MINUTES

MONTANA HOUSE OF REPRESENTATIVES
57th LEGISLATURE - REGULAR SESSION
JOINT APPROPRIATIONS SUBCOMMITTEE ON HEALTH & HUMAN SERVICES

Call to Order: By **CHAIRMAN DAVE LEWIS**, on January 29, 2001 at 8:00 A.M., in Room 152 Capitol.

ROLL CALL

Members Present:
Rep. Dave Lewis, Chairman (R)
Sen. John Cobb, Vice Chairman (R)
Rep. Edith Clark (R)
Rep. Joey Jayne (D)
Sen. Bob Keenan (R)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Robert V. Andersen, OBPP
Lois Steinbeck, Legislative Branch
Sydney Taber, Committee Secretary
Connie Welsh, OBPP

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

Committee Business Summary:
Hearing(s) & Date(s) Posted: Health Policy and Services - CHIP, Family and Community Health, Communicable Disease
Executive Action: None.

{Tape : 1; Side : A; Approx. Time Counter : 8.8-11.7}
Gail Gray, Director of Department of Health and Human Services (DPHHS), requested that if there is going to be an elimination of services, the Department would like direction or support from the Committee on the supplemental.

Ms. Steinbeck asked for a definitive estimate on mental health services costs from the Executive; she has received preliminary estimates, but until she receives the final figures, will not be

able to determine if cost projections and savings are in sync with the information that was presented to the Committee.

{Tape : 1; Side : A; Approx. Time Counter : 11.7-13.5}
Responding to **CHAIRMAN LEWIS**, **Director Gray** listed the three areas on which the Committee needs to take action regarding the supplemental request: 1) elimination of partial hospitalization for non-Medicaid; 2) elimination of services for non-CHIP eligible children; and 3) case management.

SEN. COBB said that until they have definitive numbers, it will be difficult to know the impact that action would have on programs.

{Tape : 1; Side : A; Approx. Time Counter : 13.5-18.6}
SEN. WATERMAN explained the impacts that her proposal to eliminate the asset test will have on the CHIP program. As the asset test is removed, there are children that are now CHIP eligible who become Medicaid eligible. One of the costs of the bill is children moving across. Does the Department then free up slots in CHIP to move those children that it is proposing to cut off into CHIP? **Ms. Steinbeck** replied that some of those children will never be CHIP eligible because their families have health insurance. **SEN. WATERMAN** asked if there is a way and would it be in the best interest to make them CHIP eligible? **Ms. Steinbeck** said that she does not think that the state can circumvent the federal rule stating that families with health insurance are not eligible for CHIP.

Ms. Steinbeck continued that there is a way to maintain coverage for those children, and that is through a separate state program funded by maintenance of effort (MOE) that is already spent for TANF. MOE is used in work programs and is general fund; money is taken out of the work program and budgeted in a separate state program for mental health services for low-income children. There is no reporting requirement, and it is a program that existed after 1995, serves needy families, supports three of the four purposes of TANF so it can be done. TANF block grant is then used to fund the work programs.

SEN. WATERMAN expressed concerns over the unintended consequences should the Committee start trying to fix the supplemental problems tomorrow. She is concerned that when it gets to FAIM, the Committee will find that it has decimated the program. The Committee will have done $10 million worth of damage to FAIM if it accepts the supplemental as it now stands.

{Tape : 1; Side : A; Approx. Time Counter : 20.5-23}

Ms. Steinbeck continued that an alternative would be to examine how DPHHS has offset general fund with TANF in Child and Family Services Division. The offset of Title IV-E costs is the biggest impact to TANF because one TANF dollar offsets the cost of one other federal dollar. She suggested that there may be ways to use a separate state program with fewer TANF dollars to achieve some of the same general fund savings. **SEN. WATERMAN** requested that the Department and staff pursue this avenue.

{Tape : 1; Side : A; Approx. Time Counter : 23-27.3}
SEN. COBB commented that some of the decisions are management decisions; cutting children off and raising rates at Warm Springs are steps that can be taken by the Department right now.

{Tape : 1; Side : A; Approx. Time Counter : 27.3-48.5s}
Joanne Dotson, Acting Administrator of Health Policy and Services Division, distributed subcommittee information requests and Department responses **EXHIBIT(jhh23a01)**, and four exhibits that go with it **EXHIBIT(jhh23a02)**, **EXHIBIT(jhh23a03)**, **EXHIBIT(jhh23a04)**, and **EXHIBIT(jhh23a05)**.

