

CHAPTER NO. 537.

SENATE BILL NO. 425

INTRODUCED BY THIESSEN, DAY, WOOD, OLSON, KVAALLEN, GALT,
WYRICK, RYAN, NATHE, LIEN, C. SMITH, R. SMITH

IN THE SENATE

February 9, 1979	Introduced and referred to Committee on Public Health, Welfare, and Safety.
February 13, 1979	Fiscal note requested.
February 16, 1979	Fiscal note returned.
February 20, 1979	Committee recommend bill do not pass. Report adopted. On motion, Senate reconsider its action taken on adverse committee report and order printed and placed on second reading. Motion adopted.
February 21, 1979	Printed and placed on members' desks.
February 22, 1979	Second reading, do pass as amended.
February 23, 1979	Correctly engrossed. On motion, rules suspended. Bill placed on calendar for third reading this day. Third reading, passed. Transmitted to second house.

IN THE HOUSE

February 27, 1979	Introduced and referred to Committee on State Administration.
March 8, 1979	Rereferred to Committee on Appropriations.

March 21, 1979

Committee recommend bill
be concurred in as amended.
Report adopted.

March 22, 1979

Second reading, concurred in.

Segregated from Committee
of the Whole report.

Second reading, concurred in
as amended.

March 26, 1979

Third reading, concurred in
as amended.

IN THE SENATE

March 27, 1979

Returned from second house.
Concurred in as amended.

March 29, 1979

Second reading, amendments
adopted.

March 30, 1979

Third reading, amendments
adopted. Sent to enrolling.

Reported correctly enrolled.

1 *Sen* BILL NO. *425*
 2 INTRODUCED BY *Theresa Donnelly* *Alison Kvaalen*
 3 *Wynick Ryan* NATHC *Lisa C. Smith* *R. Scott Holt*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE USE OF
 5 THE STATE-OWNED NURSING HOME AT GLENDIVA FROM THE CARE AND
 6 TREATMENT OF GERIATRIC PERSONS TO THE CARE AND TREATMENT OF
 7 DEVELOPMENTALLY DISABLED PERSONS; REPEALING SECTIONS
 8 53-21-401 AND 53-21-402, MCA; PROVIDING AN IMMEDIATE
 9 EFFECTIVE DATE."

10
 11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Glendive nursing home facility. The
 13 state-owned nursing home facility located at Glendive is to
 14 be used to provide services to developmentally disabled
 15 persons who are either residents of the Boulder River school
 16 and hospital or who may be eligible for admission to the
 17 Boulder River school and hospital.

18 Section 2. Powers and duties of the department of
 19 institutions and state-owned nursing homes. The department
 20 of institutions:

21 (1) may operate or contract with a nonprofit
 22 corporation that demonstrates expertise in and the
 23 capability of providing rehabilitative and restorative
 24 programs for the developmentally disabled for the operation
 25 and management of nursing homes;

1 (2) shall ensure that any state-owned nursing homes
 2 are in compliance with federal and state regulations;

3 (3) shall adopt rules for staffing requirements and
 4 the admission of patients;

5 (4) may accept grants, gifts, bequests, and
 6 contributions in money or property or any other form from
 7 individuals, corporations, associations, or federal, state,
 8 and local government agencies for the purposes of
 9 establishing and operating nursing homes.

10 Section 3. Repealer. Sections 53-21-401 and 53-21-402,
 11 MCA, are repealed.

12 Section 4. Codification. It is intended that sections
 13 1 and 2 be codified as an integral part of Title 53, chapter
 14 20, part 5, and the provisions of Title 53, chapter 20, part
 15 5, apply to sections 1 and 2.

16 Section 5. Effective date. This act is effective on
 17 passage and approval.

-End-

STATE OF MONTANA

REQUEST NO. 320-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 12, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 425 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

*Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Option #1 Contract with Private Non-Profit Organization

Description of Proposed Legislation:

"An act to change the use of the state-owned nursing home at Glendive from the care and treatment of geriatric persons to the care and treatment of developmentally disabled persons."

