MINUTES

MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON HUMAN SERVICES & AGING

Call to Order: By **CHAIRMAN DOROTHY BRADLEY**, on February 19, 1991, at 8:05 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)

Tape 1A

Sandra Whitney, Legislative Fiscal Analyst, distributed intent language to have DFS report the number of developmentally disabled (DD) clients and expenditures in fiscal year (FY) 1992, **EXHIBIT 1,** and a budget summary for Foster Care, **EXHIBIT 2.** She said the language is for DD targeted case management. The subcommittee originally line-itemed the funding. The line-item was withdrawn at the last hearing for accounting purposes and language was requested instead.

CHAIRMAN BRADLEY said she assumes the language is acceptable. If anyone has questions or problems, contact **Ms. Whitney.**

SEN. NATHE asked for a breakdown of the money spent by the subcommittee and what remains. **CHAIRMAN BRADLEY** said the subcommittee is over budget by $12 million to $13 million.

CHAIRMAN BRADLEY circulated a copy of the subcommittee's bill to allow state employees to pool their compensatory time for workers serving in the Persian Gulf war.

HEARING ON FOSTER CARE

PUBLIC COMMENT

Kathy McGowan, Montana Residential Child Care Association (MRCCA) representative, testified in support of a 5 percent cost-of-living adjustment and elimination of the wage differential between state and private, residential child-care workers. She distributed and read written testimony, **EXHIBIT 3**, and distributed a November 1990 MRCCA salary survey and personnel practices report, **EXHIBIT 4.**

John Wilkenson, Administrator of Intermountain Deaconess Home for Children in Helena, distributed a list describing some of the children treated at Intermountain. **EXHIBIT 5.** He said Intermountain works with seriously emotionally disturbed children age 5 to 12. About 80 percent of the children treated at Intermountain are in less restrictive care now.

Intermountain is virtually full all the time. Last year, there were 87 referrals and space for only nine. The others go in and out of psychiatric hospital care and out-of-state treatment, and are drifting through the system.

He distributed a comparison of costs and state reimbursements. **EXHIBIT 6.** State fees do not cover costs. That is OK, as long as the facility can continue to offer quality care. He praised the subcommittee's adoption of a rate increase in 1989. Without the increase, Intermountain could not have made up the difference through private resources. State rates were increased by 60 percent over the last four fiscal years, while costs have risen by roughly 30 percent. He thanked the subcommittee for its support last session and urged cost-of-living adjustments this session.

Jani Lambrou, Executive Director of Youth Dynamics in Billings, read testimony on behalf of **Jo Acton, Executive Director of the Yellowstone County Youth Services Center.** She urged additional funding for DFS and inflationary increases for residential care facilities. **EXHIBIT 7**

Ms. Lambrou said Youth Dynamics is an intermediate care program that provides residential treatment to youth age 3 to 19. Fifty-two youth are in placement. Sixteen await placement. She read her own testimony in support of a 5 percent cost-of-living adjustment for residential care programs, and increased funding for DFS. **EXHIBIT 8**

Tape 1B

Jan Shaw, Executive Director of Helena Youth Resources, said Helena Youth Resources operates three youth homes in Helena. She thanked the subcommittee for the rate increase two years ago. The increase allowed salaries to increase by 26 percent, from $4 per hour to $4.55 and $5 per hour. A cost-of-living increase is needed this biennium.

Tiffany McKendry, a Helena Youth Resources client, testified in support of continued funding for group homes.

Geoff Burnbaum, Executive Director of Missoula Youth Homes, said Missoula Youth Homes serves 45 children through four programs. There isn't sufficient private money to keep the programs viable. He read excerpts from staff letters. They described their work and urged increased salaries. He urged the subcommittee to increase provider rates, noting that college-educated, entry-level child-care workers earn only $13,582 per year.

Jim Smith, MRCCA representative, testified in support of a 5 percent cost-of-living increase and elimination of the wage differential. Private child-care workers earn about $2 less per hour than their counterparts in Pine Hills and Mountain View. The differential amounts to about $400,000 per year. No salary bill is being introduced by MRCCA this session. The salary survey report helped facilities move toward standardized job classifications and to target staff training needs and requirements. MRCCA hopes to come back to the Legislature in 1993 with another step in the right direction.

CHAIRMAN BRADLEY asked for a brief explanation of the different facilities and services provided. **Mr. Smith** reviewed Pages 1-2 of **EXHIBIT 4.**

SEN. WATERMAN asked for a cost comparison on therapeutic foster home care versus long-term inpatient psychiatric care.

Tape 2A

Ms. Lambrou described the case of a girl whose treatment family receives $1,400 per month. Families usually receive $700 per month. As she progresses, funding requirements will decrease and she will require less restrictive supervision.

SEN. WATERMAN asked if the girl would have been institutionalized for the rest of her life without these services. **Ms. Lambrou** said yes. **SEN. WATERMAN** asked if the girl will ever be independent and productive, and not a consumer of state services. **Ms. Lambrou** said yes. She has lots of potential and a family that wants to work with her. That will make the difference. This is the first time the girl has felt stable in a family.

Kendall Ross, Montana Foster Adoptive Parents Association representative, said there are about 1,200 foster parents in Montana. The family foster-care system is composed of families who open up their homes to foster-care children.

SEN. KEATING asked how many youth are involved in these settings. **Tom Olsen, DFS Director,** said about 1,500. **Mr. Smith** said about 1,000 children are in family foster-care homes. Five-hundred children are in group, shelter and residential facilities. The $11 million Foster-Care budget isn't broken down. It would help in the budgeting process to be able to look at services individually.

SEN. KEATING asked if these are Montana children or children from out of state. **Mr. Olsen** said he believes they are Montana children. Montana doesn't have the system of care that would draw out-of-state people in need of services.

SEN. WATERMAN asked if one of the reasons DFS has a difficult time providing statistics is because the agency doesn't have a proper information system. **Mr. Olsen** said yes. **SEN. WATERMAN** asked if that could be corrected with a new computer. **Mr. Olsen** said yes.

SEN. KEATING asked if these youth become healthy adults after they go through the system, or if they are only helped for a while. **Mr. Olsen** said it depends on the age of the child when DFS intervenes, the severity of the child's problems and if DFS can work with the child's family. The state tends to treat youth when they're older, sicker and can't be rehabilitated. DFS is trying to get to these youth when they are young. **Mr. Burnbaum** said treatment programs have only episodic reports because DFS lacks a proper information system and adequate resources. In Missoula, the rate of imprisonment after treatment is below the state average for people of that age. The program is young. It's too early to tell if the state will be seeing the children of these children.

DEPARTMENT OVERVIEW

Mr. Olsen distributed testimony on the Foster-Care program, **EXHIBIT 9**, a summary of budget modifications, **EXHIBIT 10**, an average daily cost chart, **EXHIBIT 11**, and charts on foster-care expenditures and client populations, **EXHIBIT 12**.

DFS is moving away from the traditional foster-care system, in which children are taken from their homes. DFS wants to intervene before a child has to be removed. Children would be identified early and work would be done with the family. Foster care would be a last resort. Right now, DFS doesn't have resources for such a system. That is the goal. DFS plans to develop community-based alternatives, such as adolescent day-care services, family training to deal with a child's behavior and respite for families.

DFS has relied on private sector providers for too long. Decisions have to be made on what the state's system of care will be. Priorities need to be established. He wants a payment system that would be based on children's needs and the costs of care. He wants DFS to be able to define levels of services provided and which children are served. DFS will develop a system of care over the biennium.

SEN. WATERMAN asked if children are being cured and if it is fair to say DFS does not have waiting lists because services are provided to those in crisis. **Mr. Olsen** said DFS has waiting lists. DFS' supplemental request was to serve 43 children on a

waiting list for seriously disturbed children. How they are being stabilized in the community is a mystery.

LFA OVERVIEW

CHAIRMAN BRADLEY added wage differential and parental contributions to the list of discussion items on **EXHIBIT 1.**

Ms. Whitney said the budget comparison for the Foster-Care budget is invalid because the LFA assumed the same mix of services to 6 percent more children each year. The executive assumed a different mix of services in an attempt toward a continuum of services. The executive budget also includes the proposed transfer of inpatient psychiatric money from the Department of Social and Rehabilitation Services (SRS) to DFS. That is subtracted out in figures for the DFS Foster-Care Base, which shows the LFA base is nearly $600,000 higher in FY 92 and $1.2 million in FY 93. That results from LFA calculations of a 6 percent increase in caseload.

The 1989 Legislature enacted caps on what counties have to pay for their foster-care children. The Budget Office assumed the full amount of the cap. The LFA assumed 1990 expenditures. Caps have been either met or exceeded in many counties. No more money will come from those counties. State-assumed counties are not included in this. Generally, the counties that have not reached their caps are rural. This is highlighted under county reimbursements as a difference in funding, which offsets General Fund.

DFS believes it can come up with about 26.6 percent federal funds by qualifying more children for IV-E money. LFA used that percentage to calculate federal funds. The Budget Office used a different approach, which resulted in lower federal funds and higher General Fund.

DFS tries to get parents to help pay for services provided to their children. When the agency gets money from a parent, it is used to offset expenditures, so it doesn't show up as an expenditure or revenue. The LFA and Budget Office assumed that approach will continue. But it isn't good accounting practice.

SEN. KEATING asked why the executive base is lower than the LFA in each year of the biennium. **Ms. Whitney** said the LFA assumed a 6 percent increase in the foster-care caseload each year. The 6 percent was based on FY 90. The executive looked at it differently and said savings from funding-mix changes probably will cover the increased caseload.

REP. COBB asked if the agency has figures to verify funding levels. **Mr. Olsen** said the figures came from the HB 100 report and estimates of how many individuals would be served. **REP. COBB** said it doesn't show how many will be served in the various programs. He wants to know how DFS arrived at its figures. **Doug**

Matthies, Administrative Support Division Administrator, said the estimated increase was based on the transfer of inpatient psychiatric and residential treatment money from SRS. The estimate was tied to HB 100.

SEN. KEATING asked if DFS was trying to say that it will serve the increased number of clients in a way that will cost less. **Mr. Matthies** said basically yes. Some of the $3.5 million to be transferred from SRS would be used to serve current-level youth. The rest will be used to develop a system of care that will serve the increased caseload. **Mr. Olsen** said DFS is trying to develop more appropriate levels of care and to ensure youth in high-cost psychiatric care are the ones for which that service is appropriate. DFS hopes to divert a number of youth to lower levels of care, but the number isn't known yet. It will depend on their needs and how quickly services can be developed.

CHAIRMAN BRADLEY asked about the waiting list of youth needing costly services. **Mr. Matthies** said some of the money being transferred from SRS will be used to serve youth on the waiting list. There is new money in the total that was not designated for services already being provided. That is the money that will be used to develop a system of care.

CHAIRMAN BRADLEY suggested the subcommittee begin with the LFA base because of the increased caseload. The subcommittee can always decrease it later.

SEN. KEATING said that will increase the executive budget by $2 million. **CHAIRMAN BRADLEY** said that is true. **SEN. KEATING** said DFS is saying it has worked out a system to serve the 6 percent increase more efficiently and with less money. He asked why the subcommittee should increase the budget when the Department says it can do the job. **CHAIRMAN BRADLEY** said she believes the Department is saying two things and is in a bind. DFS also said there is a waiting list and these are not just cheap-treatment youth. **SEN. WATERMAN** said two reports were done that indicate community-based services need to be strengthened and this program needs to be funded at a higher level than the recommendation.

EXECUTIVE ACTION ON COMMUNITY SERVICE BENEFITS

MOTION: **SEN. WATERMAN** moved approval of the LFA base.

DISCUSSION: **SEN. WATERMAN** said both reports talk about pilot programs and community-based services. She asked if LFA base funding will allow DFS to develop those pilot programs. **Mr. Olsen** said the LFA base is predicated on increased caseloads. The money that will allow development of these programs is the transfer of $3.5 million in residential treatment money from SRS. DFS is taking approximately $1.3 million of the $3.5 million to continue to meet the needs of youth on the waiting list. The rest of the money will be used to develop a continuum of care.

SEN. WATERMAN asked if there is a better chance of developing less-costly services and reducing inpatient psychiatric costs if more money is put into the Foster-Care line item. **Mr. Olsen** said that may occur, or the state may see a sudden increase in the number of children coming in for treatment when more resources are available and people learn about the availability.

CHAIRMAN BRADLEY said the cost would be $11,285,802 if the subcommittee prefers to go with the executive budget mix. If the subcommittee prefers to finance a 6 percent increase in caseload, the cost would be $11,875,716. If the subcommittee assumes the SRS transfer will take care of part of the mix and wants to accommodate some of the increased caseload, it may want to cut in half the $1.2 million difference and consider a 3 percent caseload increase, instead of a 6-and-6. That assumes the new continuum of care can provide services for more youth because some of the services will be cheaper. The caseload will increase and not just for less expensive treatment.

SEN. KEATING asked if DFS can develop the kinds of programs that were discussed with a block-grant type of transfer from SRS. **Mr. Olsen** said yes. DFS believes it will be able to meet approximately 50 percent of the needs identified in the HB 100 study. **SEN. KEATING** asked if the money has to be specifically appropriated.

Tape 2B

Mr. Olsen said he believes DFS can accomplish the task with a lump-sum appropriation. The agency will need flexibility to develop services as the needs of children change. The more flexible it is, the better.

AMENDMENT: **SEN. WATERMAN** moved approval of an amended LFA base with a 3 percent increase in caseload each year, which would cut in half the fiscal difference for 1992 and 1993.

DISCUSSION: **SEN. WATERMAN** said she wants to ensure the inpatient psychiatric money from SRS does not erode into the Foster-Care budget. She asked if the subcommittee can build a fence around the Foster-Care budget so that it isn't used for other programs. **CHAIRMAN BRADLEY** said the issue needs further discussion. She corrected herself regarding amounts being transferred from SRS. The residential psychiatric modification amount would be $1,771,365 each year.

SUBSTITUTE MOTION: **SEN. KEATING** moved approval of the executive Foster-Care base.

VOTE: The motion **FAILED** on a tie vote, 3-3, with **CHAIRMAN BRADLEY, SEN. WATERMAN** and **REP. JOHNSON** voting no.

VOTE ON THE ORIGINAL MOTION FOR THE LFA BASE, WITH HALF THE INCREASE: The motion **FAILED** on a tie vote, 3-3, with **REP. COBB, SEN. NATHE** and **SEN. KEATING** voting no.

Julia Robinson, SRS Director, distributed a proposal for Medicaid psychiatric and residential treatment for youth. **EXHIBIT 13.** She said Medicaid pays for some out-of-state youth at Yellowstone Treatment Center. They are not included in figures previously distributed. Yellowstone is actively recruiting youth for its facility from around the country.

SRS does not match therapeutic foster care with Medicaid money, but SRS worked on that with DFS. It will affect program costs. It is less expensive and the quality of life for children is better if they are in the least restrictive, appropriate placement. If the match is 50-50, it will significantly impact the Foster-Care budget. It won't be a full 72-28 match as in Medicaid because only the treatment portion can be matched.

She referred to Page 4 of **EXHIBIT 13.** She said Montana uses Medicaid inpatient facilities more than other states because Montana lacks less restrictive placements. The family may be able to be helped if a team is sent into the home. Results are good in other states. Washington state has a model called Home Builders. Counselors live with troubled families, teaching them how to live and to change their lifestyles. DFS is proposing such a program in each of the state's five regions. That will reduce costs because it is less expensive once it gets going. Placements will continue until these services are available. If therapeutic foster-care homes can be made Medicaid-eligible, the state will be able to provide even more intensive services and save additional money.

Screenings must be done at the front end. She reviewed Pages 1-3 of **EXHIBIT 13** and said limits are needed on the system. Limits can be provided without a change in the law, but **Carroll South, Legislative Fiscal Analyst,** believes a bill should be sponsored by the subcommittee because it involves a change in the process.

SEN. WATERMAN asked how a committee bill could be introduced now. The deadline passed a week ago. She asked if a unanimous vote is needed to suspend the rules. **CHAIRMAN BRADLEY** said the subcommittee will get one.

CHAIRMAN BRADLEY asked what resources and FTEs would be needed if that portion of the psychiatric program is transferred to DFS. **Mr. Olsen** said it doesn't matter if it is the residential treatment portion or the inpatient psychiatric portion. It will be difficult to identify people in each region to work with communities, providers and physicians in setting up a regionally coordinated system. DFS would need about 5 FTEs to make the system work well. He plans to designate existing FTEs to provide those services.

