

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By WM. "RED" MENAHAN, on January 31, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Rep. Wm. "Red" Menahan, Chairman (D)
Sen. Dick Manning, Vice Chairman (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Rep. Dorothy Cody (D)
Rep. Chuck Swysgood (R)
Sen. Eleanor Vaughn (D)

Staff Present: Sandra Whitney, Associate Fiscal Analyst (LFA)
Mary LaFond, Budget Analyst (OBPP)
Mary Lou Schmitz, Secretary

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

Curt Chisholm, Director, Department of Institutions, said a Four Phase plan has been implemented to deal with the crisis facing Eastmont and Montana Developmental Center relative to potential loss of federal reimbursement revenue if certification standards are not met.

Bob Anderson, Administrator, Special Services Division, Department of Institutions, said the proposal has been a comprehensive endeavor to modify all services for the developmentally disabled. In the next Biennium, the budgets that have been presented are based on plans for the residents to be transferred and community programs to be implemented. He is concerned about some flexibility for transferring between personal services and operating within the Boulder budget because this facility will be the only one going through this transition.

Jennifer Pryor, Superintendent, Montana Development Center, (MDC) reviewed the proposal and concerns about having flexibility in the budget so the clients' needs can be met and still meet the projected plan for the entire developmental disability service system. The amount of change Boulder is experiencing very difficult for staff and clients while maintaining certification.

Deb Gabse, employee at MDC, represents herself and members of the

bargaining unit who have concerns about the downsizing phases Boulder is going through. The concerns are for the clients and students to make sure the continuum of services beginning at MDC will go all the way through. They want to be sure the process goes at a pace that is functional and appropriate for clients moving from one place to another.

Roger Nummerdor, maintenance employee at MDC, said equipment is needed for the safety of the clients and staff and asked the subcommittee to be careful in its consideration of Boulder.

REP. CODY asked **Mr. Anderson** about a proposed law to find who the high need clients will be. **Mr. Anderson** said along with the Task Force they developed a DD law task force. It was made up of representatives from SRS and attorneys who looked at commitment laws. There is no logic in developing a new mission for the Institutions to serve specific residents and then continue the same commitment laws they have now. The definition for seriously developmentally disabled persons had to be changed. They also changed the definition of professional persons. **REP. CODY** asked if a survey was done of people in need of service and not currently getting it. **Mr. Anderson** said the seriously developmentally disabled are those individuals who are a serious threat to themselves and others. These residents need intensive services. There are individuals with DD problems on a waiting list who don't need the intensive services that require commitment.

SEN. VAUGHN asked if the courts are committing people to Boulder who don't fit under the new law change. Do the people go on a waiting list to get into another home? In the past, some Boulder people have been sent to the local nursing homes and is that still a practice. **Ms. Pryor** said her first responsibility is to the clients. The emphasis and changes to the law are not to keep people out of Boulder but to look at individuals with different levels of handicapped conditions. They need treatment that will assure them the highest quality life possible. As the law stands now, people can be sent to Boulder because there is no place in the community for them. Developmentally disabled people cannot be served in nursing homes because of OBRA changes; they need active treatment services.

SEN. AKLESTAD asked the average age of clients being served at Boulder and what was the age 10 years ago. **Mr. Anderson** said about 35-40 now and younger 10 years ago. **SEN. AKLESTAD** asked how many clients have families or friends visit them. **Ms. Pryor** said there are 30 to 40 families who maintain close contact. **SEN. AKLESTAD** asked about the laws the Department is trying to get changed so clients can get into a community based setting more easily. **Mr. Anderson** said the statute will set up a screening committee of professionals to review each individual recommended for commitment. It does not make it easier for anyone to get into Boulder or easier to get into a community setting. It is a more appropriate way to determine what is

needed for each individual. **SEN. AKLESTAD** said he has a concern they are trying to move too many people out of Boulder into a setting that won't provide as good of service.

EXECUTIVE ACTION ON MONTANA DEVELOPMENT CENTER

Tape No. 2,B,300

Ms. Whitney handed out the budget worksheet, Exhibit 1, and explained the issues.

