

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON HUMAN SERVICES & AGING

Call to Order: By CHAIRMAN DOROTHY BRADLEY, on February 14, 1991, at 8 a.m.

ROLL CALL

Members Present:

Rep. Dorothy Bradley, Chairman (D)
Sen. Mignon Waterman, Vice Chairman (D)
Rep. John Cobb (R)
Rep. John Johnson (D)
Sen. Tom Keating (R)
Sen. Dennis Nathe (R)

Staff Present: Sandra Whitney, Associate Fiscal Analyst (LFA)
Bill Furois, Budget Analyst (OBPP)
Faith Conroy, Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion:

DEPARTMENT OF FAMILY SERVICES (DFS)

HEARING ON THE COMMUNITY SERVICES PROGRAM

Tape 1A

Sandra Whitney, Legislative Fiscal Analyst, distributed a budget summary for the Community Services Program, **EXHIBIT 1**, and financial impacts of subcommittee action on the Department of Social and Rehabilitation Services budget, **EXHIBIT 2**.

CHAIRMAN BRADLEY introduced **SEN. MIKE HALLIGAN** of Missoula.

SEN. HALLIGAN said the 1987 Legislature passed juvenile detention legislation to meet upcoming federal mandates. In 1989, because the federal government allowed extra time to meet deadlines to get juveniles out of adult jails and to set up an alternative sentencing program, the Legislature deferred everything until 1991. The Legislature forgot to defer language in one of the bills dealing with after-care. As a result, DFS will need an additional \$44,000 to pay for after-care unless that section is repealed. DFS will be part of the overall state, federal and local plan to deal with alternative sentencing for youth. The Legislature erred in not deferring that part.

CHAIRMAN BRADLEY referred to Issue No. 1 under Operating Expenses in **EXHIBIT 1**, which deals with increases in after-care. She asked if \$44,000 was for each year. **SEN. KEATING** said the budget summary shows \$20,000 each year. **Doug Matthies, Administrative Support Division Administrator**, said the fiscal note was for \$49,000 for fiscal year (FY) 1992 and \$64,000 for FY 93. Without deletion of the language, an additional \$24,000 will be needed in FY 93.

CHAIRMAN BRADLEY asked what amount DFS is seeking. **Mr. Matthies** said Issue No. 1 deals with ADP in the transition center. He noted that **SEN. HALLIGAN** was talking about transporting and retaining kids at detention facilities. **CHAIRMAN BRADLEY** asked what amount **SEN. HALLIGAN** wants. **Mr. Matthies** said \$49,105 in FY 92 and \$108,121 in FY 93. **CHAIRMAN BRADLEY** said that is more than \$44,000. **SEN. HALLIGAN** said that figure is a "best guess" of the number of kids who may still go to Pine Hills School or Mountain View School, and what the state responsibility will be.

Steve Nelsen, Montana Board of Crime Control, said the \$44,000 **SEN. HALLIGAN** is discussing is money above and beyond what is in the fiscal note. The \$44,000 is an existing liability under existing law that wasn't covered by a modification of the fiscal note.

SEN. WATERMAN asked why the cost is so much higher in the second year. **Mr. Nelsen** said that is when juveniles can no longer be held in adult jails.

Tom Olsen, DFS Director, said \$44,000 is the additional amount needed in FY 93. **SEN. KEATING** asked if the money in the fiscal note is in the budget now. **Mr. Olsen** said no.

Mr. Nelsen said the Crime Control Board put together a package of legislation for juvenile services so that they are not held in adult jails. The package includes SB 37, SB 38, SB 56 and SB 59. SB 37 was amended in the House Judiciary to become an appropriations bill. The Board would set up a grant program to finance 50 percent of the costs for secured detention apart from adult jails and 75 percent of the costs for non-secured detention services. The plan is to have a system funded 50 percent by state government and 50 percent by local government.

The state's correctional facilities would not be used for evaluations. Counties would assume responsibility for that function. The fiscal note includes additional expenses from DFS for detention facility licensure, holdover programs and transportation costs for youth who cannot be held in adult jails. The \$44,000 was not created by the legislation; it was in existing law. That is why that money was not in the fiscal note. It is a liability that was already there.

Judy Carlson, a social worker and representative of the Montana Chapter of the National Association of Social Workers, urged the subcommittee to finance additional social workers and supervisors, a credible information system and development of Family-Based Services. EXHIBIT 3

Donna Hale, a social worker and representative of the Montana Chapter of the National Association of Social Workers, testified in support of additional social workers. She said children under 16 years old comprise three-fourths of her caseload. The number of cases is increasing. If the state does not provide services for these children now, it will end up paying for more costly residential treatment later.

Cris Volinkaty, Developmental Disabilities (DD) Legislative Action Committee representative, testified in support of keeping DD case management in DFS. She requested the funding be line-itemed; that language be put in the bill to have DFS contract with private, non-profit providers; and that funding be increased. Current funding is inadequate for targeted case management. It would cost \$910,696 per year, plus the federal match. DFS has \$722,847 in General Fund to be matched for this service. Caseloads are high and workers will not be able to meet expectations required by Title 19 money.

SEN. WATERMAN asked which population is being discussed. Ms. Volinkaty said developmentally disabled adults in group homes statewide, including individuals coming out of the Montana Developmental Center (MDC) at Boulder. A modification for additional case management FTEs is included in DFS' budget. The money is in Personal Services now. That money should be line-itemed so that it is assured the money will be used for DD case management. SEN. WATERMAN asked if the amount in the budget is adequate. Ms. Volinkaty said no.

Jesse Munro, DFS Deputy Director, distributed information on DD case management funding and cost estimates for an additional 2.75 FTEs. EXHIBIT 4

CHAIRMAN BRADLEY said she doesn't understand why DD case management is in DFS. Mr. Olsen said that when he came to DFS, it was suggested that DD case management be moved back to SRS. To transfer the program back to SRS, DFS would have had to give up 23-25 FTEs, plus General Fund money to cover the match. The 23 FTEs are not all dedicated to DD case management, especially in rural areas. DFS social workers, DD case managers, and adult and child protective service workers are frequently one person. It would be a nightmare to try to separate 23 FTEs out of people who have split responsibilities. DFS would have been short 23 FTEs in rural areas.

