

## MINUTES

### MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

#### COMMITTEE ON PUBLIC HEALTH, WELFARE, & SAFETY

Call to Order: By CHAIRMAN STEVE BENEDICT, on February 7, 1997,  
at 3:12 PM, in Room 410.

#### ROLL CALL

##### Members Present:

Sen. Steve Benedict, Chairman (R)  
Sen. James H. "Jim" Burnett, Vice 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)

Members Excused: None

Members Absent: None

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

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

##### Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 236, HB 66, 1/29/97  
HB 108, 2/3/97  
SB 282, 2/5/97  
Executive Action: SB 282, HB 66

#### HEARING ON SB 282

Sponsor: SENATOR J.D. LYNCH, SD 19, Butte

Proponents: Mark Staples, MT Chiropractors Assn.  
Dr. Pat Pardis, Physician, Bozeman

Opponents: None

##### Opening Statement by Sponsor:

SENATOR J.D. LYNCH, SD 19, Butte, said SB 282 is a consumer bill  
and is a bill of fairness. Many of the people who chiropractors  
serve don't go to see a licensed physician, yet some of these

people have disabilities or serious injuries and shouldn't have to see a licensed physician when they are seeing a licensed chiropractor.

Proponents' Testimony:

**Mark Staples, representing Montana Chiropractors Association,** said the chiropractor is only not a licensed physician in this narrowly defined part of state law, but are listed as a physician in every other part of state law. They are licensed and statutorily allowed to do impairment ratings for workers compensation, are practitioners for freedom of choice statutes, and are considered one of the physicians. It is only in this narrow framework where the application for a sticker for a disability that the Department of Justice has rendered an opinion that only a licensed physician is a medical doctor.

**Dr. Pat Pardis, Licensed Physician, Bozeman,** said he is testifying for SB 282 as an advocate for his patients. This will not put money into the pockets of chiropractors but will allow their patients to be given the disability permit, avoiding duplication of services. A patient will not have to leave their office, go to a licensed physician and pay for another office visit to have this service.

Opponents' Testimony: None

Questions From Committee Members and Responses:

**SENATOR FRANKLIN** asked what prompted this bill.

**Mark Staples** said it didn't used to be a problem, but possibly there was a change of lawyers at the Department of Justice. They started getting letters back from the Department of Justice stating, you are not a physician in this part of the code, despite your being a physician in every other part of the code, thus you will have to refer your patients to an M.D. to obtain a disability sticker.

**SENATOR FRANKLIN** asked for clarification, saying chiropractors have been doing this but the Department of Justice began to question it.

**Mark Staples** said it never seemed to be a problem.

Closing by Sponsor:

**SENATOR J.D. LYNCH** made no further remarks.

HEARING ON HB 66

Sponsor: REP. VICKI COCCHIARELLA, HD 64, Missoula

Proponents: Randy Haight, MT Child Care Assn.

Mary Alice Cook, Children and Family

Steve Yeakel, MT Council Maternal and Child Health

Kate Cholewa, MT Women's Lobby

Opponents:None

Opening Statement by Sponsor:

REP. VICKI COCCHIARELLA, HD 64, Missoula, said this is a consensus bill from the interim committee on children and families. The committee decided from their study of teen pregnancy and teenage drug and alcohol abuse, that early child care is one of those things they could start with to intervene in trying to prevent those children from becoming pregnant teenagers addicted to drugs and alcohol. For every dollar spent in childhood development, you save \$8.00 by the time they are 13 years of age if some of these problems can be prevented. This bill prioritizes the things the committee felt were important when child care is being provided and how they expect child care development dollars spent. This legislation asks for nothing new for child care. There has always been money in the Department of Health to make sure quality child care is available in Montana, and they are asking for a continuation of that money. Referring to page four, line 22, this is their priority list for how they want to see that money spent when issuing grants. This is not creating a new committee but is looking at ways to increase or improve day care in Montana.

Proponents' Testimony:

Randy Haight, Montana Child Care Association, said they support HB 66. He has worked with block grants for years and said the committee structure that is in place does a good job of responding to community needs around the state.

Mary Alice Cook, independent lobbyist for Children and Families, said she attended the joint oversight committee on children and families and she strongly supports HB 66.

Steve Yeakel, MT Council Maternal and Child Health, said child care is the number one issue and now the issue is how the money will be spent. He supports any legislation that will improve child care in the State.