CHAIRMAN BRADLEY asked if the agency's continuum of care proposal would be financed with residential psychiatric money, not inpatient psychiatric funds. **Mr. Olsen** said that is right. But both are part of the same system. The question is who will take

responsibility for developing and paying for care for youth. DFS has been designated as the agency. New money to develop the continuum is going to come from the residential psychiatric treatment transfer. The whole program works together as a unit. Having extra psychiatric dollars would give the agency some budget flexibility.

CHAIRMAN BRADLEY asked what DFS thinks about postponing the second transfer until the next biennium to allow more time for discussion and development of a plan, which could be submitted to the subcommittee in two years. She asked if that approach would be unreasonable. **Mr. Olsen** said no, but it makes more sense for DFS to assume management of the system if it is to be the sole agency serving children and families. **CHAIRMAN BRADLEY** asked if the 5 FTEs are needed now. **Mr. Olsen** said yes. He will come up with those FTEs through existing resources. Regionally based individuals are needed to develop treatment options regardless of whether DFS has the entire process or just a portion of it.

REP. COBB asked if DFS needs an additional 5 FTEs or if the five already exist. **Mr. Olsen** said the five have not been identified yet. He would probably take five of the newly approved social worker FTEs and transfer them. **REP. COBB** said he believes it is wrong to do that. He said he is concerned that the subcommittee is giving DFS money that won't go where it is supposed to go. He wants to know how DFS will provide a continuum of care. If DFS doesn't have the 5 FTEs, he will try to line-item the money. He asked if there are five people in the field now who aren't needed and can be reassigned to this. **Mr. Olsen** said he can identify 5 FTEs to use for this purpose. **REP. COBB** asked if that can be done in the next day or so. **CHAIRMAN BRADLEY** said the subcommittee should show commitment to the addition of 36 social-worker positions. If the subcommittee wants to make the transfer, then it is the subcommittee's responsibility to provide needed FTEs. DFS shouldn't have to take FTEs from somewhere else. The question is whether the subcommittee wants to do this now or wait until next session to allow more planning and a trial period for the continuum of care. If these social workers are so important, they should stay there. This should be part of the transition package.

REP. COBB asked how many FTEs SRS will transfer to DFS. **Ms. Robinson** said SRS already transferred one position. **Mr. Olsen** is talking about a different issue. He needs the 5 FTEs regardless of whether he gets the psychiatric hospital transfer. He wants to put someone in each region to set up screening. It is not directly tied to the psychiatric hospital money. It is tied more to development of community-based services.

MOTION: **REP. COBB** moved approval of the General Fund transfer from SRS to DFS.

VOTE: The motion **PASSED** 4-2, with **CHAIRMAN BRADLEY** and **SEN. WATERMAN** voting no.

MOTION: **SEN. KEATING** moved approval of the residential psychiatric executive budget modification.

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

MOTION: **REP. JOHNSON** moved approval of the executive budget modification for Native American Services.

DISCUSSION: **CHAIRMAN BRADLEY** said these are the dollars the Bureau of Indian Affairs no longer provides. The subcommittee has no choice.

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

MOTION: **SEN. KEATING** moved approval of the executive Foster-Care base.

VOTE: The motion **PASSED** 5-1, with **SEN. WATERMAN** voting no. **SEN. NATHE** was absent but recorded as voting aye as instructed by **SEN. KEATING.**

CHAIRMAN BRADLEY asked why DFS believes county caps will be reached. The agency isn't going along with the LFA's prediction of a 6 percent caseload increase. She asked why the Department would go to county caps if the increase is not happening. **Mr. Matthies** said counties were removed from the child protective services business when DFS was created. A portion of a child's placement cost is billed to counties. As a compromise, DFS capped the amount counties pay to the state at the 1987 level. DFS bills counties one-half of the non-federal share of placements. The amount collected fluctuates. Some counties' caps are lower than costs. DFS is approaching the caps because of increased placements and service costs. The executive budgeted to the caps.

CHAIRMAN BRADLEY said she thought the state came closer to the cap in the last two years because of the caseload increase. Yet DFS is saying it disagrees with the LFA's caseload increase calculations. She wants DFS to explain how it calculates its figures and asked if county dollars can be used. The LFA approach was to use county dollars because the caseload increased. **Mr. Matthies** said part of the increase in the last few years has been caused by the rate increase. That raised the counties' share. There may be a lot more placements. With the development of intermediate services, which are going to be more expensive than therapeutic care and basic group care, those costs will gradually climb, just as the cost of care will rise.

SEN. NATHE asked how it works in state-assumed counties. **Mr. Matthies** said much of the caseload increase is in the 12 state-assumed counties and is covered by General Fund. State-assumed counties have no caps.

SEN. WATERMAN asked if counties will have to pay the full amount if the state is going to collect up to the cap. **Mr. Matthies** said yes. A lot is due to the mix of placements that counties got when the cap was set.

MOTION: **SEN. WATERMAN** moved approval of a 5 percent provider rate increase in the DFS budget as was done in the SRS budget.

DISCUSSION: **CHAIRMAN BRADLEY** asked what it would cost. **Mr. Olsen** said a 5 percent increase across the board in all services would cost $1.2 million for the biennium, including $798,000 in General Fund money.

AMENDMENT: **SEN. WATERMAN** moved to include in her motion the cost explained by **Mr. Olsen.**

DISCUSSION: **SEN. WATERMAN** said this is what the subcommittee did in SRS and needs here are as great if not greater.

Tape 3A

VOTE: The motion **FAILED** on a tie vote, 3-3, with **SEN. KEATING, SEN. NATHE** and **REP. COBB** voting no.

CHAIRMAN BRADLEY requested a subcommittee member change his vote. The subcommittee should be consistent with previously approved provider-rate increases. **SEN. NATHE** asked if the subcommittee provided SRS with the same 5 percent increase. **SEN. WATERMAN** said yes. **CHAIRMAN BRADLEY** said this does not even provide a salary increase comparable to the pay plan. **SEN. WATERMAN** asked why the subcommittee would do this for one budget and not another.

SEN. KEATING said he didn't vote for the first 5-and-5 increase. His remarks then were that the subcommittee would run into this throughout the whole budget and that caution should be exercised in granting increases. If the subcommittee busts the budget, everyone will be in trouble. He wanted the subcommittee to wait until the end to consider all of these things at one time. Things are already out of whack. He is not inconsistent in his vote. The subcommittee is not being prudent. It is pumping money into the budget that it doesn't have. The subcommittee is leading people astray by making them think they will get a big raise.

CHAIRMAN BRADLEY said she switched her vote to go with the resistance when the subcommittee considered providing money for caseload increases, even though figures show it is probably needed. The subcommittee cannot drop off providers. If the subcommittee is told to cut funding later, it can work on the figures with anyone from the Budget Office, governor's office and Departments. For purposes of consistency, someone should switch his vote.

SEN. NATHE said he will switch his vote on the assumption the subcommittee will revisit the issue. He also is concerned that the state doesn't have the money.

CHAIRMAN BRADLEY said that when the subcommittee is back, it should review every executive budget modification, not just provider-rate increases, to see where cuts will be made.

AMENDED VOTE: **CHAIRMAN BRADLEY** said the vote will be changed to show the motion **PASSED**, 4-2, with **REP. COBB** and **SEN. KEATING** voting no.

SEN. WATERMAN said the 5 percent won't even cover the cost of inflation. The subcommittee is saying the state will serve more people, but it won't provide the money to operate.

SEN. NATHE said a lot of people in the private sector are hurting too. Jobs are being lost. The Legislature must keep those people in mind because that is where the money comes from.

SEN. KEATING said the subcommittee shouldn't overlook the fact that Departments are beginning to deliver services for less money. There are some efficiencies in the system.

CHAIRMAN BRADLEY asked if the subcommittee wanted to take action on the wage differential issue. This was not addressed in the Developmental Disabilities (DD) budget because the subcommittee was overwhelmed with provider-rate increases and separate legislation addresses the issue. She asked if any other legislation deals with the wage differential. **Mr. Olsen** said he isn't aware of any.

SEN. WATERMAN said it appears group homes have no choice but to increase salaries to keep up with federal minimum wage mandates. **Mr. Smith** said that is true. He doesn't know when or by how much minimum wage will increase.

SEN. KEATING suggested the subcommittee put something into the budget for the wage differential so that it will be part of the discussion when the issue is revisited later. He asked what is being done in other areas regarding the wage differential. **CHAIRMAN BRADLEY** said nothing. **SEN. KEATING** said the subcommittee should leave this alone then and look at it later as one package. **CHAIRMAN BRADLEY** said the DD wage differential has separate legislation. The youth services differential does not. If it is to happen at all, it must come from this subcommittee. It will not come before the Appropriations Committee in the form of a bill.

Mr. Smith said MRCCA decided to not submit separate legislation, but to bring the issue directly to the subcommittee instead. It's a money issue. The association believed the subcommittee was the appropriate place to bring up the issue.

CHAIRMAN BRADLEY said budgets have been so restricted that institutions have nearly had to shut down. The equity issue is difficult to ignore. There is a $2 per hour wage difference between the community level and institutional level. She asked if

the subcommittee is going to let that happen when the philosophy of the state has been to move people out of institutions and into communities. The state has done this with numerous institutions.

SEN. NATHE said the subcommittee hasn't done anything with group homes and activity centers. If the subcommittee is going to address this issue, those places should be considered too.

CHAIRMAN BRADLEY said the Legislature closed the gap by $1.5 million last session. **SEN. WATERMAN** asked how the dollar figure was arrived at. **CHAIRMAN BRADLEY** said it was **REP. JERRY DRISCOLL's** bill. He brought it before the subcommittee, which funded half of what he wanted to start to close the gap. He dropped the bill, but the subcommittee kept the funding in the budget.

Cris Volinkaty, Developmental Disabilities Legislative Action Committee, said the amount was $2.5 million for the biennium. Entry salaries are still $4.70 and institutions pays more than $6 per hour. **CHAIRMAN BRADLEY** said the subcommittee is concerned that a 5-and-5 increase will still be a smaller salary increase than what was being contemplated for the pay plan, and that the gap would widen in the next two years. **Ms. Volinkaty** said that is correct.

Mr. Burnbaum said this is the first time the state has been asked to try to close the gap between the public and private sectors in residential child care. Salaries are exceptionally low. The state is funding providers at 70 percent of cost, based on wages that are barely above minimum wage. He doesn't see how the state can put out requests for proposals if that is what will be offered to new providers.

REP. COBB said it seems the subcommittee is dealing with something that should be handled administratively. He asked if anyone asked DFS for a provider-rate increase in requests for proposals. **Mr. Olsen** said he didn't think so. **REP. COBB** asked if providers are afraid to ask for more money for fear of losing the money they already get. **Mr. Olsen** said it may be a combination of both. The payment system should be based on what it costs to provide each level of care. **Mr. Matthies** said four group homes submitted proposals to provide specialized care that didn't fit into state pay matrix definitions. The state needs to develop more categories in the rate system so that providers will not undercut each other or raise their costs. DFS sends a copy of the rate schedule to providers before they submit bids.

Ms. Volinkaty said it doesn't do providers any good to ask DFS for more money when the agency doesn't have it. Providers cannot do the job for the amount that is being offered. In every other budget, inflation has been built into bases. That is not the case for non-profit providers.

Mr. Burnbaum said the existing system needs to be bolstered before building on it, or it will crumble. When the rate matrix was developed, everyone knew providers needed a rate increase.

Mr. Wilkenson said that if DFS was to send out a request for a proposal in a new area and said it would pay 70 percent of costs, providers would say no, they can't afford it. They are already subsidizing services and cannot afford to go into debt any more. The rate for intermediate therapeutic foster care is better than residential care.

SEN. WATERMAN noted that a 2 percent increase to a larger facility is a lot more money than a 5 percent increase to smaller providers. She asked if providers do better financially by providing more specialized services. **Mr. Wilkenson** said it depends on what is pushing it. Medicaid pays on the basis of cost. It is an entitlement program. Foster care is not. There will be all sorts of variations. The reimbursement rate is somewhat arbitrary and not necessarily tied to cost.

SEN. KEATING asked if provider-rate increases help salaries. **Mr. Wilkenson** said yes, given that 75 percent of the institution's budget is for personal services. However, there are other costs that have to be covered.

CHAIRMAN BRADLEY asked the subcommittee to consider going halfway toward closing the gap, which is what it tried to do with the DD program.

SEN. WATERMAN suggested the subcommittee go 50 percent of the way toward closing the wage differential gap in all these programs, not just this one.

CHAIRMAN BRADLEY said it would cost about $400,000 for residential care providers. She asked what it would cost for all providers. Department officials did not have the figures. **SEN. WATERMAN** said she was talking about going back to programs in SRS and not waiting for **REP. DRISCOLL's** bill to come through.

CHAIRMAN BRADLEY suggested the subcommittee move on to parental contributions.

MOTION: **SEN. KEATING** moved to have parental contributions set up so that they become either state special revenue or General Fund, and that expenses be added to provide a true calculation of cost.

DISCUSSION: **SEN. KEATING** asked if that would bother the Department. **Mr. Matthies** said it would not cause a real problem. Total credits last year were between $460,000 and $480,000, mostly from social security payments. **SEN. KEATING** said that is a sufficient amount of money that should be tracked better.

Mr. Matthies said the subcommittee would be increasing the agency's budget by the amount of parental contributions if it

approves the motion.

SEN. WATERMAN asked if the motion is to have the money be state special revenue.

AMENDMENT: SEN. KEATING moved to have parental contributions put into the General Fund. Someone can change it later, if desired.

AMENDMENT: SEN. KEATING changed his motion to have parental contributions put into state special revenue.

DISCUSSION: Ms. Whitney clarified the motion, saying the subcommittee wants to put all credits into state special, increase expenditures accordingly, and have the amount be approximately $480,000 per year.

AMENDMENT: SEN. KEATING moved an appropriation of $480,000 per year out of state special revenue.

VOTE: The motion **PASSED** 5-1, with **REP. COBB** voting no.

Ms. Volinkaty noted providers are $6,821,000 short of parity.

Tape 3B

Of the total, $4.8 million is General Fund. The rest is Title 19 federal matching funds.

SEN. KEATING said he wants more information about salaries in relation to provider-rate increases. The subcommittee should consider varying increases to improve equity to providers on the low end. When across-the-board increases are granted on a differentiating scale, the rich get richer and the poor get poorer.

Mr. Burnbaum said the effort behind the rate matrix design for residential care was for everyone to be behind equally. The lowest rate goes to group care. That got the largest increase during the last session. The lowest increases were at the top. It brought everyone into some parity. The matrix is better than it was before the last session. It provides some parity within the system so that providers are equally under-funded. The newer the program, the better it is funded. Funding will have to be closer to market rates for there to be new services.

REP. COBB said he thought the 1989 Legislature provided 100 percent of the dollar rate for family foster care and group homes. **Mr. Smith** said they were funded at 100 percent of the model rate for the second year of the current biennium, not 100 percent of cost. Rates are still roughly 30 percent below cost.

REP. COBB said he thought the Legislature's intent was to bring them up to actual cost, not 70 percent. **Mr. Smith** said there was some confusion but the model rate structure was never designed to cover 100 percent of actual cost. **Mr. Burnbaum** said the model was

based on the basic level of service at 100 percent of the state's cost in 1987. The model couldn't be based on 1991 costs because no one knew what they would be and no one felt the state could afford it. This was a compromise. This session, providers are trying to move funding from 70 percent of cost to 80 percent of cost.

SEN. WATERMAN said she wants language to protect the Foster-Care budget. **CHAIRMAN BRADLEY** asked DFS to calculate what it would cost to catch up halfway and by one-fourth in these two areas. **SEN. WATERMAN** said she wants to know the difference in cost if the 2 percent increase for hospitals and physicians were reduced by 0.25 percent or 0.50 percent. **CHAIRMAN BRADLEY** said subcommittee members who wish to make motions during wrap-up days should get financial implication figures for the subcommittee.

SEN. NATHE asked if the group of youth being discussed is part of the 20,000-25,000 served statewide. **Mr. Olsen** said yes. **SEN. NATHE** said he wants to know how hard it is to determine the number of youth served and cost per child.

CHAIRMAN BRADLEY asked for a vote on the funding issue.

Mr. Olsen distributed a breakdown of financial impacts from various percentage increases in the Foster-Care budget. **EXHIBIT 14**

Ms. Whitney said DFS anticipates adding an additional $103,000 in county funds based on a 5 percent provider-rate increase for the biennium. The cost would be $50,000 the first year and $53,000 the second year. That may be a reasonable compromise.