REP. SWYSGOOD said the executive budget, as presented, shows the downsizing effect and asked if there is any flexibility in the money between the two fiscal years. **Mr. Chisholm** said it does not anticipate problems but does anticipate the scheduled downsizing, 30 people going into group homes that have yet to be built and developed in communities. This budget was calculated on that schedule. The Department would like language giving it flexibility to transfer money between personal services and operations.

Motion/Vote: **REP. SWYSGOOD** moved to accept the Executive Budget \$10,925,221 FY92 and \$9,959,544 FY93 with the movement of the 1.0 FTE from FY93 to the FY92 but not the 0.5 FTE. **MOTION CARRIED WITH SEN. AKLESTAD VOTING NO.**

Motion/Vote: **REP. CODY** moved to accept the difference from the Executive to the LFA for vehicles and equipment totalling \$81,067 FY92 and \$86,773 FY93 **MOTION CARRIED WITH SENS. BECK, AKLESTAD AND REP. SWYSGOOD VOTING NO.**

Motion/Vote: **SEN. MANNING** moved to accept the requested Language for Montana Developmental Center only. "The department may transfer appropriation authority from the personal services category to the operating expense category of the budget upon approval of the governor or his designated representative." **MOTION CARRIED UNANIMOUSLY.**

Motion/Vote: **SEN. BECK** moved to increase staff to maintain certification, \$91,100 FY92 and \$46,564 FY93. **MOTION CARRIED UNANIMOUSLY.**

Motion/Vote: **REP. SWYSGOOD** moved to amend the language in **SEN. MANNING'S** motion to include "if the downsizing does not take place on schedule." **MOTION CARRIED UNANIMOUSLY.**

Motion/Vote: **REP. SWYSGOOD** moved to accept language to lay claim to the Medicaid reimbursement money if it materializes and would instruct the LFA, the Legislative Auditor and the Department of Institutions to work together to bring this about with a bonding or other plan. It could be roughly \$2,200,000. **MOTION CARRIED UNANIMOUSLY.**

ADJOURNMENT

Adjournment: 11:15 A.M.

Wm Menahan

WM. "RED" MENAHAN, Chair

Mary Lou Schmitz

MARY LOU SCHMITZ, Secretary

WM/mls

HOUSE OF REPRESENTATIVES
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

ROLL CALL

DATE 1-31-91

NAME	PRESENT	ABSENT	EXCUSED
REP. WM. "RED" MENAHAN, CHAIRMAN	✓		
SEN. DICK MANNING, VICE-CHAIRMAN	✓		
REP. DOROTHY CODY	✓		
SEN. ELEANOR VAUGHN	✓		
REP. CHUCK SWYSGOOD	✓		
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		

HR:1991
CS10DLRLCALIN&C.MAN

EXHIBIT 1-31-91
DATE: 1-31-91
HB INSTITUTE SUBCOMMITTEE

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
F FE	447.15	367.36	406.17	38.81-	326.31	405.17	78.86-
Personal Services	10,732,746	9,361,290	10,513,450	1,152,160-	8,339,012	10,541,032	2,202,020-
Operating Expenses	1,810,062	1,471,285	1,748,597	277,312-	1,527,887	1,822,796	294,909-
Equipment	39,876	56,202	81,067	24,865-	61,773	86,773	25,000-
Debt Service	14,757	36,444	36,444	0	30,872	30,872	0
Total Expend.	\$12,597,441	\$10,925,221	\$12,379,558	\$1,454,337-	\$9,959,544	\$12,481,473	\$2,521,929-
<u>Fund Sources</u>							
General Fund	12,546,541	10,881,655	12,328,658	1,447,003-	9,927,068	12,430,573	2,503,505-
State Revenue Fund	28,628	30,000	28,628	1,372	30,000	28,628	1,372
Federal Revenue Fund	22,272	13,566	22,272	8,706-	2,476	22,272	19,796-
Total Funds	\$12,597,441	\$10,925,221	\$12,379,558	\$1,454,337-	\$9,959,544	\$12,481,473	\$2,521,929-