Kate Cholewa, Montana Women's Lobby, said they support HB 66.

Opponents' Testimony:None

Questions From Committee Members and Responses:None

Closing by Sponsor:

REP. VICKI COCCHIARELLA made no further remarks. She asked SENATOR DOROTHY ECK to carry the bill.

EXECUTIVE ACTION ON SB 282

Motion/Vote: SENATOR FRED THOMAS moved SB 282 DO PASS. The motion CARRIED UNANIMOUSLY.

EXECUTIVE ACTION ON HB 66

Motion/Vote: SENATOR FRED THOMAS moved HB 66 BE CONCURRED IN.  
The motion CARRIED UNANIMOUSLY.

HEARING ON SB 236

Sponsor: SENATOR MIGNON WATERMAN, SD 26, Helena

Proponents: Tom Mayer, self  
Nathan Munn, MT Psychiatric Assn.  
Steve Cahill, Psychiatrist  
Scott Burnham, self  
Mike Maxwell, self  
Dr. Hugh Black, Psychologist, MT Psyc. Assn. and MT  
Coalition of Mental Health Providers  
Gloria Hermanson, MT Psychological Assn.  
Rhonda Edwards, self  
Dr. Gary Mihelish, Alliance for Mentally Ill  
Wesley Alcorn, National Alliance for Mentally Ill  
Kathy McGowen, MT Council  
Andree Deligdisch, Children's Committee Mntl Health  
Keith Dixon, Vista Behavioral Health Plans  
Bob Torres, MT Chapter Social Workers  
Al Smith, MT Advocacy Program  
Jenine Feldman, self  
Sandra Mehelish, self  
Mary McCue, MT Clinical Mental Health Counselors  
Claudia Clifford, State Auditors office  
Dan Anderson, Department of Health  
Toni Jensen, self  
Jack Casey, Shodair Hospital  
Gene Haire, Mental Disabilities Board of Visitors  
Beda Lovitt, MT Medical Assn.  
Marty Onishuk, Missoula Alliance Mentally Ill  
Andrea Merrill, Mental Health Assn.  
Mary Alice Cook, Advocate for Children & Families  
Ellen Cox, self  
Francis Rice, self  
Dorothy Salmon, self  
Judy Garrity, self  
Jean Schulz, self

Opponents: Tom Hopgood, American Council Life Insurance and  
Health Insurance Association of America  
Steve Turkeweiz, MT Auto Assn, Auto Dealers Trust  
Tanya Ask, Blue Cross and Blue Shield  
Tom Ebzery, Yellowstone Community Health Plan  
Don Allen, MT Medical Benefit Plan  
Riley Johnson, MT Federation Independent Business  
Lloyd Lockwood, MT Contractors Insurance  
Susan Good, MT Assn. Life Underwriters

Opening Statement by Sponsor:

**SENATOR MIGNON WATERMAN, SD 26, Helena,** said "The Case for Behavioral Health Parity" (EXHIBIT 1) is a good discussion of what SB 236 is about. The treatment of mental illness has changed. In the past, the mentally ill were kept out of sight or institutionalized. Montana is leading the way in the treatment of mental illness. SB 236 is not about mental health coverage but instead the treatment of severe mental illness, that are biological brain diseases. Severe mental illnesses are biological physical brain disorders and are real, diagnosable and treatable. Health care plans provide benefits for some conditions resulting from a malfunction of the brain, such as Parkinsons disease, Alzheimers, epilepsy, but those plans deny benefits for severe mental illness resulting from similar malfunctions or disorders of the brain. The treatment costs of mental illness are controlled through managed care, co-payments and limiting the number of times rehabilitative services can be used after release from the hospital. The cost of physical health is being controlled through the gate-keeper of managed care companies. People with mental illness are treated differently. Insurance companies are required to provide at least \$2,000.00 in benefits, but there is no management of the care for the mentally ill and there is no reason to treat them differently. The success rate of treatment for schizophrenia is 60%, 65% for bipolar disorder and 80% for major depression compared to a 41-52% success rate for the treatment of heart disease. Families face impossible choices in getting treatment for family members with a mental illness. Many are forced to leave their jobs and go on Medicaid to get health care, people with children must separate themselves from their children in order to qualify for public welfare programs, as the only way to get the treatment they need.