SEN. NATHE asked where the $103,000 is coming from, if it is an increased assessment being forced on counties, and how DFS will get the money from state-assumed counties if they don't go up to caps. **Ms. Whitney** said any county below the cap would have to come up with more money to cover additional costs for the provider-rate increase. **SEN. NATHE** asked if counties are involved only if they have a child in placement. **Ms. Whitney** said yes. It is on a case-by-case basis.

CHAIRMAN BRADLEY asked **Ms. Whitney** to state the motion that is needed. **Ms. Whitney** said that if the subcommittee wants to go with funding calculated by the Department, a motion is needed to approve $50,446 in additional county funds the first year of the biennium and $52,968 in the second year. **Mr. Matthies** said the subcommittee accepted the executive base, which includes this money already. **Ms. Whitney** said the difference in county amounts between the executive and LFA budgets is $130,000. If the subcommittee stays with executive expenditures and want the same funding as the executive approved, a motion is not needed. If the subcommittee doesn't believe the cap is realistic and wants to use something less and plug it with General Fund, this is another approach.

CHAIRMAN BRADLEY said the issue will be resolved at the next hearing.

ADJOURNMENT

Adjournment: 11:45 a.m.

Dorothy Bradley
REP. DOROTHY BRADLEY, Chairman

Faith Conroy
FAITH CONROY, Secretary

DB/fc

HOUSE OF REPRESENTATIVES

HUMAN SERVICES SUBCOMMITTEE

ROLL CALL **DATE** 2/19/91

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

Exhibit #1
2/19/91
Human Serv
Subc.

Requested Language

The department shall submit to the 53rd legislature a report detailing the numbers of developmentally disabled clients served by the department in fiscal 1992 and the actual fiscal 1992 general fund and federal fund expenditures for that service.

FS COMMUNITY SERVICES
rogram 02 Benefits

NEFITS P. B-116	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993	NOTES
ster Care	$13,740,112	$11,875,716	$1,864,396	$13,740,112	$11,875,716	$1,864,396	

SUES:

Differences in LFA and Exec. Foster Care - LFA assumes the same mix of services and provides a 6% increase each year for caseload increases.
The Executive Budget assumes a different mix of services, based on efforts to provide a continuum of services.
Therefore, the published budgets showing the Executive higher than LFA are not comparable numbers. Comparable data are shown below.

	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993	
S Foster Care Base	$11,285,802	$11,875,716	($589,914)	$11,285,802	$12,547,927	($1,262,125)	
S to DFS GF Transfer	$2,454,310	$0	$2,454,310	$2,586,360	$0	$2,586,360	In-Patient Psych.
sidential Psych. Mod	$1,771,365	$0	$1,771,365	$1,765,061	$0	$1,765,061	Committee accepted SRS portion of this mod.
tive American Serv. Mod	$992,800	$0	$992,800	$992,800	$0	$992,800	
tal Foster Care Budget	$16,504,277	$11,875,716	$4,628,561	$16,630,023	$12,547,927	$4,082,096	
ster Care Base Funding							
neral Fund	$7,312,077	$7,785,786	($473,709)	$7,257,077	$8,279,189	($1,022,112)	
unty Reimbursements	$1,139,650	$1,008,913	$130,737	$1,139,650	$1,008,913	$130,737	
deral Funds	$2,834,075	$3,081,017	($246,942)	$2,889,075	$3,259,825	($370,750)	
Total	$11,285,802	$11,875,716	($589,914)	$11,285,802	$12,547,927	($1,262,125)	

Provider rate increases

Wage Differential

Parental Contribution

Exhibit #2
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Subc.

Exhibit #3
2/19/91
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Chairman Bradley and members of the Human Services Subcommittee, thank you for the opportunity to present information on behalf of the Montana Residential Child Care Association. Kathy McGowan

This Subcommittee made a major commitment to the residential child care facilities during the 1989 legislative session when it appropriated funds to stabilize our rate structure. We are deeply appreciative. As one provider put it, "We were literally at death's door." Some of our members who are here today will explain what your actions two years ago meant to them. MRCCA wishes to assure you that your investment in them was a wise one.

We come before you in the 1991 legislative session with two issues. We are here to ask you to maintain your commitment and to protect the investment you made in 1989:

•A Cost of Living Allowance of 5% for each of the next two years of the biennium is a necessity if we are to maintain our facilities at current level. Feeding kids, maintaining vehicles, paying our utility bills, responding to another rise in the minimum wage law---all these are major day-to-day concerns for residential child care providers. A 5% COLA equates to approximately $200,000 each year of the biennium.

•We ask that you assist us by remedying the significant wage differential between residential child care workers and similar positions in the state system. For example, first level workers at Mountain View and Pine Hills make, on the average, $1.99 per hour more than their counterparts in non-profit, community based facilities. Our analysis, (Exhibit #4) contained within the salary survey which I am distributing, indicates that eliminating this differential would require $410,000 per year, or $820,000 over the biennium.

The members of the Montana Residential Child Care Association have been following the work of this Subcommittee with great interest and appreciation. You will remember that one of our organization's legislative priorities is to support basic human needs. MRCCA congratulates and thanks you for **your** support of basic human needs during the past several weeks.

As we said the other day, MRCCA is an organization that represents 23 very diverse programs, differing greatly in size, sophistication, and intensity of care, and we are spread across the entire state of Montana. We are group homes, shelter care facilities, therapeutic foster care homes, and residential treatment facilities. The bottom line is that we care for the kids of our state who are in trouble, the kids with emotional and physical scars that are so deep that many of us would prefer to ignore their existence. During this legislative session I have heard them referred to as "the state's kids," or "throw-away kids." If we accomplish nothing else this session, I hope we can change that attitude. These kids are **our** kids, yours and mine.

In order to give you a better understanding of the residential child care facilities and what makes them tick, allow me to take you back for a few moments to the day when you heard from our state's "safety net." I think this trip back will help to explain how this particular provider group, this particular client group, differs in a couple of important ways from the ones who have come before it.

As you will recall, representatives of the food banks, the churches, the United Way, explained how they help to bolster social services at the local level. Judy Wing, representing the Missoula United Way, pointed out what while some programs are funded on a 70% federal and a 30% state match, others find themselves depending upon 70% state funding and 30% community support. The residential child care facilities find themselves in this particular situation. Administrators of those programs find themselves spending an increasingly larger portion of their time selling coupon books, appearing before local service clubs, appealing to the United Way, and organizing fund raisers of every imaginable kind, in order to keep their doors open. Those of you who served on this Subcommittee last session also will remember testimony from one facility that relied heavily on the local food bank in order to keep the children in his care properly fed.

Please let me assure you that we are not in any way suggesting that community involvement in funding child care facilities is not desirable. On the contrary, community involvement, whether it be through financial contributions or volunteer activities, is absolutely critical and welcome. However, those contributions never were intended as a means to provide food for the table, to pay the utility bill, or to pay vehicle repairs.

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Instead, community contributions originally were intended to pay for "extras" such as camping trips, birthday and Christmas gifts, or maybe a new television set for a group home.

A second startling difference you will note between the kids who are cared for by the residential child care providers and the disabled populations who have appeared before you earlier is this: this group of kids has **no one** here advocating for them. Their parents are noticeably absent. Their advocacy group is noticeably absent. Perhaps they truly are our "throw away kids." I sincerely hope not.

Jim Smith (Kathy McGowan) and I have been extremely fortunate to have the opportunity to work with and for the various human service organizations we have represented. But it has been an emotional roller coaster at times. We have made it a point to visit families and providers to learn first hand about the delivery of services. We were uplifted when we visited Family Outreach and saw for ourselves the wonderful array of services available to a family who has a child born with multiple physical and mental handicaps.

On the very same day we could go across town to Intermountain Children's Home, and go away so depressed we could hardly speak. What's the difference? Intermountain is a wonderful place with a staff dedicated beyond belief. The children **look** perfectly normal. They do not have twisted limbs or wheel chairs. But they also do not have parents who want them. The school systems do not want them. Their communities do not want them. The emotional scars I mentioned earlier have accumulated since birth, and they have resulted in behaviors which do not endear them to anyone.

It has been very easy for us to get fired up about working for MRCCA because it is an organization comprised of people who do care about these kids. They continue to sell their coupon books, to hold their bake sales, to do all the things necessary to provide for the kids I have described. It is an organization of people who continue to struggle and to scramble, who reinforce each other and who work creatively together to provide better services for kids.

The Montana Residential Child Care Association commissioned its "Salary Survey and Pay and Personnel Practices Among Member Facilities of the

Montana Residential Child Care Association for a couple of good reasons:

•First, we intended the report as a tool to update this Subcommittee on the status of residential care facilities and employees in Montana.

•The report represents the ongoing professional development MRCCA encourages within its membership. The contents will be "used and useful" to MRCCA agencies as a program and management tool.

•The report has been presented to the Department of Family Services. It will provide valuable data of DFS to utilize in its program planning and evaluation of residential care contractors.

The MRCCA members who provide testimony today can better convey to you how the actions this Subcommittee took in 1989 have so positively affected their existence. They can better explain what your actions here today will mean to them and to our kids for the next two years. What they may not convey to you...something I think you should know and I would like to leave you with...is their conviction to live up to your expectations. They truly did appreciate the trust you placed in them last session. I believe their actions in the past two years have shown that.

Thank you.

Exhibit #4
2/19/91
Human Serv
Subc.

SALARY SURVEY
AND
PAY AND PERSONNEL PRACTICES
AMONG MEMBER FACILITIES
OF
THE MONTANA RESIDENTIAL CHILD CARE ASSOCIATION

by MRCCA, in Consultation with
Lana Cummins
and
Paul Stoll

Power Block - Level 4
Helena, Montana
(406) 442-7808

November, 1990

SALARY SURVEY

AND

PAY AND PERSONNEL PRACTICES

AMONG MEMBER FACILITIES

OF

THE MONTANA RESIDENTIAL CHILD CARE ASSOCIATION

by

Lana Cummins

and

Paula Stoll

November 1990

EXHIBIT 4
DATE 2/19/91
HB Dem. Soc. Dev.

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December 1990

EXECUTIVE SUMMARY

The Montana Residential Child Care Association is pleased to release the following report: **Salary Survey and Pay and Personnel Practices Among Member Facilities.** This report presents a "snapshot" of the pay, benefits, and personnel practices of MRCCA member agencies as of July 1990. It covers the job classifications, wages paid, benefits received, training offered and delivered to direct service staff, and their length of service at the child care facilities.

Funding
This report was funded through a grant to MRCCA by the Montana Board of Crime Control. MBCC funded MRCCA in 1990 to conduct a series of "Train the Trainer" sessions. These training session were designed to deliver quality training to direct service staff in residential care facilities. This wage and salary survey included substantial data regarding the training needs for new and veteran staff. Its results will be useful as MRCCA continues to meet the training and technical assistance requirements of its member agencies.

Distribution
This report represents the ongoing professional development MRCCA encourages within its membership. The contents will be "used and useful" to MRCCA agencies as a program and management tool.

This report will be presented to the Joint Appropriations Subcommittee on Human Services in order to update that committee regarding the status of residential care facilities and employees in Montana. The 51st Legislature provided significant additional funding and structure to Montana's residential care system in the form of a model rate structure geared to the level of care and treatment being provided by residential care facilities.

This report will also be presented to the Department of Family Services (DFS). It will be valuable data for DFS to utilize in its program planning and evaluation of residential care contractors.

Conclusions
One conclusion is that there is little, if any, consistency in the personnel practices of MRCCA member facilities. This is not surprising. This project surveyed 22 different child care facilities and 16 different employers. Five (5) distinct levels of care--from shelter care to therapeutic foster care--are being provided to children by these agencies. A host of factors contribute to this diversity, including different program goals and objectives, different labor markets, differing capacities on the part of the agencies to generate private dollars from charitable and community sources. Where possible, this report draws correlations among and between member agencies.

equivalent of a "house parent" position described in the Administrative Rules of Montana for primary care givers in shelter care facilities and youth group homes. The Child Care Worker II title was intended to reflect a paraprofessional position requiring more child care knowledge and skill in the administration and implementation of formal behavior management plans.

A regression analysis was conducted to determine the factors that most influence wage rates in residential child care facilities. This process revealed that county population was the most significant factor in determining wages. Facility type weighted second. The remaining factors carried less weight.

Benefits

The benefits received by employees are shown in Section Two, Part One, by primary care job class. The survey revealed that most child care workers receive at least one meal per shift, and are provided paid sick leave, vacation time, and an average of six to eight paid holidays per year. Basic health insurance is provided to most workers reported under Child Care Work II and III titles, but only 37.5 percent of the Child Care Worker I positions receive this benefit. Dental insurance, life insurance, and pension plans are not commonly offered, nor are any paid living quarters.

Length of Service

The average length of service for primary care givers is reported on page eighteen, by facility type and job class. Overall, the average length of service among members for non-supervisory child care workers is 1.7 years. As mentioned previously, length of service was not found to be a significant factor in determining wages.

Training

The survey revealed that MRCCA members have ongoing training and orientation programs in place for employees and that members participate in the Train the Trainer programs offered by their state association. However, members felt that adequate staff training was not being provided. Lack of funding, long distances from training sessions, tight work schedules, and lack of backup staff were listed as impediments to training by members.

INTRODUCTION

This report of wages, benefits, and personnel practices was sponsored by and is presented to the Montana Residential Child Care Association. The purpose of the report is to 1) identify the current salary and personnel practices among member organizations, and 2) provide a framework for further dialogue and action regarding solutions to the problems some administrators encounter in recruiting and retaining qualified staff.

Participation

Sixteen members of the Montana Residential Child Care Association participated in this study, representing 22 facilities, which are described in Section 1. A list of the child care facilities included in this study can be found in Appendix A.

Survey Method

The data was obtained primarily from a questionnaire mailed to all MRCCA members. These were supported and expanded upon by follow-up phone calls to facility administrators. Analysis of the data included descriptive statistics to determine the minimum, maximum, and average wages and benefits for each of the major job categories. A regression analysis to determine factors that predict wages was also conducted. Results of these analyses are discussed in the narrative report.

EXHIBIT 4
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SECTION ONE: The Facilities

Member facilities provide residential care and, in some cases, treatment to youth ranging in age from infancy to 18 years who have been deemed "youth in need of services" by a public agency (law enforcement, judicial, or social services). There are 18 members of the Montana Residential Child Care Association. Sixteen of these responded to the questionnaire and are included in this study. Some of the association members represent more than 1 residential care facility; thus the report contains information on 22 individual facilities.

The facilities vary in their size, purpose, and location within the state. The smallest facilities are staffed by five or fewer regularly-scheduled employees. The largest facility employs a staff of 176. These figures include administrative and service personnel, in addition to those who work directly with the youth. Fifteen of the 22 facilities also employ intermittent staff who are assigned no regular schedules but report to work when they are called. Fourteen facilities contract for services of mental health professionals and medical care professionals to supplement the skills of their salaried personnel.

Below is a list of the number and type of facilities reporting:

Youth Group Homes	7
Shelter Care Facilities	7
Therapeutic Group Care	4
Residential Treatment	2
Therapeutic Foster Care	2

"Youth group homes" provide a home-like environment for troubled youth with house parents or child care workers who act in parental roles as the primary service providers. These facilities typically train the youth in basic life skills and offer or provide access to regular counseling for social or personal problems.

"Shelter care facilities" provide short-term emergency care for children and youth who have been removed from their homes by court action. These facilities may provide evaluation and counseling in addition to shelter care.

In **"therapeutic group homes,"** written treatment plans are developed for each child by mental health professionals and are

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[1]A regularly-scheduled employee may work more or less than 40 hours per week. Regularly-scheduled employees differ from auxiliary or intermittent employees in that they have assigned schedules rather than reporting on call.

implemented by the child care staff. Youth receive closer supervision and more intensive counseling.

"Residential treatment facilities" are facilities in which youth are provided psychotherapy in a restrictive, highly-structured environment. In these facilities, services are both provided and supervised by professionally-trained counselors and therapists.

"Therapeutic foster care" facilities serve youth who are placed with foster families. These families then receive support, training, and other services through the program while the youth receive necessary therapy from program staff.

Three facilities are located in a county where the population exceeds 100,000. Six facilities are located in counties with populations between 75,000 and 100,000. Eight are located in counties with populations between 40,000 and 55,000, and five are located in counties with populations of less than 20,000.