Assumptions:

1. Management would be contracted from a private non-profit organization.
2. Private sector salaries are 10% to 20% lower than state salaries for nursing personnel.
3. Sixty-five percent (65%) of patients would be eligible for Medicaid.
4. The Director will be able to screen the other 35% and only accept those who could pay 100% of the per diem costs of care and maintenance.
5. The General Fund would loan the startup money to the private contractor until revenue exceeded expenses and the loan could be paid back.
6. The excess of revenue over expenses would revert to the General Fund.

Fiscal Impact:

	<u>FY 80</u>	<u>FY 81</u>
Revenue		
Medicaid	\$400,541	\$422,907
Private	216,108	228,138
TOTAL	<u>\$616,649</u>	<u>\$651,045</u>
Expenditures		
Personal Services	\$456,090	\$478,895
Operating	127,520	135,171
TOTAL	<u>\$583,610</u>	<u>\$614,066</u>
Net to General Fund	<u>\$ 33,039</u>	<u>\$ 36,979</u>

Comments:

If assumption #4 does not hold true, there could be a serious effect on revenue which would mean the General Fund would be needed to make up any differences.

Richard L. Dwyer
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: _____

See Page 2 for Option 2

STATE OF MONTANA

REQUEST NO. 320-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 13, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 425 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Option No. 2 State Operated

Description of Proposed Legislation:

"An act to change the use of the state-owned nursing home at Glendive from the care and treatment of geriatric persons to the care and treatment of developmentally disabled persons."

Assumptions:

1. Sixty-five percent (65%) of patients would be Medicaid eligible.
2. Thirty-five percent (35%) of the patients would be subject to reimbursement at an average of \$107/month based on the Parental Liability Schedule.

Fiscal Impact:

	<u>FY 80</u>	<u>FY 81</u>
Revenue		
Medicaid	\$370,872	\$389,937
Private Reimbursement	17,976	19,055
ESEA Title I	40,000	40,000
TOTAL	<u>\$428,848</u>	<u>\$448,992</u>
Expenditures		
Personal Services	\$503,773	\$528,962
Operating Expenses	73,020	77,401
TOTAL	<u>\$576,793</u>	<u>\$606,363</u>
Cost to General Fund	<u>\$147,945</u>	<u>\$157,371</u>

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: _____

Public Health, Welfare & Safety

On motion reconsider adverse committee report.

1 INTRODUCED BY *Sen. [Signature]* BILL NO. *423*
2 *Wynick Ryan NATMC* *Olson Kvaalen*
3 *John C. Smith R. [Signature]*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE USE OF
5 THE STATE-OWNED NURSING HOME AT GLENDIVE FROM THE CARE AND
6 TREATMENT OF GERIATRIC PERSONS TO THE CARE AND TREATMENT OF
7 DEVELOPMENTALLY DISABLED PERSONS; REPEALING SECTIONS
8 53-21-401 AND 53-21-402, MCA; PROVIDING AN IMMEDIATE
9 EFFECTIVE DATE."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Glendive nursing home facility. The
12 state-owned nursing home facility located at Glendive is to
13 be used to provide services to developmentally disabled
14 persons who are either residents of the Boulder River school
15 and hospital or who may be eligible for admission to the
16 Boulder River school and hospital.

17 Section 2. Powers and duties of the department of
18 institutions and state-owned nursing homes. The department
19 of institutions:

20 (1) may operate or contract with a nonprofit
21 corporation that demonstrates expertise in and the
22 capability of providing rehabilitative and restorative
23 programs for the developmentally disabled for the operation
24 and management of nursing homes;
25

1 (2) shall ensure that any state-owned nursing homes
2 are in compliance with federal and state regulations;

3 (3) shall adopt rules for staffing requirements and
4 the admission of patients;

5 (4) may accept grants, gifts, bequests, and
6 contributions in money or property or any other form from
7 individuals, corporations, associations, or federal, state,
8 and local government agencies for the purposes of
9 establishing and operating nursing homes.