Proponents' Testimony:

**Tom Mayer, self,** testified in support of SB 236. (EXHIBIT 2)

**Nathan Munn, Psychiatrist, Montana Psychiatric Association,** said they support SB 236. These biological based diseases are also genetically based and tend to run in families. The success rate for depression is about 95% and due to available medications, schizophrenia treatment success rate is about 85%. The treatment of these mental illnesses is cost-effective because they keep people from relying on public financed health care, work days increase, sick days decrease, and productivity rises when these mental illnesses are better treated.

**Steve Cahill, Licensed Clinical Social Worker,** said he has worked with people with serious mental illness for three years and has learned that people really do get better. SB 236 will help people to afford insurance coverage to help with the treatment they need.

**Scott Burnham, self**, said his daughter is nine years old and suffers from bipolar disorder, a serious mental illness resulting from a chemical imbalance in the brain. He is on the faculty at the University of Montana and has an excellent medical plan, but, under that plan, his daughter's condition is classified as a mental illness. The plan pays 50% of the treatment cost of that mental illness, not to exceed \$1,000.00 in a year, but for any other illness, it pays 80% of the cost of treatment, with no upper limit. Insurers should treat mental illness just like any other illness. He asks for a law to be passed to require equal treatment by insurers.

**Mike Maxwell, Elementary School Principal, Missoula**, said he has an autistic son, who was adopted at six weeks of age. His health insurance discriminates against the treatment of autism. He wants his child to be able to live a productive life, and he can do that if the playing field is level.

**Dr. Hugh Black, Psychologist, representing Montana Psychological Association and Montana Coalition of Mental Health Providers**, spoke in favor of SB 236. (EXHIBIT 3)

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**Gloria Hermanson, Montana Psychological Association**, spoke in support of SB 236. (EXHIBIT 4)

**Rhonda Edwards, self**, spoke in support of SB 236. (EXHIBIT 5)

**Dr. Gary Mihelish, Chairman, Helena Alliance for Mentally Ill**, said 20 years of research has indicated the illnesses in SB 236 have an underlying brain pathology. One of the arguments against the bill will be the cost. SB 236 is patterned after legislation passed in Vermont and New Hampshire, and has been passed in six other states. State employees in Texas have mental health benefits included in their insurance, with a 1994 premium cost of \$2.47 per month per member. Rhode Island passed a bill similar to SB 236, which was supported by Blue Cross and Blue Shield of Rhode Island, and the cost of the increased benefits were 30 cents per month per subscriber. The estimated cost of raising insurance benefits will be one to one-and-one-half percent. The passage of SB 236 will mean an eventual decrease in the cost of Medicaid in Montana because of the treatment of mental illness. Currently, about 80% of the mentally ill who receive treatment are on Medicaid, SSI, and SSDI. If these people could be insured through the private sector, families would not have to disenfranchise them. They could be treated in the community, get better, become functional, work and become a taxpayer. (EXHIBIT 6)

**Wesley Alcorn, representing National Alliance for the Mentally Ill**, said he supports SB 236. He is a consumer of mental health services, and when his insurance limit was reached, he was literally forced onto Medicaid. If there is early treatment and

individuals are not forced onto public rolls, the cycle of dependency can end. The focus should be on recovery.

**Kathy McGowen, representing Montana Council on Mental Health Centers,** said they support SB 236. The lack of insurance coverage for mental illness is one more imposition on families that is unnecessary and something can be done about it.

**Andree Deligdisch, representing Children's Committee of Mental Health Association of Montana,** spoke in support of SB 236. (EXHIBIT 7)

**Keith Dixon, Vista Behavioral Health Plans,** testified in support of SB 236. (EXHIBIT 8)

**Bob Torres, Montana Chapter National Association of Social Workers,** said they support SB 236. He supports the previous testimony. There are two main issues, discrimination towards the mentally ill and cost shifting among the insured. (EXHIBIT 9)

**Al Smith, Executive Director, Montana Advocacy Program,** said they concur with previous testimony. We are talking about human beings, families, and consumers of services. He urged passage of SB 236 because it will save money in the public health system.

**Jeanine Fillinger, self,** said her father is **Tom Mayer** who testified previously. She has seen what her father goes through on a daily basis. She and the other family members give him as much support as they can, but they don't know how to treat an illness and must depend on the services in the community for help. Insurance treats mental illness as if it were a choice, but that is not a choice anyone would make.