Five facilities are located in the capital city where state government and a college may be competitors in recruitment, models in salary, and resources for training. Eighteen facilities are located in "college towns" which may influence the availability of both professional and paraprofessional child care workers and therapists. Some facilities are in rural areas where there are fewer job opportunities and fewer job candidates for job openings than may be seen in more populated areas. The size, purpose, and location of the facilities under study affect their pay and personnel practices. As data is presented in the following pages, correlations with those factors are made when there is an indication that they may be important.

SECTION TWO: Wage and Salary Comparisons

The data reported indicates there is little meaning in the term "average wage" for the job classes under study. The wages are influenced by a number of variables, and these variables do not necessarily have the same weight at each facility site. The following pages illustrate this point.

This section is divided into three parts:

1. Part I describes each major job category individually, reporting on minimum, maximum, and average figures for the full range of pay and benefit issues.[2]

2. Part II describes staffing patterns within the facilities and provides wage comparisons within each job category according to facility type.

3. Part III compares the starting salaries of the primary care givers--Child Care Workers I and II--to those of similar workers who begin employment in other youth service facilities.

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[2]On the illustrative charts, the median is marked with a ^, and parentheses indicate the median range where 50 percent of the jobs would be expected to fall in a normal distribution.

SECTION TWO, PART I: Summary Wages and Benefits by Child Care Worker Classes

Child Care Worker I (Job Description)

The Child Care Worker I (CCW I) title describes care givers whose primary responsibility is the day-to-day care and supervision of resident youth. Child Care Workers I serve as positive adult parental role models, ensuring that residents' basic nutritional, educational, medical, and personal needs are satisfied. These workers are typically titled "house parents" by employing facilities.

Current Hourly Wage		Anticipated Increases COLA	Merit	Longevity
Minimum:	$3.80	0.0%	0.0%	0.0%
Maximum:	7.00	7.0%	3.0%	6.0%
Average:	5.52	3.0%	1.7%	1.15%

Overtime Hourly Wage

Minimum:	$6.00
Maximum:	9.18
Average:	7.24

Type of Benefit	% of This Job Category Receiving Benefit	Amount	
Bonus Pay	14.0%		$ 20 - $ 30
Health Insurance (Employee Only)	37.5%	Facility Pays:	52 - 145
		Employee Pays:	0 - 52
Dental Insurance	0.0%		
Life Insurance ($10,000)	4.2%		
Pension	14.6%		
Meals	83.1		Avg. 1.8 per day
Living Quarters	18.8%		
Sick Leave	64.6%		2 - 12 days
Vacation	89.6%	After 1 Yr:	0 - 15 days
		After 5 Yrs:	4 - 20 days
		After 10 Yrs:	4 - 30 days
Holidays	89.1%		Avg. 8 per year
Other Paid Leave[3]			1 - 4 types

The anticipated increases shown previously apply only to the 68.8 percent of employees in this job category who work under

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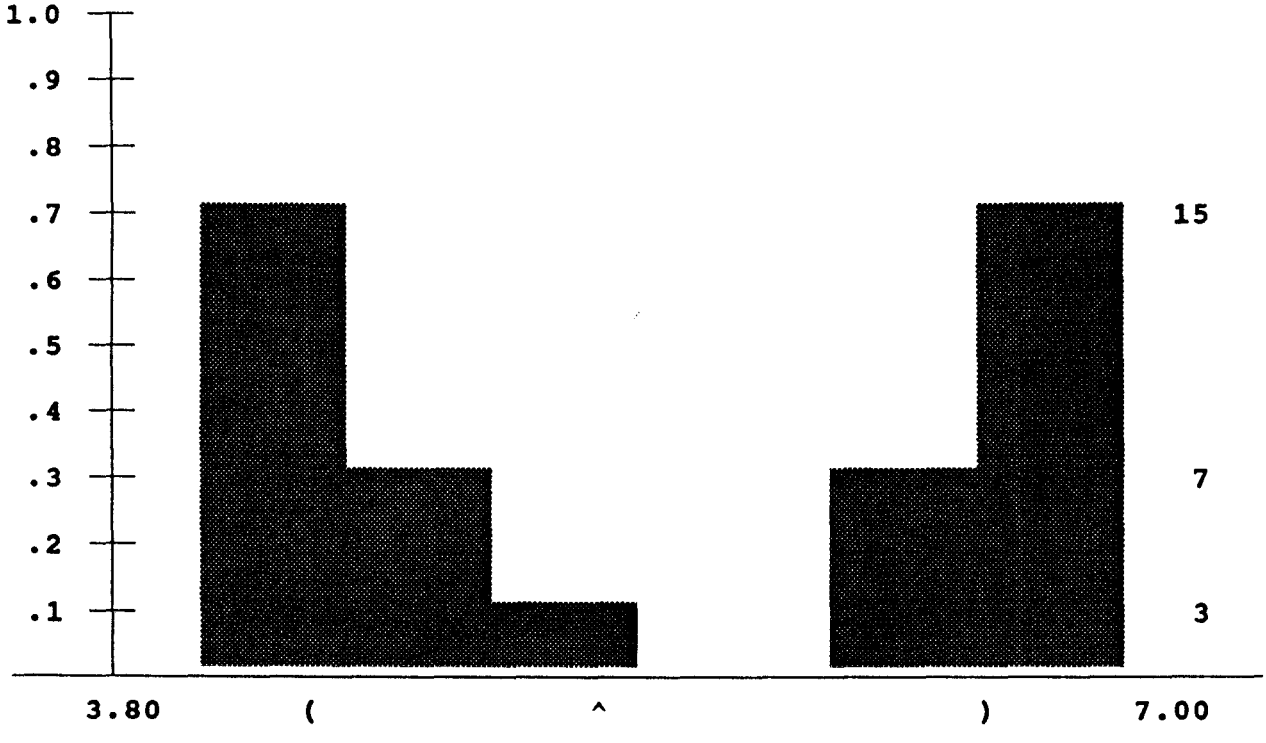
[3]Included are jury duty, military duty, bereavement, training, or other.

formal pay plans. These facilities provide planned cost-of-living adjustments (COLAs), merit raises, or raises based on longevity when funds are available. The remaining 31.2 percent of employees whose hourly wages are reported here work in facilities that have no systematic means of raising pay beyond entry level. In some facilities, employees negotiate pay raises with their employers, and all the factors above may be considered.

As shown below, the average salary is not indicative of the wages most employees in this job class receive. Instead, the salaries are bunched at the lower or higher ends of the range, producing a bimodal distribution:

CHILD CARE WORKER I



Child Care Worker II (Job Description)

The Child Care Worker II title implies a paraprofessional level worker who, in addition to the direct care duties assigned under the lower title, is charged with implementing certain behavioral management steps, techniques, and practices that have been established either through a program model or by a professional counselor. "Teaching parent" is a common title used for these jobs by employing facilities.

Current Hourly Wage		Anticipated Increases COLA	Merit	Longevity
Minimum:	$3.80	0.0%	0.0%	0.0%
Maximum:	7.98	7.0%	3.0%	20.0%
Average:	5.25	3.7%	1.3%	4.2%

Overtime Hourly Wage

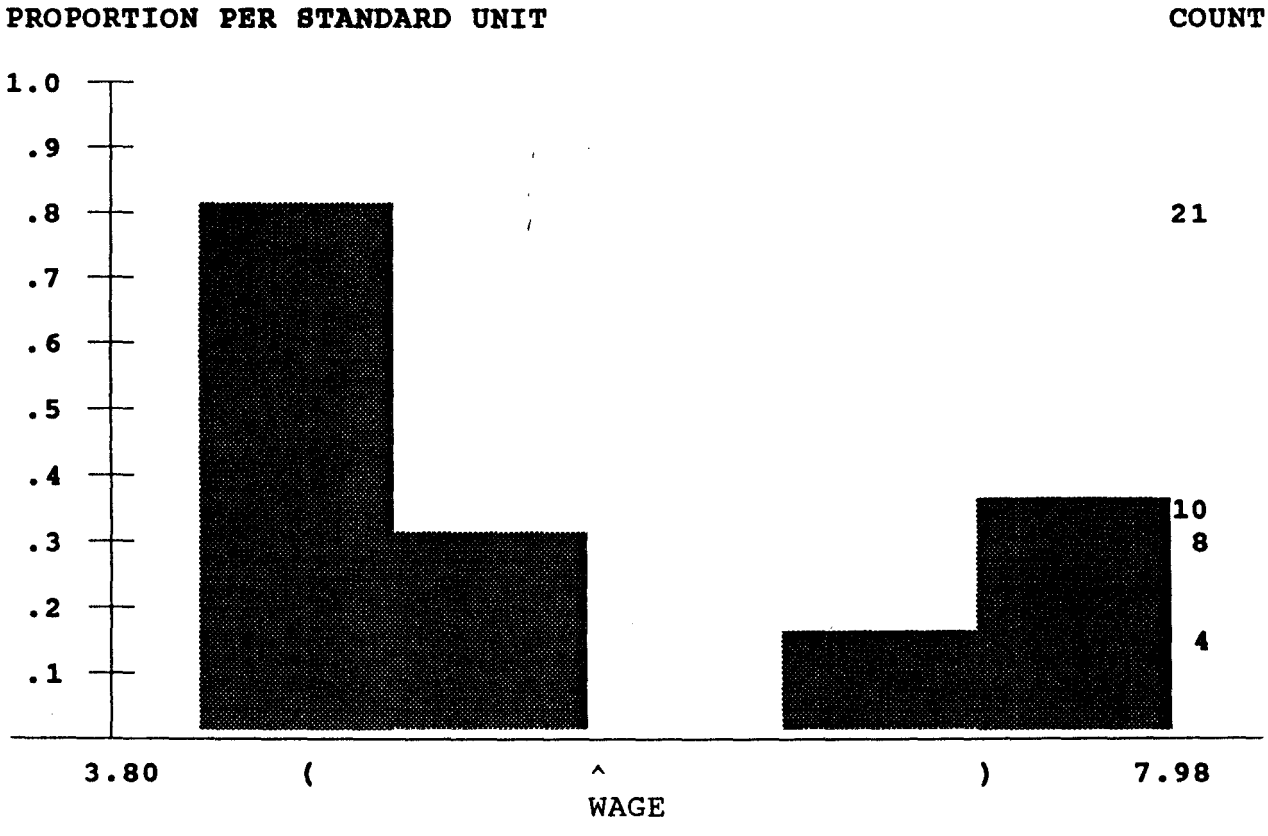
Minimum:	$6.30
Maximum:	11.97
Average:	8.21

Type of Benefit	% of This Job Category Receiving Benefit		Amount
Bonus Pay	30.4%		$ 10 - $ 40
Health Insurance (employees only)	76.6%	Facility Pays:	23 - 135
		Employee Pays:	0 - 91
Life Insurance ($10,000)	25.5%		
Pension	17.0%		
Meals	89.3%		Avgs. 1.4 per day
Living Quarters	2.1%		
Sick Leave	63.8%		2 - 12 days
Vacation	72.3%	After 1 Yr:	2 - 23 days
		After 5 Yrs:	2 - 23 days
		After 10 Yrs:	3 - 27 days
Holidays	91.5%		Avgs. 6 per year
Other Paid Leave			0 - 4 types

Eight-five percent of employees in this job category work under formal pay plans.

Again, the salaries tend to cluster toward the lower and higher ends of the reported range, producing a bimodal distribution.

CHILD CARE WORKER II



Child Care Worker III (Job Description)

The Child Care Worker III title encompasses care givers whose work is professional in nature, typically requiring a Bachelor's degree in a behavioral science. At this level, workers are additionally charged with implementing certain daily therapeutic regimens established by the program model and/or individual treatment plans. These workers are commonly known as "counselors."

Current Hourly Wage		Anticipated Increases COLA	Merit	Longevity
Minimum:	$ 3.80	0.0%	0.0%	0.0%
Maximum:	10.44	5.0%	2.5%	3.0%
Average:	7.33	2.7%	.9%	1.6%

Overtime Hourly Wage:

Minimum:	$ 7.50
Maximum:	15.66
Average:	11.70

Type of Benefit	% of This Job Category Receiving Benefit		Amount
Bonus Pay	1.0%		$20
Health Insurance (employee only)	94.7%	Facility Pays:	$ 62 - 133
		Employee Pays:	0
Dental Insurance	26.3%		
Life Insurance ($10,000)	26.3%		
Meals	-----		Avgs. 2 per day
Living Quarters	5.3%		
Sick Leave	94.7%		2 - 12 days
Vacation	94.7%	After 1 Yr:	3 - 16 days
		After 5 Yrs:	3 - 27 days
		After 10 Yrs:	3 - 36 days
Holidays	100.0%		Avgs. 8 per year
Other Paid Leave			0 - 4 types

Eighty-seven percent of employees in this job category work under formal pay plans.

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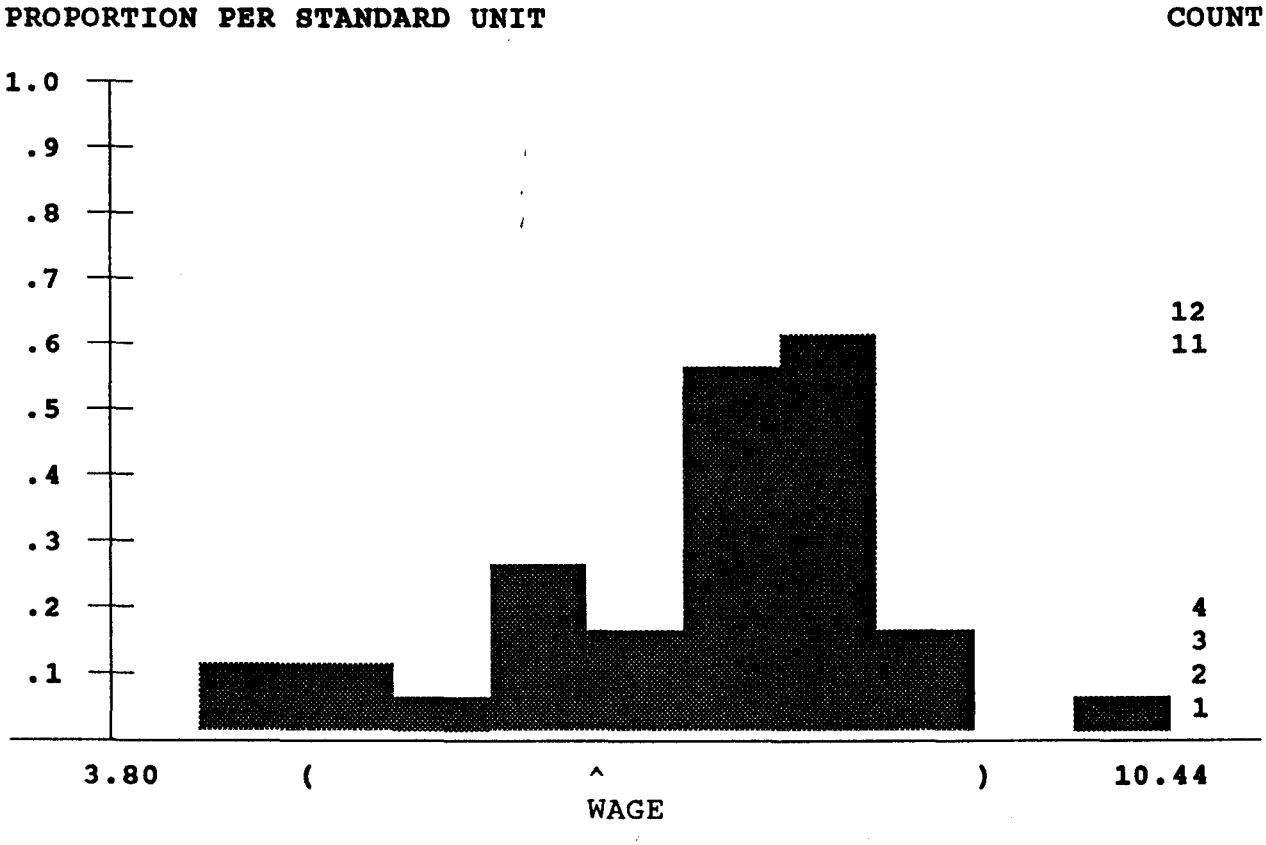
CHILD CARE WORKER III



Lead Child Care Worker (Job Description)

In addition to providing care and supervision to resident youth, workers serve as lead workers over a shift of other child care workers, training new employees, assigning duties, and assuring that work is performed according to established procedures.

