALTH CARE COST OF ECONOMICALLY DISADVANGED VETERANS. A STATE VETERAN'S HOME WILL LOWER THE BURDEN UPON THE MONTANA TAXPAYER BY MAKING THESE VETERAN'S ELIGIBLE FOR THEIR ENTITLED VETERAN'S BENEFITS.

THEREFORE, ON BEHALF OF THE CITY COUNCIL OF MILES CITY, I URGE YOUR SUPPORT AND PASSAGE OF HOUSE BILL #546 AND HOUSE BILL #547 -- BILLS TO CONSTRUCT A STATE VETERAN'S HOME IN EASTERN MONTANA.

CITY OF MILES CITY

"Cow Capital of the World"

MILES CITY, MONTANA 59301

Ex. #8b
HB 547 4/11/89

CITY MANAGER:
BILL MANDEVILLE

COUNCIL PERSONS:
FRANK J. TOOKE
LAURENCE TORSTENBO
MIKE METZENBERG
GEORGE W. HUSS
CONNIE CLARKE

March 13, 1989

Francis Bardanouve, Chairman
House Appropriations Committee
Capital Station
Helena, Montana 59620

Dear Rep. Bardanouve:

On behalf of the residents of Miles City and the City Council, I urge your support and passage of HB #546 and HB #547-- bills to construct a state veteran's home in Eastern Montana.

Miles City is typical of most communities in Eastern Montana. Approximately one-third of our population consist of citizens over the age of 55 years and many are veterans.

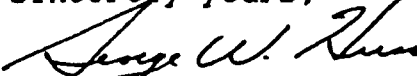
Today veteran facilities are in the shadow of a tidal wave of veterans demanding health care. Currently the nursing home unit at the Miles City V.A. Hospital is full. V.A. officials state they have a long waiting list of eligible veterans in need of geriatric care. Without a State Veteran's Home, these veterans must find other geriatric centers for their health care which often are not eligible to accept their veteran's benefits.

Consequently Montana tax payers pay more for veteran health care cost. Our tax burden is increased because we pay a greater portion of veteran health care cost. Also, we lose federal tax dollars due to the lack of facilities which would enable veteran's to collect their entitled veteran benefits.

Constructing a state veteran's home in Eastern Montana would be advantageous for the whole state. It would be an investment which would ease the tax burden for several generations of Montana tax payers.

Therefore, we urge you support and passage of these two vitally important bills to construct a state veteran's home in Eastern Montana.

Sincerely yours,



George Huss, Chairman
City Council of Miles City



Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546. As a Veteran, I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the committment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

A commitment from the State of Montana that they care about their Veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our State intends to stand behind and support this very important sector of our population. Another positive signal that passage of this legislation would send is the willingness of the State to work with and support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,

Martin Seiberger *Bob Wanner*

Edward M. Walters *Ed Elser*

Erk Flynn

Ronald D Kaufman

Lois Carpenter

Joseph W. Lamb

Richard [unclear]

Frank [unclear]

A.E. [unclear]



**CULVER-EASTLUND
INSURANCE**

Ex. # 8b
HB 547 4/11/89

1016 W. BELL • P.O. BOX 1328 • GLENDIVE, MONTANA 59330 • TELEPHONE (406) 365-5631

March 10, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear John;

I would like to express my support for the Eastern Montana Veteran Nursing Home legislation HB 546 or 547.

Having been born and raised in the Western side of the State I can express my feelings that Western Montana gets much more recognition and support than does Eastern Montana. It is an absolute necessity that our Veterans in Glendive, Miles City, and Sidney have a facility which they do not have to drive 600 or 700 miles to utilize.

This is an extremely important cause and you have 100% of my support.

Sincerely,

Gary E. Eastlund, CIC

GEE/lw

New York Life Insurance Company
400 S. Douglas, P.O. Box 1129
Glendive, MT 59330
Bus. 406 365-6064 Res. 406 365-2783

Ex. # 8b
HB 547 4/11/89

Mark B. Hathaway
Agent

March 8, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

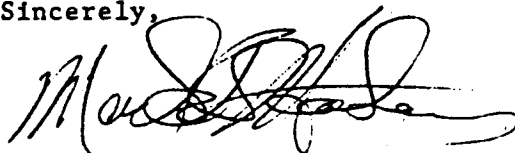
We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546 or 547. As a Businessman, I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the commitment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

A commitment from the State of Montana that they care about their Veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our State intends to stand behind and support this very important sector of our population. Another positive signal that passage of this legislation would send is the willingness of the State to work with and support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,



Mark B. Hathaway



Ex. # 8b
Box 628 — HB 547 4/11/89
GLEN DIVE, MONTANA 59330
Telephone 365-3800

BRENGLE PONTIAC-BUICK, Inc.

March 6, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson,

We applaud the work that you have done on the Eastern Montana Veteran Nursing home legislation HB 546. As a businessman, I support the proposed legislation and would encourage the entire legislative body to do so.

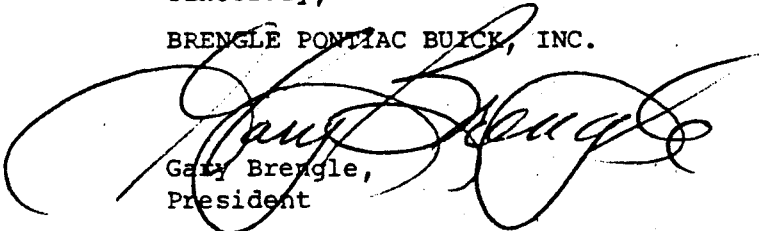
The future for Veteran's in the State of Montana will be vastly improved by the commitment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

A commitment from the State of Montana that they care about their Veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our State intends to stand behind and support this very important sector of our population. Another positive signal that passage of this legislation would send is the willingness of the State to work with and support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,

BRENGLE PONTIAC BUICK, INC.


Gary Brengle,
President



ERV SCHIMKE
NSPA Member 25725
Home Phone 365-5081

SCHIMKE & WEIGUM

OFFICE PHONE 365-5203
BOX 630 — 304 NORTH KENDRICK
GLENDALE, MONTANA 59330

WILLIE WEIGUM
NSPA Member 20041
Home Phone 365-4846

Ex. # 8b
HB 547 4/11/89

March 6, 1989

Representative John Johnson
Capitol Station
Helena, MT. 59620

Dear Representative Johnson:

We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546 or 547. As an accountant I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the commitment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

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The success of this legislation is vital to the future of Montana's Veterans.

Sincerely


Wilbert Weigum

Glendive, Montana
59330



Ex. # 8b
HB 547 4/11/89

Phone (406) 365-3318
300 South Merrill

Mr. Chairman, Committee Members:

I am Mayor of the City of Glendive, My name is Lester Ollerman. I have been a part of Local Government for better than 5 years. Today I am speaking for the Veterans of Eastern Montana. I would ask for your support for HB 545 Eastern Montana State Veterans Facility.

I am also a Korean War Veteran having served in the Occupation Army of Japan and on the front lines of Korea with the 179th Regimental Combat Team, 45th Infantry Division (THUNDERBIRDS). I am also a member of the Americans Legion and VFW Club. When World War II and the Korean War Veterans returned, they were given a bonus from a grateful State of Montana. A .02¢ excise tax was put on cigarettes to fund the bonuses. This was later increased to .03¢. The State continues to collect the .03¢ that was put on cigarettes for the benefit of the Veteran. Collections of this tax could easily fund the cost of the new State Veterans Home. The investment is a financial bargain for the taxpayers and brings Federal monies into our state. I realize state government has no written contract with its Veterans, but I believe it has a moral contract.

We have a large Veterans population in the State of Montana, with about 1/3 over the age of 60. The only Veterans facility available is in the Northwest corner of the state in Columbia Falls. This is a fine facility and is serving the Veterans of mostly Western Montana. Because of the long distances in our state, it is difficult for the Veterans of Eastern Montana to use this facility.

Your support for HB 545 will be greatly appreciated and the State of Montana will continue to show their concern for the Veterans when they reach the age when this type of care is so desperately needed.

Thank You.

March 8, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear John,

We are writing you in support of the Eastern Montana Veterans Nursing Home Legislation HB 546 or HB 547.

As you know, Gene is disabled. On a personnel note, I have often wondered where Gene would go if something happened to me. His parents are 72 and 67 and that would be a tremendous burden to them. Would my 18 year old, High School Junior be able to accept that responsibility? Gene is a Vietnam Veteran having served in 1969-1970. Who would have ever thought at that time that Gene could need nursing home care. That could be a real possibility for us somewhere down the road.

Eastern Montana needs a nursing facility for its Veterans desperately. Relocating 600 miles away from friends and family can be very devastating to most Veterans. We can not forget our Veterans. We owe them our freedoms.

Our Veterans are being short changed by the federal government in light of all of the recent cuts. Can we short change our Montana Vets? I think not. We can make life a little easier for our Eastern Montana Veterans by putting our full support into this bill.

Thank you for your time.

