

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 55th LEGISLATURE - REGULAR SESSION

JOINT SUBCOMMITTEE ON HUMAN SERVICES & AGING

Call to Order: By Vice Chairman Swysgood, on February 19, 1997,
at 8:20 a.m., in room 108.

ROLL CALL

Members Present:

Rep. Betty Lou Kasten, Chairman (R)
(excused, arrived at 9:30 a.m.)
Sen. Charles "Chuck" Swysgood, Vice-Chairman (R)
Rep. Beverly Barnhart (D)
Sen. James H. "Jim" Burnett (R)
Rep. John Cobb (R)
Sen. Mignon Waterman (D)

Staff Present: Pam Joehler, Legislative Fiscal Division
Ellen Garrity, Committee Secretary

Committee Business Summary:

EXECUTIVE ACTION DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

Tape 1A

Exhibit #1 from LFD staff, Human Services Joint Appropriations Subcommittee Wrap-Up Items as of February 18, 1997. The Subcommittee discussed the list of items before proceeding with motions.

Tape 1A, 19.3

Agency-wide

Motion: Sen. Waterman moved to restore the across the board operating expense reduction of \$3,000,000 general fund.

Substitute Motion/Vote: Rep. Cobb made a substitute motion to restore \$1,000,000 across the board operating expenses. The motion passed 4-2.

Motion/Vote: Sen. Waterman moved to restore the other \$2,000,000. The motion failed 2-4.

Director's Office

Tape 1A, 21.2

Motion/Vote: Sen. Waterman moved to appropriate \$100,000, biennial, general fund for New Proposal 03, Health Care Information Network. The motion failed 3-3. (B-34)

Operations & Technology Division

Tape 1A, 23.7

Motion/Vote: Rep. Cobb moved to correct part of CAPS processing sent to Juvenile Corrections. (B-77) The motion passed unanimously.

Motion/Vote: Rep. Cobb moved new item, base reduction in TEAMS. (B-77) The motion passed unanimously.

Quality Assurance Division

Tape 1A, 30.1

Motion/Vote: Rep. Cobb moved to restore money to Significant Present Law Adjustment 05, licensure annualization adjustment. (B-74) The motion failed 3-3.

Child & Family Services Division

Tape 1A, 32.7

Motion/Vote: Sen. Swysgood moved to set MOE at 80% (this wipes out the rest of AFDC/TANF caseload) and gives authority to use federal funds to offset reduction of general fund. The motion failed 3-3.

Motion/Vote: Sen. Swysgood moved to set MOE at 90%, and authorize use of federal funds to offset reduction of general funds. The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept Significant Present Law Adjustment 10, foster care caseload increase. (B-25) The motion passed 4-2.

Motion/Vote: Sen. Waterman moved to approve transfer of youth alcohol/drug treatment to AMDD. (B-25) The motion passed.

Tape 1B

Motion/Vote: Rep. Cobb moved to appropriate \$25,000 from the general fund to the state food bank network, New Proposal 01. (B-28) The motion passed 4-2.

Motion/Vote: Sen. Waterman moved to appropriate \$664,000 to family preservation services, New Proposal 02. (B-28) The motion passed 4-2.

Motion/Vote: Rep. Barnhart moved to add APS staff to Program 03. The motion passed 4-2.

Motion: Chairman Kasten moved to appropriate a reduced amount of general fund of \$1,000,000 per year for the foster care caseload increase and adjustment other funds appropriately.

Substitute Motion: Sen. Waterman made a substitute motion to approve the February figures on Exhibit #2, \$1.7 million. The motion failed 4-2.

Exhibit #2, Funding Comparison between January and February Foster Care Projections.

Chairman Kasten withdrew her original motion.

Motion/Vote: Sen. Waterman moved the original Kasten motion. The motion passed 4-2.

Motion/Vote: Sen. Waterman moved approval of the foster care rate increase adjusted to meet the revised caseload funding. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved to accept the 1.5 percent foster care rate increase the first year with no increase the second year, and to recalculate the rate increase based on the motion by Sen. Waterman that just passed. (B-25) The motion passed 4-2.

Tape 1B, 34.8

Motion/Vote: Sen. Waterman moved to accept new item of Head Start collaboration. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved same motion with language listed on Exhibit #3 for the proposed Collaboration Project activities in Montana. The motion failed 3-3.

Exhibit #3, list of action steps for Collaboration Project.

Motion/Vote: Sen. Waterman moved new item TANF/SSI, and line itemed for SSI/Foster Care caseload. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved new item TANF/SSI, \$300,000 each year general fund restricted to the foster care budget. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved new item TANF/SSI, \$200,000 each year general fund restricted to the foster care budget. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved new item TANF/SSI, \$100,000 each year general fund restricted only for TANF/SSI impact. The motion passed 5-1.

