

## MINUTES

### MONTANA SENATE 55th LEGISLATURE - REGULAR SESSION

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

Call to Order: By CHAIRMAN STEVE BENEDICT, on April 7, 1997, at  
3:30 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)

**Members Excused:** 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:**

Hearing(s) & Date(s) Posted: HB 298, 4/2/97  
Executive Action: HB 298

*{Tape: 1; Side: A; Approx. Time Count: 3:30 PM}*

#### HEARING ON HB 298

**Sponsor:** REP. ROYAL JOHNSON, HD 10, Billings

**Proponents:** Cindy Lewis, Council Chairman  
Nancy Ellery, DPHHS  
Mary Jo Fox, Governor's office  
Tanya Ask, Blue Cross and Blue Shield  
John Flink, MT Hospital Assn.

**Opponents:** None

**Opening Statement by Sponsor:**

**SENATOR STEVE BENEDICT**, standing in for **REP. ROYAL JOHNSON, HD 10, Billings**, said HB 298 is an act providing for 2-year terms for members of the Health Care Advisory Council. It was formed after the 1995 Legislative Session to look at all aspects of health care, and find out where health care delivery systems could be developed and cost controls for health care. They did a good job, when through a lot of information and presented recommendations to the 1997 Legislature. This council is needed during the interim as an oversight and work with the Department of Health. It is the starting point for future legislation.

**Proponents' Testimony:**

**Cindy Lewis, Council Chairman, Health Care Advisory Council**, testified in support of HB 298. She discussed the points on "Why Should the 1997 Legislature Support the Montana Health Care Advisory Council?" (**EXHIBIT 1**) Montanans spend about \$2.7 year on health care. (**EXHIBIT 2**)

**Nancy Ellery, Administrator, Health Policy and Services Division, Department of Public Health and Human Services**, said they support HB 298. The council is necessary because there is a need to know where the health care dollars are going, improve the system, and control those costs. At present the health care costs have moderated but are predicted to go up and be double-digit by 1998. She thinks the council needs to continue and would like to have the \$39,000.00 restored to the bill that was taken out by the House Appropriations Committee.

**Mary Jo Fox, representing the Governor**, said he supports HB 298.

**Tanya Ask, representing Blue Cross and Blue Shield of Montana**, said she attended most of the Health Care Advisory Council meetings during the interim and thinks it is necessary to continue the discussions of health care issues and review the legislation passed during the 1993 and 1995 sessions. The council has studied the issues and began exploring new proposals before the legislature is faced with them because the ground work is very important.

**John Flink, representing Montana Hospital Association**, said he attended Health Care Advisory Council meetings. There are continuous changes in health care and need to be discussed between legislative sessions.

**Opponents' Testimony:** None

**Questions From Committee Members and Responses:**

**SENATOR CHRIS CHRISTIAENS** asked where the information is obtained for the council to consider.

**Cindy Lewis** said she didn't know.

**SENATOR CHRISTIAENS** asked **Cindy Lewis** if the Council was receiving any information from the Reforming States Group because he thought it would be helpful to the council.

**Cindy Lewis** said she didn't know if they were receiving information from that group, but they tried to make sure one of the functions of the council to ensure there is no duplication and would like to receive all available information.

**CHAIRMAN BENEDICT** asked if the funding is not restored to the bill from the General Fund, would the council be able to exist because there would be no matching funds for federal money, and if there is no state money would the bill be dead.

**Nancy Ellery** said she didn't want to say for sure, but they have had funding removed for five councils and think it would be difficult to make this council work without funding. She said the council budget was based on a minimum number of meetings, per diem for those attending, and a couple of out-of-state meetings.

**CHAIRMAN BENEDICT** asked if HB 298 is passed without funding, will meetings be held? He said he wasn't sure there is revenue available to fund the council.

**Nancy Ellery** said they have a \$2 million per year operating budget and it will cost her division about \$800,000.00 to put these councils together. She thinks it would be difficult for this council to operate without state funding.

**SENATOR CHRISTIAENS** asked **Nancy Ellery** if he understood her correctly to say the four councils remaining after consolidation have not been funded.

**Nancy Ellery** said the Health Care Advisory Council was not included in **SENATOR SWYSGOOD's** council consolidation bill. Almost \$250,000.00 of funding was removed from the Council on Families, the Department Advisory Council, and the Prevention Council, and she doesn't think these councils were included in the council consolidation bill because they were not mandated.