Sincerely,

Gene G. Micheletto

Leslie G. Micheletto

Leslie and Gene Micheletto
405 Chestnut
Glendive, MT 59330

*Glendive Area Chamber of Commerce
and Agriculture*

200 N. Merrill • P.O. Box 930
Glendive, Montana 59330
Phone (406) 365-5601



March 8, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

RE: Eastern Montana State Veterans Home. HB 546/547

Dear Representative Johnson:

The Glendive Chamber of Commerce and Agriculture is wholeheartedly in favor of HB 546/547.

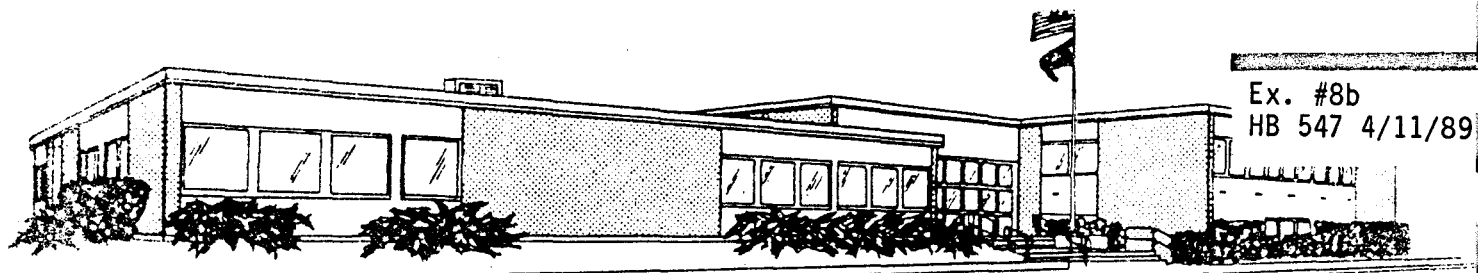
Due to the recent reduction in health care availability of our State veterans into the veteran hospitals we, as a united group, believe the passage of this bill will prove State support and concern for the welfare of the veterans of this State.

Eastern Montana is the ideal location for this facility and we are willing to give it our full cooperation.

Respectfully yours.

Vada M. Taylor
Vada Taylor, President

VT:jc



Ex. #8b
HB 547 4/11/89

County of Dawson

Office of:
County Commissioners
Phone 365-3562
Robert Ziegler
W.M. Harpster
Judy Reddig

207 W. Bell
Glendive, MT 59330

Office of:
Clerk and Recorder
Phone 365-3058
Patricia Peterson

Office of:
County Treasurer
Phone 365-3026
Cindi Hansen

February 28, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

Thank you for your work and support on the Eastern Montana Veteran Nursing Home Legislation HB 546 or 547.

We as commissioners support these bills with our personal resources as well as with our time and energy. The nursing home is needed in Eastern Montana to serve the veterans nearer their home. This service was part and parcel of the commitment made to our veterans when they offered to defend our country in time of war. They met our needs in our emergency, now we need to meet their needs in their emergency. The servicemen did not do only part of their job, they did it well and completely. We should follow their example and see that their needs are met by not making services difficult or impossible to get.

Sincerely,

Robert Ziegler
Mr. Robert Ziegler

W.M. Harpster
Mr. W.M. Harpster

Mrs. Judy Reddig
Mrs. Judy Reddig

REALTY ONE

the property professionals

Ex. #8b
HB 547 4/11/89



March 12, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear John,

I am writing to express my support of the Eastern Montana Veteran Nursing Home legislation HB-546 or HB-547.

Rural areas of the United States have always sent a large number of young people to war when asked, in comparison to size of the population. Eastern Montana is no exception, therefore Eastern Montana has a disproportionately large population of veterans, veterans who need the facilities offered by these bills.

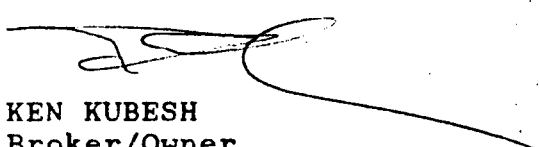
Eastern Montana has very few people for its vast land area. The consequence of this is that our citizens have the responsibility of being the stewards of much of the nation's land and resources. We accept this charge gladly, but we pay a price. The price is what scholars, such as Dr. Karl Krenzel of Montana State University, have called "the social cost of space". One of these "social costs" is the vast distances we have to travel in order to conduct our business, participate in the political process, get medical attention, or keep in touch with our friends and relatives.

All too often, Eastern Montana gets short changed when it comes to getting needed facilities built. I sincerely hope you can do your best to see that it doesn't happen again.

I feel so strongly about this, that I have offered to donate five acres of prime residential land in the best part of Glendive for the construction of this project.

Sincerely,

REALTY ONE, INC.



KEN KUBESH
Broker/Owner

Glendive Coca-Cola Bottling Company, Inc.
P. O. Box 1049/Glendive, Montana 59330
Phone 365-3750

Ex. #8b
HB 547 4/11/89



March 6, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546 or 547. As a Veteran and Businessman, I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the commitment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

A commitment from the State of Montana that they care about Veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our State intends to stand behind and support this very important sector of our population. Another positive signal that passage of this legislation would send is the willingness of the State to work with and support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,

A handwritten signature in cursive script that reads "Paul Winnofer". The signature is written in dark ink and is positioned above the printed name.

Paul Winnofer

801 Dove St.
Glendive, MT 59330
Feb. 13, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

I am in favor of HB546 Bill establishing a state veteran's facility in eastern Montana.

This bill calls for a facility to provide for up to 100 nursing and domiciliary care beds.

Anyone who has not served in the armed forces cannot fathom what each one who did serve experienced and also the results of that experience and the memories.

Each one risked his or her life for us, and should be cared for now closer to home and families.

Yours sincerely,

Ella Schloss
(Mrs.) Ella Schloss

Glendive, Mt.

2-12-88

Ex. # 8b
HB 547 4/11/89

Rep. John Johnson: -

We feel that we should have the Veterans Nursing Home in Eastern Mont. We have a good location right on the interstate, close to several motels and many fine eating establishments.

We have excellent doctors and a well equipped hospital, also good ambulance service, bus & plane accommodations. As you know Glendive has one of the finest, most active Vet organizations in the state. They are doing their utmost to help our elderly and disabled Veterans. It is time they receive some consideration for protecting our Country.

Frank & Hazel Hartz
By Ruby Hame
Dorcas Companion

Glendive, Mt.,
2-12-89.

Rep. John Johnson: -

We feel that we should have
the Veterans Nursing Home in
Eastern Mont.

We have a good location, on
the interstate close to Motels and
Cafes.

Excellent Doctors and well
equipped Hospital. Also good bus,
plane, ambulance & Taxi service.
As you know Glendive has one
of the finest, most active organizations
in the state of Mont. They are
doing their utmost to help our
elderly and disabled Veterans
that did so much for us.
Now, we can help them.

Ruby & Ray Stone
1626 E. Avenue
Glendive, Mt.

MONTANA TITLE COMPANY OF GLENDIVE, INC.

SUCCESSOR TO MONTANA LOAN & TITLE COMPANY AND BASIN TITLE COMPANY
SERVING DAWSON AND McCONE COUNTY

Ex. # 8b
HB 547 4/11/89

114 West Benham Street

Glendive, Montana 59330

Telephone: (406) 365-5482

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546 or 547. As a Businessman, I support the proposed legislation and would encourage the entire legislative body to do so.

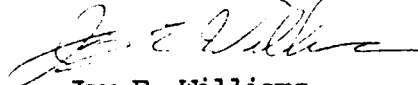
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A commitment from the State of Montana that they care about their Veteran population and are willing to make every effort to improve the facilities available to them is a positive signal that our State intends to stand behind and support this very important sector of our population. Another positive signal that passage of this legislation would send is the willingness of the State to work with and support Eastern Montana who too often in the past has been overlooked.

The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,

MONTANA TITLE COMPANY OF GLENDIVE, INC.


Jay E. Williams
Vice President

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546. As a Veteran, I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the committment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

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The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,

Johnny S. Buck. Kenneth Basick Victor Van Hee
Larry Ziller Kenneth L. Bidwell JF Beres
A.A. Body Jon Heimbreugh Paul Stinkofen
Enoch Schock Edgar Hart Donald P. Liu
George B. Bredy Lloyd Malmed
Dale D. Reinhart Arthur H. Kunt



Ex. # 8b
HB 547 4/11/89

*OFFICE PRODUCTS DIVISION	120 W. TOWNE	
*COMPUTER CENTER	P.O. BOX 1170	(406) 365-2374
*PRINTING DIVISION	GLENDIVE, MT 59330-1170	1-800-222-2677

February 13, 1989

Representative John Johnson
Capitol Station
Helena, MT 59620

Dear Representative Johnson:

We applaud the work that you have done on the Eastern Montana Veteran Nursing Home legislation HB 546 or 547. As a (Veteran, Businessman), I support the proposed legislation and would encourage the entire legislative body to do so.

The future for Veteran's in the State of Montana will be vastly improved by the commitment for improved and expanded facilities for the large population of Veterans who live in this State. Too often we hear about the cuts, the reduction in services, the complaints about the cost of assuring the Veteran benefits that he has been promised.

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The success of this legislation is vital to the future of Montana's Veterans.

Sincerely,

BOSS, Inc.

Murray Vester
Murray W. Vester
President



MONTANA-DAKOTA
UTILITIES CO.

A Division of MDU Resources Group, Inc.