10 Section 3. Repealer. Sections 53-21-401 and 53-21-402,
11 MCA, are repealed.

12 Section 4. Codification. It is intended that sections
13 1 and 2 be codified as an integral part of Title 53, chapter
14 20, part 5, and the provisions of Title 53, chapter 20, part
15 5, apply to sections 1 and 2.

16 Section 5. Effective date. This act is effective on
17 passage and approval.

-End-

SENATE BILL NO. 425

INTRODUCED BY THIESSEN, DAY, WOOD, OLSON, KVAALEN, GALT,

WYRICK, RYAN, NATHE, LIEN, C. SMITH, R. SMITH

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE USE OF THE STATE-OWNED NURSING HOME AT GLENDIVE FROM THE CARE AND TREATMENT OF GERIATRIC PERSONS TO THE CARE AND TREATMENT OF DEVELOPMENTALLY---DISABLED---PERSONS;---REPEALING---SECTIONS 53-21-401 AND 53-21-402;---MCA; ANY PATIENT POPULATION SERVED BY THE DEPARTMENT OF INSTITUTIONS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Glendive nursing home facility. The state-owned nursing home facility located at Glendive is to be used to provide services to ~~developmentally--disabled persons who are either residents of the Boulder River school and hospital--or--who--may--be--eligible--for--admission--to--the Boulder River school and hospital;~~ ANY PATIENT POPULATION SERVED BY THE DEPARTMENT OF INSTITUTIONS.

Section 2. Powers and duties of the department of institutions and state-owned nursing homes. The department of institutions:

(1) may operate or contract with a nonprofit corporation that demonstrates expertise in and the

capability of providing ~~rehabilitative--and--restorative~~ programs for the ~~developmentally--disabled~~ PATIENT POPULATION TO BE SERVED BY THE FACILITY AND for the operation and management of nursing homes;

(2) shall ensure that any state-owned nursing homes are in compliance with federal and state regulations;

(3) shall adopt rules for staffing requirements and the admission of patients;

(4) may accept grants, gifts, bequests, and contributions in money or property or any other form from individuals, corporations, associations, or federal, state, and local government agencies for the purposes of establishing and operating nursing homes.

Section 3. ~~Repeater~~ LEGISLATIVE OVERSIGHT REQUIRED. ~~Sections 53-21-401 and 53-21-402;---MCA;---are---repealed.~~ THE DEPARTMENT OF INSTITUTIONS SHALL SUBMIT ALL PLANS FOR THE USE OF THE FACILITY TO THE LEGISLATIVE FINANCE COMMITTEE ESTABLISHED BY 5-12-201 NOT LESS THAN 30 DAYS PRIOR TO THE IMPLEMENTATION OF THE PLAN.

THERE IS A NEW MCA SECTION THAT READS AS FOLLOWS:

Section 4. Disposition of facility. Nothing in [this act] prohibits the disposition of the facility as provided in 77-2-302 if an appropriate use for the facility cannot be found by the department of institutions.

Section 5. Codification. It is intended that sections

1 1 and 2 be codified as an integral part of Title 53, chapter
2 20, part 5, and the provisions of Title 53, chapter 20, part
3 5, apply to sections 1 and 2.

4 Section 6. Effective date. This act is effective on
5 passage and approval.

-End-

1 SENATE BILL NO. 425
 2 INTRODUCED BY THIESSEN, DAY, WOOD, OLSON, KVAALEN, GALT,
 3 MYRICK, RYAN, NATHE, LIEN, C. SMITH, R. SMITH
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 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE USE OF
 6 THE STATE-OWNED NURSING HOME AT GLENDIVA FROM THE CARE AND
 7 TREATMENT OF GERIATRIC PERSONS TO THE CARE AND TREATMENT OF
 8 DEVELOPMENTALLY--DISABLED--PERSONS;--REPEALING--SECTIONS
 9 53-21-401--AND--53-21-402,--MCA; ANY PATIENT POPULATION SERVED
 10 BY THE DEPARTMENT OF INSTITUTIONS OR THE DEPARTMENT OF
 11 SOCIAL AND REHABILITATION SERVICES; AND PROVIDING AN
 12 IMMEDIATE EFFECTIVE DATE."

