MINUTES LOG
September 11, 2017
Room 137, Capitol Building
Helena, Montana

Please note: This document is a Minutes Log and provides a notation of the time elapsed between the beginning of
the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken.
The narrative presented here is provided only as a guide to the audio or video record of the meeting. The official
discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not
prepare a transcript of meeting activities. The time designation may be used to locate the referenced discussion on
the audio or video recording of this meeting.

Access to an electronic copy of these minutes and the audio or video recording is provided from the Legislative
Once on the page for Interim Committees, scroll down to the appropriate committee. The written Minutes Log, along
with the audio and video recordings, is listed by meeting date on the interim committee’s web page. Each of the
Exhibits is linked and can be viewed by clicking on the Exhibit of interest. All Exhibits are public information and may
be printed.

Please contact the Legislative Services Division at 406-444-3064 for more information.

COMMITTEE MEMBERS PRESENT

SEN. MARY CAFERRO
SEN. FREDERICK (ERIC) MOORE
SEN. ALBERT OLSZEWSKI
SEN. DIANE SANDS

REP. KATHY KELKER
REP. JON KNOKEY
REP. DENNIS LENZ
REP. GORDON PIERSON

STAFF PRESENT

SUE O’CONNELL, Lead Staff
ALEXIS SANDRU, Staff Attorney
FONG HOM, Secretary

VISITORS’ LIST (Attachment 1)

AGENDA (Attachment 2)
COMMITTEE ACTIONS
The committee heard presentations related to its House Joint Resolution 17 study of prescription drug prices, HJR 24 study of community services for adults with developmental disabilities, and review of Medicaid expansion. The committee also reviewed four proposed administrative rules that would cut the reimbursement rates for health care and human services providers and took public comment on the proposed rate reductions.

The committee:
• voted to continue its objection to the four administrative rules proposed by the Department of Public Health and Human Services (DPHHS), thus delaying implementation of the rules;
• voted to have the staff attorney prepare a formal objection to the proposed rules for the committee to review at its November meeting;
• agreed to request more information from DPHHS about how any spending reductions adopted by the governor under 17-7-140, MCA, will affect the agency's programs;
• tentatively decided to hold a meeting in Billings in 2018, if the committee's budget allows for an out-of-town meeting; and
• reviewed and adopted the revised draft interim work plan, with a change limiting the amount of time that will be spent on the HJR 17 prescription drug study. The committee decided to limit its involvement in the study to the information received at the September meeting and a presentation by the State Auditor's Office in November, unless the State Auditor's presentation shows that legislative action could be taken to reduce drug costs.

CALL TO ORDER
00:00:04 Sen. Caferro called the meeting to order at 8:00 a.m. The meeting started with a prayer and the Pledge of Allegiance to honor the anniversary of the September 11, 2001, terrorist attacks.

ROLL CALL
00:02:21 The committee secretary called roll. Rep. Pierson was excused. (Attachment 3)

REVISED DRAFT INTERIM WORK PLAN
Overview of Changes - Sue O'Connell, Committee Researcher
00:03:24 Ms. O'Connell (Exhibit 1)

Reductions in Interim Committee Budgets
00:11:02 Ms. O'Connell discussed budget cuts affecting all interim committees.

00:08:24 Rep. Pierson arrived at 8:08 a.m.

Public Comment on the Draft Interim Work Plan
None.

HJR 20 STUDY: HEALTH CARE PRICE TRANSPARENCY
HJR 20 Subcommittee Update - Rep. Kathy Kelker, Subcommittee Chair
00:14:09 Rep. Kelker gave a preview of the upcoming HJR 20 Subcommittee meeting.
00:16:22 Ms. O'Connell noted that there are documents related to the HJR 20 Subcommittee in the packet of meeting materials.
Questions of Rep. Kelker

00:17:22 Sen. Sands asked about the scheduling of the HJR 20 Subcommittee meetings.
00:18:44 Sen. Caferro asked how the work of the HJR 20 Subcommittee would be different from the transparency bills that did not pass during the 2017 Legislature.

Public Comment on the HJR 20 Study
None.

REPORTS FROM COMMITTEE MEMBERS: Recent Conferences

00:21:18 Sen. Moore gave a brief synopsis of his participation in a state fiscal session at the National Conference of State Legislatures (NCSL) Summit in Boston, Massachusetts.
00:22:43 Sen. Sands gave a brief synopsis of her participation at the CSG-West meeting in Tacoma, Washington.
00:24:45 Rep. Kelker gave a brief synopsis of her participation in the NCSL Summit in Boston, Massachusetts.
00:27:37 Sen. Olszewski gave a presentation on his participation in an NCSL workshop on innovations for rural health care policy in Denver, Colorado.