If SRS took over the program, it would have been contracted out. Some of the people who would have been supplying the contract services might also have been providers of those services, which

is a conflict of interest. It would be better for experienced DD field workers to provide those services. DFS will get a better federal match by going to targeted case management. Right now the federal match is 50 percent. It will increase to 70 percent as the Department goes to targeted case management.

CHAIRMAN BRADLEY asked if the work is funded at different percentages. **Mr. Olsen** said yes. **CHAIRMAN BRADLEY** said **Ms. Volinkaty** wants it to be contract services, which is moving away from what DFS is suggesting. **Mr. Olsen** said yes. It is something he has thought about. He believes DFS should retain the program. DFS has the field structure in place and he doesn't believe anyone else can do a better job.

CHAIRMAN BRADLEY said she sees this as an organizational morass. DD is reaching into the Department of Labor for money that was not intended for such services. Now DD is reaching into DFS, where individuals will have different funding. This doesn't make sense. **Mr. Olsen** said DFS overlaps with other agencies in a number of areas.

CHAIRMAN BRADLEY asked if there is any logical reason DFS would contract the work, as would SRS, which contracts for all sorts of things the subcommittee has funded. **Mr. Olsen** said it would be done differently if DFS contracted it out. DFS would use its workers where available and use contract services in areas lacking proper coverage now. DFS probably would move into contract services through attrition. State workers would be replaced with contracted employees. It would be phased in gradually.

Greg Olsen, Developmental Disabilities Planning Advisory Council Director, said a number of studies show caseload size should be between 20 and 30 clients per case manager. Money DFS has now would lead to caseload sizes of approximately 40 clients per case manager. This is an inappropriate caseload size.

Wallace Melcher, Helena Industries representative, said he is a member of a case-management task force that is looking at the issue of DD case management. Case management is an important factor in the quality of service. It ties all the services together, ensuring coordination and no duplication. Case sizes of 25 to 30 would be more appropriate than the 40 in the Department's proposal. It is extremely difficult for case managers to have to do hybrid work. It is hard to establish priorities. He urged the subcommittee to examine caseloads and quality of services.

Dick Meeker, Chief Probation Office for the 1st Judicial District, said he wanted to address a subcommittee question about how social workers interact with juvenile probation officers. The Juvenile Probation Department interacts extremely well with regional staff and social workers on the local level. Many youth dealt with by Juvenile Probation have grown up in the system.

Often Juvenile Probation and case managers work together on a case. The biggest problem is they are inadequately staffed. Children who should be addressed early on spill into the juvenile justice system later.

SEN. WATERMAN asked what kind of interaction occurs between the probation office, courts and DFS before a youth is sent for treatment, what happens when they come out, what services or gaps are there on either end of the spectrum, and what gaps there are in appropriate placements.

Mr. Meeker described a particular case in which DFS handled case management and foster care, and probation sought evaluation for a child. The child is now in treatment. DFS provided funds to transport her. Probation provided the court action to do it. The three entities work together very closely. Many youth placed at Pine Hills are severely emotionally disturbed. They end up at Pine Hills because they commit a delinquent offense. Pine Hills is overcrowded because there is no other facility to refer them to. The state needs a long-term, 30- to 40-bed facility for mentally and emotionally disturbed children. A juvenile correctional facility, group home or foster home isn't appropriate for these children. They need 24-hour inpatient treatment. Some youth being sent out of state would be able to remain in Montana if the state had a facility to deal with their problems.

Tape 1B

The facility would not be a hospital. It would be more secure than Intermountain Deaconess Home for Children. It could be an open-campus type of facility with security.

Tom Olsen said Community Services encompasses regional programs statewide. The primary role of regional staff is to provide protective services for children, developmentally disabled individuals and elderly citizens in danger of abuse, neglect or exploitation.

Regional staff work closely with local youth advisory councils. Regional staff administer and supervise case workers, child protective service workers and developmental disabilities workers.

DFS investigates charges of child abuse and neglect, and provides protective services, if necessary. DFS has the authority to take temporary or permanent custody of children. DFS provides adult protective services to the elderly and developmentally disabled. The agency also provides case management for developmentally disabled persons. Case managers are responsible for ensuring clients' needs are met through individual habilitation plans.

Regional staff also perform licensing functions. Social workers interview applicants, investigate references, verify approval of homes or facilities with the Department of Health and state Fire Marshal, evaluate applicants' suitability and recommend service

programs.

Regional staff also handle requests for placement of children in out-of-state facilities and requests for out-of-state children to be placed in Montana.

Ms. Whitney reviewed funding issues for Community Services. She said most of the issues deal with base differences. There is some overlap in Operating Expenses and Grants and Benefits. There are differences in funding and the drawing down of fund balances. Some items are strictly base differences and can be handled when the subcommittee decides to take either the LFA or executive base as adjusted. If the subcommittee takes the LFA base, differences in holidays, overtime, longevity and related benefits under Personal Services will be taken care of.

CHAIRMAN BRADLEY said the subcommittee will take the LFA base.

Ms. Whitney explained Operating Expenses Issue No. 1 for after-care and ADP increases. She noted the LFA assumed the same number of children in after-care as in FY 90. The Budget Office assumed an increase from anticipated releases from Pine Hills and added an additional \$21,000 each year to cover increases. It appears there will be more than \$5,000 in school foods funding that could be used to offset General Fund.

CHAIRMAN BRADLEY said the \$44,000 needed for the bill also would go here. **Ms. Whitney** said she doesn't know if the \$44,000 is for each year or just FY 93. That needs to be clarified.

Ms. Whitney explained Operating Expenses Issue No. 2 for the Children's Trust Fund. She said this is a grant that will be discussed in more detail later. Executive budget operating costs are higher than LFA costs. The result is a higher budget, which will draw down the fund balance. The balance comes from state special revenue, which is a portion of marriage license fees, donations and an income tax check-off. The anticipated revenue projection is \$49,000 each year. Based on projections, the balance would be drawn down to \$5,900 in the executive budget and \$15,900 in the LFA budget.