Current Hourly Wage		Anticipated Increases COLA	Merit	Longevity
Minimum:	$ 3.93	0.0%	0.0%	0.0%
Maximum:	8.72	7.0%	3.0%	3.0%
Average:	6.65	2.7%	1.8%	1.3%

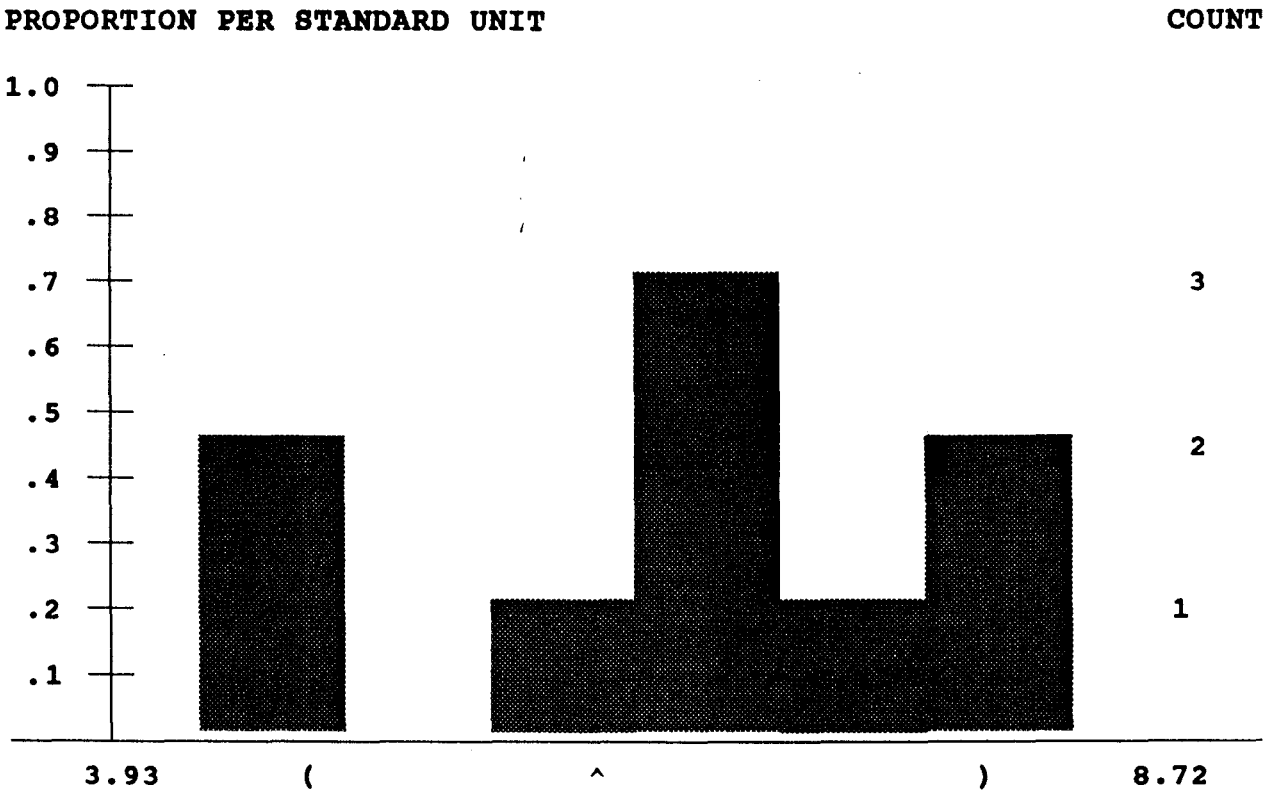
Overtime Hourly Wage

Minimum:	$ 6.88
Maximum:	13.08
Average:	10.38

Type of Benefit	% of This Job Category Receiving Benefit		Amount
Bonus Pay	33.3%		$ 20 - $ 50
Health Insurance (employee only)	78.7%	Facility Pays:	62 - 133
		Employee Pays:	0
Dental Insurance	22.0%		
Life Insurance ($10,000)	22.0%		
Pension	22.0%		
Meals	88.0%		Avgs. 1.5 per day
Living Quarters	None Reported		
Sick Leave	78.0%		5 - 12 days
Vacation	78.0%	After 1 Yr:	13 - 18 days
		After 5 Yrs:	18 - 26 days
		After 10 Yrs:	24 - 36 days
Holidays	100.0		Avgs. 7 per year
Other Paid Leave			0 - 4 types

All of the employees in this job category work under formal pay plans.

LEAD CHILD CARE WORKER



Supervisory Child Care Worker (Job Description)

Workers are assigned supervisory duties over other workers in the facility or within a particular unit. In addition to their child care responsibilities, workers participate in recruitment and selection efforts, train other workers, and evaluate their work performance.

Current Hourly Wages		Anticipated Increases COLA	Merit	Longevity
Minimum:	$ 6.25	0.0%	0.0%	0.0%
Maximum:	11.60	7.0%	3.0%	1.0%
Average:	9.56	3.4%	1.1%	.5%

Type of Benefit	% of This Job Category Receiving Benefit		Amount
Bonus Pay	.1%		$ 80
Health Insurance	100.0%	Facility Pays:	$104 - 133
(employee only)		Employee Pays:	0
Dental Insurance	33.0%		
Life Insurance	33.0%		
Pension	33.0%		
Meals	50.0%	Avgs.	1.3 per day
Living Quarters	None Reported		
Sick Leave	100.0%		5 - 12 days
Vacation	100.0%	After 1 Yr:	10 - 15 days
		After 5 Yrs:	10 - 18 days
		After 10 Yrs:	15 - 20 days
Holidays	100.0%	Avgs.	9 per year
Other Paid Leaves			2 - 4 types

Employees in this category typically receive compensatory time rather than overtime wages. All employees in this job category work under formal pay plans.

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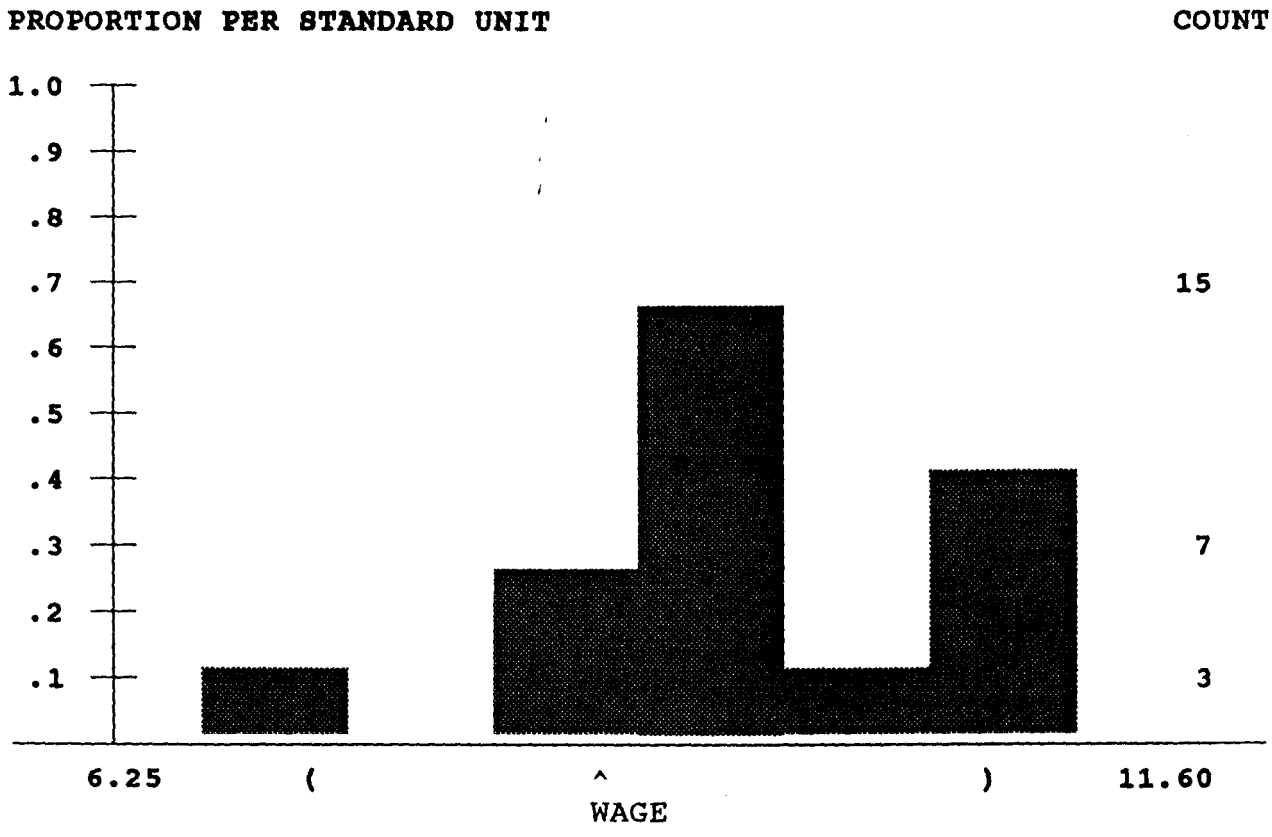
SUPERVISORY CHILD CARE WORKERS



Similar summaries are not provided on other job classes because, even though the titles used to describe the jobs are appropriate for all, the duties performed vary too greatly to make salary and benefit comparisons meaningful.

SECTION TWO, PART II: Summary of Staffing, Wages, and Worker Longevity by Facility Type

Like Part I, the focus of this part is on the primary service providers--the care givers--employed by member facilities. These positions have been reported here by the type of facility in which they are employed, as are most director positions. Data concerning other positions, such as administrative support and treatment and social service personnel, have not been categorized by facility type. The reason for this is two-fold: 1) The duties performed by and skills required of these positions are similar, regardless of the type of employing facility, and 2) categorization of these positions by facility type would, in most cases, limit the number of possible comparisons. (Where two or fewer similar jobs were reported, no comparisons could be offered.)

The following is an overview of certain staffing characteristics, the average hours worked by care givers, and their tenure with the facility by facility type. This will enable the reader to understand where the positions reported on page 18 are employed.

Shelter Care Facilities

On average, the seven shelter care facilities reporting employ eight regularly-scheduled, permanent child care workers as primary service providers. Because some of the shelter care facilities provide evaluation and counseling in addition to shelter care, primary service providers vary significantly in their direct care roles.

Two of the shelter care facilities reported all of their non-supervisory primary care positions under the CCW I title. One facility reported a combination of positions--three at the CCW I level and four at the CCW II level. Other positions reported by shelter care facilities under the CCW I title were used as relief--or substitute care givers--to regularly-scheduled workers reported under the CCW II and III titles. These positions were reported separately on page 5.

Of the 14 primary care positions reported under the CCW I title, 8 were regularly scheduled to work less than 40 hours per week, 3 averaged 40 hours, and 3 normally worked 68 hours per week. These workers had been on the job for an average of 1.7 years.

Fifteen relief positions were also reported under the CCW I title, 14 of which were employed by one facility. Because these workers were not regularly scheduled, average hours were not reported. These workers had been on the job for an average of .7 years.

Three facilities reported most of their non-supervisory positions under the title CCW II, and one facility reported a combination of CCW II and III positions. A total of 27 workers were reported under the CCW II title. Eighteen were regularly scheduled to work 40 hours per week. The remaining 9 worked fewer than 40 hours. These workers averaged 1.4 years on the job and 1.7 years with the facility, presumably having served as relief workers prior to their present jobs.

As mentioned above, one facility used a combination of CCW II and III positions as primary service providers. Two other facilities, both reporting the majority of their positions under the CCW II title, employed positions under the CCW III title as well. A total of nine positions were reported under the CCW III title. Of these 9, 6 were regularly scheduled to work 40 hours per week and 3 worked fewer. Workers averaged 1.3 years in their current jobs and a total of 1.5 years with the facility.

Only one shelter care facility reported employing a masters-level treatment service director. Two others contracted with psychologists or MSWs to perform similar work. In the case of the one paid position, the worker was charged with assessing treatment needs and developing individual treatment plans. Wage information for that position is included with other masters-level counselors reported on page 18.

Three of the shelter care facilities participating in this survey were administered by incorporated youth service agencies. In these facilities, administrative and certain treatment service staff positions were shared between more than one of the community's child care agencies. For this reason, information concerning these facilities' director positions was not considered comparable to directors who were responsible for the administration of a single shelter care facility. Of the four shelter care director positions reporting, employment information for one position was not made available. The remaining 3 worked an average of 49 hours per week and had been with the facility for an average of 10.1 years.

Youth Group Homes

Like shelter care facilities, the skill levels of and care duties performed by workers in youth group homes ranged from the non-professional house parent to the professional counselor role.

Of the eight youth group homes reporting, two were staffed by care givers whose positions were reported under the CCW I title, while two reported positions under both the CCW I and II titles. A total of 12 CCW I positions were reported. Of these 12, 3 were regularly scheduled to work more than 40 hours per week, 2 worked

40 hours per week, and the remaining 6 worked fewer hours. These workers had been on the job an average of 1.2 years.

Two youth group homes used CCW II positions exclusively. Of the 11 jobs reported under this title, 4 were regularly scheduled to work 40 or more hours per week, and the rest worked less. These employees had been on the job for an average of 1.6 years and with the facility for an average of 2.2 years.

One youth group home reported its full-time, permanent service providers under the CCW III title. (Intermittent and part-time positions reported by this facility were reported under the CCW I title.) Due to the small number (two) of positions reported under this title, no averages were computed. The wages paid to these two workers, however, is mentionable in that they were significantly lower than the average wage paid to CCW I positions in similar facilities.

Only one youth group home employed a trained therapist. Wage data for that position is included with other masters-level counselors reported on page 18.

Of the eight youth group homes reporting, three were administered by incorporated youth service agencies. Those director wages were not used for comparisons for reasons discussed previously. Four out of the five group homes employing directors for their facility provided wage data. These 5 directors averaged 35 hours per week and had been with the facilities for 7.2 years. They averaged 6.4 years in their present jobs.

Therapeutic Group Care

The three therapeutic group homes reporting employed an average of nine permanent, regularly-scheduled child care staff. One of these facilities used its social work staff to oversee the client's program. Daily supervision, however, was provided by workers whose jobs were reported under the CCW II title. The remaining two facilities used professional child care positions, or CCW IIIs, as primary service providers with paraprofessional CCW II positions employed as relief or training positions.

A total of nine CCW II positions were reported. Only 2 of the workers were regularly scheduled to work 40 hours per week. The rest worked less than 40. Workers had been with the facilities an average of .4 years.

Twelve positions were reported under the CCW III title. Each of these was regularly scheduled to work 40 hours per week. Workers had been in their jobs for 1.3 years on average and with the facility for 1.8 years.

Two of these facilities employed masters-level therapists. Wage data for these positions is included with similar positions on page 18.

Therapeutic Foster Care

Two therapeutic foster care facilities responded to this survey. Because these facilities coordinate and provide oversight to children, the foster parents are the primary care providers. Trained treatment staff oversee the foster care arrangement. These treatment positions constitute the majority of masters-level counselor positions reported on page 18.

Residential Treatment Facilities

Two facilities provide "residential treatment". These facilities employ professional counselors as their primary care givers, using less skilled workers for relief or aides to the primary service providers. Also employed are several clinical, administrative, educational, and auxiliary service personnel. Due to a staff shortage experienced in the personnel office of one of these facilities, only the wages and length of service of its direct care staff could be reported. Consequently, comparisons for all other positions employed by residential treatment facilities could not be made. Data concerning the therapists employed by the other residential care facility, however, is included with all masters-level counselors shown on page 18. The 114 primary service providers (CCW IIIs) reported by these two facilities averaged 2.0 years in their jobs.

Incorporated Youth Service Agencies

Three Montana communities have consolidated youth service agencies which serve more than one child care facility within the community. Administration and certain treatment service staff positions are shared between the child care facilities. The corporation directors all work 40 hours per week, and they have served as directors for an average of 8.7 years. The shared administrative positions employed by these umbrella agencies are reported on page 18.