Motion/Vote: Sen. Waterman moved new item, increase to Big Brothers/Big Sisters of \$100,000 general fund. The motion failed 3-3.

Motion/Vote: Rep. Barnhart moved new item, increase to Big Brothers/Big Sisters of \$50,000 general fund. The motion failed 3-3.

Tape 2A

Motion/Vote: Sen. Waterman moved to add Base Error Adjustment of \$745,889 per year general fund and a decrease of a like amount in federal funds. The motion passed 5-1.

Motion/Vote: Rep. Cobb moved to authorize the spending of a reasonable amount of the first \$25,000 given to the emergency food bank program to buy a truck for food bank program with language that there be a minimum of three bids for the truck. The motion passed unanimously.

Exhibit #4, Sales Confirmation, Intercontinental Truck Body.

Tape 2A, 9.6

Child Support Enforcement Division

Motion/Vote: Rep. Barnhart moved to accept contracted services in Other Base Adjustments, and staff will work out the figures. The motion passed 4-2.

Motion/Vote: Rep. Cobb moved to appropriate funds for two grade 15 staff to represent CSED in tribal courts -- FY 98, \$93,358 and FY 99, \$85,315. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved to accept the performance based budget using the percentages that the agency presented as its goals and to revise the language in HB 2 that removes the attempt to achieve and makes the statement "that they will achieve". The motion passed 4-2.

Motion/Vote: Sen. Waterman moved to adopt the performance based budget as a lump sum amount. The motion passed unanimously.

Tape 2A, 41.8

Senior & Long Term Care Division

Motion/Vote: Sen. Waterman moved to accept New Proposal Item 2, aging Alzheimer's contract, \$146,096 a year, federal funds. (B-104) The motion passed unanimously.

Tape 2B

Motion/Vote: Sen. Waterman moved to accept New Proposal Item 10, Aging Health Information Staff, \$131,776 per year, federal funds. (B-104) The motion passed unanimously.

Motion/Vote: Rep. Barnhart moved new item Home Accident Prevention Pilot Project, line itemed and reviewed in the next biennium. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved to add back in to Home and Community Based Services (with slowed growth rate of 15%/10%) \$399,199 in FY 98, and 425,134 in FY 99, general fund, and spending authority for federal funds. The motion passed 5-1.

Disability Services Division

Tape 2B, 13.6

Motion/Vote: Sen. Waterman moved to accept new item (B-94) which would provide eight additional slots the first year and 15 additional slots in 1999, for youth services. The motion failed 2-4.

Motion/Vote: Rep. Cobb moved to appropriate \$109,000, general fund, each year of the biennium for 21 additional persons for extended employment program. The motion failed 3-3.

Health Policy and Services Division

Tape 2B, 19.7

Motion/Vote: Sen. Waterman moved to accept Item 08 MIAMI expansion to Indian reservations, \$75,000 per year. (B-56) The motion failed 3-3.

Motion/Vote: Rep. Cobb moved to accept Item 08, Miami expansion to Indian reservation, \$50,000 each year, only on reservations which have the same cigarette tax as the state does. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved to accept Item 08, Miami expansion to Indian reservation, \$25,000 each year, only on reservations which have the same cigarette tax as state does. The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept Item 26, family planning. (B-56) The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept Item 29, genetics program, with language that funding cannot exceed revenue generated by the tax. (B-56) The motion failed 3-3.

Motion/Vote: Sen. Waterman moved federal spending authority for Item 30, CDCP. (B-56) The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept Item 09, MIAMI family planning health education, federal dollars. (B-64) The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept Item 09, MIAMI family planning health education, federal dollars, but delete FTE and use contracted services. (B-64) The motion failed 3-3.

Motion/Vote: Rep. Barnhart moved to accept Item 12, Montana Healthy Communities. (B-64) The motion failed 2-4.

Motion/Vote: Sen. Waterman moved to accept Item 15, Healthy Child Care Grant. (B-64) The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept New Proposal, Kids Count Book. The motion failed 3-3.

Motion/Vote: Rep. Cobb moved to appropriate \$24,000 for the Kids Count Book. The motion failed 3-3.

Motion/Vote: Sen. Waterman moved to accept New Proposal, Organ Transplant. The motion failed 2-4.

Motion/Vote: Sen. Waterman moved to accept Item 13, DRG Rebase and Item 3, Administrative portion of DRG upcoding contract. (B-64) The motion passed unanimously.

Motion/Vote: Rep. Cobb moved to increase co-pay items listed on Exhibit #5: Dental would increase from \$1 to co-pay \$2, Physical Therapy from \$.25 to \$.50, Occupational Therapy from \$.25 to \$.50, Speech Therapy from \$.25 to \$.50, and Optometric from \$1 to \$2. The motion passed 4-2.