The Child Abuse and Neglect, and Domestic Violence Operating Expenses Issue No. 3, is a base issue because the LFA included money in operating that the executive has in grants. The Budget Office also has a modified request for Child Abuse and Neglect. If the subcommittee accepts the LFA budget, it should not take the budget modification.

Operating Expenses Issue No. 4 for Independent Living has operating in the LFA that isn't in the executive. There also are updated funding figures. She noted that anything over \$155,000 needs a soft match. The other two issues are strictly base differences.

EXECUTIVE ACTION ON COMMUNITY SERVICES

CHAIRMAN BRADLEY said the subcommittee will take the LFA base in Personal Services and no action is needed. In Operating Expenses, the subcommittee could start with the LFA base, then use the executive calculation for increased releases from Pine Hills, interest and income revenues, which will offset General Fund, and school funds, which also will offset General Fund.

SEN. KEATING asked if the state is getting federal money to take juveniles out of adult jails, etc. **Mr. Nelsen** said the federal government is distributing \$200,000 per year to local governments for non-secured detention programs. The package developed by the interim committee, which is sponsored by **SEN. HALLIGAN**, incorporates the federal funds into a grant-in-aid program for local governments to finance secure and non-secure detention programs.

SEN. KEATING asked if any of that money can be funneled into DFS for after-care. **Mr. Nelsen** said no.

MOTION: **REP. JOHNSON** moved language suggested by **CHAIRMAN BRADLEY**.

DISCUSSION: **SEN. KEATING** said he isn't sure what the motion is. He asked why \$8,000 in interest and income and school foods funding can't be added to offset General Fund. **Ms. Whitney** said that is what the motion will do. It will approve the increase of \$21,000 for after-care releases and use the \$2,800 in interest and income and the \$5,000 in school foods funding.

SEN. KEATING asked if any of the money can be used as a soft match to leverage federal funding. **Mr. Matthies** said he didn't think so. This isn't an increase in the after-care program. It is for the transition center in Billings that was started up last session. This will increase the number of youth who can be served in a day.

SEN. KEATING asked for clarification of the motion. **CHAIRMAN BRADLEY** said the motion is to start with the LFA base, use the executive calculation of expected additional releases from Pine Hills, the executive's prediction on interest and income revenues, which will offset General Fund, and the executive's predicted school foods funds, which also will offset General Fund.

VOTE: The motion **PASSED** unanimously 5-0. **SEN. NATHE** was absent.

CHAIRMAN BRADLEY said a separate motion is needed for the issue raised by **SEN. HALLIGAN**. **SEN. WATERMAN** asked if a dollar figure had been determined. **Tom Olsen** said the fiscal note for FY 92 is \$49,105. It is \$64,121 in FY 93. The \$44,000 referred to by **SEN. HALLIGAN** is in addition to the FY 93 figure. The total for FY 93

would be \$108,121. **CHAIRMAN BRADLEY** said some of that is in the bill. She asked if the subcommittee would be acting on the addition only. **Mr. Matthies** said yes. The \$44,000 is not included in the fiscal note.

Ms. Whitney asked if the \$44,000 is an unfunded state liability, under current law, and to which year, or both, it applies. **Mr. Matthies** said detention legislation last session added language that requires DFS to pay detention costs for after-care youth, but no money was provided. The liability is \$44,000 per year. Another \$5,105 is needed in the first year for training and licensing activities. SB 37 created detention centers that DFS would have to license.

In the second year of the biennium, DFS is asking for 2.5 FTEs and travel costs. As local detention programs are established, DFS will have to place youth in those programs instead of local jails. DFS needs staff and travel money to transport youth to detention facilities or programs established through SB 37. The \$44,000 was left out of the fiscal note in the second year because DFS thought language requiring DFS to pay for after-care detention would be deleted. Apparently it is not so DFS needs the \$44,000.

SEN. WATERMAN asked what happens if SB 37 does not pass. **Mr. Matthies** said DFS would still need \$44,000 per year. **SEN. WATERMAN** asked about the additional costs. **Mr. Matthies** said additional costs are contingent on the establishment of youth detention facilities. If they are not established, DFS won't have to do additional licensing of facilities or transportation of youth. Youth would still be housed in local jails and detention facilities. **SEN. WATERMAN** asked if DFS would be billed for them by the counties. **Mr. Matthies** said yes. **SEN. WATERMAN** asked if DFS would still need the money. **Mr. Matthies** said the \$44,000 would be needed, but not the additional \$5,000 or \$64,000 in the fiscal note.

CHAIRMAN BRADLEY asked if it would be acceptable for the subcommittee to appropriate \$44,000, and if SB 37 passes, the \$44,000 could be subtracted from the \$49,000. That would leave \$5,000. The subcommittee must approve the \$44,000 because DFS is liable. **Mr. Matthies** said yes. **CHAIRMAN BRADLEY** asked for a motion to accomplish that.

MOTION: **REP. JOHNSON** moved language previously suggested by **CHAIRMAN BRADLEY**.

DISCUSSION: **REP. COBB** asked if the executive recommended this. **Tom Olsen** said it was not anticipated by the executive. **Bill Furois**, Office of Budget and Program Planning, said the \$44,000 is not in the executive budget. **REP. COBB** asked if it is recommended now. **Mr. Furois** said he needs time to find out.

VOTE: The motion **PASSED** unanimously 5-0. **SEN. NATHE** was absent.

Ms. Whitney said that if the executive budget is approved for the Children's Trust Fund, the budget in the next biennium will be \$50,000 per year, not \$70,000.

SEN. WATERMAN said the Senate Finance and Claims Committee discussed SEN. DOROTHY ECK's bill, which would allow staff to be hired and paid out of the fund. Concern was expressed about using Trust Fund money for staff but the board doesn't have secretarial staff to handle its activities. DFS used to fund some of it. This money is to monitor and allocate grants that are issued. This is not funding for services to the board. She is concerned about staff being financed with Trust fund money. But if the board hired a person to write grants, more money could be raised for community programs. She asked DFS how the Trust Fund should be staffed.