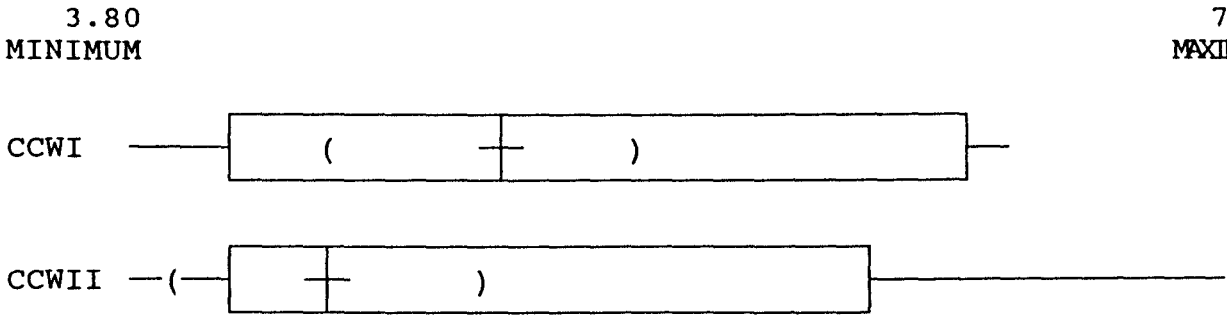
Average Wages and Length of Service by Job and Facility Type

	- Hourly Wages - Low	High	Avg	Jobs Reported	Years in Job
Shelter Care Facilities:					
Child Care Worker I (Primary Service)	4.25	7.00	4.86	14	1.7
Child Care Worker I (Relief Staff)	5.15	8.30	6.79	15	.7
Child Care Worker II	3.80	7.98	5.44	27	1.4
Child Care Worker III	5.00	8.72	7.27	9	1.3
Lead Child Care Worker	3.93	5.64	4.67	3	5.9
Supervisory Child Care Worker	6.42	9.16	8.33	4	2.2
Director	8.01	9.40	8.65	3	10.1
Youth Group Homes:					
Child Care Worker I	3.80	6.00	4.27	12	1.2
Child Care Worker II	3.80	6.52	4.82	11	2.2
Child Care Worker III	----	----	----	2	---
Lead Child Care Worker	----	----	----	2	---
Supervisory Child Care Worker	4.80	6.96	6.24	4	1.2
Director	4.80	11.00	7.74	4	6.4
Therapeutic Group Care:					
Child Care Worker I	----	----	----	0	---
Child Care Worker II	4.20	7.15	5.13	9	.4
Child Care Worker III	5.77	7.50	6.68	12	1.8
Lead Child Care Worker	6.24	8.72	7.59	5	1.7
Supervisory Child Care Worker	----	----	----	2	---
Director	----	----	----	1	---
Residential Treatment:					
Child Care Worker III	6.29	10.64	6.83	114	2.0
Incorporated Youth Service Agencies:					
Director	11.34	15.63	13.18	3	8.7
Other Administrative, Treatment, and Social Service Personnel - All Agencies:					
Social Worker (Case Mgr)	4.61	14.66	8.82	6	---
Administrative Support (Secretarial, Bookkeeping)	3.80	7.34	5.80	13	---
Masters-Level Counselors	4.53	17.18	10.66	15	---

SECTION TWO, PART III: Wage Comparisons with Other Residential Child Care Facilities

The chart below illustrates the overlap in wages paid to Child Care Workers I and II. Comparisons to other facilities are difficult to make because the jobs are not easily matched. In fact, there is some evidence that within the surveyed facilities, matching the descriptions provided for child care workers was difficult and not always consistent. This is probably of little concern, however, since the wages paid to the two classes are, for the most part, overlapping, as is indicated in the box diagrams below.

CHILD CARE WORKER I AND II WAGE OVERLAP



These box plots demonstrate the range of wages paid to Child Care Workers I and II. Again, the parentheses mark the middle of the range where most of the reported wages lie.

The best matches for the Child Care Workers I and II are Cottage Life Attendants I and II in Montana's juvenile corrections facilities--Pine Hills School and Mountain View School:

Cottage Life Attendant I:

Minimum:	$6.55
Maximum:	9.16
Average:	7.51

Cottage Life Attendant II:

Minimum:	$6.99
Maximum:	9.84
Average:	7.92

Other comparisons included care givers who provide paraprofessional treatment and direct care to residents of group homes for the developmentally disabled. The following data was reported in a salary and benefits survey conducted in August, 1988:

Habilitation Srvs. Tech I:

Minimum:	$4.69
Maximum:	6.51
Mid:	5.55

Habilitation Srvs. Tech II:

Minimum:	$ 5.61
Maximum:	8.51
Mid:	6.89

These jobs probably require similar education and experience at hire, and the DD group home employers may be in competition with youth group home administrators for workers. Although there may be many other factors to be considered in whether one job is more attractive than another outside of wages, the entry wages for the two jobs could reasonably be expected to be comparable.

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SECTION THREE: Personnel and Pay Practices

Pay Administration

Twelve of the reporting organizations have formal pay plans that include prescribed methods of moving employees' wages beyond entry level:

a. Cost-of-living adjustments (COLAs) are across-the-board raises that affect all or most employees regardless of how long they've been employed by the facility or how exceptional their performance may be. COLAs may be offered for a variety of reasons, such as mitigation of recruitment and retention problems that result from non-competitive salaries or the devaluing of established salaries that results from inflation in the economy.

   Of the surveyed facilities that have formal pay plans, 44 percent indicate that they provide COLA increases when they can afford to do so. Some of them reported that their salaries "track" those offered by a major public employer (either state or county) within the locale, and that they offer whatever raises these agencies provide to their employees. While no employees covered by this report are organized for collective bargaining, those whose salaries track state or county employers receive the same increases as their union member counterparts in public agencies, and collective bargaining is a factor in their wages.

   For all organizations that include this pay practice in their formal pay plans, the percent of COLA increases scheduled for the current fiscal year are:

   Minimum: 0.0%
   Maximum: 7.0%
   Average: 3.3%

b. Merit raises are provided to employees whose performance meets or exceeds prescribed standards. Eight facilities provide merit increases. Most reported that they provide this means of wage increase, indicating that these raises were given annually when prompted by a formal performance evaluation. In many cases, the evaluation occurs at an employee's anniversary, and for this reason, it is not always easy to distinguish these from length of service increases.

For all facilities that include this pay practice in their formal pay plans, the percent of merit increases scheduled for the current fiscal year are:

Minimum: 0.0%
Maximum: 3.0%
Average: .04%

c. Longevity raises reward employees for length of service. These are normally offered at certain anniversaries, such as six months, one year, or five years. Twelve facilities offer longevity raises, but these are often irregularly given and are relatively less than is provided by other raises. No information was obtained regarding scheduled longevity increases.

Other Extra Pay

Half the facilities give employee bonuses at Christmas or for outstanding performance on a single incident basis as budgets allow. The amount of bonus pay ranged from $20 to $500.

Of the 18 reporting organizations, 12 provide overtime pay at the rate of 1 1/2 times the regular rate for employees in some job classes. Two do not allow employees to work in excess of 40 hours per week. Five provide compensatory time at the rate of an hour's leave for an hour's overtime to employees in professional and administrative jobs.

Three organizations pay a shift differential. These amount to around 15 to 25 cents per hour for evening shifts, and 30 cents per hour for weekends.

Holidays

Only nine of the organizations offer extra pay or time off for working on holidays. Of those that provide this benefit, 4 pay at 1 1/2 times the regular rate, 3 pay twice the regular rate, and 2 pay 1 1/2 times the regular rate plus another day off.

Insurance Benefits

Fourteen of the reporting organizations provide health insurance benefits for their employees. The amount paid by these facilities towards "employee only" coverage ranges from a low of $62.00 per month to a high of $144.60. Only one facility reported payment of additional premium to cover the employee's dependents. In all other cases, the employee was responsible for the payment of added premiums for family coverage.

The health plans ranged from those with $100 deductible before benefits begin to those with $1,000 deductible. All plans paid either 80 or 90 percent of allowable charges, with employees picking up the remaining 20 or 10 percent.

Two organizations provide dental benefits. In both cases, the dental benefits were included in the health insurance plan.

Four facilities provide $10,000 life insurance coverage for employees. One provides life insurance equal to three times the employee's annual salary.

Two facilities provide long-term disability coverage.

Four facilities provide employee pension plans and contribute from five to six percent of the employee's salary, while the employee contributes from zero to six percent.

The chart below illustrates insurance benefits reported by these facilities:

Facility Number	Ins.	EE Only Fac. Pays	Fam Fac Pays	Ded/ Co-Pay	Dental	Life	Pension
1	Y	$103.68	$103.68	1000/20	N	N	N
2	Y	62.00	62.00	150/10	N	N	N
3	N	NA	NA	NA	N	N	N
4	Y	135.00	135.00	500/20	N	N	N
5	N	NA	NA	NA	N	N	N
6	Y	114.00	114.00	300/20	N	N	N
7	Y	136.00	136.00	100/	N	10G	N
8	N	NA	NA	NA	N	N	N
9	Y	100.00	100.00	UNK	N	N	N
10	Y	133.31	133.31	150/20	Y	10G	6%
11	Y	125.00	125.00	250/	N	N	N
12	Y	300.00	300.00	250/20	Y	10G	5%
13	Y	116.86	116.86	100/20	N	N	6%
14	Y	84.94	84.94	1000/	N	10G	N
15	Y	144.60	397.60	300/20	N	3 XSALARY	5%
16	N	NA	NA	NA	N	N	N

Paid Sick Leave

Five organizations allow employees the equivalent of one day a month, or 12 days a year, sick leave. Four facilities allow 10 days per year, and 3 grant only 5. Six facilities provide no sick leave benefits. Some facilities incrementally increase the amount of sick leave an employee earns so that after a period of service the employee earns more than 12 days per year.

Most facilities that do provide sick leave also allow employees to accumulate unused benefits. One facility allows employees to accumulate an unlimited amount of sick leave, while others allow a range of 2 to 18 weeks.

Paid Vacation Leave

The chart below illustrates the days vacation or personal leave granted employees by reporting facilities. To standardize the information, it is reported as days leave earned at the end of one year, five years, and ten years. Several of the organizations use different length of service data for increases to the amount of leave they grant, but this chart allows comparisons based on the same calendar schedule:

Facility Number	1 Yr.	5 Yr.	10 Yr.
1	10	12	16
2	16	26	36
3	7	14	14
4	0	0	0
5	0	5	30
6	10	10	15
7	15	15	15
8	0	0	0
9	14	14	14
10	15	15	18
11	12	12	12
12	12	17	21
13	10	18	20
14	5	5	5
15	6	18	18
16	5	5	5

Paid Holidays

Because of the nature of the facilities, some staff must work holidays. Not all facilities recognize the same holidays, however, and, as was shown above, not all grant extra pay. Most of the reporting facilities provide some special arrangements, however, such as ability to rotate holidays with other staff or to take alternative days off.

The average number of holidays recognized by the reporting facilities was 4.8 per year. The minimum was 0, the number granted by 2 facilities, and the maximum of 11, also granted by 2.

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Other Leaves

Six facilities allow employees to take paid leave for jury duty, and 14 allow paid leave for employees to attend training. Ten organizations grant bereavement leave, but this is usually considered a sick or personal leave day.

Other Benefits

Most facilities provide at least one meal per day for staff, and four provide housing for at least some of their staff.

SECTION FOUR: Finding Qualified Employees

All facilities reported that they use newspaper advertising to recruit applicants. Thirteen also use Job Service and post vacancy announcements through college placement offices or school bulletins. One reported advertising vacancies through word of mouth.

Most facilities advertise locally and regionally. Only six advertise statewide, and just two advertise nationally. These efforts appear to be highly successful for some facilities but less so for others. Ten facilities reported difficulty finding qualified applicants for at least some of the jobs they advertise, particularly the lower-paying child care worker positions. Some reported as few as 2 applicants per advertised position, while one reported as many as 50.

SECTION FIVE: Orientation and Training

Formal Orientation Programs

All 20 of those facilities responding to the survey questionnaire's training section provided formal orientation programs for new child care workers. All but one employed a written manual that covered those training policies and practices.

The responsibility for training new child care workers typically rests with more than one staff member. In 86 percent of the facilities responding, the administrators played at least an initial role in orientation. More experienced co-workers were used by 67 percent of the facilities surveyed, and 52 percent reported using shift supervisors as well. Staff trainers were only employed by three facilities--both residential treatment facilities and one therapeutic foster care agency.

On average, primary care workers receive 14 days of pre-service training before they assume full child care responsibilities. This average, however, includes two facilities' 90-day orientation programs (one residential treatment and one shelter care facility). The majority of those reporting, in fact, staffed their direct care workers within the first week of employment.

The orientation and pre-service training offered by these facilities uniformly includes an introduction to the facility's program philosophy and its operating rules. The degree of training new child care workers in particular topics common to basic child care, however, varies between reporting facilities. The following are summaries of training topics covered by reporting facilities at the time the child care worker is hired. The summaries are organized into two parts--safety and emergency response and behavior management and intervention.

These acronyms are used for facility types:

SCF - Shelter Care Facility
YGH - Youth Group Home
TGC - Therapeutic Group Care
TFC - Therapeutic Foster Care
RTF - Residential Treatment Facility

Basic Safety & Emergency Response Training
Provided at Hire

Training Topic:	SCF	YGH	TGC	TFC	RTF
First Aide	1	2	0	0	2
CPR	1	1	0	0	2
Fire Safety	5	4	1	0	2
Earthquake Safety	1	1	0	0	1
Water Safety	0	2	0	0	1
Number Facilities Reporting	7	6	3	2	2

Behavior Management & Intervention Training
Provided at Hire

Training Topic:	SCF	YGH	TGC	TFC	RTF
Restraint Techniques	0	0	1	0	2
Suicide Prevention	0	2	0	1	1
Substance Abuse Recognition	0	1	0	1	0
Behavior Management	0	2	2	1	1
Number Facilities Reporting	7	6	3	2	2

As evidenced by the previous charts, a large percentage of child care facilities do not or cannot offer the range of direct-care training considered fundamental by others. While these topics are not provided at hire, however, several facilities do provide the same staff training on a "periodic basis." The following summaries, organized like those above, provide the number of facilities offering the same training but less frequently than at hire:

Basic Safety & Emergency Response Training
Provided Periodically

Training Topic:	SCF	YGH	TGC	TFC	RTF
First Aide	5	3	3	2	*
CPR	4	4	3	2	*
Fire Safety	2	2	2	0	*
Earthquake Safety	2	4	1	1	0
Water Safety	4	3	1	1	1
Number Facilities Reporting	7	6	3	2	1

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Behavior Management & Intervention Training
Provided Periodically

Training Topic:	SCF	YGH	TGC	TFC	RTF
Restraint Techniques	3	3	1	2	*
Suicide Prevention	3	4	3	1	0
Substance Abuse Recognition	6	5	3	1	0
Behavior Management	5	4	1	1	0
Number Facilities Reporting	7	6	3	2	2

*Both residential treatment facilities reported these in their orientation programs.

Training Goals

In addition to the information sought above, member facilities were asked about their goals in the provision of training. Four prepared statements were provided on this part of the survey.

All facilities listed "improving worker effectiveness" as a goal in providing training opportunities. Second to this was "improving staff morale and cohesiveness." Seventy-five percent used training to overcome deficiencies in specific skills, abilities, or areas of knowledge, and 30 percent stated that training was provided "as a means for qualifying workers for higher jobs."

Adequacy of Training

When asked whether their workers had received an adequate amount of training, 60 percent responded "no." The greatest dissatisfaction came from the shelter care facilities and youth group homes reporting. Lack of funding, work schedules that did not accommodate leaves for training, and lack of qualified in-house trainers, in that order, were listed as limits they saw to the provision of needed training. Five of the facilities reporting indicated that applicable training courses were not conveniently located, and only one facility reported a lack of interest in training on the part of the workers as a problem in providing training.

"Train the Trainer" Attendance

The Montana Residential Child Care Association offers six training sessions which are held periodically in different locations throughout the state. These sessions are provided for

the facility staff members responsible for training child care workers.

The six MRCCA sessions currently provided are:

"AIDS Policies for Residential Child Care Facilities"
"Short-term Counseling Strategies"
"Dealing with the Addictive Personality"
"Counseling Victims of Sex Abuse"
"Childhood Development"
"Crisis Intervention"

Member facilities were asked to indicate which, if any of these sessions, had been attended by a representative of their facility.

"AIDS Policies for Residential Child Care Facilities" was attended by the most facility representatives (12 of 20 responding). The remaining five sessions had each been attended by 40 percent, or 8, of the members responding. In most cases, these were represented by the same facilities. The highest attendance ratio came from youth group homes.

APPENDIX A

Participating Montana Residential Child Care Association Members

-Bear Paw District Youth Guidance Home-
Havre, Montana

-Bozeman Shelter Care-
Bozeman, Montana

-Discovery House-
Anaconda, Montana

-Extended Family Services-
Missoula, Montana

-Flathead District Youth Guidance Home-
Kalispell, Montana

-Florence Crittenton Home-
Helena, Montana

-Gallatin-Park District Youth Guidance Home-
Bozeman, Montana

-Great Falls Receiving Home-
Great Falls, Montana

-Helena Youth Resources -
Helena, Montana

-Intermountain Children's Home-
Helena, Montana

-Lake County District Youth Guidance Home-
Ronan, Montana

-Missoula Youth Group Homes-
Missoula, Montana

-Northern Montana Youth Ranch-
Whitewater, Montana

-Yellowstone Treatment Centers-
Billings, Montana

-Youth Dynamics-
Billings, Montana

-Youth Services, Inc.-
Billings, Montana

Exhibit #5
2/19/91
Human Serv
Subc.