Exhibit #5, Medicaid Co-Pay list of co-pay items and how much they collect now and how much they will collect when they are at the max.

Tape 3A

Addictive and Mental Disorders Division

Motion/Vote: Sen. Waterman moved to add \$25,409 general fund to the Addictive and Mental Disorders Division budget for Youth Alcohol and Drug Treatment. The motion passed 4-2.

Motion/Vote: Rep. Cobb moved to accept the Performance Based Goals for FY 98 and FY 99, take out the "attempt to" in the language, and make this a lump sum item. (B-110 and B-111) The motion passed 5-1.

Motions on language for HB 2

Motion/Vote: Chairman Kasten moved to add the following language for ISD processing appropriations:

The DPHHS may not pay more than the amounts listed for computer processing and printing at the Department of Administration for the specific systems identified as follows unless otherwise agreed to by the Departments:
TEAMS: FY 98 - \$2,038,669, FY 99 - \$1,648,661; SEARCHS: FY 98 - \$819,045, FY 99 - \$663,493; CAPS: FY 98 - \$745,298, FY 99 - \$600,754.

The motion passed unanimously.

Motion/Vote: Chairman Kasten moved to add the following language for HB 2 to accompany APS transfer:

At least four of the new FTE's added to the base budget of the Child and Family Services Division must be adult protective services workers. The legislature directs the department to continue to pursue the transfer of the adult protective services program to the Senior and Long Term Care Division and to report to the 1999 legislature on the progress of those efforts.

The motion passed unanimously.

Motion/Vote: Rep. Cobb moved to add the child care language on Exhibit #6 for HB 2, Child and Family Services Division. The motion passed unanimously.

Exhibit #6, suggested child care language for HB 2.

Motion: Chairman Kasten moved to add the following language for HB 2, Lien and Estate Collections:

The department is authorized to make the following levels and types of one time expenditures using the lien and estate recovery funds appropriated by the legislature: 50% to provide additional medicaid home and community waiver services; 50% to improve and enhance medicaid nursing home services.

Substitute Motion: Rep. Cobb made a substitute motion that the money above the lien and estate recovery funds, \$600,000 each year, go to home and community based services, and at the same time reduce by \$150,000 the first year and \$300,000 the second year. The substitute motion failed 2-4.

Vote: Vote on Chairman Kasten's original motion: The motion failed 2-4.

Motion/Vote: Sen. Waterman moved to add the following language to HB 2, Grants to Local Public Health Agencies:

It is the intent of the legislature that in FY 98 and FY 99, any unexpended portion of the department's general fund appropriation, up to \$100,000 for the biennium, may be awarded by the department for the purpose of providing grants to local public health agencies. The department may use the general fund and any private grant funds to match local public health agencies' funds. The Montana Public Health Improvement Task Force shall provide guidance to the department in developing criteria to fund core public health services based on the county's capacity. The grants should address an appropriate array of health protection, health promotion, and preventive and primary health care services for the whole community; promote significant integration of the clinical health care and public health systems; and identify key public health functions and services relevant

to addressing current and future community needs and priorities.

The motion failed 3-3.

Motion/Vote: Rep. Barnhart moved to add the following language to HB 2, Children's Medical and Dental Services:

It is the intent of the legislature that in FY 98 and FY 99, any unexpended portion of the department's general fund appropriation, up to \$500,000 for the biennium, may be awarded by the department for the purposes of providing primary and preventive medical and dental benefits to children who are uninsured and not eligible for Medicaid benefits. To qualify, the family income may be no greater than 185% of the federal poverty level. The department may contract with public or private entities for the administration and provision of these services. These funds may be allocated only to those programs that have established a statewide network of medical providers who have agreed to volunteer their services or accept reimbursement at a lower rate than would normally be charged for their services.

The motion failed 3-3.

Motion/Vote: Rep. Barnhart moved to add the following language to HB 2, Redistribution of Durable Medical Equipment:

The department of public health and human services is directed to establish an interim study group, represented by state agencies, organizations, retailers, consumers, and advocate groups, for the purpose of determining the feasibility and organization of a coordinated redistribution program for durable medical equipment in Montana. The department shall report its findings and recommendations in writing to the Legislative Finance Committee and the Office of Budget and Program Planning by September 1, 1998.

The motion failed 3-3.

Motion/Vote: Rep. Barnhart moved to add the following language to HB 2, Interagency Coordinating Council:

The department shall prepare a unified budget for the interagency coordinating council on prevention of child abuse and neglect. The unified budget must identify services funded, expenditures by service in fiscal year 1998, and preliminary amounts budgeted for the 2001 biennium by service and fund type from the department, office of public instruction, board of crime control, and department of labor and industry. A preliminary budget must be presented to the joint oversight committee on children and families, the legislative finance committee, and the office of budget and program planning by September 1, 1998. The unified budget must be published in the governor's budget request to the 56th legislature.

