

## MINUTES

### MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

#### JOINT HOUSE/SENATE PUBLIC HEALTH MEETING

**Call to Order:** By **CHAIRMAN STEVE BENEDICT**, on January 8, 1997,  
at 3:35 PM, in Room 312-2.

**Senators Present:**

Sen. Steve Benedict, Chairman (R)  
Sen. Larry L. Baer (R)  
Sen. Chris Christiaens (D)  
Sen. Bob DePratu (R)  
Sen. Dorothy Eck (D)  
Sen. Sharon Estrada (R)  
Sen. Eve Franklin (D)  
Sen. Fred Thomas (R)

**Representatives Present:**

Rep. Diane Sands (D)  
Rep. Billie Krenzler (D)  
Rep. Bill Carey (D)  
Rep. John Bohlinger (R)  
Rep. Ellen Bergman (R)  
Rep. Bruce Simon (R)  
Rep. Bill Boharski (R)  
Rep. Chris Ahner (R)  
Rep. Brad Molnar (R)  
Rep. Wes Prouse (R)  
Rep. Tim Dowell (D)  
Rep. Darrel Adams (R)  
Rep. Carolyn Squires (D)  
Rep. Duane Grimes (R)  
Rep. Loren Soft (R)

**Members Absent:** Sen. James H. "Jim" Burnett, Vice Chairman (R)

**Staff Present:** Susan Fox, Legislative Services Division  
Karolyn Simpson, Committee Secretary

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**SENATOR BENEDICT** said the Department of Health and Human Services, and Montana Health Care Advisory Council will be giving an overview of the issues that will be coming before these committees during this session.

**Laurie Ekanger, Director, Department of Public Health and Human Services**, said the last legislature consolidated all of the state health, public health and human service programs into one department.

**Hank Hudson, Administrator of Child and Family Services Division, Department of Public Health and Human Services,** said the division is made up of the family assistance programs, family service programs, and child care program. The federal welfare program is a huge change in the concept of public assistance. The division also is responsible for the public-funded child care programs and child protective services.

He discussed Montana's welfare reform program, FAIM, saying Montana is way ahead of the federal government in welfare reform, and the federal program is very similar to Montana's program, and this welfare reform plan appears to be working. There are strict limits on the length of time persons can receive welfare (60 months during the lifetime), and block grants from the federal government are a set amount and cannot be increased if the caseload increases, and will not be decreased if the caseload decreases.

**SENATOR CHRIS CHRISTIAENS** asked about liability if person in the work program gets injured.

**Hank Hudson** said these individuals have health care coverage and income protection as a welfare benefit, and they are not considered as regular employees and are not treated as such.

**SENATOR EVE FRANKLIN** asked if an individual injured during the employment period is evaluated as to whether they can continue to work.

**Hank Hudson** said an injured individual would not be asked to continue to work until they were able.

**REP. CAROLYN SQUIRES** asked about the 60 month time limit and what is the definition of a family.

**Hank Hudson** said the family is a husband, wife, and children, all living under the same roof.

**REP. SQUIRES** asked whether a child who has been in a family that used up their 60 months eligibility can be eligible for benefits later on in life, if they need assistance.

**Hank Hudson** said Congress does not intend to punish children.

**SENATOR ECK** asked about follow-ups on children and whether there is a program to supervise teen parents.

**Hank Hudson** said there is a program at the University of Montana for tracking teen parents, and teen parents are required to live with their adult relatives, if possible.

**REP. BILL BOHARSKI** asked if the federal block grants make states winners or losers, and how does Montana fare in this.

**Hank Hudson** said Montana becomes a winner with the block grant due to the successful jobs program and the infrastructure is already in place.

**REP. BOHLINGER** asked where the excess monies go, if Montana ends up with money left from the block grant program.

**Hank Hudson** said the money would be used to expand the jobs program to meet requirements and changes in the tribal jobs program. Some of the money will be held in a reserve account, to be used in future years when there is an increased caseload and no additional block money.

**Mart Ann Wellbank, Administrator of the Child Enforcement Support Division, Department of Public Health and Human Services**, said AFDC has been changed to TANF (Temporary Assistance for Needy Families). She said parents need to be proactive and the effect of federal legislation is mass processing of information in the child support system. She distributed information regarding LC1007, sponsored by **SENATOR HARGROVE**, and the impact the federal welfare reform will have on Montana (automated central registry of child support orders, new hire reporting, income withholding, social security numbers, proof of paternity, data matches of delinquent parents, requirement for unemployed to seek work, license suspension, and the uniform interstate family support act).

**Nancy Ellery, Administrator, Health Policy and Services Division, Department of Public Health and Human Services**, talked about the contents of her handout "Montana Public Health Improvement." She talked about the Health Services Pyramid, with the bulk of the health care dollars being spent at the top of the pyramid, the cost of health care in Montana, and the costs of public health. She thinks the cost of public health would be a bargain even if it were doubled from the present amount. She said decreasing the funds spent on public health needs to be changed.

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**REP. WES PROUSE** asked how much money is spent on public health and how many people are served.

**Nancy Ellery** said she did not have the exact figures with her, but it is about \$31.00 per capita.

**SENATOR SHARON ESTRADA** referred to page 4 of the handout and asked how the \$7.5 million is spent.

**Nancy Ellery** said the major categories are hospitals, nursing homes, physicians, and pharmacies.

**REP. BOHARSKI** said the population is getting older and asked if there are any statistics on the quality of life during the latter years spent in nursing homes.

**Nancy Ellery** said most of the money is spent during the last years of life, but has no statistics about the quality of life.