WHO NEEDS THE INTERMOUNTAIN CHILDREN'S HOME?

Children recently in treatment at Intermountain Children's Home, Helena, Montana.

7 yr. old boy - Sexually assaulted and sodomized by stepfathers, violent physical abuse. Hung by feet from ceiling by father. Into violent, aggressive play and has a friendly monster who protects him by "clawing people up". Reports many secrets he'll never tell.

8 yr. old girl - Incredibly severe neglect. Physically and sexually abused as well. Physically uncoordinated and very limited attention span. Psychiatric diagnosis: Major depression.

8 yr. old boy - "Throw-away-kid", numerous placements in foster homes by mother. Mother reports feeling like killing him shortly after birth. Hits, bites, threatens with knives, self-abusive and suicidal. Developmental speech problems and suffers visual and auditory hallucinations. Repeated themes of violence, rejection and abandonment.

6 yr. old boy - Sexually abused by father and grandfather. Physically beaten by older siblings a lot. Spent first 3 yrs. in playpen while family took turns abusing him. Self-destructive, screaming nightmares, aggressive, abusive to animals (choked a lamb to death, no remorse).

8 yr. old girl - Emotionally & physically abused by mother. Parents were drug users, possibly given drugs and alcohol at young age. Sexually abused by father. Removed from family at age 4 yr., 2 mo. Night terrors, sexually acts out, limited attention span.

9 yr. old girl - Hospitalized at 3 mo. "Rumination - infant response to emotional deprivation". Pervasive neglect, sexually abused by father and forced into sexual acts with siblings. Sent to school in urine soaked clothing. Aggressive, lies, hoarding and gorging food, acting out sexually.

10 yr. old boy - Severe neglect, sent to school in urine soaked, excrement caked clothing. Hit by car while locked out of house by mother. Sexually abused by mother. Aggressive, acting out sexually, urinates all over house.

8 yr. old girl - Alcoholic parents, emotionally deprived, physically abused. Numerous failed foster placements. Aggressive, sadistic to peers, sneaky, lies, lack of conscience, lack of trust in any adult.

10 yr. old boy - Parents divorced after rocky, fight filled marriage with him in middle a lot. Physically abused. Sexually abused by male, teenage babysitter. Explosive temper, danger to other children. Aggressive, manipulative, sexually acts out with boys and girls. Hears voices.

file:DFS.WK1
02/14/91

COMPARISON OF TREATMENT COSTS TO REIMBURSEMENT FROM DEPARTMENT OF FAMILY SERVICES

	DFS Daily Contract Rate			DFS Contract Revenue		DFS Children Served		Treatment Costs				
FYE	Treatment	% Increase	Foster Care	Treatment	Foster Care	Treatment	Foster Care	Approximate Treatment Cost Per Day	Treatment Cost % Increase	Approximate Non Reimbursed Cost Of DFS Children Treated *	DFS Treatment Rate as a % Of Approximate Treatment Cost Per Day	DFS Reimbursement In Excess Of 88 / 89 Rate
6/88	71.50		30.18	592,766	12,765	22.7	1.2	127		457,242	56.30%	
6/89	71.50	0.00%	30.18	559,774	25,351	21.4	2.3	133	4.72%(a)	481,484	53.76%	
6/90	99.48	39.13%	39.44	810,861	32,380	22.3	2.2	142	6.77%(b)	346,580	70.06%	228,065
6/91	117.04	17.65%	46.40	891,457	41,385	20.9	2.4	160	12.68%(c)	327,213	73.15%	346,864

* The non-reimbursed treatment costs are funded through general donations and/or investment income.

No comparison of Foster Care costs and Foster Care reimbursement is made due to non-avilability of data.

(a)This increase is attributalbe to the personal services cost of living adjustment, step increases on the pay matrix and inflation associated with operating expenses.

(b)This increase is attributable to (a) and: adjusting directors salary's to reflect conversion from 37.5 to 40 hr weeks, extensive use of consulting psychologist and psychiatrist and head hunter during search for Director of Clinical Services, and the addition of a food service coordinator position.

(c)This increase is attributable to (b) and: a full time Director of clinical Services, a staff position for Quality Assurance, and a relief counselor position.

Human Services Budget 2/14/91

Yellowstone County Youth Services Center

Secure Detention • Crisis Shelter Care
YSC Horizon Home

Secure Detention • Crisis Shelter Care
P.O. Box 30856 • Billings, MT 59107
(406) 256-6825

YSC Horizon Home
P.O. Box 35500 • Billings, MT 59107
(406) 256-6845

Exhibit #1
2/19/91
Human Serv.
Subc.

February 19, 1991

Members of the Human Services Subcommittee:

I encourage you to support increased funding for the Department of Family Services so that it may more effectively address the needs of the youth and families in Montana.

The population of youth requiring out-of-home care or mental health intervention is not decreasing. The continuum of care, although a long-standing goal, is not in place and many youth are underserved or unserved.

The cost of providing residential care to children and youth is increasing as the cost of living increases. Inflation affects youth care facilities and rates should reflect some increase annually to address inflation and allow facilities to maintain the current level of service.

Service providers are willing to work cooperatively with the Department of Family Services as the mission of everyone is the welfare of youth and families. The Public/Private Advisory Committee being organized by the DFS Director shows that an effort is being made to seek solutions by utilizing a wide range of expertise.

The HB100 study details goals for the Department of Family Services which would allow it to effectively meet the service needs in Montana. This year the initial steps should be taken to meet these goals and additional financing is required.

Respectfully submitted,

Jo Acton

Jo Acton
Executive Director

Exhibit #8
2/19/91
Human Services
Subc.

Youth Dynamics INC.

February 19, 1991

Members of the Human Services Subcommittee:

First of all, I take this opportunity to thank you for supporting the development of the "model rate structure" for residential services and funding the model rates to 100% by 1991. This action was extremely beneficial. We come to you now requesting that all RESIDENTIAL CARE PROGRAMS RECEIVE A 5% COLA PER YEAR FOR THE COMING BIENNIUM. This is essential in order to maintain the stability and improvements initiated in 1990 and 1991, as well as balance the affects of inflation. (see attached letter)

We also encourage you to support increased funding for the Department of Family Services in many different areas. 1) DFS needs additional staff to carry out its mission and mandated functions. 2) Adequate funding for the development of a Management Information System. 3) Purchase of basic equipment to function as a professional agency. 4) Support of control and managment of the General Fund monies required for the Youth Pyschiatric component of the Medicaid program. 5) Authorize and fund continued development of community based, alternative programs, including therapeutic foster care, family based services, early intervention and prevention. The HB100 report will be a useful planning document to implement these services statewide.

GOOD THINGS ARE HAPPENING. HB100 prioritized community based services for families and youth in need, one being the development of therapeutic foster care statewide. In 1990 two therapeutic foster care programs existed, one in southcentral Montana and one in eastern Montana. Since then two more programs have been established, one in western Montana and one in northern Montana. Two more are now being implemented in southwestern Montana. Of these 4 new programs we are pleased so report that Youth Dynamics has and is formally developing 2 of those programs and has informally consulted and assisted with 2 of the programs. Youth need the opportunity to receive care and treatment in their communities in family settings where at all possible.

A postive partnership between the state of Montana, local communities and private providers is vital. Thank you for your vote of confidence and continued support.

Respectfully submitted,

Jani Lambrou,
Executive Director

JL/jl

January 25, 1991

MRCCA
Jim Smith
Kathy McGowan
324 Fuller
Helena, MT 59601

Dear Jim and Kathy:

Following is a list of agency components that have been positively effected by the rate increase that occurred with the last legislative session.

1. Increase of salaries by 10%.

2. Increase of Treatment Parent stipends from $ 650.00 per month to $ 700.00 per month (7.7%).

3. Increase of Respite Payments to Treatment Parents from $ 21.37 per day to $ 23.01 (7.7%).

4. Improvement of the summer recreation program for youth.

5. Addition of a Clinical Consultant.

6. Additional Treatment Parent inservice training.

7. Increased staff inservice training - all levels.

Thanks again for your continued guidance and support. I look forward to seeing you in February.

Sincerely,

Jani Lambrou
Executive Director

JL/mm

P.S. To reconfirm our phone conversation, Jim Bryngelson has been identified as our representative for the "AIDS Training" in Great Falls in April.

Exhibit #
2/19/91
Human Serv
Subc

DFS FOSTER CARE

PROGRAM DESCRIPTION:

Foster care (or substitute care) is the full time care of a youth in a residential setting for the purpose of providing food, shelter, security and safety, guidance and direction and, if necessary, treatment to youth who are removed from or are without the care and supervision of their parents or guardians.

Placement outside of the home is considered when a child's life or health is seriously threatened in the home or when an out-of-home placement is part of a specific treatment plan. Because of the magnitude of the decision to remove a child from their home, DFS social workers make this decision in conjunction with their supervisor and other professionals involved with the child. When the decision to place has been made, the department must obtain a court order to remove the child from the home and to place in substitute care.

The goals of the DFS foster care program are to:

- To protect and care for children who are removed from, or without the care and supervision of, their parents or guardians.
- To reunite children with their family as soon as possible; or, if this is not possible, to make another permanent plan for the child as soon as possible, to assure permanent, life-long ties to a family.
- To meet the child's needs in the most appropriate, least restrictive setting possible.
- To involve the child's natural parents in all aspects of planning for their child's out-of-home care.
- To involve the child, consistent with their age and maturity, in the placement process.

SERVICES PROVIDED:

1. Types of foster care provided by DFS include family foster care, therapeutic foster care, group home care, shelter care (30 days or less) and residential treatment (Intermountain Children's Home).

2. Once an out-of-home placement has been made, the placing worker then:

   - designs, implements and monitors a case plan and a treatment plan, a written agreement that outlines the action that must be taken to resolve the conduct or condition of the parent that resulted in the child's removal;
   - coordinates and assures the provision of services for the child (medical, psychological, dental and social);
   - completes the necessary legal and payment documents; and
   - prepares the Report to the Court, attends court hearings and testifies as appropriate.

BUDGET AND FUNDING:

Funding for foster care is a mixture of federal funds, state special revenue funds (county contribution) and general funds which is determined by the eligibility of the client and the county of residence of the client.

The federal funds are received from two sources:

(1) the Title IV-E program of the Social Security Act participates in costs for AFDC eligible clients at the medicaid rate; the Title IV-E program will pay for maintenance (room, board) costs only, so treatment costs for AFDC clients are 100 percent non-IV-E funds; and

(2) the Title IV-B program of the Social Security Act provides $271,396 per year.

Depending on the eligibility of the child and the status of the county (assumed or non-assumed), counties participate in the non-federal share of foster care at 50 percent. This county contribution is capped at the 1987 expenditure level for non-assumed counties.

The balance of the costs are from state general funds.

EXHIBIT # 1.
2/19/91
Human Serv.
Subc.

INCREASE AND DECREASES FROM BASE:

Placement of IV-E Eligible Native Americans:

Authority is requested to place IV-E eligible children domiciled on Indian Reservations within Montana. Public Law 95-608, the Indian Child Welfare Act of 1978, federally mandates placement of Indian children within the state. Failure to place IV-E eligible children domiciled on a reservation could jeopardize the state's entire IV-E federal reimbursement. This funding would place approximately 250 children per year in family foster care. A supplemental request of $51,040 general fund and $129,505 federal fund for FY 91 has been requested also to serve these populations.

	FY 92	FY 93
Benefits and Claims	992,800	992,800
General Fund	280,665	280,665
Federal Fund	712,135	712,135

General fund match for federal Medicaid funding for inpatient psychiatric hospitalization and residential treatment services:

Pursuant to a memorandum of understanding between the Department of Social and Rehabilitative Services and the Department of Family Services, DFS will receive the general fund matching portion for the federal Medicaid funding for inpatient psychiatric hospitalization and residential treatment services.

The intent of the funding transfer is to enable DFS to begin the process of developing an appropriate continuum of care for the youth of Montana.

The Department will utilize the transferred funds to initiate development of community-based treatment and care alternatives for children and youth who can be appropriately served in a less restrictive environment. To accomplish this, DFS will:

- o allocate a portion of these funds for the development of new services;
- o co-ordinate with the Medicaid program to ensure that all eligible costs are appropriately claimed to Medicaid; and
- o review with SRS the eligibility standards to make them coincide with the services available.

DFS anticipates that the provision of a true continuum of care will result in a reduction in the numbers of placements into high-cost care and a corresponding reduction in the cost of care. The following plan of action will be implemented during the 1992-93 biennium:

DFS will reserve for the biennium approximately $1.3 million of the funds transferred from Medicaid residential treatment services to meet current treatment obligations.

The remainder will be allocated in the development of a continuum of care designed to reduce the numbers of children inappropriately placed in inpatient psychiatric care and to dramatically increase in-state treatment options:

- Approximately $500,000 will be allocated to development of pilot projects in each region for family-based services and in-home support services to reduce the numbers of out-of-home placements.

- Approximately $200,000 will be allocated to expand family foster care and group home care.

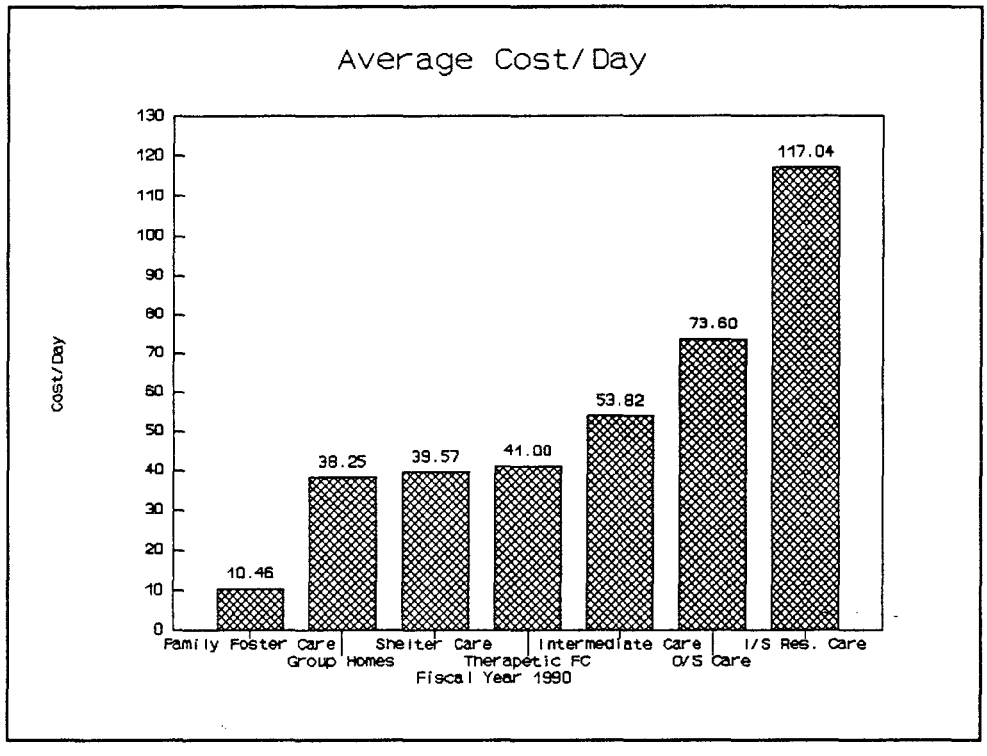
- Approximately $800,000 will be allocated to develop and expand therapeutic foster and therapeutic group homes.

- Approximately $200,000 will be allocated to develop specialized group care alternatives for children with special medical needs.

- Approximately $500,000 will be allocated for development of residential treatment programs statewide.

Exhibit #11
2/19/91
Human Serv
Subc.