Mary Dalton, Medicaid Services and CHIP Bureau Chief, began her CHIP presentation where she had left off previously **EXHIBIT(jhh23a06)**. She explained the new proposal for RBRVS providers, which is a 1.7% annual provider rate increase for physicians and mid-level practitioners. It is hoped that an increase will encourage physicians to accept more Medicaid patients. **SEN. COBB** asked whether specialists are limiting access. **Ms. Dalton** replied that there is no indication of this.

Ms. Dalton stated that this year budget increases were targeted to the services most in need. She then went over the ambulance provider rate increase of $182,934 general fund over the biennium, an essential service, which is provided by volunteers in small communities with few other sources of revenue. **SEN. COBB** asked how the rate increase will effect the 37% of the usual and customary charges to which **Ms. Dalton** said that it would not take them all the way up to Medicare reimbursement levels, but it would be close.

Ms. Dalton went over the dental provider rate increase. Dental care is the single area where there are access problems for Medicaid recipients. The Department is requesting $2.3 million total funds over the biennium. There is a dental access problem for everyone as dentists are aging and fewer people are going into the profession. **CHAIRMAN LEWIS** commented that he has been hearing from county health departments that this is a major crisis and asked **Ms. Dalton** if this measure would help.

{Tape : 1; Side : B; Approx. Time Counter : 0.3-4.2}
Ms. Dalton stated that it will help, but there are only so many dentists, a problem that cannot be solved by this rate increase. Efficiencies can be created in other areas, such as hygienists providing some services that dentists currently do.

SEN. WATERMAN expressed some skepticism that provider rate increases will provide greater access; many dentists have told her that they will not accept any more Medicaid patients than they currently do. It will help reimburse costs, but not improve access. The state and federal government need to fund full-time dentists at public health clinics to address the unmet need. Volunteerism is fine, but that enthusiasm eventually dwindles while the need for the care remains.

{Tape : 1; Side : B; Approx. Time Counter : 4.2-6.1}
Ms. Dalton explained that the Department has been exploring the issue of dentists at public health clinics, but does think that the rate increase needs to be implemented.

{Tape : 1; Side : B; Approx. Time Counter : 6.1-12.0}
Ms. Dalton commented that 17% of the dentists enrolled in Medicaid see 61% of the clients. **SEN. WATERMAN** commented that in other states that have increased their Medicaid rates to cover 85% of charges there was no increase in access. Some states did tie the increase in rates to commitments to increase access.

SEN. COBB requested language from the Department for executive action in order to track this for the next session. He wants to know that providing this made a difference in access.

Ms. Dalton continued with the request for federal authority to use Medicaid outreach funds to improve enrollment in the eligibility determination process. No general funds are requested, and the match will come from existing funds.

{Tape : 1; Side : B; Approx. Time Counter : 12.2-24.9}
There was discussion over the issues in Exhibit 1. **SEN. WATERMAN** asked for justification of the difference in reimbursement between those covered under EPSDT and long-term care home health. **Ms. Dalton** commented that the increases given in the last session to direct care workers in long-term care were applied to personal care attendants and nurses. In the Health Policy and Services Division, there was a 1.8% increase for all providers, which is reflected in the rate that the Division pays for private duty nursing services for children. It would cost $101,195 total funds annually to raise the rate that is paid in EPSDT or nursing services for children under 21 up to the rate that is paid in the Senior and Long-Term Care Division.

Ms. Steinbeck suggested that the Committee needs to also consider the provider rate increase for FY03 in the Senior and Long-Term Care Division budget request to equalize the rates. **Ms. Dalton** stated that **Ms. Steinbeck** is correct. **SEN. COBB** asked **Ms. Steinbeck** to get the numbers on equalizing this with Senior and Long-Term Care Division for executive action.

{Tape : 1; Side : B; Approx. Time Counter : 24.9-43.5}
The Committee continued with question 10 on Exhibit 1, CHIP buy-in. **Ms. Dalton** explained that CHIP buy-in programs need to be carefully structured to minimize adverse selection. CHIP has no exclusions for pre-existing conditions, can be purchased on a monthly basis, and has relatively low co-payments. Families with chronically ill children or those needing surgery are more likely to buy-in, which will ultimately increase the premium that the state must pay.

SEN. COBB suggested sliding scales to which **Ms. Dalton** replied that Blue Cross administers the program and is not at all interested in that sort of system since it is difficult to administer, raises administrative costs, and ultimately would increase the premium. There was further discussion on the issue.