**Sandra Mehelish, self,** spoke in support of SB 236. (EXHIBIT 10)

**Mary McCue, representing Montana Clinical Mental Health Counselors Association,** said they support SB 236 and the amendments. (EXHIBIT 11)

**Claudia Clifford, State Auditors office,** asked the committee to consider two things. The consumer expect insurance to cover them for major catastrophic problems, and that is what SB 236 is. She asked the rhetorical question, is this worth the additional cost to your insurance. Maryland has had no problems from the passage of this law there. No insurance companies have threatened to leave and there have been no major rate increases due to the addition of the benefit. She requested an amendment to codify the statute along with the other mental health insurance statutes in Title 33, chapter 22, part 7 instead of part 1.

**Dan Anderson, Department of Public Health and Human Services,** said the department supports SB 236. (EXHIBIT 12)

**Toni Jensen, self**, said she supports SB 236 and is the parent of a child who has epilepsy, which is covered by insurance, and schizophrenia, which is not. They feel their child should have equal parity for her insurance.

**Jack Casey, Administrator, Shodair Hospital**, spoke in support of SB 236. In North Carolina, the cost of health care went down, overall, when parity was introduced. (EXHIBIT 13)

**Gene Haire, Executive Director, Mental Disabilities Board of Visitors**, said they agree with previous testimony and urged the passage of SB 236. (EXHIBIT 14)

**Beda Lovitt, Montana Medical Association**, said they support SB 236.

**Marty Onishuk, Missoula Alliance Mentally Ill**, said she supports SB 236. There are other hereditary diseases, such as heart disease, diabetes, cancer, that are fully covered, even though people have a choice with those illnesses to make them better. People with mental illness do not have a choice. It is a brain disease which should be covered just as Alzheimers, Parkinsons, multiplesclerosis and epilepsy.

**Andrea Merrill, Executive Director, Montana Mental Health Association**, said they support SB 236. We are already living with federal legislation, which is a step towards parity, and soon will go into effect in all the health plans in the nation. (EXHIBIT 15) She submitted a copy of "Paying for Parity." (EXHIBIT 16)

**Mary Alice Cook, Advocate for Children & Families**, said she supports SB 236.

**Ellen Cox, self**, said she supports SB 236. (EXHIBIT 17)

**Francis Rice, self**, said he supports SB 236.

**Dorothy Salmonson, self**, said she supports SB 236.

**Judy Garrity, self**, said she supports SB 236.

**Jean Schultz, self**, said she supports SB 236.

Letters of support were submitted. (EXHIBITS 18, 19, 20, 21)

**Opponents' Testimony:**

**Tom Hopgood, representing American Council of Life Insurance and Health Insurance Association of America**, said for the American Council of Life Insurance, there is one concern that can be remedied by an amendment. It arises out of the requirement of mental illness coverage as it applies to disability insurance. This has to do with the generic definition of health insurance in Montana, which is couched in terms of disability insurance that



includes disability insurance income and doesn't think the intent of this bill is to include disability income insurance.

The Health Insurance Association has more significant concerns about SB 236, and this association, made up of commercial health insurance carriers, thinks the health care problem of cost containment should be addressed. SB 236 is about mandated benefits and cost shifting, and problems with uninsured people. When a health insurance policy is required to cover a particular occurrence, or cover treatment by a particular health care provider, it is an economic fact of life that the utilization of that service will increase. When utilization of the service increases, there are increased claims, increased costs, and increased premiums. Every time there is an increase in health insurance, no matter how small, somebody will drop out of the market. They will lose the healthy person who does not need it and the one who can't afford it. When healthy people drop out of the market, there is a population of insured people who are going to increase the utilization of services, resulting in increased claims, increased cost, increased premiums, resulting in more people dropping out of the bottom. That is called antiselection.

They oppose mandated benefits because the issue is choice, the choice of a person having or not having health insurance and that choice is taken away from the bottom of the market when mandated benefits are imposed. Those people who drop out become uninsured resulting in the huge cost shift.

In 1996, federal mental health parity bills were introduced and failed because they are too expensive. A watered down parity bill did pass, but it is not as onerous to the insurance industry as is SB 236. If we are going to talk about relying on the federal law, he suggest that the federal law be following making the parity provision apply only to health insurance plans which offer coverage for serious mental illness.