113 West Towne Street
P.O. Box 201
Glendive, MT 59330

February 15, 1989

Representative John Johnson
Capital Station
Helena, MT 59620

Dear Representative Johnson:

We are excited about the prospects of HB 546 or 547 and the long term economic effects such legislation can have for Eastern Montana, and the large Veteran population that live in Montana who could look forward to utilizing such a facility.

Being an ex G-I, I have a special feel for those who gave so much of themselves for all of us. We have an obligation to care for veterans who do not or can not do for themselves.

Obviously we in Eastern Montana feel we have a lot to offer towards providing adequate nursing home care and should this legislation be successful, I believe we are stating that our state is firmly behind this cause.

We know you are working hard for Eastern Montana and applaud your efforts. If we can be of assistance, please call on us.

Sincerely,

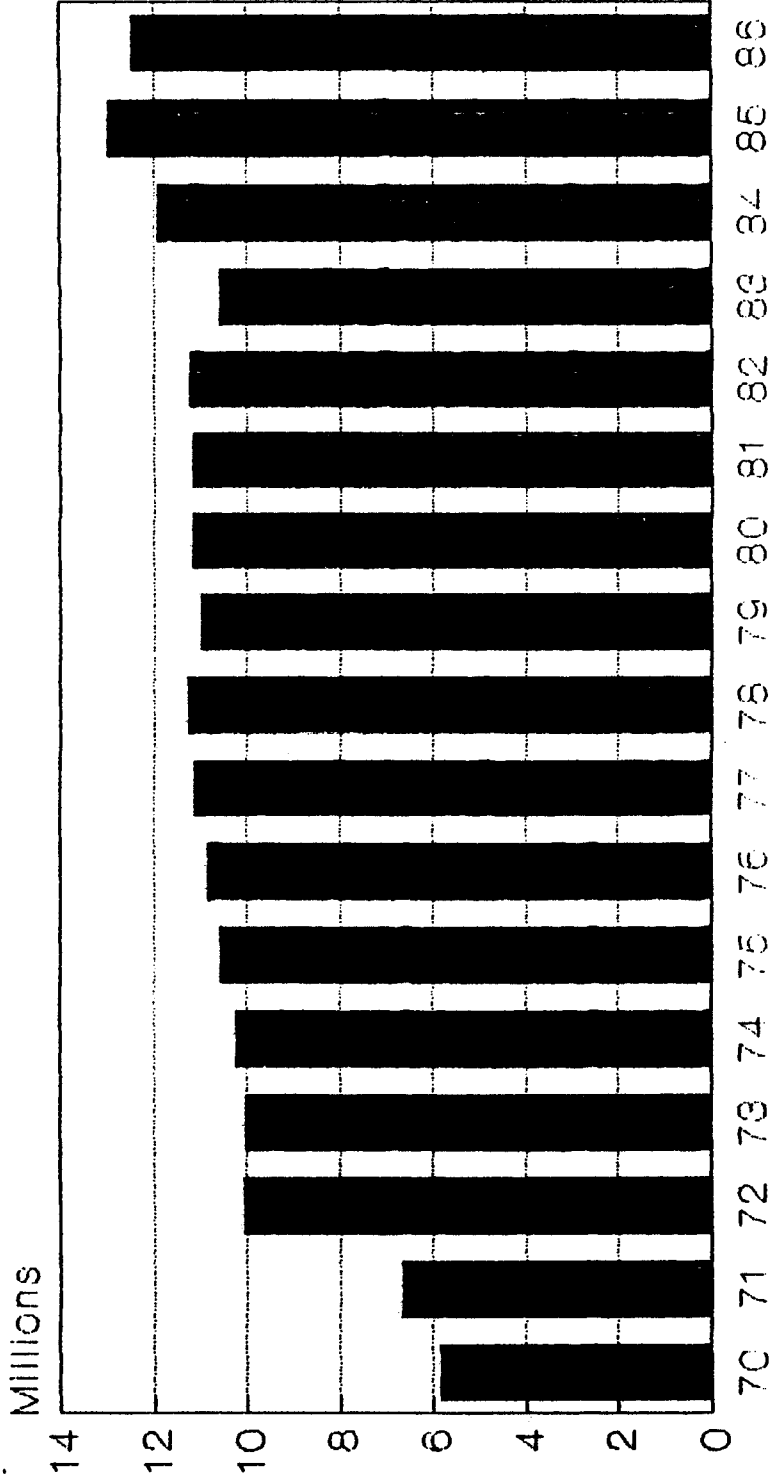
MONTANA-DAKOTA UTILITIES CO.
A Division of MDU Resources Group, Inc.



L. R. Erickson
Glendive Division Manager

LRE:st

Cigarette Tax Revenue (1970-1986)



Northwest Community Consultants, Inc.

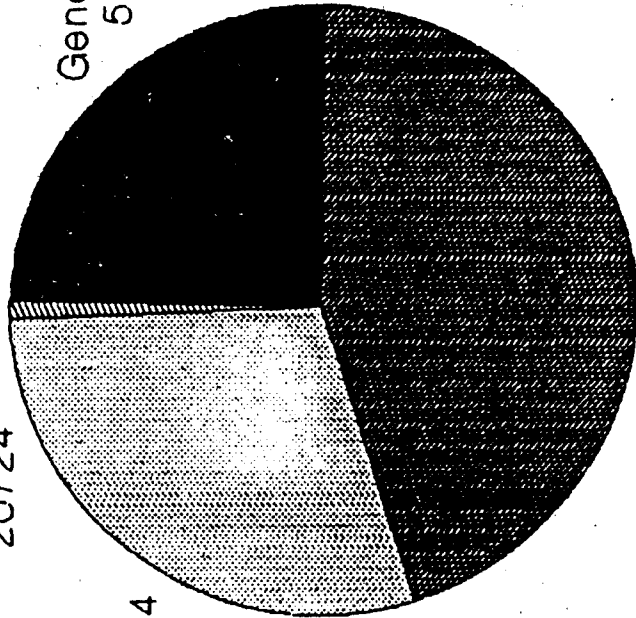
Operating Revenue Montana Veterans Home FY 88