AGENCY OVERSIGHT: MEDICAID EXPANSION

Introduction - Sue O'Connell, Committee Researcher

00:31:00 Ms. O'Connell (Exhibit 2)

Overview of Proposals to Alter Federal Medicaid Funding: Considerations for Montana - Deborah Bachrach, Manatt Health (via phone)

00:43:57 Ms. Bachrach (Exhibit 3)

Questions from the Committee

01:20:25 Rep. Kelker asked about the capitation model that Ms. Bachrach described and how it would affect the traditional Medicaid program and the expansion program.
01:24:12 Sen. Olszewski asked Ms. Bachrach about the estimated impact of the per capita cap model.
01:34:14 Sen. Moore asked Ms. Bachrach about the uninsured rate and data regarding the number of people who were previously insured prior to the implementation of the Affordable Care Act and are no longer insured due to costs.
01:36:38 Sen. Moore asked Ms. O'Connell about Medicaid expansion enrollee numbers and data on turnover rate within that population.
01:37:25 Ms. O'Connell said that she hopes to work with DPHHS to get that information for the next meeting.
01:39:38 Sen. Caferro asked about the total enrollment number for Medicaid and if Ms. Bachrach had any data to support the chart showing that 80% of the Medicaid expansion enrollees are people who are working.
Public Comment on Medicaid Expansion
01:43:27 Matt Kuntz, Executive Director, NAMI Montana
01:47:16 Patty Jacques, parent of a son with disabilities

BREAK (reconvened at 10:13)

HJR 17 STUDY: PRESCRIPTION DRUG PRICES
Introduction - Sue O'Connell, Committee Researcher
02:14:33 Ms. O'Connell (Exhibit 4)

Cost of Prescription Drugs to State-Funded Programs
Duane Preshinger, Administrator, DPHHS Health Resources Division
Marilyn Bartlett, Administrator, Health Care and Benefits Division, Department of Administration
Mary Lachenbruch, Director of Insurance and Benefits, Office of the Commissioner of Higher Education
Connie Winner, Administrator, Clinical Services Division, Department of Corrections

02:16:40 Mr. Duane Preshinger (Exhibit 5)
02:28:45 Ms. Marilyn Bartlett (Exhibit 6)
02:42:37 Ms. Mary Lachenbruch (Exhibit 7)
02:52:55 Connie Winner (Exhibit 8)

Questions from the Committee
03:00:33 Rep. Pierson asked Mr. Preshinger for more information about the percentage of foster care kids being overmedicated.
03:01:08 Rep. Pierson asked Ms. Winner if the Department of Correction has done any studies about reducing waste when it comes to medications that are prescribed, never used, and then thrown out.
03:01:45 Rep. Kelker asked about educating smaller groups about any cost savings and about the role of advertisements in the use of drugs.
03:09:01 Sen. Sands commented that the fact that advertising cannot be restricted is a reminder of how little authority states have to impact prescription drug matters.

Public Comment on the HJR 17 Study
03:10:00 Kris Hansen, Legal Counsel, State Auditor's Office
03:10:58 Matt Kuntz, Executive Director, NAMI Montana
03:13:28 Jim Edwards
03:15:38 Jennifer Hensley, PacificSource Health Plans
03:16:59 Jackie Mohler
03:18:56 Sen. Sands said that the opioid discussion is useful asked for a separate report from the speakers on the costs and what is being done by state programs to reduce those costs.

AGENCY OVERSIGHT: DPHHS UPDATE
Child and Family Services Division Report -- Shannon McDonald, Acting Economic Security Services Branch Manager, DPHHS
03:20:42 Ms. McDonald (Exhibit 9)
Director's Update - DPHHS Director Sheila Hogan
03:29:38 Ms. Hogan discussed:
03:30:00 Opioid and substance abuse crisis
03:34:14 Suicide prevention
03:36:50 Stars to Quality preschool pilot program
03:37:55 Family Drug Treatment Court
03:39:18 Governor's Conference on Aging