SB 236 will not affect the university system because it is a self-insured plan, doesn't affect the state plan, doesn't affect self-insured plans, and doesn't affect state and local governments. One of the amendments he suggests is to bring those plans in because what's good for the goose is good for the gander type of situation. If mental health parity is something you wish to impose on the insurance companies, then it should be imposed on upon the entities that direct the controls. He submitted amendments to SB 236. (EXHIBIT 22)

**Steve Turkeweiz, Montana Auto Dealers Association and Auto Dealers Insurance Trust**, said this is the eighth year he has been before this committee talking about mandated benefits and the proponents saying "this isn't going to cost much." In 1989 their people paid \$2.5 million for benefits they received and in 1996 they paid \$3.8 million, which is a big increase. People who paid nothing as employees for their dependent coverage now pay \$250.00 per month, with a \$1,500.00 deductible for health care services

which the employee must pay. They have been before the Legislature talking about methods and bills, they are looking at as purchasers, for controlling costs, and they have seen some of the same proponents for SB 236 saying, we don't want these managed care programs. He urged the committee to look at the broad spectrum of what public policy in Montana in providing health care, and not look at it, specific to an individual diagnosis or benefits, but what are we willing, as a society and a state, to cover and can afford.

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**Tanya Ask, Blue Cross and Blue Shield**, asked the committee to consider what **Tom Hopgood** said about to whom SB 236 would apply, and it does primarily apply to small and medium-sized groups. A number of large self-funded groups, many hospitals, large governmental entities, and large businesses are not impacted by this. If this bill is going to be considered, she proposes several amendments. (EXHIBIT 23) One of the amendments would clarify that benefits for treatment of severe mental illness COULD be subject to managed care provisions contained in an insurance policy or certificate. The other amendments would bring this language into compliance with language currently in the mental health mandate in Title 22, chapter 7, as **Claudia Clifford** had mentioned; and allow an effective date of January 1, 1998 because there will be other modifications that will need to be made in insurance contracts that would need to be refiled with the Commissioner's office.

**Tom Ebzery, Yellowstone Community Health Plan**, said they oppose SB 236 because of the mandated benefits and it's too expensive, even though the goals are laudable. The projected one percent premium rate increase doesn't work with the numbers they have and they would have an overall increase of 38% for mental health which translates to a two and one-half percent premium increase. As costs go up, fewer participate.

**Don Allen, Montana Medical Benefit Plan**, said most of the things they would like to say about this bill have been said. The issues of health care affordability, access to care, and getting coverage for more people has been talked about and should be the focus. People dropping out of the bottom of the market would actually happen with insurance rate increases leading to a cost shift. If we are looking at affordability, this is the wrong direction to go. If SB 236 passes, it should be expanded to include the self-insured and others who would not be included in this bill.

**Riley Johnson, Montana Federation Independent Business**, said **David Owen, Montana Chamber of Commerce**, and his organization have had a long-standing opposition to expanding mandated benefits in health insurance. As **Tom Hopgood** said, we are the people this is aimed at. The large groups, the federal, the state, etc, are not involved in this. This is a Montana small

business mandate and they are the ones who will have to pay the bill. Small business cannot afford this.

**Lloyd Lockwood, Jr., Montana Contractors Health Care Plan and Trust**, said their plan is self-funded and are not included in SB 236. With the dynamics of health care in Washington D.C. and the suggested amendments to SB 236, he is testifying against the bill. Their plan covers more than 2,100 employees and is totally employer paid. Not only are the employees covered, but the spouses and dependents are covered. When insurance plans are developed, for some reason there is discrimination against the mentally ill. Cost is a consideration in developing plans and benefits. For mental health they allow the standard \$1,000.00 per year out-patient, 30 days a year in-patient treatment, pay for medications, and have a \$25,000.00 lifetime cap. They didn't discriminate when they allowed 50% for eye glasses and it has nothing to do with providing parity for optometrists for glasses. They reduced their dental cost to 50% for major restoration. Cost was a consideration when setting up the initial plan, but now, if they were to be included in this parity for mental health services, the increased cost will make them less competitive because they are competing with firms that provide no benefits. Their only option would be to decrease benefits if they are included in this type of legislation, and the most susceptible would be spouse and dependent coverage by the employer. The consumer has expectations of coverage, and should have the choice of whether or not they need the benefit, can I afford the benefit, and do I want the benefit, but mandated benefits negate all of that and you will buy that benefit whether you want it or not.

**Susan Good, representing Montana Association Life Underwriters**, said her family has been in the insurance business for 37 years. Since the advent of mandates, people have been dropping their insurance because they can't afford it. Montana Association of Life Underwriters have sympathy for those who have testified for SB 236, but know people can't afford the rate increases.