State Special Rev.
20724

VA
642904

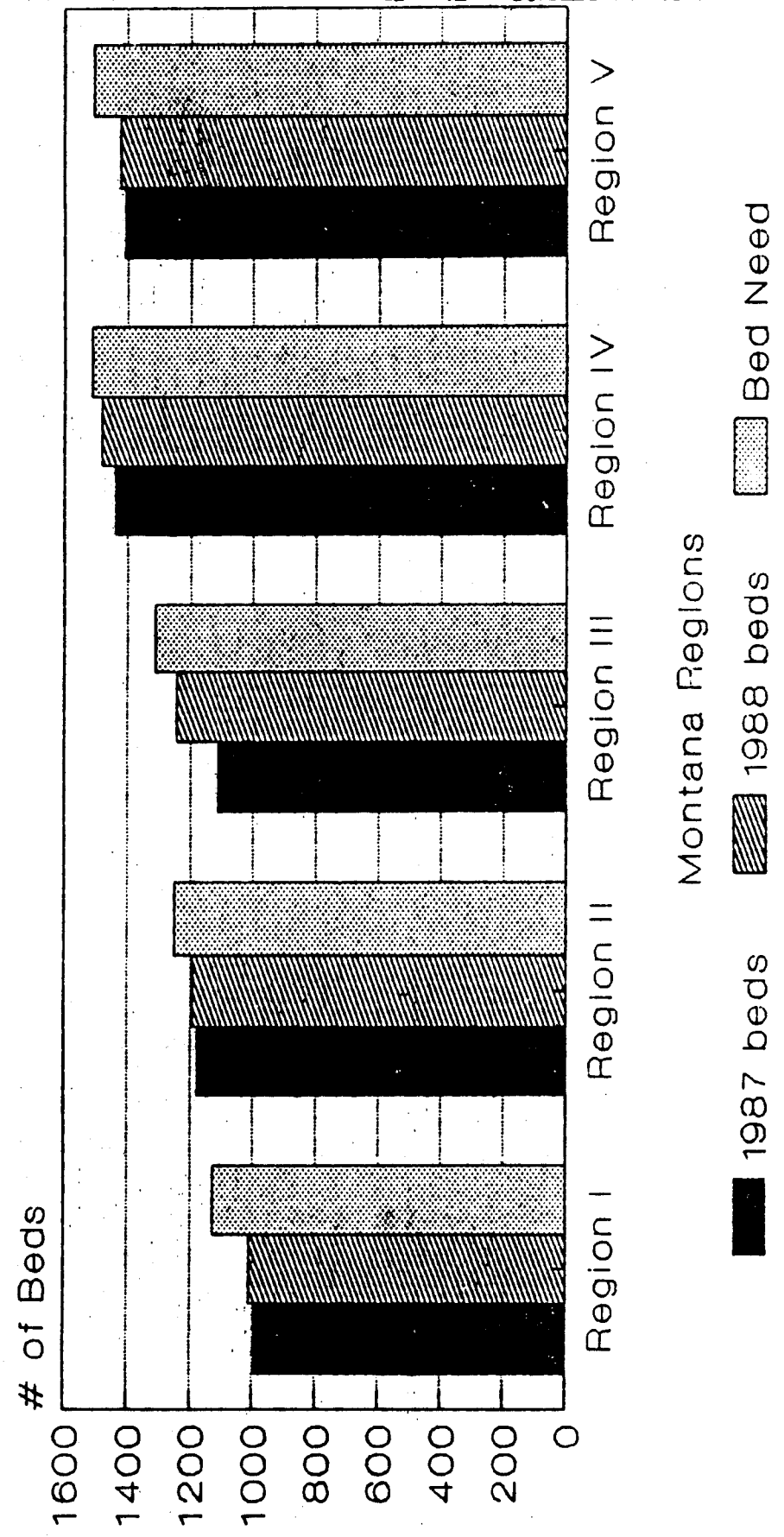
General Fund
542000

Other
3040



3rd Party
990869

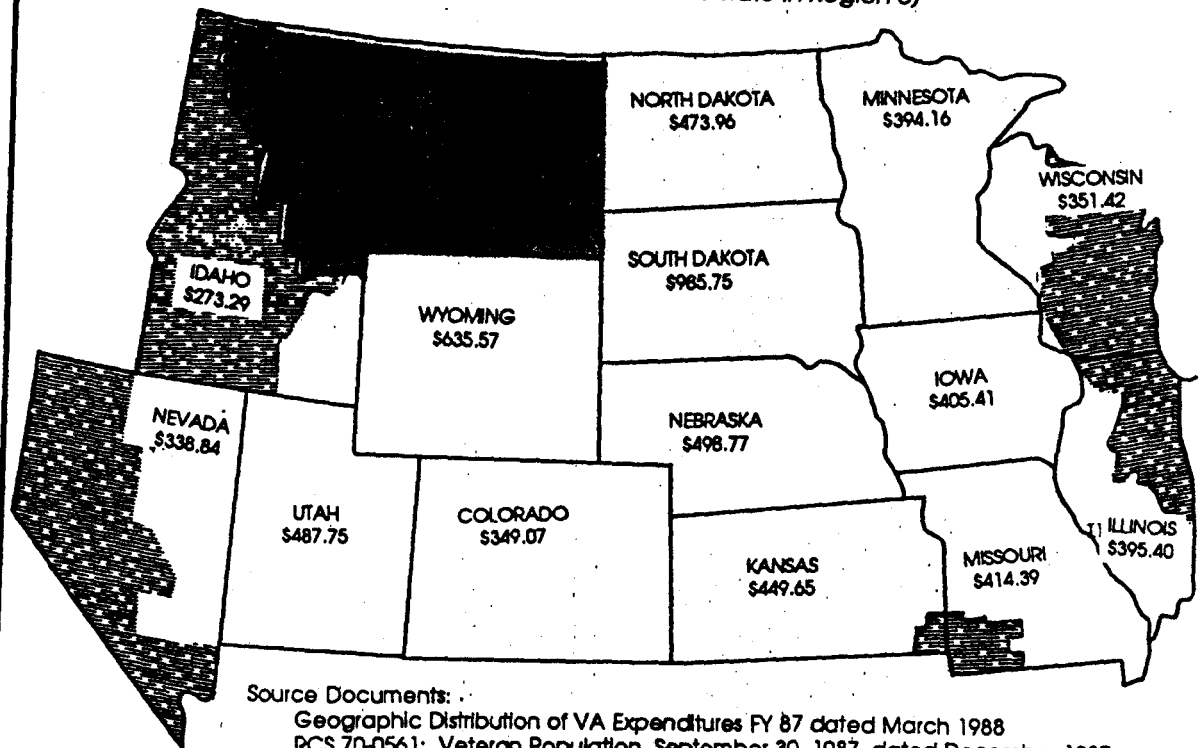
Regional Occupancy Rates with Existing Bed Need



Northwest Community Consultants, Inc.

REGION 5 EXPENDITURES PER VETERAN

(shaded area indicates not entire state in Region 5)



Source Documents:
Geographic Distribution of VA Expenditures FY 87 dated March 1988
RCS 70-0561: Veteran Population, September 30, 1987, dated December 1987

VA spending in Montana second lowest in region

By JOHN HALBERT
Star Staff Writer

Montana is the second-lowest state in the region in the number of dollars the Veterans Administration spends for each resident veteran, VA officials here say.

Jim Huff, director of the Veterans Administration Medical Center in Miles City, said that by comparing expenditures from fiscal 1987, which ended in October of that year, with the VA's census of veterans in that time period, his staff concludes the VA spent \$291.54 per capita on Montana's 106,000 veterans.

Lowest on the states that make up the VA's Region 5 was Idaho, at \$273.29 per veteran. Highest was South Dakota, at \$985.75.

In between are Wyoming, \$635.57; Nebraska, \$449.65; Utah, \$486.75; North Dakota, \$473.96; Kansas,

\$449.65; Missouri, \$414.39; Iowa, \$405.41; Illinois, \$395.40; Minnesota, \$394.16; Wisconsin, \$351.42; Colorado, \$349.07, and Nevada, \$338.84.

Huff said the numbers are based on the total veteran population. Doing a study on how much the VA spends on each patient and that patient's state of origin would be very complex, not least because of privacy considerations.

Nor are there any statewide averages on cost per patient, because patients frequently cross state lines during their treatment, Huff said.

Thus, totalling the budgets of the Fort Harrison and the Miles City VAMC's would not be an accurate picture of the cost of service to Montana veterans.

He said the studies were conducted after a Billings veteran, Roy Dalrymple, cited similar numbers during a public meeting at the VAMC recently.

Huff said he then had his own staff do a similar comparison, and that Sen. Max Baucus, D-Mont., asked the regional office to make those comparisons for every state.

Montana ranks in the bottom 10 for the nation, Huff said.

"I sent these in to the regional office, but it's not going to be anything startling to them. They have the same numbers. Their numbers and our numbers agree — which they should, because they are based on the same published figures," Huff said.

He said he has not heard any response from the regional office.

Asked if the study will be used to bolster arguments for more VA funding for Montana, Huff replied, "I think it would be. These are not just for me, but they could be used by all the veterans groups. Hey, I don't have a copyright on them."

RANGER REVIEW
Glendive, MT
January 22, 1989

Legislators caucus on vet's home bill

By Yellowstone Newspaper Staff

In a half hour meeting Friday morning, about 35 eastern Montana legislators reviewed a bill being drafted to build a state veterans' nursing home somewhere in eastern Montana.

The lead in the effort to get the legislators behind one bill is being taken by freshman legislator, Rep. John Johnson D-Glendive, who said Sen. Gerry Devlin, R-Terry, would carry the bill in the Senate.

Johnson said he was pleased with the response to the meeting. "People won't commit themselves yet," he said, "but we are closer to agreement today than we were a week ago."

"I can't say a whole lot was accomplished," said Rep. Tom Zook, R-Miles City. "I didn't see anyone stand up and say, 'I will withdraw my bill.' But I think we made progress."

As a result of suggestions received in the meeting, Johnson said he would take the bill out of legislative council and work on revisions concerning committee size and the site selection process.

Currently suggested is a five- or seven-member committee made up of honorably-discharged eastern Montana veterans appointed by the governor to study what would be the best site.

Rep. Jessica Stickney, D-Miles City, said the committee would work with veterans' groups, hospitals, nursing homes and other interests. "They would be taking suggestions from a lot of groups," she said.

She added that she saw representatives from as far afield as Hill and Blaine counties in the north and Big Horn and Treasure counties in the south at the meeting. She didn't see anyone from Yellowstone County,

though she could not say for sure none attended.

"The thought is, to get everyone behind the one bill," Stickney said.

As the still-unfiled draft stands, the legislature would authorize \$1.4 million for a state nursing home of up to 100 beds. Stickney said it may be possible that the committee might recommend smaller units in several places.

Rather than agreeing on a final form for the bill, "Today was more of a questioning," Zook said. "Things like, do we need more than five, and should it be seven, and would a four to one vote be enough or would a three to two vote carry it. The hope was expressed that it (the committee's recommendation) would be binding on the governor."

"That would be my hope, that we could get the politics out of it and do what's best for veterans," said Zook, himself a Navy veteran.

He said no other meetings of regional legislators have been set, but Johnson or Gov. Stan Stephens might call one.

Stickney said another bill, HB 202, would increase cigarette tax by a nickel a pack with the money to go to the Department of Veteran's Affairs. One percent of that money would be available for planning, she added.

Feeling about HB 202 on the house floor "is benign so far," Stickney said. "That could very possibly be a source of funds for building it. We will go ahead with the state appropriation, but that's more for having the money in hand instead of having to wait (for HB202 to pass)."

"It looks very good," Stickney said. "I think people are willing to get behind it and trust the process of selection."

MONTANA'S AGING VETERAN POPULATION

According to Veteran Administration statistics approximately 107,000 veterans make Montana their home. More than one-half served during World War II and the Korean conflict, and almost one-third were over the age of 60 in 1985, revealing that many of our veterans are nearing the age where specific health care options are serious considerations. Such options will be more readily available with the construction and operation of a new state veterans home in eastern Montana.

