



## Select Committee on Efficiency in Government

### 62nd Montana Legislature

#### SENATE MEMBERS

JON SONJU--Chair  
EDWARD BUTTREY  
MARY CAFERRO  
JIM KEANE  
EDWARD WALKER  
DAVID WANZENRIED

#### HOUSE MEMBERS

MARK BLASDEL  
RON EHLI  
GALEN HOLLENBAUGH  
PAT NOONAN  
SCOTT REICHNER  
KATHLEEN WILLIAMS

#### COMMITTEE STAFF TEAM

DAVE BOHYER, Lead Staff  
DAVID NISS, Staff Attorney  
DAWN FIELD, Secretary  
SUE O'CONNELL, LSD, Health Care  
JASON MOHR, LSD, Nat'l Res.  
QUINN HOLZER, LFD, Health Care  
TARYN PURDY, LFD, Budgeting Process  
BARBARA SMITH, LFD, Technology  
LOIS STEINBECK, LFD, Health Care

# MINUTES

## June 18-19, 2012

June 19, 2012

MSU-Northern  
Havre, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

#### **COMMITTEE MEMBERS PRESENT**

Sen. Jon Sonju -- Chair  
Sen. Mary Caferro  
Sen. Jim Keane  
Sen. Edward Walker  
Sen. David Wanzenried

Rep. Mark Blasdel  
Rep. Ron Ehli  
Rep. Galen Hollenbaugh  
Rep. Pat Noonan  
Rep. Scott Reichner  
Rep. Kathleen Williams

#### **COMMITTEE MEMBERS EXCUSED**

Sen. Edward Buttrey

#### **STAFF PRESENT**

Dave Bohyer, Lead Staff  
Fong Hom, Secretary

## AGENDA and VISITORS' LIST

Agenda (**Attachment 1**)  
Visitors' list (**Attachment 2**)

### CALL TO ORDER AND ROLL CALL

00:00:01 SEN. SONJU called the meeting to order at 8:38 a.m. The committee secretary called roll. Sen. Buttrey was excused.

### AGENDA

00:01:27 REP. HOLLENBAUGH opened the meeting by introducing the panelists for the first agenda item.

### HIGHER EDUCATION AND PUBLIC UTILITIES AND STATE GOVERNMENT EFFICIENCY INTERSECTS

- **Dr. James Limbaugh, Chancellor, Montana State University-Northern**

00:03:22 Dr. Limbaugh gave a brief overview of MSU-Northern and discussed the studies taught at Northern and how important utilities are becoming.

- **Rick Stevens, General Manager, Triangle Communications and Hill County Electric Cooperative**

00:13:41 Mr. Stevens discussed several topics:

- supporting fiber optics in the rural areas
- raising power rates to support renewable energy development programs

#### **PUBLIC COMMENT - none**

##### **Committee questions**

00:29:44 SEN. CAFERRO asked Mr. Stevens to explain his comment about not duplicating network services and having the state partner with Triangle Communications. **Mr. Stevens** said that the state is looking at putting facilities in place across the Northern Tier that can respond to emergency services.

00:31:28 SEN. CAFERRO asked if Mr. Stevens' system is in place. **Mr. Stevens** said that they are in the process of building out this year and putting in new towers next year.

00:34:19 REP. WILLIAMS asked how far from Havre would they have to go to find redundancy in both online services or internet access and power. **Mr. Stevens** said that Triangle is involved in data centers. They are part owner of a data center that is located in Billings.

REP. WILLIAMS asked if he sees the Northern Tier as being a valuable backup.

**Mr. Stevens** said it depends on how it is constructed.

00:39:35 REP. WILLIAMS asked Dr. Limbaugh to comment on the salary issue regarding the difficulty in recruiting and retaining teachers. **Dr. Limbaugh** discussed the problem of being able to pay competitively and the constraints of the faculty unions in what they can and cannot pay.

00:43:20 SEN. WANZENRIED asked Dr. Limbaugh what choices were he faced with in terms of reducing his operating costs to keep tuition at a 5% level. **Dr. Limbaugh** discussed the issue of what services would have to be cut.

**BREAK - reconvened at 9:46 a.m.**

**PANEL DISCUSSION ON CHALLENGES FACED BY RURAL COMMUNITIES**

Cindy Ellison, Executive Director, Richland Opportunities, Sidney  
Ron Gleason, CEO, Liberty Medical Center, Chester

01:09:26 Ms. Ellison gave a presentation on the services that Richland Opportunities offers to the people in Sidney and in the Bakken area.

01:20:29 Mr. Gleason discussed long term care payment rates for Medicaid, the Frontier Community Health Integration Project (CHIP), implementing the community health worker program, and recruitment and retention of health care providers.

**Committee questions**

01:39:49 REP. REICHNER asked Mr. Gleason what he would recommend legislatively on prevention of fraud. **Mr. Gleason** said that a joint resolution would be a step in solving this issue, to hold those people responsible if they do provide a fraudulent application.

01:41:39 REP. EHLLI asked about the training that Mr. Gleason would provide for a community health worker. **Mr. Gleason** discussed the Community Health Worker Program to educate people in wellness and putting emphasis on primary care.

01:48:52 SEN. WANZENRIED asked what would the impact of insufficient reimbursements to Medicaid by the state be over the next 5 years in eastern Montana, and what happens when the state continues to underfund the reimbursement rates. **Mr. Gleason** said that decreasing payment levels for Medicaid will decrease access to long term care services in our communities.

**Ms. Ellison** said many facilities are funded by past reserves. With the rollback in Medicaid funding, they cannot hire people. If services fail within the community, the state will be responsible for those in need of state services. You will see an increase in the population served by the Montana Developmental Center.

01:55:46 SEN. WANZENRIED asked what the symptoms are when providers start to fail. **Ms. Ellison** said that the signs and symptoms are out there, it's just that the

providers don't complain about it. They do what they need to do to provide services.

01:58:47 REP. WILLIAMS asked Mr. Gleason if the Bull Hook Center is part of the Frontier Program. **Mr. Gleason** said that Chester's community health center is called the Rural Health Clinic. He discussed community health centers versus rural health clinics.

REP. WILLIAMS said asked if there was some way to modify the state's health improvement program that would be more efficient. **Mr. Gleason** said that it is his understanding that the community health worker program is going to operate out of their rural health clinic.

#### **PUBLIC COMMENT - none**

#### **ADMINISTRATIVE MATTERS**

- **Budget Report - Dave Bohyer**

02:03:51 Mr. Bohyer gave a report on the committee's budget (**Exhibit 11**).

- **Agenda Outline for September Meeting**

02:05:11 SEN. SONJU discussed having a two-day meeting in September in which the committee will review the issue of budgeting and hear a presentation from Legislative Fiscal Division on budgeting.

02:06:45 Mr. Bohyer discussed holding the meetings on September 10 and 11, 2012.

REP. WILLIAMS said she would like to have a draft report in advance of the September meetings.

#### **ADJOURN**

02:15:28 SEN. SONJU adjourned the meeting at 10:52 a.m.

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