**Questions From Committee Members and Responses:**

**SENATOR CHRIS CHRISTIAENS** asked **Tanya Ask** what Blue Cross and Blue Shield's proposal on the managed care contract for mental health services.

**Tanya Ask** said Blue Cross and Blue Shield was a subcontractor in one of the four proposals submitted to the state for the mental health access plan, where all mental health services would be provided in a managed care environment for services currently being provided by the State of Montana. She did not work on that proposal so doesn't know how it went together.

**SENATOR CHRISTIAENS** said in testimony it was stated, Blue Cross and Blue Shield in Rhode Island premiums when up about 30 cents per month.

**Tanya Ask** said from Rhode Island's experience, premiums would go up about 30 cents per month, but would depend on the kind of mandates currently on the books and what kind of coverage are people buying for themselves or their employee groups. Their estimate is premiums would go up one to one and one-half percent from where they are now.

**SENATOR DePRATU** said, since the State Auditors office is in favor of this for private plans, what would their position be for inclusion of the state employee and university groups, schools, counties, and cities.

**Claudia Clifford** clarified what kind of self-funded plans that would be affected. Self-funded plans that are entirely self-funded are exempted by federal law (ERISA) law, and the Legislature cannot pass state legislation that would affect them, which includes the state employees plan and the plan offered to Montana Power employees. State legislation can affect ME laws, but are currently exempted by state law from most of the mandated benefits.

**Closing by Sponsor:**

**SENATOR MIGNON WATERMAN** said she would be willing to work with the committee on the proposed amendments to the bill. The amendment offered by **SENATOR CHRISTIAENS** expands the definitions farther than is prudent at this time for the State of Montana. Six states have passed parity laws and she would support Blue Cross and Blue Shield's amendments. Most of the mental health coverage, in Montana, will be under managed care and would like the language to say the physical health is covered under the managed care. She said they are looking for equity and, if physical health coverage is provided under a managed care system, they would approve similar provisions for mental health coverage. There were some good points made in testimony about the state plan and those who would not be covered, because there is no desire to get into cost shifting. She would have no problem with including the state employees and thinks there would be no additional cost to the state. Costs can be controlled by treating mental illness just as physical health is treated. Mental illness also affects physical health.

The hearing recessed from 5:02 to 5:16 PM

**HEARING ON HB 108**

**Sponsor:** REP. EMILY SWANSON, HD 18, Bozeman

**Proponents:** Nancy Ellery, Department of Health  
Rose Hughes, Montana Health Care Assn.  
Bob Olson, MT Hospital Assn.

**Opponents:** None

Opening Statement by Sponsor:

REP. EMILY SWANSON, HD 18, Bozeman, said HB 108 relates to the certificate of need and is a consensus bill between all of the concerned parties. Certificate of need is a process to control a portion of the health care costs and is a cost control measure. The reason for HB 108 is to get rid of the portions of the certificate of need process that aren't working but not eliminate the whole process. Certificate was put in place in 1975 and has gone through various changes, and now it is necessary to change it again. Referring to the brochure "Montana's Certificate of Need (CON) Program" which describes the program, (EXHIBIT 24) she listed the programs which will be retained and those which will be dropped.

Proponents' Testimony:

Nancy Ellery, Department of Public Health and Human Services, testified in support of HB 108. (EXHIBIT 25)

Rose Hughes, Montana Health Care Association, said they support HB 108.

Bob Olson, Montana Hospital Association, said they support HB 108. He said when the House Human Services committee debated this bill, there was a question about the wisdom of Certificate of Need and whether it should be market driven. Until someone reforms the market of payment, the controls on the supply can't be undone.

Opponents' Testimony: None

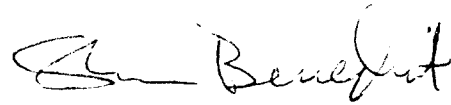
Questions From Committee Members and Responses: None

Closing by Sponsor:

REP. EMILY SWANSON said this is a good bill and went through the House fairly easily and the only question that came up regarded home health. SENATOR CHUCK SWYSGOOD has agreed carry the bill.

ADJOURNMENT

Adjournment: 5:26 PM



SEN. STEVE BENEDICT, Chairman



KAROLYN SIMPSON, Secretary

SB/ks