The Veterans Administration will agree to offer construction and operation reimbursements to eligible states where need for state home beds are justified. At a minimum, 2.5 beds per 1000 veterans living in the state meets the VA standard for available nursing and domiciliary care. Montana has 150 beds in the Montana Veterans Home in Columbia Falls, allowing for the establishment of an approximately 120 additional beds according to the actual bed-to-veteran ratio formula.

Both of Montana's VA medical centers are experiencing an ongoing increase in referrals of veterans to community nursing homes. Often, the veterans are placed in homes where many types of VA-prescribed treatments are not available. A new state home similar to the Columbia Falls Veterans Home would help meet the growing needs of those veterans who want to stay in a state home with other veterans and where more care options are typically available.

STATE HOME CONSTRUCTION AND OPERATION PROCEDURE

The Veterans Administration procedures for construction and operation of a new state veterans home is a good deal for the state financially. The VA will reimburse Montana up to 65 percent of total approved planning and construction costs, and an amount not to exceed 50 percent of daily care costs.

Provided the state legislature acts favorably in 1989, the Montana Department of Institutions and the VA will begin deliberations on floor plans and requirements. The state must retain ownership of the chosen site location, as it will administer and control the home. Once the state and the VA agree on the facility plans, the state must compete with several other states for the construction funds. While need for additional beds can be demonstrated to the VA, quick action from the legislature and applied pressure from our Congressional delegation, governor, and public on the VA may influence our ranking on the VA priority list.

Operation costs for a new state home would be shared by the VA, the state, and third party reimbursements. Based on the Montana Veterans Home costs, the state share would be about 25 percent, the VA would add about 34 percent, and third party coverage would amount to about 41 percent. Total operating costs of MVH for the 1988 fiscal year was \$2.2 million, or about a \$550,000 commitment from the state.

No matter how it is viewed, investment in a new state veterans home in Montana is a financial bargain for taxpayers and a reassurance of Montana's special recognition to its veterans.

STATE HOME CONTRIBUTION TO A LOCAL ECONOMY

Of extreme importance in the proposal of a new state veterans home in eastern Montana is the contribution such a facility will be to local economic development. Many short-term construction jobs and long-term health care jobs will be created. The amount of construction jobs would be dependent upon contractors' methods, size of the facility, and length of time necessary for completion.

If a new state veterans home constructed in eastern Montana has 100 nursing and domiciliary beds, 50 to 70 new permanent health care and support jobs would be created. Additionally, the contracting of some services, such as physician care, lab, rehabilitation, and others, would extend the employment figures to available services in a community. In turn, the local service economy is rewarded as spending power of more jobs is felt throughout the region.

The ability to put people to work in eastern Montana is essential during times of economic austerity. It is especially encouraging that a project like a new state veterans home is actively promoted from within a community. This signal to the leadership in the state government indicates that communities in eastern Montana are not content to wait for economic development to happen - we are going to make it happen.

FUNDING SOURCES FOR CONSTRUCTION OF A NEW STATE HOME

Up to 65 percent of the construction funds for a new state veterans home would originate from Veterans Administration grants. The other 35 percent would presumably originate from Montana's long Range Building Program (LRBP) since the proposal would qualify as a capital project. Planning costs are also reimbursable from the VA under this program.

At the present, there are about \$160 million worth of construction requests for \$40 million in available VA funds. A cost for a new facility would range from estimates ranging between \$30,000 to \$40,000 per bed, or \$3 million to \$4 million for a 100 bed state veterans home. This means a cost of \$1,050,000 to \$1,400,000 to the LRBP and a small slice of the VA grant program.

The LRBP is primarily funded through the state cigarette tax. The tax was started in 1947 as an excise tax of \$.02 per pack. Montana voters displayed their appreciation for servicemen by passing Initiative 54 in 1950, where eligible veterans earned monthly cash bonuses from the state government, paid for by increasing the cigarette tax by \$.02 per pack. Later, the veteran's share of the tax was increased to \$.03 per pack.

After satisfying all wartime bonus debts with the cigarette tax in the early 1970's, the cigarette tax did not decrease. Rather, the funds were diverted to the recently created Long Range Building Program. Presently, the cigarette tax is \$.24 per pack. If the state continued to collect \$.03 per pack for the

benefit of veterans, the collections would easily pay for the total construction costs of a new state veterans home.

FUNDING SOURCES FOR OPERATION OF A NEW STATE HOME

Operating a new state veterans home would be funded through a mixture of VA per diem reimbursements, the state general fund, and third party contributions.

The VA will reimburse the state \$20.35 per day for every veteran in nursing care, and \$8.70 per day for every veteran receiving domiciliary care. In the 1988 fiscal year, the full daily cost at the Veterans Home in Columbia Falls amounted to \$52.60 per day for nursing care and \$30.34 for domiciliary care. The VA contribution therefore averages close to 34 percent of the full operating costs.

The total cost to operate the Columbia Falls home in FY88 was \$2.2 million. Approximately \$550,000 of state general funds were expended through the Department of Institutions for this purpose. Because it has been around since the late 19th century, the 150-bed Montana Veterans Home would be more expensive to operate than a new home with respect to maintenance and utility costs. Even at that, a commitment of approximately \$500,000 per year to operating a new state home is not overbearing in light of the historical and Constitutional commitments Montanans have made to veterans.

The major portion of daily operating costs per veteran would be reimbursed through a combination of family contributions, insurance, pensions, or disability compensations. Very few would

qualify for Medicaid because the combination of other income elevates most veterans in state homes beyond the Medicaid income threshold.

NURSING SERVICES

The acute shortage of nurses nationally and statewide may cast doubts on the future success of a new state veterans home in eastern Montana. But those doubts would be premature. Congress has recognized that the shortages exist in rural America and especially in geriatric care. Therefore, Congress is currently developing strategies aimed at increasing recruitment and retention efforts in the nursing profession. HR 573 will encourage nurses to relocate to rural areas in exchange for assistance on repayments of educational loans. The \$300 million package also provides incentive to America's hospitals in their efforts to retain nursing staffs. Congress recognizes that to do nothing will only result in nurse-to-patient ratios that translate into decreased quality care for those who need it, especially at the geriatric level.

HR 5114 is another incentive to recruit and retain RN's LFN's and aides and orderlies in the Veterans Health Care system. Mainly, nurses would be eligible for bonus pay. But the most important provision in the bill is that restrictions on community nursing homes that contract with the VA will be loosened in the incentive program.

If both bills become law, then a state veterans home in eastern Montana should be quite successful at recruiting new nurses to the area, rather than relying on a part of the local job force that may already be in much demand.

LEGACY LEGISLATURE RESOLUTION NO. _____

A resolution by the Fifth Annual Legacy Legislature requesting the State Legislature to fulfill the promises made to the men and women who bore arms in the defense of their country.

With the current budget reductions and other reductions anticipated for the future, we the Legacy Legislature of 1988 urge you to exempt from further cuts, veterans and others who are poor and in ill health. We urge you to retain the programs that are beneficial to these people and to approve future programs that will give the aging a more fulfilling life.

Whereas, the aging of the U.S. veteran population will be the Veterans Administration's greatest challenge and opportunity for meaningful service to the men and women who faithfully served their country, and

Whereas, by the year 2000 two out of every three males in the United States age 65 and older will be a veteran and this will strain the existing Veterans Administration's facilities in Montana and in the Nation, and

Whereas, there are 106,000 veterans in Montana and by the year 1990 approximately 24,100 of these veterans will be over 65 years of age and by the year 2000, 31,000 will be over 65 years old, and

Whereas, Western Montana is now well served with a soldiers home in Columbia Falls and Veterans's hospital in Helena, and

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Whereas, Eastern Montana has a Veteran's Hospital in Miles City but lacks a nursing home for veterans who are in need, and

Whereas, approximately one third of the homeless men in the United States are veterans, and

Whereas, Montana has significant numbers of homeless veterans, and has not addressed their needs in Eastern Montana.

BE IT THEREFORE RESOLVED: The Montana Legacy Legislature will go on record supporting a long term health care facility in Eastern Montana to be located in one of the counties now being serviced by Action for Eastern Montana and the State Legislature is requested to legislate funds to match federal funds for this facility.

community memorial hospital

April 11, 1989

SENATE FINANCE AND CLAIMS 9
DEPOSIT NO. 9
DATE 4-11-89
BILL NO. 547

SENATE FINANCE AND CLAIMS COMMITTEE

Dear Senators:

Please review the attached discussion of an alternative method for providing nursing home care to Montana's veterans before deciding on House Bill 547. This discussion was drafted by the Greater Richland County Economic Development Corporation located in Sidney, Montana. The discussion is limited in scope and was not intended to answer all the questions pertaining to the proper delivery system for veterans in the State of Montana. The main purpose was to make the communities in Eastern Montana and the State of Montana aware of a possible alternative. If after further study, the alternative is found to be viable, the veteran, Eastern Montana and the state would all benefit in the long run. This alternative is consistent with the new administration's philosophy on "privatization".

Briefly, this alternative addresses the following:

1. The impact to private nursing homes located in Eastern Montana. Specifically, the labor shortages and pay differentials.
2. Medicaid reimbursement for indigent veterans instead of general fund appropriations. This would reduce the states general fund appropriations for yearly operations.
3. The private sector (community nursing home or hospital) would manage and operate the veteran facility.
4. The veterans would be able to remain in or near their community.
5. Veteran's attached wings on existing community nursing homes or hospitals - the construction of these wings could be located throughout Montana on a regional basis. The number of beds and location could be determined based on veteran population and other demographic information.
6. The veteran's wing would share common services with the private sector such as administration, dietary, activities, social service, maintenance, housekeeping, etc. This would save construction costs and in the long run operating cost to the state.

