

## MINUTES

### MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

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

Call to Order: By CHAIRMAN STEVE BENEDICT, on February 21, 1997,  
at 3:20 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. Eve Franklin (D)

Members Excused: Sen. Dorothy Eck (D)  
Sen. Sharon Estrada (R)  
Sen. Fred Thomas (R)

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:

Executive Action: SB 338, SB 365

{Tape: 1; Side: A; Approx. Time Count: 3:20 PM; Comments: some  
comments unintelligible due to paper shuffling, room noise &  
voices}

#### EXECUTIVE ACTION ON SB 338

Motion: SENATOR JIM BURNETT moved SB 338 DO PASS.

Motion: SENATOR CHRIS CHRISTIAENS moved the AMENDMENTS  
(SB033801.asf) DO PASS. (EXHIBIT 1)

Discussion: Susan Fox said amendment 3, exempts certain  
facilities and are defined later in the bill from larger ones,  
and amendment 4 exempts establishments that have 8 or less people  
at one time. Amendment 7 (page 3, line 27) the Department of  
Health may adopt rules, and amendment 9 returns it to annual  
licensure, and adds bed and breakfasts if the bed and breakfast  
bill doesn't pass. Because of the return to annual license, sub

section 5 is being deleted and section 6, allows for annual licensure.

**SENATOR EVE FRANKLIN** asked **Page Dringman** to comment on the amendments.

**Page Dringman** said these amendments are alright, agreed with **SENATOR CHRISTIAENS** that bed and breakfasts should be treated the same because there are a lot of small facilities serving 8 or less, and probably there is no big health safety problem.

**SENATOR BAER** said amendment 4, page 2, line 10, new language says "provide sleeping accommodations for 9 or more persons at one time." He asked if "provide sleeping accommodations for 9 or more clients" wouldn't be better language.

**Page Dringman** said yes, if it would be a point of confusion because it is 9 or more guests, not including family that may own or operate the place.

**CHAIRMAN BENEDICT** asked the committee if everyone agreed to that amendment. The answer was affirmative.

**Vote:** The DO PASS motion for the AMENDMENTS (SB033801.asf) CARRIED UNANIMOUSLY.

**Amendments:** **SENATOR CHRISTIAENS** said he has another amendment that was going into the bed and breakfast bill but introducing it for SB 338, page 4, following line 2, for the Department to develop guidelines for county sanitarians to ensure uniform application of rules because this has been a state-wide problem for bed and breakfasts.

**Vote:** **SENATOR CHRISTIAENS** moved the amendment for the Department to develop guidelines for county sanitarians DO PASS.

**Discussion:** **CHAIRMAN BENEDICT** asked **Kathleen Martin** if this amendment would place an undue burden on for the Department of Health and require 3 FTE's, a computer, etc.

**Kathleen Martin** said it would not place a burden on the Department and that was the intent of the bed and breakfast bill and thinks this is a good amendment.

**Vote:** The DO PASS motion for the AMENDMENT to page 4, CARRIED UNANIMOUSLY.

**Motion:** **SENATOR BAER** moved SB 338 AS AMENDED DO PASS. The motion carried UNANIMOUSLY (proxy votes from SENATORS ECK, ESTRADA, THOMAS)

#### EXECUTIVE ACTION ON SB 365

**Motion:** **SENATOR BAER** moved SB 365 DO PASS.

**Motion:** SENATOR BAER moved the Benedict amendments (SB036501.asf) to SB 365 DO PASS. (EXHIBIT 2)

**Amendments:** Susan Fox explained the amendments, saying the small managed care plans must consist of standards that are appropriate for quality assurance in Montana and can choose whichever HEDIS standards are appropriate.

CHAIRMAN BENEDICT told the committee if they have any questions about any of the amendments, feel free to ask them at any time.

Susan Fox explained amendment #5, page 10, line 23, tells the purpose is to provide a streamlined and simplified process for monitoring for compliance.

CHAIRMAN BENEDICT said this amendment puts the board back into the bill in the year 2001 to protect people of Montana from any fears that the administration, a new commissioner, or a new governor would not be able to work together.

Susan Fox explained the remaining amendments.

**Vote:** The DO PASS motion for CHAIRMAN BENEDICT's AMENDMENTS (SB036501.asf) to SB 365 CARRIED UNANIMOUSLY with SENATORS ECK, ESTRADA, and THOMAS voting by proxy.

**Amendments:** SENATOR FRANKLIN said she has an amendment that puts in some consumer mechanism, but will withdraw that because the board is being put back into the bill.

CHAIRMAN BENEDICT said he has another set of amendments (SB036503.asf) for provider-sponsored organizations. These are hospitals and physicians and other providers who organize for the purposes of securing contracts from payers who provide health care services, and are essentially the same as an HMO but would not be under HMO regulations. They should at least be referenced in the bill that defines what a provider-sponsored organization is. (EXHIBIT 3)

**Motion/Vote:** SENATOR BAER moved the AMENDMENTS (SB036503.asf) to SB 365 DO PASS. The motion CARRIED UNANIMOUSLY with SENATORS ECK, ESTRADA and THOMAS voting by proxy.

**Discussion:** SENATOR CHRISTIAENS asked what would have to change to trigger a report, and there were questions during the hearing about a material change.

Susan Fox said material change is not defined anywhere in the statutes but is used in quite a few places, specifically in the insurance codes and HMO codes. In business and the insurance community, it means any change of substance, but could be left to interpretation. But, because the Department has rule-making authority in this area, they can define this term through rules.

**SENATOR CHRISTIAENS** said it is important that be talked about so the Department will know that was not left out of the discussion. He expressed his concerns that a reference to durable medical equipment was not included in SB 128 and is missing in SB 365. At some point, or some bill, that issue should be addressed.

**CHAIRMAN BENEDICT** said durable medical equipment is not mentioned because that would be a mandated benefit and he would not ask for it to be included in SB 365.

**Motion:** **SENATOR BAER** moved SB 365 DO PASS AS AMENDED.

**Discussion:** **SENATOR EVE FRANKLIN** said she likes the provider and consumer board are back in the bill and will vote for SB 365, but is close in text to SB 128.

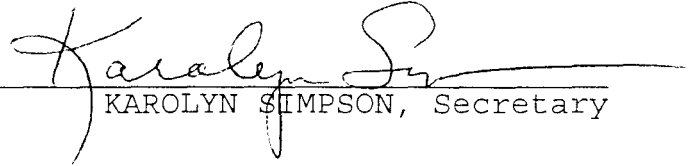
**Vote:** The DO PASS motion for SB 365 AS AMENDED CARRIED UNANIMOUSLY, with **SENATORS ECK, ESTRADA,** and **THOMAS** voting by proxy.

ADJOURNMENT

Adjournment: 3:46 PM



SEN. STEVE BENEDICT, Chairman



KAROLYN SIMPSON, Secretary

SB/ks