CHAIRMAN LEWIS asked if there is anything that can be done about adverse selection in this process? **Ms. Dalton** responded that most states have not found that many families at these income levels can afford to buy-in to CHIP at full rate. **Ms. Dalton** referred the Committee to the White Paper on strategies to improve access to health care coverage **EXHIBIT(jhh23a07).**

{Tape : 1; Side : B; Approx. Time Counter : 43.5-49.2}
SEN. COBB suggested that maybe a spend down program would work if buy-in did not. **Ms. Dalton** commented that she did not recommend a medically needy program in an insurance-based product because the cost will go very high and the state cannot afford it. **Ms. Dalton** briefly touched on Exhibits 2, 3, 4, and 5, included in the packet of information, and **EXHIBIT(jhh23a08),** a presentation on the Montana Medicaid Prescription Drug Program.

{Tape : 2; Side : A; Approx. Time Counter : 0.5-8.5}
Ms. Dalton directed the Committee to page 20 of the drug report and noted that anti-psychotic and anti-ulcer drugs are the greatest drug expenditures. There was further discussion of the drug issue.

REP. JAYNE referred to Exhibit 2 and asked if there was information on which areas of Montana had the most use of psychotropic drugs. **Ms. Dalton** said that they have not created

such a report, but would report tomorrow whether it could be done. It should be correlated with mental health and population centers.

{Tape : 2; Side : A; Approx. Time Counter : 8.5-17.6}
Ms. Dalton began her presentation of the CHIP program **EXHIBIT(jhh23a09)**, which is a state and federal partnership created to serve children in families with limited financial resources who do not qualify for Medicaid and do not have health insurance. Blue Cross-Blue Shield is the only insurer that participates in CHIP at this time. She reviewed the responsibilities and programs administered by the Bureau: the centralized eligibility system, referral of non-CHIP children to other programs, operation of a state-wide toll-free family help line, and community outreach programs. She then outlined the accomplishments of the program: enrollment of 9,503 children; renewal of the contract with Blue Cross; a provider agreement with 162 dentists; a bulk purchasing contract for eyeglasses; development of an eligibility system; development of a common application form used for Medicaid, CHIP, Mental Health Services Plan, and the Caring program; and development of a state plan and administrative rules.

{Tape : 2; Side : A; Approx. Time Counter : 17.6-18.3}
SEN. WATERMAN complimented the Bureau on the simplified application that it had developed and mentioned that she has several more suggestions for them.

{Tape : 2; Side : A; Approx. Time Counter : 18.3-31.5}
Ms. Dalton continued that while there have been great strides made there is still a need for health coverage for children in the under 150% of poverty level children. The number of uninsured children in this particular poverty level has been reduced by 12%.

SEN. COBB asked if the applications are coming in at the same rate. **Ms. Dalton** replied that they are staying steady in the number of applicants. They do have a waiting list right now.

Ms. Dalton explained the screening process. Every CHIP applicant is screened for Medicaid first. You cannot be on CHIP if you are Medicaid eligible. Children who apply for CHIP, but look Medicaid eligible are referred to their local county office of public assistance. You do not have to receive a Medicaid denial before you apply for CHIP; the screen will be done on the common application. **CHAIRMAN LEWIS** asked if people continue with the process or give up at that point, and **Ms. Dalton** responded that it does happen that some do not follow through.

SEN. WATERMAN mentioned some of the difficulties that people have had with the process. Oftentimes, when they are denied Medicaid, they assume that they are also ineligible for CHIP and do not continue with the reapplication. She expressed frustration about the process whereby CHIP eligibility is determined at the state level, but Medicaid eligibility is determined at the county level. It makes sense to do it all at once at the state level.

Ms. Dalton stated that the Department does need to do a better job, and that it should probably be done centrally. The Department will be looking into this. There was further discussion of eligibility issues.

{Tape : 2; Side : A; Approx. Time Counter : 31.5-48.5}
SEN. WATERMAN asked if there were no requirement of the face-to-face and asset test in Medicaid, would it make CHIP and Medicaid review at state level a little easier? **Ms. Dalton** replied that it is easier as long as only children are involved. If the parents of those children are placed on Medicaid, there would still be a need for the asset test.

Ms. Dalton continued with her explanation of the CHIP program, eligibility, and the benefits package. There was discussion of expansion of the waiting lists and the eligibility poverty levels in CHIP.