This alternative needs further study, the funding of which is addressed in House Bill 202 increasing the cigarette tax to provide funds for veterans home studies. The Greater Richland County Development Corporation is not opposed to the State providing veterans benefits; however, it is apparent from our review, that alternatives need to be pursued before a construction project is approved for Eastern Montana.

Sincerely Yours,


Donald J. Rush
PROJECT CHAIRMAN
RICHLAND COUNTY ECONOMIC DEVELOPMENT CORPORATION

216 14th Avenue SW, Post Office Box 671, Sidney, Montana 59270, 406-482-2120
DJR:ddb

4-11-89

INTRODUCTION:

There has been recent discussion about the possibility of constructing a state operated and owned Veterans' Nursing Home in Northeastern Montana. Currently, there are several communities, including Miles City, Glendive, and Glasgow, that are in the process of developing proposals and bills for the 1989 Legislative Session. These bills will request Montana's participation in the construction of a state Veterans' Nursing Home in their respective communities. If the state agrees to participate in the construction of a state home, the federal V.A. will underwrite 65% of the construction and the remaining 35% would be the responsibility of the state. After construction, the state has ownership and is responsible for the operation of the home.

The following discussion, submitted by the Greater Richland County Economic Development Corporation (GRCEDC), of Sidney Montana, addresses an alternative -- especially for those veterans who wish to remain in their own community -- to a separate, freestanding nursing home, owned and operated by the state. Under the direction of the GRCEDC, a steering committee was formed with representation from Community Memorial Hospital, Richland Homes, City of Sidney, GRCEDC, financial institutions, local VFW and American Legion, and our state legislators. Please refer to Exhibit A for a listing of the individuals represented on the steering committee.

MONTANA VETERANS' POPULATION AND EXISTING NURSING HOME BENEFITS

Montana presently has a 150-bed State Veterans' Home located in Columbia Falls, 90 beds are designated for long-term nursing care and 60 beds are designated for personal care or domiciliary. When a veteran is admitted to the state home, the Veteran's Administration presently pays a per diem of \$20.35 per day for nursing care and \$8.70 per day for domiciliary care. The difference between the per diem paid by the V.A. and the established daily rate of the state home is paid by the veteran using other resources such as a V.A. pension, disability, Aids in Attendance Coverage, or other private resources. If the veteran does not have other resources, the care is given free and any state home deficit is underwritten by General Fund Revenue of the State of Montana. \$542,000 was appropriated in fiscal year 1988 and \$552,504 in fiscal year 1989. In addition, a few veterans qualify for Medicaid. The amount of money that the veteran has to pay depends on his present income and is based on a sliding scale.

In November of 1988, 41% of the veterans in long-term care beds at Columbia Falls were paying full cost of their care. The other 59% of the veterans in the state home were provided free care. The full cost in either case would be the amount above the \$20.35 per diem per day paid by the V.A. For example, in a 31 day month the total nursing bill would be \$1,644; \$631 would be paid by the federal per diem and \$1,113 would be paid by the veteran or written off by the state home if the veteran has no other resources.

A veteran may also choose to remain in a private community nursing home; however, private nursing homes do not receive the V.A. per diem of \$20.35 per day. The veteran may be entitled, based on level of income, to receive Aid in Attendance which can be applied to the cost of nursing home care. Both a veteran or widow of a veteran may receive the Aid in Attendance if they are receiving a veteran's pension. To qualify for Aid and Attendance, the veteran must have wartime service and have been honorably discharged. The Aid in Attendance can also be paid for nursing care in the home. Aid in Attendance is considered supplemental and would not be enough to pay the total cost of nursing home care. Private nursing homes that admit

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indigent veterans receive reimbursement from Medicaid. Veterans not eligible for Medicaid in a private facility use private resources to pay their nursing home bills.

In some instances, the V.A., through the Community Care Program, contracts with private nursing homes for full nursing home care for a period of 3-6 months. Because of V.A. budget shortfalls, most of the community care contracts in the future will be written for three months. During this period, the veteran arranges for permanent care in a state home, applies for Medicaid if their resources are limited or uses private resources to pay for community nursing home care. The local nursing home averages one to two residents per day under the Community Care Program. The disadvantage for the veteran remaining in the community and applying for Medicaid is the Medicaid spend down requirements. In 1989, the Medicaid eligibility resource limit will be \$2,000. In order for an individual to be eligible for Medicaid, they cannot have more than \$2,000 in resources. A Medicaid applicants personal residence can be excluded from the resource limit if it is their intention to move back into the home subsequent to admission to a nursing home or if a spouse or dependent child is residing in that home. If the Medicaid applicant will not be returning home, the house will be considered a resource for the purpose for determining eligibility.

The estimated number of veterans living in Montana as of September 30, 1986 was approximately 107,000. See Exhibit B. It is estimated that 16,000 are already past age 65, by 1990 that figure will increase to 24,000, and by the year 2000 there may be as many as 30,000 Montana veterans past the age of 65. With the significant number of aging veterans, the state needs to develop a long-range plan that will accommodate nursing home care in the long run. The construction of a freestanding state home is a temporary solution to a long-range issue.

ALTERNATIVE TO FREESTANDING V.A. STATE HOME

Richland Homes, a private 85-bed nursing home located in Sidney, originally expressed interest in submitting a proposal to construct a freestanding nursing home in the community. However, after reviewing state wage and benefit information provided by the state home in Columbia Falls, the nursing home was reluctant to pursue the project because of the adverse effect it would have on the operations and profitability of the private home. Exhibit C illustrates the financial impact to the private nursing home if wage scales were to equal the wage scales established by the state.

The net increase in wages to the local nursing home would be approximately \$78,486 on an annual basis. If this wage increase were added to the expenses of the nursing home for 1988, the net income would change from a \$16,366 profit to a \$62,120 loss. Limited increases in state Medicaid reimbursement also puts additional financial strain on private nursing homes. As noted in Exhibit C, the state RN wage rate at six months is \$8.70 per hour compared to a \$10.00 rate at Richland Homes. If the difference was allowed to continue, the state would have difficulty recruiting RN's to staff a freestanding nursing home. If the state adjusted the wage levels to reflect current market conditions, then the existing private nursing homes in Northeastern Montana would be competing with the state home for registered nurses.

Presently, there is a nationwide and statewide shortage of registered nurses; an additional freestanding state home would put additional strain on existing private nursing homes already faced with labor shortages. The majority of nursing homes and hospitals located in Northeastern Montana are presently recruiting registered nurses and are having limited success.

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The following alternative to a freestanding facility is not typical and would have to be carefully planned and coordinated between public and private sectors before being implemented.

ALTERNATIVE

Construction of attached wings or annex's on existing community nursing homes - an alternative to constructing a separate, freestanding state veterans home in Northeastern Montana, would be the construction of an annex on to an existing community nursing home. Brent Baker, the Chief Construction Administrator for V.A. State Nursing Home Grants, referred us to William J. Carney, the Administrator at the Maine Veterans' Home; he was able to provide information on a similar project located in Augusta, Maine. Mr. Carney indicated that a wing was attached to an existing private hospital. The V. A. did not participate in the construction cost of this wing, nor did the facility apply for construction participation; from all indications, there was no chance that the request would have been approved because of prior federal construction participation in the state. The construction cost of the project will be amortized over the life of the building and reimbursed through daily room rates.

Congressman Ron Marlenee reported to us that the V.A. would participate in the construction of a state home that is physically attached to an existing facility, providing it otherwise meets all federal requirements. In all projects, the V.A. needs to review any proposal before making a commitment as to the feasibility of the project before V.A. construction participation. See Exhibit D.

Even though the Maine project was not constructed with matching funds, the project will be eligible for the V.A. per diem of \$20.35 per day; indigent veterans will be covered by the state Medicaid system. Mr. Carney felt that it is less costly for the state to care for indigent veterans under the Medicaid system than to receive direct subsidies from general fund revenue because of matching federal Medicaid funds. This same cost savings may also apply in the state of Montana. Presently, in Montana, approximately 70% of the Medicaid budget is paid by the Federal Government.

An important element of this alternative, is the private operation and management of the unit. As an example of this type of private management arrangement, the state of Maryland contracts the operation of the Charlotte Hall Veterans' Home to the private sector and it is operated as a business. The state appropriates general funds to subsidize the operation of the domiciliary unit, but the nursing care unit is operated strictly as a private enterprise. Indigent veterans are reimbursed from the Medicaid system instead of general fund revenues. Major repairs over \$500, and purchases of major equipment are also budgeted and appropriated by the state for the nursing home. The state home receives the federal per diem of \$20.35 per day for the nursing unit.

Marcus Brookdanks, a member of a commission that oversees the contract and the operation of the state home, indicated that the reason the state did not want to operate another state home was to eliminate the competition with private nursing homes and the reluctance to hire more state employees. Apparently, the state of Maryland did not want to incur the additional benefit and administrative costs of hiring and managing more state employees. The contract enables the state home to establish wage scales that are competitive with other facilities. Mr. Brookdank indicated that with the intense competition for professional nursing in the area, it was very important that the state home have the flexibility to change wage scales when needed. If operated by the state, the state home could not to respond to

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changes in the labor market.