Tom Olsen said he favors the Children's Trust Fund concept. It would be a complex task for a volunteer board. The Trust Fund has to have a mission and goals. It sends out requests for proposals, reviews them, makes grants and follows up on grantees. The Trust Fund is funded at a very low level. It doesn't have a lot of direction. The board gets together three to four times per year and tries to do what it can. The administrative load on the chairman is so heavy that no one wants to be chairman. To be a viable entity, the Trust Fund needs staff and an additional funding source to make larger grants. The only way to get an additional funding source is for there to be someone with the time to work on it. DFS supports the Trust Fund having staff.

CHAIRMAN BRADLEY said the issue is whether the Department should have flexibility to spend down the fund or leave the balance high. The other issues are worthy of consideration. It is a wonderful program that should have a lot more money. But the subcommittee should deal with this issue.

MOTION: SEN. KEATING moved to allow DFS to draw down the balance.

DISCUSSION: CHAIRMAN BRADLEY said that means he is moving executive dollars, which would allow that to happen.

SEN. WATERMAN said this is the only time that it appears this can be addressed. She wondered if there were a way to line-item seed money on a two-year pilot program for a part-time administrative aide to write grants. The position would not continue if sufficient grant money weren't raised to fund it in the future. If the state doesn't give them some seed money, it will never get off the ground.

CHAIRMAN BRADLEY asked SEN. WATERMAN if she were saying SEN. ECK's bill died. SEN. WATERMAN said no, but she doesn't think it will go anywhere because the Senate Finance and Claims Committee is concerned that the Trust Fund is being granted authority to spend grant funds on administration. The Committee didn't like that idea. CHAIRMAN BRADLEY said there should be a hearing to

allow members of the Trust Fund to discuss it. **SEN. KEATING** said this is a case where it takes money to make money.

REP. COBB said he has been working with SRS, which wants some people to go out and write grants too. Maybe it can all be incorporated together with DFS. **SEN. WATERMAN** said she doesn't want to delay the issue or for it to die. She would like the subcommittee to return to the issue at some point. **SEN. KEATING** said that if the money is there, maybe the Committee won't have so much trouble accepting the argument that they shouldn't be so concerned about controlling the money. Grants will be spent for specific purposes. The Legislature can't control everything.

CHAIRMAN BRADLEY said that if the subcommittee takes **SEN. KEATING's** motion, and **REP. COBB** and **SEN. WATERMAN** come back with a proposal on what they want to do, maybe someone from the Trust Fund or the Senate Finance and Claims Committee chairman can come to a subcommittee hearing to discuss it. If it's a good idea, then it should have a proper hearing.

SEN. WATERMAN said she wants to clarify what the subcommittee is voting on. She asked if the motion is to have someone monitor the funds, but it would not provide money for Trust Fund staff. She sensed that **SEN. KEATING** thought the money was for staff. It's not. This is just to monitor the grants. **Ms. Whitney** said that if the subcommittee accepts the executive budget, additional money will be allowed for board mileage, commercial transportation and meals. It will provide an opportunity for the board to get around the state.

VOTE: The motion **PASSED** unanimously.

CHAIRMAN BRADLEY told **REP. COBB** and **SEN. WATERMAN** that they can bring the issue back to the subcommittee as soon as they are ready. She does not want to take action on it quickly without first having additional comment.

Ms. Whitney said the only issue in Child Abuse and Neglect, and Domestic Violence is that the LFA has some operating money in current level. The subcommittee might want to ask DFS to explain what is done with these grants and the procedure for moving the money into operating expenses for management flexibility.

CHAIRMAN BRADLEY said that if the subcommittee takes the LFA in this area, it would not approve the three budget modifications. **Ms. Whitney** said that if the subcommittee takes LFA, it includes operating expenses. The subcommittee will have to be careful not to take the executive modification later. There is no difference in dollar amounts between the LFA and Budget Office. If the subcommittee takes current level operating now, pieces of those grants will be picked up with it. Everything will be discussed thoroughly later.

CHAIRMAN BRADLEY said that maybe the motion should be to accept the LFA and the subcommittee will have a better understanding when it is addressed at the next hearing. This is being done in bits and pieces. The accounting is complicated, but it is not a major issue. **Mr. Matthies** said it doesn't make much difference to the Department. If one or the other is accepted, DFS will have a starting place. Adjustments can be made during the biennium. It isn't a big issue either way.

MOTION: **REP. COBB** moved the LFA budget for Child Abuse and Neglect, and Domestic Violence under Operating Expenses.

VOTE: The motion **PASSED** unanimously.

Ms. Whitney said the LFA includes \$174,000 for Independent Living. Most of it is in Benefits and Claims. Only \$39,000 of it is in Operating Expenses. The subcommittee will be asked to increase the amount from \$174,000 to \$244,000 when the issue is addressed at the next hearing. Other than that, it was included in the subcommittee's motion to accept the LFA.

CHAIRMAN BRADLEY said issues in Independent Living are covered by the motion in Operating Expenses Issue No. 3 for Child Abuse and Neglect, and Domestic Violence.

Ms. Whitney explained executive budget modification No. 1 for field staff increases.

Tape 2A

CHAIRMAN BRADLEY said the modification calls for an additional 8 FTEs. **Ms. Carlson** requested 36 FTEs.

SEN. WATERMAN asked what different task forces and studies recommended. **Tom Olsen** said the HB 100 study recommended an additional 108 FTEs.

CHAIRMAN BRADLEY said this can be a prevention program if used well. There hasn't been the luxury to test it because it has been crisis-oriented.

Mr. Carlson said the additional 36 FTEs would be a first step toward meeting the total need. She urged the subcommittee to have a phase-in approach.

CHAIRMAN BRADLEY asked what it would cost for 25 FTEs. **Ms. Carlson** said it would be \$37,120 per FTE.

SEN. WATERMAN said additional support staff would be needed. If the subcommittee adds 36 FTEs, obviously some of those FTEs would have to be support staff. There also would be operating costs. She asked how this can be calculated so that the subcommittee doesn't approve staff without supervisors or needed equipment. **Tom Olsen** said the figures can be calculated, but DFS is comfortable with the executive budget recommendation.