Q&A with DPHHS Representatives
03:40:32 Rep. Knokey asked Ms. McDonald about the eight deaths she mentioned and how many instances were reported prior to the death as opposed to after the death.
03:41:24 Ms. McDonald said she will review the deaths and provide additional information.
03:45:18 Erica Johnston, Operation Services Branch Manager, discussed the executive budget that did not request specific dollars for staff in Child and Family Services, the governor's transfer of several positions from the Montana Developmental Center to the Child and Family Services Division, and the current participation in an effort by the Legislative Fiscal Division and PEW Charitable Trusts to review services to children and families.
03:46:38 Rep. Kelker asked Ms. Hogan about the concept of homes for treating drug-addicted parents and the opportunity to work with the PEW Charitable Trusts.
03:50:52 Sen. Moore asked Ms. Hogan about the federal opioid grant.
03:51:36 Rep. Knokey commented on the 14 deaths last year that were affiliated with the Child and Family Services Division.
03:53:31 Rep. Lenz asked Ms. McDonald about information on the eight deaths that she had discussed.
03:57:23 Sen. Caferro noted that there were two questions submitted by the committee that the department did not answer and suggested that when Ms. Hogan receives those questions, she could e-mail the department's responses to the committee.

LUNCH

04:34:02 Sen. Caferro reconvened the meeting and discussed procedures for public comment on the committee's objection to proposed administrative rules.

AGENCY OVERSIGHT: ADMINISTRATIVE RULE REVIEW

Summary of Recent Rules - Alexis Sandru, Committee Attorney
04:36:51 Ms. Sandru (Exhibit 10)

Objection to MAR Notice Numbers 37-788, 801, 802, and 805
04:38:24 Ms. Sandru (Exhibit 11)

Explanation of Objection Process - Alexis Sandru
04:38:24 Ms. Sandru (Exhibit 12)
DPHHS Response to Rule Objection -- Sheila Hogan, Director, Department of Public Health and Human Services

04:38:10 Ms. Hogan commented on her goals and obligations as DPHHS director and discussed the 3.47% funding reduction proposed in the administrative rules.

04:42:06 Rep. Knokey read a brief statement on his objection to the proposed rules. (Exhibit 13)

Public Comment on the Rule Objection

04:46:48 Megan Bailey, Licensed Clinical Social Worker
04:49:42 Faith Dawson
04:51:33 Jim Parker, Executive Director, Missoula Children and Family Services of Western Montana Mental Health Center
04:55:35 Sheila Smith, Director, Child and Adult Mental Health Services for Western Montana Mental Health Center
04:55:37 Teresa Nichols, Chief Financial Officer, Western Montana Mental Health Center, Missoula, distributed written comments from Jodi Daly, Western Montana Mental Health Center (Exhibit 14) and a summary of a Behavioral Health Alliance of Montana meeting (Exhibit 15), and commented on a family member with severe mental illness.
04:57:43 Libby Velde (Exhibit 16)
05:00:24 Dirk Beccari, Family Based Services Supervisor, Consumer Direct Care Network
05:02:36 Crissie McMullan, Executive Director, Mountain Home Montana, Missoula
05:04:12 Ken Brown, Opportunity Resources, Missoula, commented on the rate cuts.
05:05:52 Michael Coe (Exhibit 17)
05:07:28 Rob Tallon, Executive Director, Reach Inc., Bozeman
05:08:50 Alicia Smith, Bozeman
05:10:23 Jed Barton, Public Relations and Government Affairs Coordinator at Living Independently for Today and Tomorrow, Billings
05:12:15 Diana Helgeson, Administrator, Churchill Assisted Living
05:14:35 Kirk Bodlovic, Providence Health and Services Montana, Polson (Exhibit 18)
05:16:13 David Munson
05:18:18 Alison Ball, President, Bozeman Special Education Teachers Association
05:20:18 Shelly Dowdle, mother of 2 disabled sons
05:23:05 Kelly Jepson, Consumer Direct Care Network (Exhibit 19)
05:24:40 Loretta Miller (Exhibit 20)
05:27:17 Lynn Mullowney Cabrera, Alzheimer's Association of Montana
05:29:03 Dr. Jane Gillette, Montana Dental Association
05:30:58 Tamara Nauts, Western Montana Mental Health Center, The Recovery Center of Missoula, and Montana Addiction Service Providers
05:32:31 Shyla Patera, North Central Independent Living Services, Black Eagle
05:35:48 Danielle Harden, Clinical Director, Ravalli County Western Montana Mental Health
05:38:21 Virjeana Brown, Medicaid recipient
05:39:08 Dale Patterson, EmpRes Healthcare
05:40:09 Jenesa Hendon
05:40:36 Michal Cochero, Bozeman
05:41:04 Denise Hauer
05:41:48 Geraldine McKenney, Great Falls
05:42:44 Laura Herman, Great Falls
05:43:07 Barb Mettler, Executive Director, South Central Regional Mental Health Center
05:43:25 Sidney Blair, CEO, Center for Mental Health, Behavioral Health Alliance of Montana
05:44:12 Fran Sadowski, CEO, Missoula Developmental Services Corp. (Exhibit 21) Mike
05:44:57 Mayer, Executive Director, Summit Independent Living, Missoula Margaret
05:45:41 Keener, North Central Independent Living Services
05:46:04 Dawn Fairbanks
05:46:41 Dr. Nicole Henriksen, Optometrist, Montana Optometric Association submitted comments (Exhibit 22) and written testimony from Dr. Carl Roth (Exhibit 23).
05:47:04 Mike White, Caslen Living Centers, Billings (Exhibit 24)
05:47:26 Susan Gecho Gobbs, Alzheimer’s Association of Montana
05:47:56 Nick Hart, Alzheimer’s Association
05:48:55 Kim Schweikert, Assistant Vice President, Easter Seals Goodwill Northern Rocky Mountain
05:49:25 Mike Shavers, Yellowstone Boys and Girls Ranch and Behavioral Health Association of Montana’s Children and Youth Providers