Under this alternative, the veteran would be able to remain in or near their community. Also, if the unit is managed by a private nursing home or hospital, it eliminates some of the competition for scarce labor resources. The veterans' wing would be able to share common services such as administration, dietary, activities, social services, maintenance, housekeeping, etc. This would save construction costs and in the long run, operating costs to the state. The state may also benefit by reimbursing the state homes indigent veterans through the Medicaid system instead of through general fund revenues.

The features under this alternative that the GRCEDC feels should be promoted for planning purposes should include the following:

1. Attached wing on existing community nursing home or hospital -- the construction of these wings could be located throughout Montana on a regional basis. The number of beds and location could be determined based on veteran population and other demographic information.
2. The private sector (community nursing home or hospital) would manage and operate the veteran facility.
3. State (35%) and Federal (65%) participation in the construction costs of the wing. Medicaid reimbursement for indigent veterans instead of general fund appropriations.
4. The facility would apply for the federal long-term care and domiciliary per diem -- the state may be required to enter into a long-term lease arrangement with the private nursing home or retain title to the property. Either way, the federal government wants to insure that the state has a long-term commitment with the nursing home either through ownership or lease.
5. The appropriation of state funds for construction could be approved for a pilot project initially. If the project is acceptable by veterans and the nursing home industry, state appropriations could be approved for future veteran nursing home wings located on a regional basis throughout Montana.

CONCLUSION:

This discussion is limited in scope and is not intended to answer all the questions pertaining to the proper delivery system for veterans and the elderly in the state of Montana. The main purpose was to make the state aware of the impact on existing community nursing homes before participating in a state home construction project. The state also needs to evaluate innovative and alternative ways of providing nursing home benefits to the veteran in the most cost effective manner. The Greater Richland County Economic Development Corporation is not opposed to the state providing veterans benefits; however, it's apparent from our review, that alternatives need to be pursued before a construction project is approved for Northeastern Montana. A steering committee with representation from veteran organizations, private nursing homes and state hospital and nursing home associations would be an ideal forum to coordinate and plan the "best" delivery system for the state of Montana.

I would like to conclude this discussion with a quote by Edward M. O'Donnell, Chief Community Service, Veteran's Administration, Central Office in Washington, D.C., taken from the 1986 Regional Symposium on Issues, Resources and Strategies to Assist Aging Veterans: "We really cannot afford to develop parallel, competitive and costly programs when it would make much better sense to work collaboratively with the community to develop services and resources that might be shared by both veterans administration beneficiaries and members of a larger community. This is already

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occurring at numerous veterans service organization posts and in other settings across the country, but needs to be greatly expanded, if we are to prevent unnecessary institutional care and facilitate discharge planning for those veterans who can return to their home environment if the necessary support services are in place."

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EXHIBIT A

Senator Larry J. Tveit, District 11
Representative Bob Gilbert, District 22
Representative Don Stepler, District 21
Donald J. Rush - VA Project Chairman - GRCEDC, CEO/Community Memorial Hospital
Lynette Hintze - Executive Director/GRCEDC
George Swenson - Chairman of the Board/GRCEDC
Harold Mercer - Mayor/City of Sidney - Also representing the local VFW and American Legion.
John Franklin - President/First United Bank
Judy Linder - Administrator/Richland Homes - Nursing Home
Eldon Kemmis - President/Community Memorial Hospital Board of Trustees
Doug Johnson - President/Richland Homes Board of Trustees

EXHIBIT B

ESTIMATED NUMBER OF VETERANS LIVING IN THE U.S. AND PUERTO RICO, BY REGIONAL OFFICE AND PERIOD OF SERVICE
SEPTEMBER 30, 1986

(In thousands)

Ex. #9
4-11-89

Regional Office	Total Veterans	WARTIME VETERANS							PEACETIME VETERANS			
		Total ¹	Vietnam Era		Korean Conflict		World War II ³	World War I	Total	Post-Vietnam Era ⁴	Service Between Korean Conflict and Vietnam Era Only	Other Peacetime ⁵
			Total ²	No Service in Korean Conflict	Total ^{2,3}	No Service in World War II						
Total	27,682#	22,017#	8,264	7,636	5,105	4,134	10,076	171	5,665	2,283	3,004	378
Alabama Montgomery	409	325	122	108	85	68	147	2	85	34	44	7
Alaska Anchorage	69	54	33	31	11	9	14	0	15	6	9	5
Arizona Phoenix	402	323	127	112	75	54	155	2	79	36	34	4
Arkansas Little Rock	271	213	81	72	48	37	102	2	58	25	28	4
California Los Angeles	1,345	1,086	417	376	281	210	493	8	259	91	147	21
California San Diego	361	291	112	102	68	49	137	3	70	26	36	6
California San Francisco	1,167	941	376	342	233	173	419	7	226	81	128	18
Colorado Denver	400	317	154	138	76	59	119	2	82	34	44	4
Connecticut Hartford	398	321	103	99	75	63	156	2	77	26	47	5
Delaware Wilmington	78	62	23	21	14	11	28	0	16	7	8	1
District of Columbia Washington	376	300	117	102	79	59	137	1	76	29	42	5
Florida St. Petersburg	1,461	1,196	399	335	280	192	655	13	265	113	124	28
Georgia Atlanta	649	504	228	203	123	95	203	2	145	66	69	10
Hawaii Honolulu	102	81	37	32	21	16	33	0	21	9	11	1
Idaho Boise	117	93	39	36	20	17	39	1	25	10	13	1
Illinois Chicago	1,276	1,014	348	338	233	197	471	6	262	97	148	17
Indiana Indianapolis	454	503	190	184	114	100	215	4	151	67	76	8
Iowa Des Moines	340	272	103	100	59	53	115	3	68	29	36	4
Kansas Wichita	259	234	89	82	52	43	106	3	55	21	31	3
Kentucky Louisville	374	298	110	103	68	58	134	3	76	29	41	6
Louisiana New Orleans	436	343	137	126	77	61	153	2	92	40	46	7
Maine Togus	154	123	47	43	28	22	55	1	31	14	16	1
Maryland Baltimore	367	290	113	103	73	56	130	2	77	32	40	5
Massachusetts Boston	613	493	152	144	113	94	251	4	120	45	56	7
Michigan Detroit	1,040	807	310	302	173	156	344	6	239	102	115	13
Minnesota St. Paul	472	372	148	144	83	73	152	4	100	38	57	4
Mississippi Jackson	236	186	66	57	47	37	91	1	49	21	24	4
Missouri St. Louis	627	506	185	174	119	99	229	4	131	55	64	8
Montana Ft. Harrison	107	85	36	34	18	15	35	1	22	9	12	1
Nebraska Lincoln	186	150	57	53	36	31	64	2	36	15	21	1
Nevada Reno	142	113	49	42	30	22	48	0	29	10	17	2
New Hampshire Manchester	140	111	46	42	26	21	47	1	29	13	16	1
New Jersey Newark	898	721	214	204	166	143	369	5	177	59	107	13
New Mexico Albuquerque	170	135	59	52	32	24	58	1	35	17	19	2
New York Buffalo	513	397	133	130	89	79	185	3	116	51	56	7
New York New York	1,375	1,104	314	306	240	212	576	9	271	99	150	22
North Carolina Winston-Salem	680	541	207	186	127	104	248	3	139	69	87	10
North Dakota Fargo	102	79	32	31	17	16	31	1	22	9	12	1
Ohio Cleveland	1,320	1,054	368	355	221	194	478	7	265	127	136	16
Oklahoma Muskogee	402	323	136	124	75	68	140	3	77	30	37	6
Oregon Portland	355	285	119	113	59	47	107	3	70	27	39	3
Pennsylvania Philadelphia	986	796	249	240	170	145	399	6	196	82	111	13
Pennsylvania Pittsburgh	578	463	147	141	101	86	233	3	115	44	64	7
Puerto Rico San Juan ⁶	125	96	35	34	35	32	30	1	29	16	12	1
Rhode Island Providence	203	166	53	49	37	30	85	2	37	15	20	3
South Carolina Columbia	351	277	117	101	69	52	122	1	74	32	36	6
South Dakota Sioux Falls	79	63	22	21	16	14	26	1	16	7	9	4
Tennessee Nashville	527	416	166	153	94	78	182	3	111	47	56	8
Texas Houston	813	643	291	263	147	113	267	3	170	70	86	13
Texas Waco	963	763	311	297	178	146	324	4	201	84	101	13
Utah Salt Lake City	154	125	52	49	28	23	52	1	29	11	17	1
Vermont White River Jct.	64	49	20	19	11	9	21	0	15	7	7	0
Virginia Roanoke	523	411	176	147	113	80	190	3	112	51	54	7
Washington Seattle	595	476	217	194	114	84	194	4	119	46	66	7
West Virginia Huntington	204	163	60	56	35	29	76	1	41	17	21	1
Wisconsin Milwaukee	569	440	169	165	95	84	187	4	129	51	71	8
Wyoming Cheyenne	60	48	23	22	10	9	17	0	12	4	7	0

NOTE: Excluded are 361,000 veterans whose only active-duty military service occurred since September 8, 1980, and who failed to satisfy the minimum entry requirements. Also excluded are a small undetermined number of National Guard personnel or reservists who incurred service-connected disabilities while on an initial tour of active duty for training only. Detail may not add to total shown due to rounding.