**Closing by Sponsor:**

**REP. JOHNSON** was not present to close.

**EXECUTIVE ACTION ON HB 298**

**CHAIRMAN BENEDICT** said, because of the budget, it wouldn't hurt to delay action on the bill and his inclination, at present, is to table the bill.

**SENATOR BURNETT** said they could deal with less funding for some things but didn't know if they could handle all of the advisory councils.

**Motion:** SENATOR DOROTHY ECK moved HB 298 BE CONCURRED IN.

**Discussion:** SENATOR EVE FRANKLIN said Dr. Blouke had said, after coming back from a conference in Washington D.C., that some sort of entity is needed as a clearing house for policy.

SENATOR ECK asked if the committee could consider a legislative study commission because about half of the committee members are legislators. There is money set aside for interim studies.

CHAIRMAN BENEDICT said he didn't think that would be possible because a legislative committee is made up of legislators only and the idea of the Advisory Council is to include the public.

SENATOR CHRISTIAENS said the solution would be for the legislators to be the only ones receiving pay and, because there is generally interest in this issue, a lot of people would be willing to pay their own costs to serve on the council.

CHAIRMAN BENEDICT said it's not the cost of having the members on the committee, but it's all of the staff time and bringing in speakers is the largest expense. A speaker was brought in from Oregon to talk about the Oregon health plan.

SENATOR CHRISTIAENS said maybe the committee should see a breakdown of the budget for the last biennium, and then decide what money is really necessary. There may be other funding sources available, such as grants.

SENATOR SHARON ESTRADA asked what would be the best thing to do with this bill because there is no money available, and without money the bill cannot be funded.

SENATOR DePRATU said this sounds like a good program but doesn't think the money will be available. People should be given a chance to be innovative to find a way for the council to operate without the \$39,000.00.

CHAIRMAN BENEDICT said it sounds like the Department doesn't want to do that.

SENATOR CHRISTIAENS said they have heard about bills that require funding are heard in the Conference Committee, and thinks HB 298 should go forward, whether or not funding goes with it. If HB 298 is tabled it would not be considered in the discussions of HB 2, but if it is kept alive, there would be an opportunity for some of the members of the council to find other ways to fund it.

SENATOR JIM BURNETT said if it is passed out of the committee, it will die.

SENATOR ECK said she agreed with SENATOR CHRISTIAENS to pass the bill out of the committee, but would like the committee to recommend an interim study commission on health care issues.

Motion/Vote: SENATOR BURNETT moved to TABLE HB 298. The motion FAILED by ROLL CALL VOTE.

Vote: The BE CONCURRED IN motion for HB 298 CARRIED with SENATOR BURNETT voting NO.

Discussion: CHAIRMAN BENEDICT said the bill is being passed out of the committee without any funding and opened the discussion on a study commission resolution.

SENATOR ESTRADA asked about the study resolution.

CHAIRMAN BENEDICT said it's like all the other study resolutions then they are ranked to decide whether it will be one of the interim committees.

SENATOR ECK said if funding were available for the Council from HB 2, then there wouldn't be much support for this resolution.

CHAIRMAN BENEDICT suggested saying this act is null and void if funding is passed in HB 2.

SENATOR ECK asked if there is any information about what they are going to study.

SENATOR FRANKLIN asked if the committee could use a mission statement.

Motion: SENATOR ECK moved a committee Study Resolution.

Discussion: SENATOR CHRISTIAENS asked if it is appropriate in a study resolution to recommend funding from private donations.

CHAIRMAN BENEDICT said he thinks the Department of Health could word the study resolution and looking for funding.

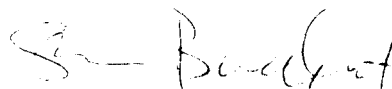
SENATOR CHRISTIAENS said it may be an appropriate time to put together a survey of small group employer insurance to determine the changes during the last four years and how many people have come on board with some kind of health care.

CHAIRMAN BENEDICT said they did that in Health Care Advisory Council and it is still too early to determine how that's going and with the KK bill, it will change.

Vote: The motion for a Study Resolution CARRIED with SENATOR BURNETT voting NO. SENATOR ECK will carry the resolution.

ADJOURNMENT

Adjournment: 4:05 PM



SEN. STEVE BENEDICT, Chairman



KAROLYN SIMPSON, Secretary

SB/ks