CHAIRMAN BRADLEY asked how it would be determined who would get additional staff. **Tom Olsen** said additional FTEs would be allocated based on a study to determine areas with serious deficiencies in staff. DFS also intends to do a better job of reviewing case files to see which can be expeditiously closed. A lot can be done through reorganization to better use FTEs.

REP. COBB said he has the same concern as **CHAIRMAN BRADLEY**. The agency isn't sure that more than 8 FTEs will be needed. Maybe it would be better to give everything to the communities and let them decide through block grants.

Ms. Whitney said each FTE, at a grade 14, step 2, would cost \$27,800 per year. That is based on information in the modification. If operating expenses are added for 8 FTEs, based on FY 93 figures, the total cost per social worker would be \$33,600.

MOTION: **SEN. KEATING** moved the executive budget modification for 8 FTEs.

DISCUSSION: **SEN. KEATING** said DFS has been disjointed for several years but is getting organized and starting to make changes. Things need to go slowly. If the subcommittee dumps a lot of people on DFS, it may not get everything it wants from the agency. It would be nice to give DFS the money, but he doesn't know if the state can afford it. The Department has definite plans for its budget and should be allowed to operate.

CHAIRMAN BRADLEY said Bozeman experienced a mass exodus of social workers because of an overwhelming workloads. She asked if this is typical. **Tom Olsen** said yes. Social work is done crisis by crisis. It is difficult to retain social workers. The caseload needs to be sorted out. The HB 100 report made recommendations. DFS wants to review caseloads to see if there is a way to make it better for social workers.

SEN. WATERMAN said the last thing that needs to be done is to study and plan for another two years. Eight additional people are not enough. The subcommittee has been told DFS needs 108. She asked why studies are done if nothing is going to be done in response.

SUBSTITUTE MOTION: **SEN. WATERMAN** moved to fund 108 FTEs over the biennium and to have language brought back on how they will be phased in over two years.

DISCUSSION: **SEN. WATERMAN** said DFS needs time to hire these people. Some costs will occur in the first year and others in the second. This has been studied long enough.

SEN. KEATING said 108 FTEs would cost \$3.36 million. He asked where the money would come from. **SEN. WATERMAN** said she didn't know.

VOTE ON THE SUBSTITUTE MOTION: The motion FAILED 1-5, with SEN. WATERMAN voting aye.

REP. COBB suggested SEN. WATERMAN try 8 FTEs every six months. That way DFS would have plenty of time to adjust.

SUBSTITUTE MOTION: SEN. WATERMAN moved Ms. Carlson's proposal for 36 FTEs over the biennium at a cost of \$1.6 million, recognizing that they may be able to be phased in.

VOTE: The motion PASSED 4-2, with SEN. NATHE and SEN. KEATING voting no.

CHAIRMAN BRADLEY turned the gavel over to SEN. WATERMAN and left for another hearing.

SEN. WATERMAN asked DFS, the LFA and the Budget Office to bring back exact numbers as to how the FTEs will be phased in over the biennium.

REP. COBB said the additional social workers should be assigned to places with the biggest backlogs or caseloads per person. He asked if the positions were line-itemed. Ms. Whitney said the modification would be separate through approval by the full Appropriations Committee. Then it will be rolled into the budget as part of legislative action.

REP. COBB asked if it can be line-itemed when it goes to the Appropriations Committee. Ms. Whitney said it is not technically a line item in the bill. It is being considered separately as a modification.

SEN. WATERMAN asked DFS to let the subcommittee know at the next hearing where these people will be stationed and when they will be phased in.

REP. JOHNSON asked SEN. WATERMAN if her motion included the additional 7.2 FTEs for supervisors as was specified in Ms. Carlson's recommendation. SEN. WATERMAN said she probably can't get them in now. But it won't do any good to hire social workers without supervisors. She cannot make that motion as chairman.

MOTION: REP. JOHNSON moved to add 7.2 FTEs for social work supervisors.

DISCUSSION: REP. JOHNSON said he would like to know what supervisors do. Gary Walsh, Protective Services Division Administrator, said they provide case consultation and work with communities to develop a network of contacts regarding abuse and neglect cases. That includes schools, probation, etc. They also respond to workers' training needs. They teach rules and policies, and skills for interviewing and intervention. Tom Olsen

said another responsibility is to ensure cases are closed in a timely manner.

REP. JOHNSON said the ratio of supervisors to social workers in Ms. Carlson's proposal is about 1-to-5. He asked if DFS could get by with fewer supervisors. Tom Olsen said supervisors are more like case managers. Each social worker is responsible for 40-50 cases. The social-work supervisor also is responsible for those cases and the employees who handle them. If it is multiplied out, each supervisor reviews 200-300 cases.

SEN. WATERMAN asked if paperwork would fall on social workers, giving them less time to work with children, if the supervisors are not added. Ms. Carlson said yes. There is a lot of paperwork to do. Supervisors train new social workers and perform their jobs when they are sick or gone for another reason. Supervisors are responsible for the children.

REP. COBB said he won't vote for the motion. State government ought to change. More money is available to pay people in the field when there are fewer supervisors. The state can't afford all these supervisors.

SEN. WATERMAN asked if the pay plan has such flexibility. Ms. Whitney said each job description is assigned a pay grade. Workers come in at a step one and get promoted to step two in six months. SEN. WATERMAN asked what can be done if they are given the responsibilities referred to by REP. COBB. Ms. Whitney said the position would have to be reclassified.

REP. JOHNSON asked what the ratio would be without the additional 7.2 supervisors. Mr. Walsh said the current ratio is one supervisor to seven social workers. REP. JOHNSON asked if the ratio will change if 36 social workers are added. Mr. Walsh said no.

VOTE: The motion FAILED 1-3, with SEN. WATERMAN voting aye. CHAIRMAN BRADLEY and SEN. NATHE were absent.

Ms. Whitney said the budget modification for field equipment is in response to an audit that indicated a lack of security. Social workers didn't have locking file cabinets or proper equipment.

MOTION: SEN. KEATING moved the executive budget modification for field equipment.

DISCUSSION: Tom Olsen said case files are jammed in cardboard boxes stored in an attic. SEN. WATERMAN said cases are supposed to be confidential and stored in fireproof files.