¹ Through 4 refer to postwar; ² through 5 at the end of the table titled "Estimated Number of Veterans Living in the U.S. and Puerto Rico, by Age and Period of Service."
⁶ Includes veterans living in Puerto Rico only.
[#] There are also 5 living Spanish-American War veterans and 67 living Mexican border conflict veterans.
 *Less than 0.5 (thousand)

For additional information concerning veteran population statistics, contact:
 Research Division (711)
 Statistical Policy and Research Service
 Office of Information Management and Statistics
 Telephone: (202) 233-2625

Veterans Administration
 810 Vermont Avenue, NW
 Washington, DC 20420

EX.#9
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EXHIBIT C

	<u>STATE</u> <u>STARTING WAGE</u>	<u>STATE</u> <u>6 MO. WAGE</u>	<u>RICH. HOMES</u> <u>6 MO. WAGE</u>	<u>WAGE</u> <u>DIFFERENCE</u>	<u>RICH. HOMES</u> <u>ANNUAL BUDGET</u> <u>HOURS</u>	<u>WAGE</u> <u>DIFFERENCE</u>
N's	8.05	8.70	10.00	(1.95)	8,577	(11,150)
LPN's	6.90	7.50	7.15	.35	14,251	4,988
Nurse Aides	5.60	6.00	4.80	1.20	70,540	<u>84,648</u>
TOTAL						78,486

#10

FINANCE AND CL

10

CIGARETTE TAX AND NURSING HOME(S) FOR VETERANS

DATE 4-11

BILL NO. 4-11-89

Submitted by: Department of Administration
Department of Institutions

Date: April 7, 1989

Bill Titles: HB 202 Increase Cigarette tax to provide funds for Veterans' Home studies.

HB 547 Establish Veterans' Home in Eastern Montana -- Sell Long Range Bonds.

HB 718 Establish an annex of the Montana Veterans' Home to be located in Galen.

Introduced by: HB 202 Representative Bob Pavlovich

HB 547 Representative John Johnson

HB 718 Representative Red Menahan

Next action: HB 202 Second Reading (Senate) Tuesday April 11

HB 547 Hearing (Senate Finance & Claims) Tuesday April 11 8 a.m.

HB 718 Hearing (Senate Finance & Claims) Tuesday April 11 8 a.m.

Subject: HB 202 increases the cigarette tax to pay costs of studies and construction of nursing/domiciliary home(s) for veterans.

HB 547 establishes a State Veteran's home in Eastern Montana, authorizing a site selection committee and bond issuance (bond issuance is not authorized if HB 202 is passed).

HB 718 provides for establishing an annex to Columbia Falls Veterans' home, to be located at Galen; appropriates general funds to establish and operate the home (General fund dollars are not appropriated if HB 202 is passed).

There are several technical flaws in these bills:

HB 202.

. There is no concrete estimate of the cost of these studies and construction projects; a 2 cent tax may or may not be the amount necessary to fund the projects.

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. No funding limit or expiration date is established. Construction (page 2 lines 1-4) could continue infinitely with this cigarette tax income (1.2 million dollars per year). Since both DofA and VA must concur to governor, this bill could result in a number of facilities to maintain and operate; facilities that have no limit on design and construction cost could also result. (Page 6 Section 7).

. The Fiscal note reflects the introduced bill at 5 cents per pack and implementation of the change in distribution October 1. Current language would result in approximately \$808,800 revenue in FY 1990 and \$1,200,000 in FY 1991; November 1 implementation of the change in distribution of the tax (minimizing the impact to the debt service and long range building program accounts).

HB 547.

. The project should not be bid until we have federal approval of the project. Language should be added to clarify both the requirement to apply for the federal funding and the requirement to receive federal approval before committing the entire 35% state share.

. The site selection committee is composed of 7 veterans from eastern Montana whose recommendation to the governor is binding (page 3, lines 22-23). There is no provision for negotiation or change of the recommendation.

. This bill directs the Department of Administration to consider this project for inclusion in the long range building planning process (Page 4, lines 1 - 5). This is the logical way for building planning to proceed. However, the language is unnecessary in this bill because the bill bypasses the planning process.

. The bill pledges financial support from the general fund for continued operation and maintenance of the home(s) (page 7, Section 10), but the fiscal note does not reflect the amount of these costs. Based on experience with the Veterans' Home in Columbia Falls, operational cost for a 40 bed home would be approximately 2.8 million annually, the general fund portion would be approximately 1.4 million starting in fiscal year 1992.

The bill is written to either bond the project or to use revenue from HB 202. The following discussion pertains to 1) HB 202 failing or 2) HB 202 passing.

If HB 202 fails:

. The bill obligates the Board of Veterans' Affairs for paying the site selection committee expenses. Without the cigarette tax, will the Board have the funds to pay these expenses? (Page 3, lines 24 - 25). Further, an appropriation, either statutory or legislative, is required to spend State funds. Either this bill or the general appropriations bill (HB 100) should be amended to appropriate the specific funding amount and source.

. The bill obligates the Department of Institutions to enter into an agreement to pay the debt service on the bonds. The debt service payments would start as soon as the bonds were sold, but there is no provision for revenue. How is the Department going to pay the debt service? It has been suggested that Federal subsidy of the operation could be used to retire the debt. There are 2 problems: this money would not be available until after the facility is operational (months, years after debt service payments start); if this money is used to retire the debt, then operation of the facility will be totally out of the general fund.

. This bill does not set forth a plan that addresses the contingencies among funding, bonding, and federal approval. Planning and design work will be necessary to apply for the federal approval; bonds should not be issued until federal approval has been received. The planning and design work necessary to apply for federal approval will require expenditures. Where will the funding for this part of the project come from?

. If this bill passes, but not by the 2/3 vote required for approval of state debt, the bonding and appropriations provisions are void (page 10, Section 19 lines 18-25), but the provision for site selection, long-range building plan, planning, and construction remain--without an appropriation or funding. How will this work be funded?

If HB 202 passes:

. Coordination instructions in Section 20 (page 11) strike bonding issuance authority and appropriation language. Sections 4, 8, 17, and 19 should be included in these instructions.

HB 718.

. The bill appears to assume that veterans could occupy existing buildings with little or no construction. The

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buildings may not comply with VA standards for nursing homes and no planning has been done to determine the cost to correct deficiencies. The facility has been exempted into compliance for current programs. Renovation and change of use of any part of the facility may result in major reconstruction to bring the facility up to compliance for existing programs in addition to VA standards for nursing homes.

. The amount of the appropriation is blank. The bill should be amended to specify the amount to be appropriated for establishing the facility (page 1, lines 20 - 21).

. The bill requires the Department of Institutions to operate the facility (page 1, lines 13 - 16). The bill should be amended to specify the amount to be appropriated for operating the facility (page 1, lines 20 - 21).

. Department of Institutions would have to be involved to assess the availability of space and the impact on current residents.

. The size of the facility is not identified in the bill. Who will determine how many beds are to be provided?

. If HB 202 passes:

.. How much money of the cigarette tax is to be spent on establishing this facility? If HB 547 passes, how much of the tax is to be spent on which project and in which year?

.. Coordination instructions void the appropriation language and there will be no appropriation to the Department of Institutions for operation of the facility.

.. The effective date of this bill is July 1, 1989, but the revenue from the cigarette tax is not available until November 1989.

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COMMITTEE ON Finance & Claims

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VISITORS' REGISTER

NAME	REPRESENTING	718 BILL #	Check One	
			Support	Opp
John DENHEIDER	DEPT OF INT. DAV	547 562	✓	
MARIETTA CROSS	HMHB - COM Hosp	773	✓	
Fred Patton	Legacy Legislative	547	✓	
Patrick Edgar	Northwest Comm. Cons	547	✓	
Ruehl Abrams	Senator # 12	547	✓	
Tom McLean	US West	614	✓	
Del Hanson	American League	547	✓	
Melvin Rogstad	P. H. Perunow	547	✓	
STW Jones	" "	547	✓	
Peg Williams	SRS	614	✓	
Jester Ollerman	MAYOR GLENDICE	547	✓	
Johnny G. Buck	V.F.W.	547	✓	
A. A. Boyd	Community of Iberia	547	✓	
M. G. Ramsey	EAST MT	547	✓	
Paul Mgrin	E. MONT	547	✓	
Betty Van Sijem	GF	614	✓	
Adolph Foster	Joplin	614	✓	
Dorwin Younger	Heat Falls	614	✓	
Floyd J. McDowell	Heat Falls	614	✓	
Henry Lane	St. Louis City	547	✓	
George Potts	United Veterans conf	547	✓	
Donald E. Eynelis MD	my self	773	✓	
Robert Johnson	Mount Pleasant	773		
R. Elizabeth Bogdog	MT. Chichester Alliance	773	✓	
Bob DeKaine	Heat Falls	614	✓	
Ben Hardahl	Helena	614	✓	