{Tape : 2; Side : B; Approx. Time Counter : 1.1-12}
In continued discussion, **REP. JAYNE** asked whether there were any numbers on how many 18-year olds would be off CHIP so that those on the waiting list could receive services. **Ms. Dalton** responded that they have not run a report on that particular information at this time. **REP. JAYNE** asked if there are any services for those who turn 18 to which **Ms. Dalton** responded there are not. It is a program that is designed specifically for children and ends the month of their 19th birthday.

Ms. Dalton commented that some areas have really good outreach so the figures indicate a disproportionate number of individuals on CHIP by population levels. There was further discussion on outreach, eligibility, enrollment, benefit costs, and the benefits program, which is based on the state employee plan. The basic goal of the plan is to cover as many children as is possible with the funds available. One of the debates is that it could be a much richer plan for those who are served if fewer are served.

{Tape : 2; Side : B; Approx. Time Counter : 12-48}
SEN. COBB expressed his concerns regarding expansion of services to more children. If costs of treating the children go up and

insurance premiums go up, will there be a budget wreck? **Ms. Dalton** responded that they did not do a cost factor increase in CHIP since it is renegotiated every year with the insurers. If costs were inflated by 10%, for instance, and insurance goes up by 10%, there would not be a premium increase less than 10%. It is not an entitlement so when costs go up, the number of children served goes down.

CHAIRMAN LEWIS commented that since the package is based on the state employee health plan, and there are indications that it is in trouble, are there concerns that the same thing will happen here? **Ms. Dalton** responded that the CHIP increase was 6% and substantially less than most insurance companies. Blue Cross-Blue Shield thinks that the program is good for children and took it on a lean margin.

SEN. COBB asked if they pay the same rates that state employees when they pay the doctors or are they paying less. **Ms. Dalton** replied that it is her understanding that most providers in the Blue Chip program are willing to take a little less than they do under regular Medicaid. The rates are considered to be confidential, so she cannot tell the Committee what they are.

Ms. Dalton went over CHIP and mental health. All services provided must be medically necessary. The majority of those children on CHIP may also be eligible for the state's Mental Health Services Plan (MHSP). There will still be some children who would only be eligible for MHSP because of those restrictions on CHIP already discussed. Mental health benefits are coordinated between the programs. **Ms. Dalton** went over the specific services offered in CHIP and MHSP. She then went over the funding, which is a federal grant based on the number of low-income uninsured and the state cost factor.

Ms. Dalton then went over the budget issues and decision packages in the CHIP program. She stressed the importance of the CHIP annualization in order to maintain the current enrollment. The Department is also requesting a financial eligibility increase to 175% of the federal poverty level. **CHAIRMAN LEWIS** stated that he understood that the Governor was asking for 160% of poverty level. **Ms. Dalton** responded that she has been unable to find where that came from, but that the Department request has always been at 175%. Census figures are notably unreliable in small states, and even more so when projecting out exactly which children are in poverty level. She is hoping that the Committee will give the Department the flexibility to go to 175% to add children.

Director Gray explained that the intention is to go with the dollar amount in Governor Martz's budget request. That will cover people higher than 160%, which is what they had anticipated, so they just want the flexibility to serve more children within that dollar amount.

There was further discussion on the issue as **Ms. Dalton** reiterated that they have always looked at it as the number of children served and will spend no more money than is appropriated.

{Tape : 3; Side : A; Approx. Time Counter : 5.3-11.3}
Ms. Dalton reviewed LC 426 a bill sponsored by **SEN. BERRY,** which will allow the Department to cover up 200% of poverty restricting the coverage to the amount appropriated in HB 2. It gives the Department the flexibility to cover as many children as the dollar amount of the appropriation allows. It also provides fine tuning of language, allowing the Department to contract directly for dental services.

Ms. Dalton summarized the advantages of CHIP: it reduces the number of uninsured children; it increases access to health care; it reduces medical costs by avoiding more serious and expensive health care; it reduces parent absenteeism from work; and it enables children to perform better at school because children are healthier.

{Tape : 3; Side : A; Approx. Time Counter : 11.3-24.7}
JoAnn Dotson, Family and Community Health Bureau Chief, presented the overview of the Bureau **EXHIBIT(jhh23a10)** and distributed a report on county poverty estimates **EXHIBIT(jhh23a11),** and the draft suicide prevention plan **EXHIBIT(jhh23a12).**

Ms. Dotson explained the responsibilities and accomplishments of the Bureau, which works with local health departments, WIC programs, family planning providers, Indian Health and Tribal Service providers, school health personnel to assure the health of Montanans with special emphasis on women, children, and families. It is responsible to: assess the health status and needs of the target populations; develop policies to guide health services; and assure access to health care services in partnership with state and local providers. **Ms. Dotson** reviewed accomplishments and how efforts and successes are measured.