Break (reconvened at 2:00 p.m.)

Public Comment (continued)
06:01:15 Dr. Kevin Rencher, President, Montana Dental Association,
06:01:32 Michelle Williamson, consumer and independent living specialist
06:03:12 Pat Noonan, Butte
06:04:15 James Harvey
06:05:05 Matt Bugni, Chief Information Officer, AWARE, Inc. (Exhibit 25)
06:05:40 Dan Aune, Board President, Mental Health America of Montana
06:06:02 Dennis Nyland, former law enforcement officer
06:07:13 Jessica Reynolds, speech language pathologist (Exhibit 26)
06:09:27 Lezlie Pearce-Hopper, Montana Speech-Language Hearing Association (Exhibit 27)
06:10:58 Jerry Smyle, The Goodman Group (Exhibit 28)
06:12:58 Travis Hoffman, Missoula, Advocacy Coordinator, Independent Living
06:14:14 Tyler Stosich, Montana taxpayer
06:15:32 Lisa Davey, parent of a disabled child
06:16:04 Karen Oberg, occupational therapist, Missoula (Exhibit 29)
06:17:02 Jenny Montgomery, Adapt Montana
06:18:10 Jim Uecker, Residential Support Services, Billings, submitted the written comments from Jace Killsback, President of the Northern Cheyenne Tribe (Exhibit 30)
06:19:44 Brian Copeland, person with disabilities
06:20:38 Cynthia Verbanac, STA CNA life coach
06:21:52 Dave Eaton, Executive Director, Counterpoint, Inc., Livingston, and President of the Montana Association of Community Disability Services System Advocacy (Exhibit 31)
06:24:13 Jean Morgan, WestMont
06:25:27 Marcia Miske
Committee Action on Withdrawing or Continuing the Objection

Motion

Sen. Olszewski moved that the committee continue its current informal objection to the rules as described in the committee's letter to Director Hogan on July 26, 2017, and that it direct staff to draft a formal objection letter to be considered at the November meeting.
Rep. Kelker discussed her reasons for voting against continuing the objection.

The motion passed on a roll call vote, 7-1. (Attachment 4)

(Public comment on any non-agenda item within the committee's jurisdiction)

June Hermanson, Program Director, Montana Youth Leadership Forum and the Montana Youth Transitions Project, discussed the elimination of programs that serve high school students with disabilities.

Chloe Smith, Montana Youth Leadership Forum, discussed the proposed elimination of state funding for the Montana Leadership Forum Program.

Shyla Patera, North Central Independent Living Services, commented on the 10% cuts proposed by DPHHS in response to the budget director's request pursuant to 17-7-140, MCA.

Nikita Woods (Exhibit 36)

Jon Bennion, Department of Justice, said that he will e-mail a report that details all of the collaborative efforts looking at the substance abuse programs within the state.

Mary DiBiase, Montana Youth Transitions Project, commented on the project.

Jason Billehus, Missoula, commented on working with youth on life skills.


Tom Osborn, Executive Director, North Central Youth Living Services, asked the committee to do whatever it can against the proposed 10% cuts.

Susan Carlson spoke on her situation with child protective services.

Brooke Bartholomew asked the committee, as it studies DD services, to look at studying from birth to death instead of just adults in the waiver program.