VOTE: The motion PASSED unanimously 4-0. CHAIRMAN BRADLEY and SEN. NATHE were absent.

Ms. Whitney said the subcommittee already approved the first part of the Child Justice Act modification with its action under Operating Expenses. The subcommittee would not want to approve the modification if it takes the LFA budget in grants. A full explanation will be presented at the next hearing. The next four modifications, No. 4-7, address impacts to DFS from reductions at MDC.

REP. COBB asked about the federal money in modifications No. 6 and 7. **Mr. Furois** said it is Medicaid Title 19 matching money. **REP. COBB** asked if the modifications reflect the new base rate for Medicaid reimbursements. **Ms. Whitney** said the Department of Institutions talked about rebasing. The reason Institutions can rebase and get more money through Medicaid at MDC is because the population is small and more costly. She does not believe rebasing will effect Community Services.

Mr. Matthies said 2.75 FTEs in modification No. 7 for MDC Phase IV case management are for providing case management to children who would not be placed at MDC.

SEN. WATERMAN asked **Ms. Volinkaty** if the modification covers her request. **Ms. Volinkaty** said no. Her group wants the funding, the 2.75 FTEs and the money in the benefits package for DD case management to be lumped together and line-itemed. Everything that has to do with DD case management would be line-itemed. It isn't enough money to do what is requested.

SEN. KEATING asked DFS if it could operate with a line item. **Tom Olsen** said a line item would make it more difficult for the Department.

SEN. KEATING said **Ms. Volinkaty's** group believes the money will be used in another area. He asked if there is a way to retain flexibility but ensure the money goes where it is supposed to go. **Tom Olsen** said DFS plans to use the money to serve the DD population. It is difficult to show which dollars go where, especially when social workers perform split duties. DFS doesn't object to a line item in concept, but technically it will cause difficulties.

SEN. KEATING asked if it would be acceptable to insert language in the appropriations bill that states the Legislature wants these funds to be used for this purpose and that management will abide. **SEN. WATERMAN** said the subcommittee should avoid creating a bookkeeping nightmare. DFS knows the subcommittee's intention. The issue will be revisited. The subcommittee has heard about the need for flexibility. She is nervous about line-iteming the money and isn't sure what language would be proper.

Ms. Volinkaty said her group has reason to be concerned about the money being used for case management. Regarding the allocation of social workers' time, Title 19 funds require billing for the same amount of time. It's just duplication of the numbers. Past

behavior doesn't show this will happen. The group doesn't want this money to disappear.

MOTION: SEN. KEATING moved approval of executive budget modifications No. 4 through No. 7 and that the money be line-itemed.

DISCUSSION: SEN. KEATING said that if the Department finds the line item is too difficult to handle, it can explain to the Appropriations Committee why the accounting is too difficult. If the Department has to account for specific money anyway, and the line item isn't much of a bother, he is sympathetic to the line item.

SEN. WATERMAN asked for two separate motions, one for the approval of the modifications and another for the line item.

AMENDMENT: SEN. KEATING amended his motion to approve executive budget modifications No. 4 through No. 7.

DISCUSSION: SEN. WATERMAN said the modifications deal with impacts of the downsizing of MDC at Boulder.

VOTE: The motion PASSED unanimously 5-0. CHAIRMAN BRADLEY and SEN. NATHE were absent. SEN. NATHE was recorded as voting aye, as instructed by SEN. KEATING.

MOTION: SEN. KEATING moved that the money be line-itemed.

DISCUSSION: Ms. Whitney clarified the motion. She said the line item applies to modification No. 7, plus what is in the base, which the subcommittee has already approved in current level. SEN. WATERMAN said the motion is to line item this money, plus the base amount for case management.


VOTE: The motion PASSED 4-1, with SEN. WATERMAN voting no. CHAIRMAN BRADLEY and SEN. NATHE were absent. SEN. NATHE was recorded as voting aye, as instructed by SEN. KEATING.

ADJOURNMENT

Adjournment: 10:15 a.m.



REP. DOROTHY BRADLEY, Chairman



FAITH CONROY, Secretary

HOUSE OF REPRESENTATIVES
HUMAN SERVICES SUBCOMMITTEE

ROLL CALL

DATE

2/14/91

NAME	PRESENT	ABSENT	EXCUSED
REP. JOHN COBB	✓		
SEN. TOM KEATING	✓		
REP. JOHN JOHNSON	✓		
SEN. DENNIS NATHE	✓	(LATE)	
SEN. MIGNON WATERMAN, VICE-CHAIR	✓		
REP. DOROTHY BRADLEY, CHAIR	✓		

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	338.33	332.45	332.45	.00	332.45	332.45	.00
Personal Services	8,264,546	8,958,502	8,962,376	3,874-	8,949,797	8,953,811	4,014-
Operating Expenses	1,254,465	1,262,849	1,319,170	56,321-	1,272,176	1,326,142	53,966-
Equipment	13,626	22,365	22,365	0	22,365	22,365	0
Grants	5,136,444	5,312,449	5,438,336	125,687-	5,323,149	5,375,612	52,463-
Benefits and Claims	12,141,399	15,940,400	14,240,081	1,692,319	16,072,450	14,920,202	1,152,248
Total Expend.	\$26,810,475	\$31,496,765	\$29,990,328	\$1,506,437	\$31,639,937	\$30,598,132	\$1,041,805
Fund Sources							
General Fund	15,669,143	19,327,017	17,401,342	1,925,675	19,407,519	17,896,005	1,511,514
State Revenue Fund	1,957,580	2,162,781	2,022,505	140,196	2,162,769	2,022,589	140,180
Federal Revenue Fund	9,183,752	10,006,967	10,566,481	559,434-	10,069,649	10,679,558	609,889-
Total Funds	\$26,810,475	\$31,496,765	\$29,990,328	\$1,506,437	\$31,639,937	\$30,598,132	\$1,041,805