{Tape : 3; Side : A; Approx. Time Counter : 24.7-28.9}
SEN. COBB asked if everyone who wants services in WIC receives them or is there a waiting list. **Ms. Dotson** responded that she is unaware of any waiting list for WIC. The Department is able

to cover those clients that come in. **CHAIRMAN LEWIS** mentioned his interest in the Farmer's Market WIC proposal.

{Tape : 3; Side : A; Approx. Time Counter : 28.9-34.5}
SEN. KEENAN asked why there were fewer infants served in Maternal and Child Health in 1999 than 1998, and why there are fewer children aged 1 to 21 served in Child and Family Health in 1999 than 1998. **Ms. Dotson** explained the discrepancy in the infant count in that there were numerous duplications. The other numbers have dropped because the Department is tightening up the reporting requirements from local agencies. Local accounting creates variability in the numbers. She believes that the current figures are a better reflection of the numbers and services offered.

{Tape : 3; Side : A; Approx. Time Counter : 34.5 - 48.5}
Ms. Dotson reviewed the programs offered and the agencies that administer them. She then went over the federal and state funding sources for the various programs.

{Tape : 3; Side : B; Approx. Time Counter :1.1-11.6}
Ms. Dotson went over the accomplishments of the Bureau: 2 new Montana Initiative for Abatement of Mortality in Infants (MIAMI)sites; 5 new family planning sites; 2 new WIC regional dieticians; 2 new regional clinics for specialty services for children; 12 local abstinence programs; and 21 sites reviewing fetal, infant, and child deaths.

Ms. Dotson continued with the budget requests for federal spending authority: in FY02 to continue development of the Montana birth outcome monitoring program; in FY02 to conduct fetal, infant, and child mortality review; in FY02 and FY03 for WIC infant formula rebate; FY02 and FY03 to develop programs and services to decrease fetal alcohol syndrome; conversion of a modified position to permanent status as a women's health educator; for a maternal and child health data analyst; and FY02 and FY03 for the WIC eligibility and benefits system.

{Tape : 3; Side : B; Approx. Time Counter : 11.6-17.5}
Kathleen Martin, Communicable Disease and Control Bureau Chief, distributed the overview of the Bureau **EXHIBIT(jhh23a13)** and reviewed the responsibilities, programs, and agencies and providers with whom it deals. The Bureau controls disease through surveillance, outbreak intervention, ensuring compliance with public health laws, front-line response to bio-terrorism and public health disasters, and epidemiologic investigations. She went over the diseases that the Bureau deals with and the function it plays in containing and treating disease.

{Tape : 3; Side : B; Approx. Time Counter : 17.5-23.3}
In response to questions regarding the outbreak of hepatitis B in north central Montana, **Ms. Martin** said that some of those individuals did come from the corrections system, but most did not. **SEN. WATERMAN** said that she understands that it is rampant in the prison system; she suggested that there is a huge liability there and that maybe it is the state's responsibility to do something about this. **Ms. Martin** stated that the Bureau does work with the medical director at the prison specifically on hepatitis issues, but that there is no program for people in the prison system to receive treatment. **SEN. WATERMAN** said that in other states prisoners entering the system are routinely vaccinated, but she does not believe that it is done here. She thinks that it should be investigated.

Director Gray commented that she and the Director of the Department of Corrections have met on this briefly and will have another meeting. **Ms. Martin** mentioned that there are no funds in the state of Montana, state or federal, available to immunize adults.

{Tape : 3; Side : B; Approx. Time Counter : 23.3-40.5}
REP. CLARK commented that it costs $150 to immunize just for hepatitis B. All health care workers associated, at least in the private prison, are immunized for this. Most prisoners that she has worked with have hepatitis A, B, and C. The spread is rapid between prisoners.

There was further discussion of the hepatitis issue in prisons.

The Bureau provides diagnosis and treatment of disease and health training and education. It is funded by a combination of federal, special revenue, and state general fund. The Bureau accomplishments are: an increase in immunization rates; decrease in AIDS deaths; improvement in STD testing capability; continued partnerships with other state agencies; and new training opportunities for local staff and business operators.

{Tape : 3; Side : B; Approx. Time Counter : 40.5-47.8}
Ms. Martin went over the Bureau budget issues: increased federal spending authority for the Lab capacity grant expansion; federal spending authority for bio-terrorism preparedness; and increased authority to license.

