

**MINUTES**

**MONTANA HOUSE OF REPRESENTATIVES  
53rd LEGISLATURE - REGULAR SESSION**

**JOINT SUBCOMMITTEE ON HUMAN SERVICES & AGING**

**Call to Order:** By CHAIRMAN JOHN COBB, on January 7, 1993, at  
8:20 A:M

**ROLL CALL**

**Members Present:**

Rep. John Cobb, Chairman (R)  
Sen. Mignon Waterman, Vice Chairman (D)  
Sen. Chris Christiaens (D)  
Rep. Betty Lou Kasten (R)  
Sen. Tom Keating (R)  
Rep. David Wanzenried (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Lisa Smith, Legislative Fiscal Analyst  
Lois Steinbeck, Legislative Fiscal Analyst  
Connie Huckins, Office of Budget & Program  
Planning  
John Huth, Office of Budget & Program Planning  
Billie Jean Hill, Committee Secretary

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

**Committee Business Summary:**

Hearing: SOCIAL AND REHABILITATION SERVICES;  
MEDICAID SERVICES DIVISION; AUDIT AND  
PROGRAM COMPLIANCE; OFFICE OF MANAGEMENT  
ANALYSIS AND SYSTEMS; VOCATIONAL  
REHABILITATION/VISUAL SERVICES;  
DISABILITY DETERMINATION BUREAU; AND  
VOCATIONAL REHABILITATION/VISUAL  
SERVICES

Executive Action: NONE

**HEARING ON SOCIAL AND REHABILITATION SERVICES**

Tape No. 1: Side 1

**BUDGET ITEM STATE-ASSUMED COUNTIES ADMINISTRATION**

Dr. Blouke, EXHIBIT 1

**HEARING ON MEDICAID SERVICES DIVISION**

**Program Summary**

Dr. Blouke introduced Ms. Nancy Ellery, Administrator, Medicaid

Services Division. Dr. Blouke and Ms. Ellery discussed the following programs. EXHIBIT 1

BUDGET ITEM DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES SURVEYS

BUDGET ITEM INDIAN HEALTH

BUDGET ITEM MEDICARE BUY-IN

BUDGET ITEM ELDERLY/DISABLED WAIVER

BUDGET ITEM STATE MEDICAL PROGRAM

BUDGET ITEM DEPARTMENT OF CORRECTIONS AND HUMAN SERVICES

BUDGET ITEM NURSING HOMES

BUDGET ITEM INPATIENT HOSPITAL

BUDGET ITEM INPATIENT PSYCHIATRIC SERVICES

BUDGET ITEM OUTPATIENT HOSPITAL

BUDGET ITEM PHYSICIAN SERVICES

BUDGET ITEM DRUGS

BUDGET ITEM DENTAL PROGRAM

BUDGET ITEM OTHER PRACTITIONERS

BUDGET ITEM OTHER SERVICES

BUDGET ITEM PREGNANT WOMEN AND CHILDREN PROGRAM

HEARING ON AUDIT AND PROGRAM COMPLIANCE

Tape No. 3:Side 1

BUDGET ITEM AUDIT UNIT

Dr. Blouke, introduced Mike Hanshaw, Administrator, Developmental Disabilities Division, who responded to questions of committee members. EXHIBIT 1

Dr. Blouke discussed the following two budget items. EXHIBIT 1

BUDGET ITEM COMPLIANCE UNIT

BUDGET ITEM FRAUD INVESTIGATIONS

HEARING ON OFFICE OF MANAGEMENT ANALYSIS AND SYSTEMS

Tape No. 3:Side 1

BUDGET ITEM PROGRAM ADMINISTRATION

Overview:

Dr. Blouke presented an overview of the following programs.

EXHIBIT 1

BUDGET ITEM SEARCHS PROJECT

BUDGET ITEM TEAMS

BUDGET ITEM MONTANA TELECOMMUNICATIONS ACCESS PROGRAM (MTAP)

Tape No. 3:Side 1

HEARING ON VOCATIONAL REHABILITATION /VISUAL SERVICES

Dr. Blouke presented the overview and responded to questions from committee members on the following programs:

BUDGET ITEM PROGRAM SUPPORT BUREAU

BUDGET ITEM FIELD SERVICES BUREAU

BUDGET ITEM DISABILITY DETERMINATION BUREAU

BUDGET ITEM PROGRAM ADMINISTRATION

BUDGET ITEM SECTION 110 BENEFITS

BUDGET ITEM EXTENDED EMPLOYMENT

BUDGET ITEM INDEPENDENT LIVING, PART B

BUDGET ITEM MIGRANT WORKERS

BUDGET ITEM SUPPORTED EMPLOYMENT TITLE VI-C

EXHIBIT 1, 1-5-93

HEARING ON DISABILITY DETERMINATION BUREAU

Dr. Blouke presented information on the following programs and answered questions posed by committee members.