The motion passed 4-2.

Motion/Vote: Rep. Barnhart moved to add the following language to HB 2, Consensus Council:

It is the intent of the legislature that the department shall contract with the Consensus Council for the purpose of addressing Medicaid issues, including the resource based relative value scale method of reimbursing medical providers.

The motion failed 2-4.

Motion: Chairman Kasten moved to add the following language to HB 2, Nursing Facility rates:

The department is authorized to supplement funds appropriated to rebase nursing home rates with funds appropriated for increased nursing home bed days in order to fund the department's current nursing home reimbursement formula and comply with federal law so long as total expenditures in the nursing home program do not exceed the medicaid appropriation for nursing homes.

Tape 3A, 40.4

Subcommittee discussion with Mike Henshaw, Administrator, Senior and Long Term Care Division, and Rose Hughes, representing the Nursing Homes.

Vote: The motion failed 3-3.

Tape 3B

Motion/Vote: Chairman Kasten moved to add the following language to HB 2, Nursing Facility Rates:

The department may, consistent with federal law, make reasonable and appropriate adjustments in medicaid nursing facility rates after July 1 of each year of the 1999 biennium, so long as the total program expenditures for medicaid do not exceed the appropriation by the legislature.

The motion failed 3-3.

Tape 3B

Motion/Vote: Rep. Barnhart moved to add the following language to HB 2:

The legislature directs DPHHS to take steps to ensure that people receiving congregate meals and other services funded through the state's office on aging are aware of the full cost of the services they receive.

The motion failed 2-4.

Motion/Vote: Chairman Kasten moved to add the following language to HB 2:

The legislature intends that \$63,020,920 of the amount in fiscal year 1998 and \$65,249,057 of the amount of fiscal year 1999 in item [Medical Assistance] are appropriated for hospital medicaid benefits.

The motion passed unanimously.

RBRVS

Tape 3B, 8.0

(The following motion options are listed on *Exhibit #7, list of options.*)

Motion/Vote: (Kasten option) Sen. Waterman moved the phasing in of RBRVS. No code decrease more than 25% or increased more than 50% in the first year, with the money coming from the rate increase. The motion failed 3-3.

Motion/Vote: (Kasten option) Sen. Waterman moved the same motion but take \$100,000 from the provider rate increase and \$200,000 from the policy adjustor. The motion failed 3-3.

Motion/Vote: (Cobb option) Rep. Barnhart moved to implement the RBRVS system but freeze it so that all changes to the system can only be authorized by the legislature. The motion failed 3-3.

Motion/Vote: (Kasten option) Sen. Waterman moved to implement RBRVS with no disproportionate share and phased in over two years. The motion failed 3-3.

No motions were passed on RBRVS.

Motion/Vote: Rep. Cobb moved that the Department may add FTE instead of contracting for services if it certifies to the Office of Budget and Program Planning that FTE are more cost-effective than contracting. FTE added through this language may not be included in the 2001 biennium base budget. The motion passed.

Motion/Vote: Rep. Cobb moved to add the following language to HB 2:

The division may appropriate any money remaining from the accounting entity 03203 and 03276 remaining after the legislature steals the money for the ARCO lawsuit. The motion passed 4-2.

Motion/Vote: Rep. Cobb moved that the Department total general fund Medicaid cap be 5.25% for FY 98 and 3% for FY 99. The motion passed 5-1.

Motion/Vote: Rep. Cobb moved to set the TANF rate 40.5% of the federal poverty level each year of the biennium. The motion passed unanimously.

Motion/Vote: Rep. Cobb moved that the benefit rate for AFDC may be lowered from the 40.5% poverty rate to keep within any

projected caseload growth rate in excess of DPHHS's projections.
The motion passed 4-2.

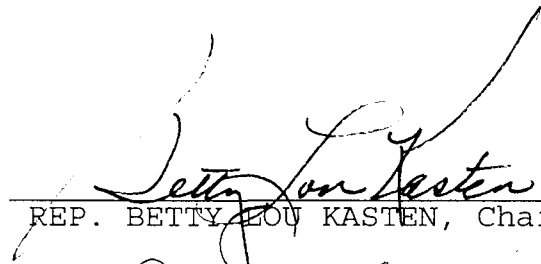
Motion/Vote: (Child Support Enforcement Division) Rep. Cobb moved to insert language in HB 2 to allow the Division to charge fees and recover costs to make up any projected shortfalls. The motion passed 4-2.

Motion/Vote: Sen. Swysgood moved to approve the transfer of Medicaid funds from the Health Policy and Services Division to Mental Health Managed Care. The motion passed unanimously.


Tape 3B, 29.0

ADJOURNMENT

Adjournment: 12:40 p.m.



REP. BETTY LOU KASTEN, Chairman



ELLEN GARRITY, Secretary

BLK/EG