{Tape : 4; Side : A; Approx. Time Counter : .5-15}
Paul Lamphier, Laboratory Services Bureau Chief, reviewed the function of the laboratory **EXHIBIT(jhh23a14)**, which includes an environmental laboratory and a clinical laboratory. He went over those who are served and the services provided. The clinical

laboratory provides: diagnostic testing of disease; reference microbiological testing; and training and consultation for Montana laboratory workers and health care providers. The environmental laboratory provides testing for: the Safe Drinking Water Act; the Clean Water Act; the Clean Air Act; the National Pollutant Discharge Elimination Systems; and it provides EPA certification of private laboratories testing drinking water in Montana.

Mr. Lamphier summarized the Bureau's accomplishments: creation of the Laboratory Services Bureau; financial stability in the Clinical Laboratory; technology added to the Clinical Laboratory; and an equipment replacement program in both labs. He explained that the laboratories operate as fee for service and generate special revenue to meet operating expenses. He went over the revenue sources; there is general fund that supports activities that do not generate revenue and federal grants support the cost of implementation of new testing and specific studies. The budget issue involved is a request to convert two modified positions to permanent positions, which would be supported by special revenue generated from fee for service.

{Tape : 4; Side : A; Approx. Time Counter : 15.3-20.8}
Drew Dawson, Health Systems Bureau Chief, began the overview **EXHIBIT(jhh23a15)** with a review of the local agencies that it works with and the funding sources. He continued with the work the Bureau does to reduce the burden of chronic disease: provides comprehensive tobacco use prevention; works with local providers to improve diabetes care; provides breast and cervical cancer screening and early detection services to women in the target population; and works to reduce risk factors for cardiovascular disease. The Bureau monitors trends in chronic disease, risk factors, and evaluates program effectiveness. It assures quality emergency medical care through licensing and training, and it manages a state-wide trauma system; coordinates injury prevention; and manages the Poison Control System. It improves the public health system with workforce training, funding, public health standards, and the coordination of public health system through a grant from the Robert Wood Johnson Foundation.

The Bureau improves access to primary care by: identifying areas with high unmet needs; assisting communities in qualifying for assistance programs; assisting with recruitment of primary health care professionals for areas of high needs; and assisting communities to locate resources.

{Tape : 4; Side : A; Approx. Time Counter : 20.8-48}
Mr. Dawson reviewed Bureau accomplishments. He then proceeded with an explanation of the Tobacco Use Prevention Program.

Tobacco use is the biggest health problem in Montana. The tobacco use prevention program works when it is well-financed, sustained, and comprehensive. He reviewed the goals of the program and the effectiveness of programs in other states.

He summarized for **CHAIRMAN LEWIS** the steps that the Department would have to take if the program were reduced to the size that Governor Martz's budget allows: community funding and Native American community funding would be substantially reduced; state-wide cessation services would be eliminated; support provided to Medicaid to assist with additional cessation attempts; and school programs would also be eliminated; cut back significantly the resource center at the University of Montana; the public information and awareness campaign would be pared back substantially.

{Tape : 4; Side : B; Approx. Time Counter : 0.3}
Mr. Dawson went over the development of the tobacco use prevention plan goals, which are to: prevent youth from ever starting to smoke; help addicted individuals to quit; protect non-smokers from second-hand smoke; change the way tobacco is used, sold, and promoted. It has been found that tobacco prevention works when the program is well-financed, sustained, and comprehensive. He distributed the Tobacco Prevention Use Program progress report **EXHIBIT(jhh23a16)**. The expected results are creation of conditions to decrease tobacco usage and reductions of tobacco related disease and death. The reduction that the Martz budget proposes will impact the program and its consequent results.

A memo on the status of the recommendations in the DPHHS financial compliance audit was submitted **EXHIBIT(jhh23a17)** and the supplemental request response from DPHHS **EXHIBIT(jhh23a18)**. Statements in opposition to the chemical dependency refinance were also submitted: **EXHIBIT(jhh23a19)** from the Montana Addiction Service Providers, and **EXHIBIT(jhh23a20)** Liberty County. **Peg Shea, Turning Point Addiction Services**, provided her written testimony in support of the refinance issue **EXHIBIT(jhh23a21)**.

ADJOURNMENT

Adjournment: 12:00 P.M.

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REP. DAVE LEWIS, Chairman

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SYDNEY TABER, Secretary

DL/ST