BUDGET ITEM PROGRAM ADMINISTRATION

Tape No. 3:Side 2

BUDGET ITEM VISUAL SERVICES

Program Summary

BUDGET ITEM VISUAL SERVICES PROGRAM ADMINISTRATION

BUDGET ITEM VISUAL SERVICES BENEFITS PROGRAM

BUDGET ITEM MEDICAL PROGRAM

BUDGET ITEM INDEPENDENT LIVING, PART C

HEARING ON VOCATIONAL REHABILITATION/VISUAL SERVICES

Joe Mathews, Director, Vocational Rehabilitation/Visual Services, presented an overview of this program and responded to questions. EXHIBITS 2 and 3

CHAIRMAN COBB explained that the committee will be addressing vocational rehabilitation services again on January 27.

ADJOURNMENT

Adjournment: 12:00 Noon



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JOHN COBB, Chairman



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BILLIE JEAN HILL, Secretary

JC/bjh

HOUSE OF REPRESENTATIVES

HUMAN SERVICES

SUB-COMMITTEE

ROLL CALL

DATE

1-7-93

NAME	PRESENT	ABSENT	EXCUSED
REP. JOHN COBB, CHAIRMAN	✓		
SEN. MIGNON WATERMAN, VICE CHAIR	✓		
SEN. CHRIS CHRISTIAENS	✓		
SEN. TOM KEATING	✓		
REP. BETTY LOU KASTEN	✓		
REP. DAVID WANZENRIED	✓		

January 7, 1993

Exhibit 1 is 83 pages long. It describes the Department of Social and Rehabilitation Services and was presented to the committee on 1/6/93. Refer to microfiche from 1/6/93 to view document. The original of this document is stored at the Historical Society, 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

PRESENTATION TO LEGISLATIVE COMMITTEE  
Rehabilitative/Visual Services Divisions  
Joe Mathews, Administrator  
January 6, 1993

Chairman Cobb,  
Members of the Committee:

Montana's Vocational Rehabilitation Program has a proud 70 year history of providing services to help Montanans with disabilities enter employment. As the Director mentioned, our mission is to serve Montanans whose disabilities prevent them from actively participating in their communities. We assist Montanans with disabilities in using their strengths and support systems for daily life and work.

I administer both the Rehabilitative Services Division and the Visual Services Division within SRS. These programs are similar in nature and receive federal funding from the same source. We still budget separately for each division but our administrative staff are split between the programs. 87% of the Vocational Rehabilitation and Visual Services staff are located in ten field offices across the State of Montana. We employ Rehabilitation Counselors for both Vocational Rehabilitation and Visual Services, Rehabilitation Teachers for the blind, and Orientation and Mobility Specialists for the blind to provide direct services to disabled clients across the State. Each Rehabilitation Counselor carries a caseload of anywhere from 100 to 140 clients. After we determine if an individual is eligible for the program, the counselor and individual client work out a rehabilitation plan which outlines the barriers that the person with a disability may have to employment and the kinds of services that need to be provided to overcome the barriers. The goal in working with any rehabilitation client is to assist them to engage in competitive employment.

Last year our staff was able to rehabilitate 913 Montanans which produced annual earnings of \$9.4M. The average hourly earning of a client who went to work after receiving services from this agency was \$6.52/hour and the average hours worked per week by rehabilitated clients was 30.4. As a direct result of Montana's Vocational Rehabilitation Program, we estimate a reduction in public assistance i.e., General Assistance, AFDC, and SSI of \$328,644 per year. The types of disabilities that we serve are outlined in your handout. Last year Montana served 8,643 persons with disabilities.

As the Director mentioned, the 1992 amendments to the Rehabilitation Act which is the federal law that drives our program, will now require changes in our formula grant. The federal share of our grant will now be 78.7% and the state share will be 21.3%. The reauthorization of the Rehabilitation Act poses some very serious challenges for the agency as we attempt to continue to serve persons with disabilities. I would like to bring to your attention several specific changes in the Rehabilitation Act. We believe we will see a considerably larger degree of consumer input in terms of advising this agency on disability issues. Most of this consumer input will be the result of an increased role in our Vocational Rehabilitation/Visual Services and Independent Living Advisory Councils.

There is a strong emphasis in the amendments to the Rehabilitation Act to serve those persons with the most severe disabilities. Typically, these are cases which require a longer time for rehabilitation and cases which require more funds. Another important provision of the new amendments is some fairly extensive requirements regarding our State Plan. Our State Plan will be much more comprehensive in nature to include strategic planning and a plan for comprehensive personnel development which must be accepted by the federal government. This will require considerably more time from our Central Office staff in putting the State Plan together.

One of the three bureaus which I administer is the Disability Determination Bureau. This program is 100% federally funded and those funds are appropriated through the Social Security Law and administered by the Federal Social Security Administration. Montana's Disability Determination Bureau has statewide responsibility for providing the adjudication for disability provisions of the Social Security Law. This law entails the Social Security Disability Insurance Program, Title II, and the Supplemental Security Income Program, Title XVI. Montana's Disability Determination Bureau has an excellent reputation regionally and nationally. Michelle Thibodeau, our Bureau Chief, and her staff just recently received a letter of commendation from our Regional Office for outstanding efficiency as well as for keeping an outstanding accuracy rate on disability determinations.