CURRENT LEVEL DIFFERENCES

-----Exec over (Under) LFA-----
FY 92 FY 93

-----Executive Action-----

Personal Services

1. Differences in holidays, overtime, longevity and related benefits

Operating Expenses

017 1. Increases in After Care for ADP increases from 2.9 to 6.3 due to releases from Pine Hills
LFA uses all General Fund - Exec. includes \$2,800 I & I and \$2,500 federal each year
(\$3,200 Fed. School Foods 1st 7 mo. FY 91; \$865 I&I 1st 7 mo. FY 91)
(Annualized School Foods \$5,485; annualized I&I \$1,483)

015 2. Children's Trust Fund - Operating expense base differences - State Special Revenue
(LFA projected FYE 93 balance \$15,940 - Exec. projected FYE 93 balance \$5,923)

005 3. Child Abuse & Neglect; Domestic Violence - Op. in Cur. Level - incl. in Exec. grants
(Agency requests flexibility to move from grants to operating as needed)

006 4. Independent Living (\$39,582, \$39,672) operating included in Cur. Level operating
and in Exec. grants (Remainder of budgets in grants)
019 (New Independent Living estimates are \$244,190 each year (\$174,421 in CL) - See Issues)

001 5. Base differences - Operating Expenses for Regional Staff, Aftercare Workers, Youth Eval.
16,2018

6. Inflation differences - primarily in supplies & materials, communications, and travel

Total Operating differences

(\$56,321) (\$53,966)

2-14-91

Exhibit #1
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ISSUES

1. Independent Living Grant - Any amounts over \$155,000 each year will require a general fund match of \$1 for each federal \$1.
The department anticipates using a soft match

2. Committee Issues

EXECUTIVE BUDGET MODIFICATIONS

92001 1. Field Staff Increases - P. B-122			
8.0 FTE Grade 14/2 social workers, operating expenses, and equipment			
GF - \$237,082, \$228,480; Federal \$41,838, \$40,320	FY 92	FY 93	
	\$222,920	\$222,400	
Personal Services	\$46,400	\$46,400	
Operating Expenses	\$9,600	\$0	
Equipment			
Total Request	\$278,920	\$268,800	
92212 2. Field Equipment - General Fund - P. B-122	\$20,000	\$20,000	
92021 3. Child Justice Act - Federal Funds - Included in LFA Current Level - P. B-122	\$37,466	\$37,466	
Impacts of Boulder Downsizing			
92012 4. MDC Phase I & II SSI - General Fund - P. B-120	\$27,072	\$27,072	
92112 5. MDC Phase IV SSI - General Fund - P. B-121	\$19,740	\$53,580	
92014 6. Phase IV Child Placement - P. B-121	\$150,000	\$300,000	
GF - \$42,435, \$84,300; Federal - \$107,565, \$215,700			
92101 7. MDC Phase IV Case Management - 2.75 FTE and expenses - P. B-121	\$82,628	\$82,614	
GF - \$30,182, \$30,182; Federal - \$52,446, \$52,432			
Meds to consider with grants and benefits			
92020 8. Post Adoption Center - Federal Funds - included in LFA Current Level	\$97,518	\$24,378	
Continuum of Service			
92114 9. Residential Psychiatric Services - 1.0 FTE - General Fund - P. B-122	\$1,771,365	\$1,765,061	
92214 10. Native American Services - P. B-123	\$992,800	\$992,800	
GF - \$280,863, \$278,977; Federal \$711,937, \$713,823			

S COMMUNITY SERVICES
ogram 02 Grants

ANTS P. B-116	Executive Fiscal 1992		LFA Fiscal 1992		Difference Fiscal 1992		Executive Fiscal 1993		LFA Fiscal 1993		Difference Fiscal 1993		NOTES
st Yellowstone Program	\$5,362		\$5,362		\$0		\$5,362		\$5,362		\$0		
me Health	\$15,000		\$15,000		\$0		\$15,000		\$15,000		\$0		
ild Abuse & Neglect	\$128,400		\$128,400		\$0		\$128,400		\$128,400		\$0		\$0 LFA updated \$-put over \$15,000 in op. - Exec. has mod.
estic Violence	\$220,000		\$220,000		\$0		\$220,000		\$220,000		\$0		\$0 LFA put \$412 in operating
fugee	\$150,000		\$150,000		\$0		\$150,000		\$150,000		\$0		
y Care	\$50,000		\$50,000		\$0		\$50,000		\$50,000		\$0		
ing	\$4,727,136		\$4,727,136		\$0		\$4,737,636		\$4,737,636		\$0		
ildren's Trust	\$61,420		\$61,141		\$279		\$61,420		\$61,141		\$279		Base Difference
st Adoption	\$97,518		\$97,518		\$0		\$24,378		\$24,378		\$0		Exec. has Mod; LFA in Current Level

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LFA93/BM1

Major Additions to Executive Budget
by
Human Services Subcommittee As of 2/2/9

	-----By Program-----		
	Fiscal 1992	Fiscal 1993	1993 Biennium
01 AFDC @ 42% Poverty	418,910	957,989	1,376,899
01 GA @ 42% Poverty	118,619	241,835	360,454
01 Day Care Expansion	155,000	155,000	310,000
07 Provider Rate Increases	1,154,356	2,391,332	3,545,688
07 Licensed Counselors	42,435	47,370	89,805
10 Provider Rate Increases	57,727	143,587	201,314
10 Extended Employment Expansion	155,455	155,455	310,910
13 Provider Rate Increases	8,003	16,406	24,409
14 Provider Rate Increases	1,034,698	2,170,755	3,205,453
14 Waiting List Expansion	363,558	363,558	727,116
Total Increases	3,508,761	6,643,287	10,152,048
	-----By Expenditure Type-----		
Program Expansion	716,448	721,383	1,437,831
Provider Rate Increases	2,254,784	4,722,080	6,976,864
Welfare Payment Increases	537,529	1,199,824	1,737,353
Total Increases	3,508,761	6,643,287	10,152,048

2 Exhibit #2
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3
DATE 2-14-91
Exhibit #3
2/14/91
Human Serv.
Subc.

Testimony before the
Joint Subcommittee on Appropriations
on the Dept of Family Services

February 14, 1991

Madame Chair, members of the Subcommittee, I am Judith H. Carlson, ACSW, testifying on behalf of the Montana Chapter, National Association of Social Workers. I am a licensed social worker myself and the mother of two sons who are professional social workers.