DEPARTMENT OF FAMILY SERVICES



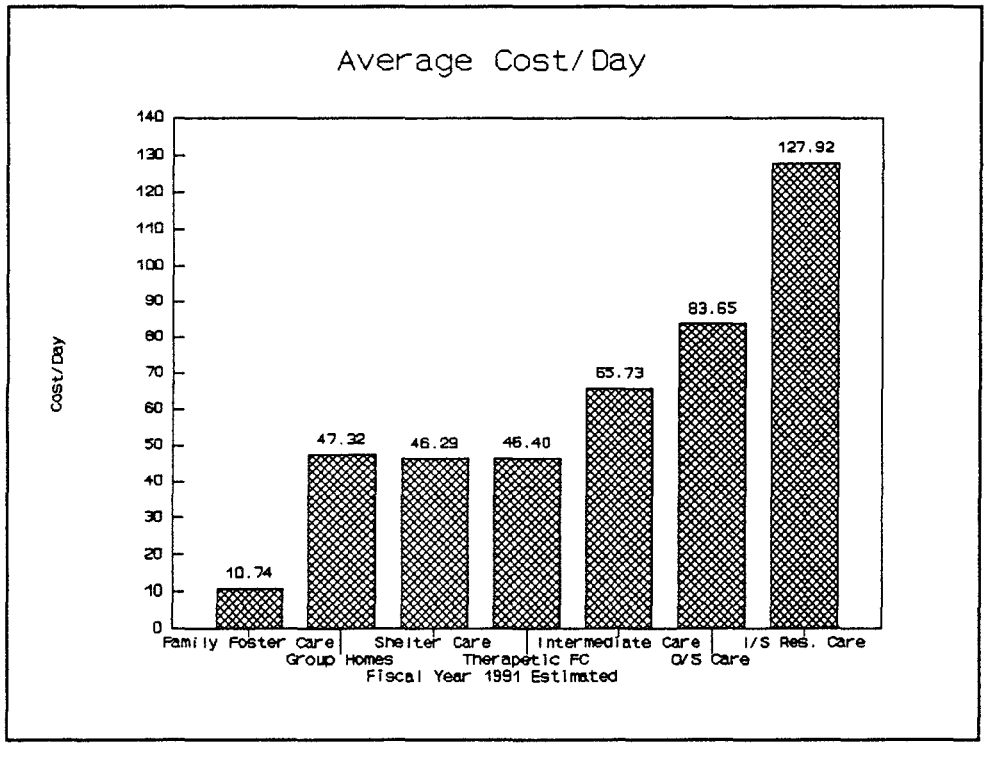
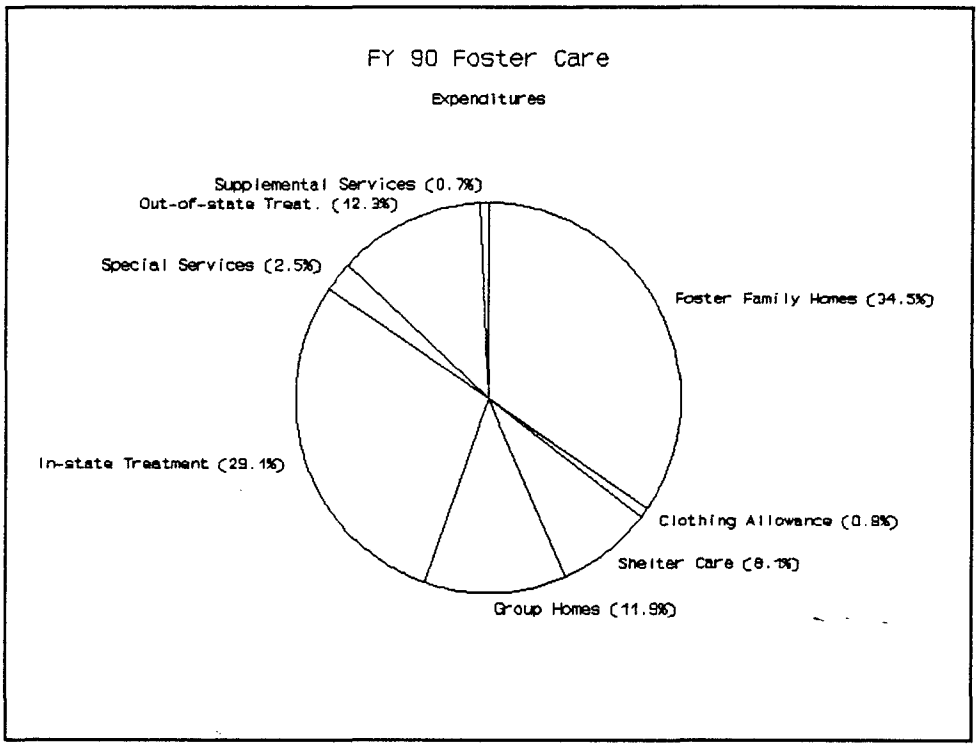
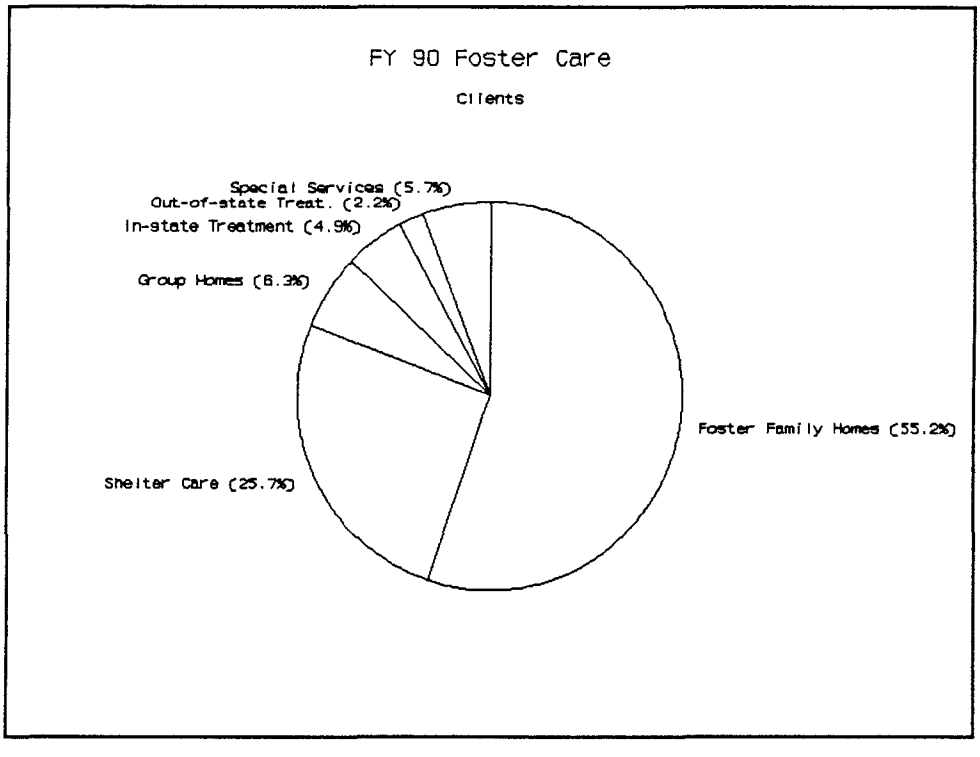


Exhibit #12
2/19/91
Human Ser
Subc.

DEPARTMENT OF FAMILY SERVICES





PROPOSED APPROACH TO MEDICAID PSYCHIATRIC AND RESIDENTIAL TREATMENT SERVICES FOR YOUTH

CHART 1

Local Community - Child Referred for Early Periodic Screening Diagnosis and Treatment (EPSDT) Screen

Exhibit #13
2/19/91
Human Serv. Subc

STEP 1

MEDICAID ELIGIBLE CHILD PRIOR TO ADMISSION TO FACILITY

1. EPSDT Screen/Independent Team Review.
2. Physical exam for EPSDT conducted by Physician or Nurse Practitioner. Psychological evaluation conducted by the Physician, Social Worker, Psychiatrist or Psychologist as part of total screen.

NOT MEDICAID ELIGIBLE ON ADMISSION

1. Referred in by private party.
2. Facility staff evaluates child.

STEP 2

Diagnosis from EPSDT Screen or Facility Screen

Child is in need of placement because of emotional problems resulting in the need for medical intervention.

STEP 3

Screen and diagnosis are referred to Medicaid Utilization Reviewers (MHMA) for decision on medical necessity of admission. MHMA agree with medical necessity of admission.

STEP 4

Child is placed for treatment. Medicaid pays as long as medically necessary. Medical necessity for continual stay is evaluated by Utilization Reviewers.

STEP 5

Medical necessity and Medicaid payment ends.

STEP 6

Choice by placing agency or person for further services for child. Please note: child does not have to leave placement until placing agency or facility chooses.

Child remains in placement. Placing Agency or person pays.

Placing agency or person moves child to more appropriate and less restrictive setting.

FLOW CHART IF UTILIZATION REVIEW DENIES PLACEMENT

CHART 2

STEP 1

MEDICAID ELIGIBLE CHILD PRIOR TO ADMISSION TO FACILITY

1. EPSDT Screen/Independent Team Review.
2. Conducted by Physician or Nurse Practitioner. Psycholotgical Evaluation conducted by the physician, Social Worker, Psychiatrist or Psychologist as part of total screen.

NOT MEDICAID ELIGIBLE ON ADMISSION

1. Referred in by private party.
2. Facility staff evaluates child.

STEP 2

Diagnosis from EPSDT Screen
Child is in need of placement because of emotional problems resulting in the need for medical intervention.

STEP 3

Screen and diagnosis are referred to Medicaid Utilization Reviewers (MHMA) for decision on medical necessity of admission. MHMA disagrees with medical necessity of admission. **Medicaid cannot pay.**

STEP 4

Choice by Placement Agency or Person for further services to child.

STEP 5

Refer to Courts for placement and funding by DFS

Use own resources to pay for placement

Pressure Medicaid to pay for inappropriate placements. This could result in federal disallowance of payment <u>after</u> the fact. (Would then become 100% general fund)

Placement in least restrictive most appropriate placement. Maximize Medicaid funding.

Placement in residential or hospital 100% general fund.

EXHIBIT 13
DATE 2/19/91
SB Hum. Dev. Sub.

Advantages

1. Utilization review insures least restrictive and most appropriate setting and that medical necessity is met before costs are accrued. Medicaid terminates payments when placement is no longer medically necessary.

2. Allows all children who need care to be served.

3. Encourages development of community resources by placing agencies because Medicaid will not pay for "inappropriate" placements. Community placements are usually less costly. Placing agencies are encouraged to develop.

Disadvantages

1. By relying solely on EPSDT screen and utilization reviewersto allow Medicaid payment, the state has no ability to limit growth of providers. State could choose to limit growth through some other mechanism such as certificate of need or statute.

FLOWCHT.UT

Medicaid Inpatients

Per 100,000 Population

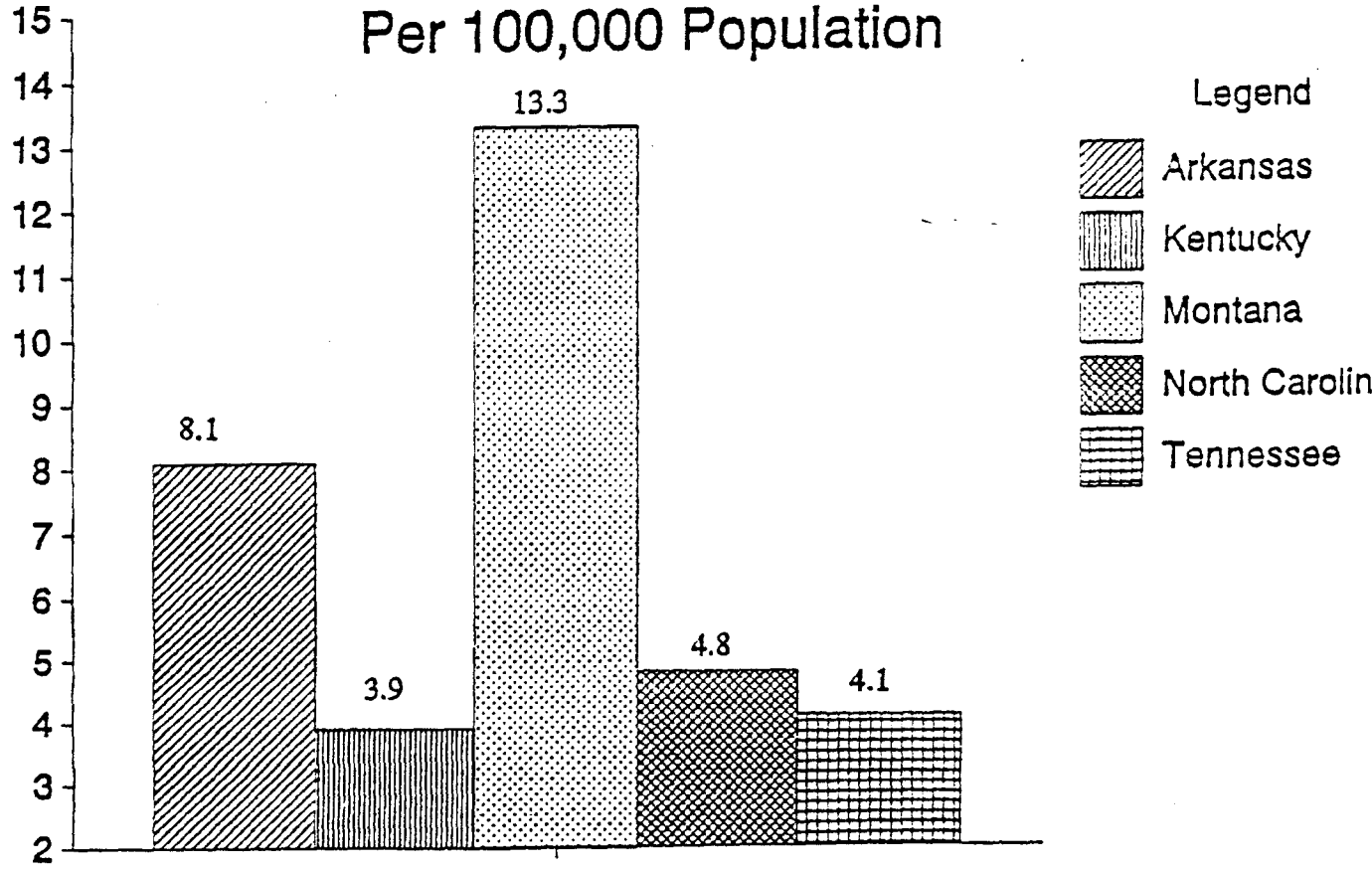


Exhibit A/4
2/19/91
Human Ser.
Subc.

FOSTER CARE FUNDING PERCENTAGE INCREASE
Lotus: Rates\R03
RWE 2/18/91

Fiscal Year 92

Funding:	LFA Base	Percentage Increase: 1%	2%	3%	4%	5%
General Fund	7,785,786	77,858	155,716	233,574	311,431	389,289
County Fund	1,008,913	10,089	20,178	30,267	40,357	50,446
Federal Fund	3,081,017	30,810	61,620	92,431	123,241	154,051
	11,875,716	118,757	237,514	356,271	475,029	593,786

Fiscal Year 93

Funding:	LFA Base	Percentage Increase compounded from FY90: 1%	2%	3%	4%	5%
General Fund	7,785,786	78,636	158,830	240,581	323,889	408,754
County Fund	1,008,913	10,190	20,582	31,175	41,971	52,968
Federal Fund	3,081,017	31,118	62,853	95,203	128,170	161,753
	11,875,716	119,945	242,265	366,960	494,030	623,475

Biennum Total

Funding:	LFA Base	1%	2%	3%	4%	5%
General Fund	7,785,786	156,494	314,546	474,154	635,320	798,043
County Fund	1,008,913	20,279	40,760	61,443	82,327	103,414
Federal Fund	3,081,017	61,928	124,473	187,634	251,411	315,804
	11,875,716	238,702	479,779	723,231	969,058	1,217,261

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Human Services SUBCOMMITTEE DATE 2/19/91

DEPARTMENT(S) DFS DIVISION

PLEASE PRINT **PLEASE PRINT**

NAME	REPRESENTING	
Tiffany McKendry	Helena Youth Resources	
GEOFF BURNBAUM	MISSOULA YOUTH HOMES	
Jan Shaw	Helena Youth Resources	
Jani Lambert	Youth Dynamics	
Ken Juracs	MSFAPA	
Norene Cosné	MRCCA / Gallatin + Park Co Youth Guidance	
Marilyn Miller	Governor's Office	
NANCY ELLERY	SRS	
JOHN DONWEN	SRS	
Julie Robinson	SRS	
Kathy McDowan	MRCCA	
JUDITH CARLSON	NASW ; HRDC	
Karen Northey	Crittenton Home	
JEAN CURTISS	TCH	

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