

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE



BRIAN SCHWEITZER, GOVERNOR

JANET R. KELLY, DIRECTOR

STATE OF MONTANA

(406) 444-2032
FAX (406) 444-6194

MITCHELL BUILDING
125 N. ROBERTS, RM 155
PO BOX 200101
HELENA, MONTANA 59620-0101

Issue Brief: Energy Conservation Projects
Prepared by: Tom O'Connell, State Architect
Update #2
December 11, 2009

Issue: Reduce energy consumption in State facilities

Project Description: The Department's Architecture & Engineering (A&E) Division is implementing energy conservation projects in numerous facilities throughout the State to meet the goals of the Governor's 20x10 Initiative to reduce energy consumption and save State resources.

Project Status:

- Campus Energy Improvements, Montana State University & University of Montana: Consultants appointed in July 2009; contracts negotiated. Design work continues on numerous HVAC and lighting projects.
- Montana State Prison Alternative Energy, Biomass Boiler: Consultant appointed in July 2009; contract negotiated. Feasibility study and design work continues.
- Department of Transportation: Energy Improvements, Statewide: Consultants appointed in September 2009. Consultant contracts being negotiated.
- Implement numerous energy projects statewide for agencies including the Department of Natural Resources and Conservation, School for the Deaf & Blind, Veterans' Homes, Riverside, Montana Developmental Center, Men's Prison, Montana Mental Health Nursing Care Center, Warm Springs Addictions Treatment and Change Program (WATCh) East, Montana State Hospital, Fish, Wildlife and Parks, Labor & Industry, Revenue, and Justice. While the majority of the projects are in the design phase, several have been bid and are under construction.

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE



BRIAN SCHWEITZER, GOVERNOR

JANET R. KELLY, DIRECTOR

STATE OF MONTANA

(406) 444-2032
FAX (406) 444-6194

MITCHELL BUILDING
125 N. ROBERTS, RM 155
PO BOX 200101
HELENA, MONTANA 59620-0101

Issue Brief: Health Care Cost Containment
Prepared by: Connie Welsh, Administrator, HCB
Update #2
December 11, 2009

Issue: The department's Health Care & Benefits division is working to control the increases in health care costs for employees and their families.

Project Description:

According to §2-18-808, MCA, "the state may provide state employees with adequate group hospitalization, health, medical, disability, life, and other related benefits in an efficient manner and at an affordable cost."

The Health Care & Benefits Division has developed a new prescription drug benefit program for state employees as part of its efforts to meet the statutory objectives. The prescription drug program, called URx, is a joint effort of the State and the Montana University System benefit program. URx is an evidence-based medical approach to educating and providing economic incentives for plan members to work with their physicians in selecting prescription drugs that deliver optimal health outcomes at the most efficient cost.

Preliminary actuarial analysis indicates that URx will reduce costs by approximately \$6.3M in 2010. The cost reductions have been used to cover a portion of the overall increase in pharmacy and medical costs for the State plan in 2010.

Project Status:

Health Care & Benefits Division has completed a four-month intensive education effort for plan members about URx. Currently the division is communicating with plan members about individual prescription requirements and implementing a plan exception process to permit members to receive their drugs at lower co-payment levels when the higher grade alternatives will not work.

The Division and the Montana University System staff have also done outreach and communication with pharmacists and medical providers statewide. These efforts will continue into 2010. The Ask-a-Pharmacist program is implemented and has been well received and utilized by members.

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE



BRIAN SCHWEITZER, GOVERNOR

JANET R. KELLY, DIRECTOR

STATE OF MONTANA

(406) 444-2032
FAX (406) 444-6194

MITCHELL BUILDING
125 N. ROBERTS, RM 155
PO BOX 200101
HELENA, MONTANA 59620-0101

Issue Brief: State of Montana Data Center
Prepared by: Dick Clark, Chief Information Officer
Update # 2
December 11, 2009

Issue: Data centers are currently under construction in Helena and Miles City to help meet the increasing demands for security, reliability and growth.

Project Description: The project consists of constructing two data centers (Helena and Miles City) and transitioning all equipment and services currently offered by the department's State Information Technology Services Division (ITSD).

ITSD continues to work with interested parties throughout the state to develop the data centers.

The Department's Architecture and Engineering (A &E) Division is providing project management for the construction project.

ITSD's State IT Project Management Office will manage the transition of all IT equipment and services presently offered by ITSD.

Regular project status reports are provided to the Legislative Finance Committee and the Information Technology Board.

Project Status:

- Construction on both sites is presently on schedule. Estimated completion dates:
 - Helena, January 2010;
 - Miles City, December 2009.
- ITSD is planning to be operating the Helena facility by December of 2010 with the build out of Miles City to follow.
- Approximately 800 feet of the fiber conduit has been put in place and work continues on establishing network connectivity to the Helena data center.