HJR 24 STUDY: DD SERVICES FOR ADULTS

Introduction - Sue O'Connell, Committee Researcher

Ms. O'Connell (Exhibit 37)

Montana’s Waiver Services and Individual Cost Plans

Rebecca de Camara, Administrator, DPHHS Disability Services Division

Lindsey Carter, Regional Manager, DPHHS Developmental Disabilities Program

Matt Bugni, Chief Information Officer, A.W.A.R.E., Inc.

Rebecca de Camara (Exhibit 38) (Exhibit 39)

Lindsey Carter

Matt Bugni

Questions from the Committee

Rep. Kelker asked about factors that determine who is on the waiting list for services.

Sen. Sands asked what would be a reasonable length of time that people should
be on the waiting list.

08:27:32 Sen. Caferro asked about the number of adults and children on the waiting list, who has Medicaid, private insurance, or neither, and the length of time that an adult or child is on the waiting list.

08:28:09 Sen. Olszewski asked about the turnover rate of individuals on the waiting list.

08:28:35 Sen. Caferro asked Mr. Bugni about the $9.80 an hour pay rate and keeping the waiting list below 500.

Public Comment on the HJR 24 Study

Diane Reidelbach, Director, Job Connections, Inc., Billings
Jackie Mohler, Family Outreach
Sandi Hursh, Director of Children’s Services, Quality Life Concepts, Great Falls (Exhibit 40)
Fran Sadowski, CEO, Missoula Developmental Service Corp.
Kerry Dattilo, CEO, Quality Life Concepts, Great Falls
Jean Morgan, Vice President of Programs, WestMont, Helena
Ken Brown, Opportunity Resources, Inc.
Rob Tallon, Reach, Inc.
Brooke Bartholomew

COMMITTEE WORK SESSION

Committee Discussion and Action on:

Revised Draft Interim Work Plan

Motion

08:54:44 Rep. Kelker moved to adopt the revised work plan.

Discussion

08:55:06 Sen. Sands and Sen. Caferro discussed not having an out of town meeting if the committee's budget is reduced further

08:55:58 Ms. O’Connell discussed an out-of-town meeting in March.

08:56:24 Sen. Sands discussed the reauthorization of the Children’s Health Insurance Program (CHIP) at the federal level and said she would like to hear a report at the next meeting about what currently exists and what the impact of the federal action would be on the CHIP program.

08:57:27 Rep. Lenz discussed committee oversight for DPHHS.

08:58:01 Sen. Caferro said that at the last meeting committee members decided that they would pick a topic and then ask DPHHS to report back at the next meeting. She asked where that was in the work plan.

08:58:30 Sen. Sands suggested that the committee receive more information in November about the budget cuts the governor decides to make.

09:01:25 Sen. Moore discussed the potential timeline for the cuts.

Amended Motion

Discussion on the Amended Motion
09:03:10 Sen. Sands supported the motion.
09:03:51 Rep. Lenz said that he would like to honor the legislative intent for the HJR 17 study.
09:05:15 Sen. Caferro commented on the HJR 17 study.

Vote
09:05:52 The motion passed on a voice vote, 7-0, with Rep. Knokey excused.

Vote on the motion to adopt the work plan as amended
09:07:21 The motion passed on a voice vote, 7-0, with Rep. Knokey excused.
09:08:24 Sen. Sands asked about whether it would be appropriate at the next meeting to discuss the proposed 10% cuts.
09:08:29 Sen. Caferro discussed the questions that were sent to DPHHS for a response at the meeting. She requested that the department get those answers to the committee.
09:12:27 Sen. Sands asked about whether the governor’s budget reductions could be made if they were contrary to existing laws or administrative rules.
09:12:53 Sen. Moore said there are, in general, certain things that the governor can and cannot cut under 17-7-140, MCA, without a special session.
09:14:27 Ms. Sandru discussed the department’s rulemaking authority.

COMMITTEE DIRECTION TO STAFF ON STUDY ASSIGNMENTS, MEDICAID MONITORING, AND AGENCY OVERSIGHT
09:17:27 Sen. Caferro commented on the work plan and the importance of asking providers for help with regard to the DD Study.
09:18:13 Ms. O’Connell asked for clarification on the Child and Family Services Division information the committee wants to receive.
09:18:20 Sen. Moore said that he would like a brief report in writing at each meeting.

ADJOURNMENT
09:19:39 With no further business before the committee, Sen. Caferro adjourned the meeting at 5:19 p.m.