CURRENT LEVEL DIFFERENCES

Personal Services

- Differences due to downsizing
- Hourly wages included in fiscal 1990 base but not in Exec. Budget - miscoded in FY90
- Base differences in differential, holidays, overtime & related benefits

Total Personal Services differences

Operating Expenses

- Differences due to downsizing
- D of A Network differences
- HPI differences
- Base differences
- Inflation differences

Total Operating Differences

Equipment

- LFA included agency request - Exec. included only cook-chill system & assumed downsizing

Funding

- State Revenue is donations - LFA is at fiscal 1990 actual
- Fed. School & school foods - LFA fiscal 1990 actual - Exec. assumes no school age clients by the end of fiscal 1993
- Balance with general fund

	FY 92	FY 93
Personal Services		
1. Differences due to downsizing	(\$985,573)	(\$2,017,374)
2. Hourly wages included in fiscal 1990 base but not in Exec. Budget - miscoded in FY90	(\$10,137)	(\$10,137)
3. Base differences in differential, holidays, overtime & related benefits	(\$156,450)	(\$174,509)
Total Personal Services differences	(\$1,152,160)	(\$2,202,020)
Operating Expenses		
1. Differences due to downsizing	(\$275,082)	(\$265,500)
2. D of A Network differences	\$7,560	\$7,560
3. HPI differences	\$16,682	\$16,902
4. Base differences	\$34,146	\$34,146
5. Inflation differences	(\$60,618)	(\$88,017)
Total Operating Differences	(\$277,312)	(\$294,909)
Equipment		
1. LFA included agency request - Exec. included only cook-chill system & assumed downsizing	(\$24,865)	(\$25,000)
Funding		
1. State Revenue is donations - LFA is at fiscal 1990 actual	\$1,372	\$1,372
2. Fed. School & school foods - LFA fiscal 1990 actual - Exec. assumes no school age clients by the end of fiscal 1993	(\$8,706)	(\$19,796)
3. Balance with general fund		

Ex. 1
 1-31-91
 Instit Subcomm

ISSUES

1. Committee Issues

EXECUTIVE BUDGET MODIFICATIONS

1. Increased staff to maintain certification - All Personal Services - Assumes downsizing (May not be sufficient if MDC remains at current level) \$91,100 \$46,564

FTE grade & step detail

FY 92	FY 93	Position Grade	Position Title
1.00	0.50	15/2	Mental Retardation Specialist
1.00	1.00	8/2	Resident Care Aide II
1.00	0.00	8/3	Resident Care Aide II
0.50	0.50	6/2	Data Entry Operator
0.33	0.00	10/2	LPN II
3.83	2.00		

REQUESTED LANGUAGE FOR MONTANA DEVELOPMENTAL CENTER ONLY

The department may transfer appropriation authority from the personal services category to the operating expense category of the budget upon approval of the governor or his designated representative,

if the
Montana
State

EASTMONT HUMAN SERVICES CENTER

2
1-31-91
Instit Subcomm

Medicaid Reimbursement

During FY '90, Eastmont Human Services Center had 19,771 patient days, which were reimbursed at a rate of \$122.70 per day (\$2,425,993).

Request for Medicaid Reimbursement for FY '90 represents 99% of Eastmont's total appropriation. The reimbursement figure has increased substantially because of changes in reporting allowable costs.

Personal Services:

Eastmont Human Services Center was appropriated \$2,171,090 for Personal Services in FY '90. We expended all but \$43,818 of the personal services appropriation.

Our personal services appropriation for FY '91 is \$2,292,241. The projected expenditures are \$2,431,797, a deficit of \$139,556. This deficit is the direct result of the agency's attempt to meet the Medicaid active treatment requirements.

We are presently recruiting for a Speech Pathologist, Psychologist and Registered Nurse.

Food Costs:

The average raw food cost per meal for FY '90 was \$.8679. We served 83,505 meals.

Budget:

Eastmont's total budget for FY '90 was \$2,523,615. Our current budget for FY '91 is \$2,609,384.