If I had to narrow down the two biggest concerns of the Rehabilitative and Visual Services Divisions, they would involve staffing and our Workers' Compensation funding switch. As the result of yesterday's legislative action, the VR program could lose seven staff members, six of whom are in the field providing direct services to clients. As I mentioned previously 87% of my staff are in field offices in communities around this state. We are providing direct services to our clientele in these areas. Our staff in the

field have large travel areas and high caseloads. We have one staff member on our Visual Services team who is blind and requires reasonable accommodation to include some clerical help as well as a part-time driver so that she can get to her clients to provide services. We consider this a reasonable accommodation for a person with a disability under the Americans with Disabilities Act. Any cuts to a staff that hasn't grown over the past few years would be very difficult for a small program like ours.

The other great concern for our program is our modification request to replace Workers' Comp funding with general fund. While our numbers of Vocational Rehabilitation cases keep increasing, the numbers of referrals from the Workers' Compensation Division are decreasing. We are unable to access enough Workers' Compensation funds to meet our federal matching requirements. The Executive Modification Request is the beginning to replacing those dollars in a systematic way. This funding switch is absolutely critical to keep the program at current level.

I am very proud of my staff and the accomplishments of Montana's Vocational Rehabilitation Program. I hope that you will have an opportunity to hear directly from a number of our consumers at sometime during this process as they, probably better than any of us, can tell you directly what they think the values of programs like ours are.

Thank you.

**Mission Statement**  
**Vocational Rehabilitation/Visual Services**

*We serve people whose disabilities prevent them from actively participating in their communities. We assist Montanans with disabilities in using their strengths and support systems for daily life and work.*

EXHIBIT 2  
DATE 1-7-93  
SB \_\_\_\_\_

**Rehabilitated Clients  
Vocational Rehabilitation and Visual Services  
Fiscal Year 1992**

*Number of clients rehabilitated = 913*

*Annual earnings of rehabed clients = \$9.4 million*

*Average hourly earnings of rehabed clients = \$6.52*

*Average hours worked per week by rehabed clients = 30.4*

*Reduction in Public Assistance = \$328,644  
(GA, AFDC, SSI)*

Rehabilitations

EXHIBIT 2  
DATE 1-7-93  
88 \_\_\_\_\_

Clients Served by Type of Disability  
Vocational Rehabilitation and Visual Services  
Fiscal Year 1992

<i>Blind and visually impaired</i>	829
<i>Deaf and hearing impaired</i>	301
<i>Orthopedic (accidents, stroke, traumatic brain injury, multiple sclerosis)</i>	4,326
<i>Amputations</i>	83
<i>Mental (mental illness, mental retardation)</i>	1,937
<i>Other (epilepsy, cardiac, digestive, respiratory)</i>	1,167
<i>Total</i>	8,643

EXHIBIT 2  
DATE 1-7-93  
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**Clients Served by Type of Disability  
Vocational Rehabilitation and Visual Services  
Fiscal Year 1992**

<i>Visual</i>	829
<i>Hearing</i>	301
<i>Orthopedic</i>	4,326
<i>Amputations</i>	83
<i>Mental</i>	1,937
<i>Other</i>	1,167
<i>Total</i>	8,643

EXHIBIT 2  
DATE 1-7-93  
SB \_\_\_\_\_

**Services Provided**  
**Vocational Rehabilitation and Visual Services**

*Vocational evaluation*

*Medical assistance*

*Adaptive equipment*

*Training and training materials*

*Counseling*

*Job placement*

*Transportation*

*Orientation and mobility instruction*

EXHIBIT 2  
DATE 1-7-93  
~~88~~

**Funding Sources**  
**Vocational Rehabilitation and Visual Services**  
**Fiscal Year 1992**

*General Fund*                      \$ 1,469,803

*Federal Funds*                      7,814,609

*State Special Funds*              658,474  
*(Workers Comp and Panels)*

*Total Expenditures*      \$ 9,942,886

EXHIBIT 2  
DATE 1-7-93  
~~88~~ \_\_\_\_\_

EXHIBIT 3  
DATE 1-7-93  
~~88~~

*Decline of WC Referrals and Total WC Cases*

	WC Referrals	WC Total Served	VR Total Served
FY 87	731	1,710	6,602
FY 88	324	1,594	6,972
FY 89	174	1,386	7,309
FY 90	75	995	7,256
FY 91	28	602	7,777
FY 92	38	389	7,830
FY 93 Projected	35	270	7,830
FY 94 Projected	30	181	7,830
FY 95 Projected	25	122	7,830

Note: VR total served is for Vocational Rehabilitation only, not Visual Services