This study, commissioned by the last Legislature, should not be a dust collector. It examines what personnel and other needs the Department must have to fulfil our obligation to our vulnerable children.

There are three of the recommendations in the report that I want to highlight for you.

1. The department needs a credible information system. It probably should not take on any new responsibilities until an accurate and usable system is in place. You should be commended for your action of yesterday to make the funds available for this effort. The sooner the better - as I understand it will take 2-3 years for any system to be up and running.

2. As was noted by the MRCCA yesterday, the HB 100 report verifies the need for 124 new social workers to do protective services, 108 off reservations and 16 on reservations.. Donna Hale, a social worker in private practice, will testify to the absolute necessity of more social workers in this area.

The Child Welfare League of America, the standard setting agency in the child care field, states that effective protection of children cannot occur if CPS workers' caseloads exceed their standards. The attached table illustrates their standards along with the present caseload size.

We recommend that you make a beginning effort to reduce these caseloads and support at least a first step toward meeting the final goal. An additional 36 social workers will cost \$37,120 each along with 7.2 additional social work supervisors at \$42,120 each for a total additional cost of \$1,639,584 per year. Some of my friends in other endeavors tend to rib me about social workers needing supervisors. In other fields, there are foremen/women or just plain bosses or managers. In child protective services, the supervisor performs vital functions.

He or she reviews the work of the social worker to insure that families and children's rights are being protected. The supervisor helps the social worker develop a plan for each individual family or child to figure out the best future for the

child. Is there a chance of saving this family? What needs to be done to strengthen the family? When does a child **have** to be removed from his or her home? Has there been enough change in the family to warrant returning the child home? When has there been enough improvement to allow the closing of the case? Although in most of these situations, the social worker makes recommendations to the district court for a final decision, that recommendation generally forms the basis of the Court's decision. It must be taken very very seriously.

What are the consequences of high caseloads? I think it is safe to say that one reason we have so many children in foster care and in pricy psychiatric care is that we have not provided the needed services in their own homes. Social workers have time only to respond to crises. They are "crisis workers" not social workers. That results in the failure to find permanent homes for those children whose parents' rights have been terminated. Children remain in foster care at tremendous expense.

Caseloads in Montana are approaching those in Missouri, New Mexico, and other states at the time class action suits were won in those states on behalf of clients. Those agencies were found to have violated the legal rights of children to effective protection from abuse and neglect because of excessively high caseloads. We shouldn't have to wait for the courts to tell us to do something about our lack of staff.

When caseloads are too high, social workers burn out on the job results in staff turnover and repeated recruiting, hiring and training costs. Supervisors are at greater risk for inappropriate decisions, insufficient administrative review, and inability to provide training to their workers.

Social workers are acting as agents of the State of Montana. They are acting for you and for me. We must make sure they have all the knowledge and training we can get them to make these sensitive and vital decisions.

3. We support the full development of **"Family Based Services."** Family Based Services are a key element in stemming the tide of children who need out-of-home services. FBS are provided in the child's own home to those families who are so abusing or neglecting their children that removal of the children is bound to occur unless significant intervention takes place.

The results from other states who have a Family Based Services program provide proof that in 75% of the at-risk families served by FBS, the children are able to remain in their own homes. This is strong evidence. What happens with FBS is that a cluster of intensive, individualized, home-based, time-limited services are provided. The social worker has a very small caseload and is able to provide real help and support to the family.

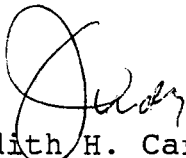
3
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Hum. Serv. Sub.

Most families love their children and want to keep them at home. Most children love their parents and want to stay at home with them. Although foster parents serve a yeoman's role, they are the second choice in most cases. Family Based Services makes it possible to keep kids at home.

The HB 100 report estimated that there were 278 families in need of Family Based Services in 1990. It has been figured that the cost per family would be \$3000 for a total of \$834,000. Since this kind of program requires careful planning, interagency cooperation at the local level and extensive training of staff, some phase in time could be expected, allowing a first year cost of somewhat less and the second year cost of \$834,000.

There are many more recommendations made by the HB 100 report and many more needs of the families of this state. But these are the three that we thought most important for your immediate attention. We urge your positive action.

Thank you very much.


Judith H. Carlson, ACSW

SOCIAL WORKER CASELOAD SIZES

Type of Worker	CWLA Average #Cases	DFS Average #cases
Intake/Investigatn Workers	No more than 12 referrals/month	41.4 referrals/mo.
Ongoing Services	No more than 17 families/month	23.9 families/mo.
Both Intake and Ongoing Cases	No more than 14 cases/month, including 10 ongoing cases and no more than 4 new referrals/month	27.4 cases/month
Social Wk Supervrs	one/5 social workers	one/7 social workers

Taken from HB 100 Report
December 1990

EXHIBIT 4 Exhibit #4
DATE 2-14-91 2/14/91
Human Serv.
Sube.

DD Case Management (Title XIX)

Current Base Funding

Rate Per Funding Summary - 14.86%
10/29/90
Current FFP Rate - 50%

Field Services Costs Documented to DD Case Management:

FY 1992	9,728,759 x 14.86%	=	1,445,694
	General Fund		722,847
	Federal Fund		722,847
FY 1993	9,728,156 x 14.86%	=	1,445,604
	General Fund		722,802
	Federal Fund		722,802

Modification

2.75 DD Case Mangers

FY 1992	Total	82,628
	General Fund	30,182
	Federal Fund	52,446
FY 1993	Total	82,614
	General Fund	30,182
	Federal Fund	52,432

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**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

Human Services SUBCOMMITTEE DATE 2/14/91
DEPARTMENT(S) DFS DIVISION _____

PLEASE PRINT

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NAME	REPRESENTING	
GREG OLSEN	DDP/SC	
Jane Jackson	SRS/RRQ	
Donna Hale	private - NASW	
Ann Gilkey	OT S	
Gary Walsh	DFS	
Judy Carlson	NASW - Mt. Chit	
William A. M. M. M.	Helena Industries, Inc.	
Steve Nelson	Mt. Bd of Crime Control	
CRIS VOLINKATY	DD Lobbyist	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.