**CHAIRMAN BENEDICT** asked if her premise is, if more money is spent on public health improvement there will be less spent on tertiary care, and isn't it true that 70% of tertiary care is for the disabled and elderly, of which public health improvement probably will not decrease those public health dollars.

**Nancy Ellery** said the elderly and disabled represent about 25% of the Medicaid population and is about 75% of the cost of public health.

**SENATOR CHRISTIAENS** asked about availability of money for local community planning and health clinics.

**Nancy Ellery** said money is allocated on application from counties who outline their needs for health care responsibilities. The emphasis will be for counties getting fully functioning health departments.

**Cindy Lewis, Chairman, Health Care Advisory Council,** said the Health Care Advisory Council should be continued after its sunset in June, 1997. The Health Care Advisory Council intent was to monitor and analyze Montana's health care system. There will be legislation introduced in this legislature related to certificate of need and the continuation of the Health Care Advisory Council. She referred to her handout "The Montana Health Care Advisory Council" saying responsibility for health care regulation has shifted back to the states from the federal government and the market place is driving the evolution of health care delivery system and will continue to do so in Montana, which means Medicare and Medicaid will need to address the quality of care as the purchasers of the product, not just the payers of the bills. She said the Health Care Advisory Council should be continued with the same structure and the Council is requesting a budget from the legislature to continue the Council.

She then referred to the handout "The Montana Health Information Network" saying HB 511 requested the Council to develop a health care data base system to function as a clearinghouse for health data and information. The system is designed to access existing data systems for information gathered by others.

**SENATOR FRANKLIN** asked if funding for health information network will be done by appropriation rather than separate legislation.

**Cindy Lewis** said that is correct because the Health Care Advisory Council was directed to develop the network by HB 511.

**SENATOR FRANKLIN** asked about the confidentiality of information on the network.

**Cindy Lewis** said confidential information would not be released.

**REP. BILL CAREY** asked about the cost of providing services

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**Cindy Lewis** said that refers to the infamous cost-shift, where private-payers make up the difference between what the government pays and the cost of the service by the provides, with in an increasing amount of the cost being shifted to private insurance because payments from government to health care providers continues to be less.

**SENATOR CHRISTIAENS** said because insurance costs are rising, the state will have to address this issue.

**Mike Hanshew, Administrator Senior Services Division**, said his division administers all of the state programs for senior citizens as well as long-term care programs under Medicaid for people with physical disabilities. Their budget is about \$115 million per year. He said Montana's population is slightly older than other states with about 15% (115,000) people over the age of 65. This will remain the same until 2011 when the first baby-boomer turns 65 and by the year 2025 Montana's over-65 population will be 18-20% (> 200,000 people) which will equal Florida's.

He said another problem is the number of people working to pay for services for seniors is decreasing. At the start of Social Security in 1935 there were 40 workers for every retiree, now there are about 4 workers, and by the year 2025 there will only be 1.8 workers to contribute to each retiree. There is an every increasing need and diminishing resources. The question will be what can be done for those people not receiving public benefits to help them plan for their long-term care.

**REP. BRUCE SIMON** asked about quality assurance in long-term care and the bureaucracy created for nursing homes which requires an increasing amount of paperwork for reports and documentation, which drives up costs, and wondered if it wouldn't be better to concentrate on actual patient care rather than paperwork.

**Mike Hanshew** said the degree to which government is involved in is determined by the regulations which come from the federal government.

**Dan Anderson, Administrator Addictive and Mental Disorders Division, Department of Public Health and Human Services**, said they have been putting together a managed care program for the public mental health program. Referring to the "Mental Health Access Plan" handout, he said the managed care contractor is Montana Community Partners which will be responsible for purchasing all mental health services. The services will be managed for every person receiving public mental health services, with a determination made as to the kind, type and quantity of treatment needed. Montana Community Partners is required to provide all of the needed services to the population defined by

the Department. If that population needs more services, Montana Community Partners will not receive any additional compensation, and if that population needs less services, the managed care contractor will make a profit, but a profit cap has been established.

**REP. DUANE GRIMES** asked if there will be legislation related to this issue.

**Dan Anderson** said there would be no legislation related to this program, but there will be some bills related to managed care in general.

**REP. GRIMES** asked about the mental health managed care discussion last session and how things had worked out.

**Dan Anderson** said they were not able to get the waiver for 200% of poverty level, so people at 200% of poverty level will be covered if they have a serious mental illness or have an emotionally disturbed child.

**REP. LOREN SOFT** asked about the complaint filed by unsuccessful bidders for the mental health managed care contract, regarding the process.

**Dan Anderson** said 2 unsuccessful bidders have filed a complaint and have asked for an administrative review, but haven't asked for an injunction. He thinks the whole process was fair and open.

**Joe Mathews, Administrator Disability Services Division, Department of Public Health and Human Services**, said the mission of the division is to provide services to Montanans with disabilities. The programs are vocational rehabilitation, developmental disabilities, which includes residential, respite, services to children, work-day and senior services, and disability determination, which is a 100% federally-funded program to adjudicate claims for disability, and two state facilities serving those with developmental disabilities.

**REP. SOFT** asked about plans for Eastmont.

**Joe Mathews** said a lawsuit has been filed under the Americans with Disabilities Act, the issue being there are too many individuals with developmental disabilities still living in institutions rather than being placed in community facilities.

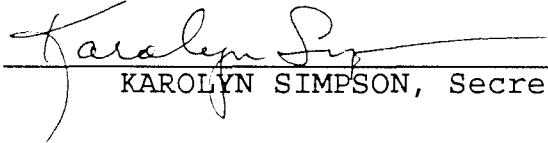
ADJOURNMENT

Adjournment: 5:30 PM



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SEN. STEVE BENEDICT, Chairman



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KAROLYN SIMPSON, Secretary

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