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

15 Section 1. Glendive nursing home facility. The
 16 state-owned nursing home facility located at Glendive is to
 17 be used to provide services to developmentally-disabled
 18 persons-who-are-either-residents-of-the-Boulder-River-school
 19 and-hospital-or-who-may-be-eligible-for-admission-to-the
 20 Boulder--River--school--and-hospital. ANY PATIENT POPULATION
 21 SERVED BY THE DEPARTMENT OF INSTITUTIONS OR THE DEPARTMENT
 22 OF SOCIAL AND REHABILITATION SERVICES.

23 Section 2. Powers and duties of the department of
 24 institutions, THE DEPARTMENT OF SOCIAL AND REHABILITATION
 25 SERVICES, and state-owned nursing homes. The department of

1 institutions AND THE DEPARTMENT OF SOCIAL AND REHABILITATION
 2 SERVICES:

3 (1) may operate or contract with a nonprofit
 4 corporation that demonstrates expertise in and the
 5 capability of providing rehabilitative--and--restorative
 6 programs for the developmentally-disabled PATIENT POPULATION
 7 TO BE SERVED BY THE FACILITY AND for the operation and
 8 management of nursing homes;

9 (2) shall ensure that any state-owned nursing homes
 10 are in compliance with federal and state regulations;

11 (3) shall adopt rules for staffing requirements and
 12 the admission of patients;

13 (4) may accept grants, gifts, bequests, and
 14 contributions in money or property or any other form from
 15 individuals, corporations, associations, or federal, state,
 16 and local government agencies for the purposes of
 17 establishing and operating nursing homes.

18 Section 3--Repealer. LEGISLATIVE--OVERSIGHT--REQUIRED,
 19 Sections--53-21-401--and--53-21-402,--MCA, are repealed. THE
 20 DEPARTMENT OF INSTITUTIONS SHALL SUBMIT ALL--PLANS--FOR--THE
 21 USE--OF--THE--FACILITY--TO--THE--LEGISLATIVE--FINANCE--COMMITTEE
 22 ESTABLISHED BY 5-12-201 NOT LESS THAN 30 DAYS PRIOR--TO--THE
 23 IMPLEMENTATION OF THE PLAN.

24 THERE IS A NEW MCA SECTION THAT READS AS FOLLOWS:
 25 Section 3. Disposition of facility. Nothing in [this

1 act] prohibits the disposition of the facility as provided
2 in 77-2-302 if an appropriate use for the facility cannot be
3 found by the department of institutions OR THE DEPARTMENT OF
4 SOCIAL AND REHABILITATION SERVICES.

5 Section 4. Codification. It is intended that sections
6 1 and 2 be codified as an integral part of Title 53, chapter
7 20, part 5, and the provisions of Title 53, chapter 20, part
8 5, apply to sections 1 and 2.

9 Section 5. Effective date. This act is effective on
10 passage and approval.

-End-

HOUSE OF REPRESENTATIVES
March 21, 1979

Committee on Appropriations Amendments to Senate Bill No. 425,
third reading copy, second printing, as follows:

1. Page 2, lines 14 through 19.
Strike: section 3 in its entirety
Renumber: subsequent sections

AND AS AMENDED
BE CONCURRED IN

HOUSE OF REPRESENTATIVES
March 22, 1979

Committee of the Whole amendments to Senate Bill No. 425, third reading copy, second printing, as follows:

1. Title, line 10.
Following: "INSTITUTIONS"
Insert: "OR THE DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES"
2. Page 1, line 20.
Following: "INSTITUTIONS"
Insert: "or the department of social and rehabilitation services"
3. Page 1, line 22.
Following: "institutions"
Insert: ", the department of social and rehabilitation services,"
4. Page 1, line 23.
Following: "institutions"
Insert: "and the department of social and rehabilitation services"
5. Page 2, line 24.
Following: "institutions"
Insert: "or the department of social and rehabilitation services"

AND AS AMENDED,
BE CONCURRED IN