

MINUTES OF THE MEETING
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

February 18, 1987

The twenty-ninth meeting of the Institutions and Cultural Education Subcommittee was called to order on February 18, 1987 at 8:05 a.m. by Chairman Miller in room 202-A of the state capitol.

ROLL CALL: All members were present as were Keith Wolcott, Senior Analyst for the Legislative Fiscal Analyst (LFA); Alice Omang, secretary; George Harris of the Office of Budget and Program Planning (OBPP); Carroll South, Director of the Department of Institutions and various other guests.

CONSIDERATION OF HOUSE BILL 201: Tape: 29-1-A:010

Representative Campbell, House District 48, stated that Representative Donaldson suggested that this bill, which is an act abolishing the Department of Institutions and transferring the functions of the Department to the Departments of Social and Rehabilitation Services, Justice and Health and Environmental Sciences, be sent to this committee. He advised that basically this bill would eliminate 36 FTE (full-time equivalent employees) and save \$1.5 million.

Senator Bengtson asked what would happen to Boulder, Warm Springs and the prison, to which Representative Campbell replied that they would be administered by the administrators that are at the separate facilities that are there now.

Senator Bengtson asked what departments would be placed under the Department of Health and what would be placed under the Department of SRS (Social and Rehabilitation Services).

Representative Campbell distributed exhibit 1, which basically shows where each service would be transferred to and an analysis of the cost savings.

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Representative Campbell advised that HB 538 of Representative Winslow's is basically the same bill, but it takes longer to be implemented.

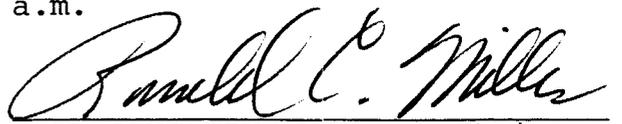
(068) Chairman Miller advised that this bill went through State Administration on a vote of 18 to 0, but if Representative Winslow's bill went through, this bill was to be moved to this committee and have the committee look at it and consider it.

Representative Menke made a motion that this bill be TABLED. The motion CARRIED unanimously.

There were some additional comments on this bill and Mr. South advised the committee that there are some serious problems of a conflict of interest with this bill. He said that the State Hospital is put under the Department of Health and the Department of Health is the arm of the federal government that inspects the State Hospital for Medicaid certification and licensing, i.e., they would be inspecting their own facility. He continued that SRS is the Medicaid agency and they get about \$10 or \$11 million a year from Medicaid, and SRS would be setting the rates for Medicaid at their own institutions and they would be billing themselves, which he (South) did not think the federal government would stand for.

Chairman Miller advised the committee that Senator Story has a bill which would return a portion of the facility at Twin Bridges to the town and he and Senator Boylan discussed the possibility of looking this facility over to see if it could be turned into a nursing home for veterans. He suggested the committee make a trip to Twin Bridges to inspect this facility and investigate this possibility.

ADJOURNMENT: There being no further business, the meeting was adjourned at 8:25 a.m.


REPRESENTATIVE MILLER, Chairman


Alice Omang, Secretary

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HB 201
Rep. Campbell



STATE OF MONTANA
Office of the Legislative Fiscal Analyst

STATE CAPITOL
HELENA, MONTANA 59620
406/444-2986

JUDY RIPPINGALE
LEGISLATIVE FISCAL ANALYST

January 8, 1987

Representative Bud Campbell
Seat #79
Montana House of Representatives
State Capitol
Helena, MT 59620

Dear Representative Campbell:

Attached is the analysis of the cost savings for abolishing the Department of Institutions and distributing its functions to other agencies of state government. Also attached is your request which is the basis for this analysis. If you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Wolcott".

Keith Wolcott
Senior Fiscal Analyst

KWI:bn:rc.
Attachment

RC. ①

MISSION

Corrections Division: Exists to provide supervision and support to Montana State Prison, Swan River Camp, Pine Hills, Mountain View, the Women's Correctional Facility, five pre-release centers, Juvenile Aftercare, Probation and Parole.

Alcohol and Drug Abuse Division: The division administers chemical dependency programs and distributes state funds to certified community programs.

Mental Health and Residential Services: Provides administrative supervision for institutional community programs at Boulder, Center for Aged, Eastmont, Vets Home and the State Hospital.

Management Services Division: This division provides budgeting assistance to the institutions, accounting services and some data processing. In addition there are six financial investigators.

Director's Office: Coordinates and directs administrative tasks of Department of Institutions.

Central Office; Direction and administrative support for the state's institutions. Consists of Corrections, Alcohol and Drug Abuse Division, Mental Health and Residential Services, Management Services and Director's Office.

AGENCY MOVE

Mountain View, Pine Hills and Juvenile Aftercare move to Community Services Dept. All other functions move to Justice.

Return ADAD to the Department of Health.

Transfer to Department of Social and Rehabilitative Services.

Eliminate all but six investigators, and place these in SRS.

Eliminate all 10 FTE.

Eliminate as described above.

ANALYSIS OF COST SAVINGS OF ABOLISHING THE DEPARTMENT OF INSTITUTIONS
AND TRANSFERRING THE FUNCTIONS OF THE DEPARTMENT TO OTHER AGENCIES

DISTRIBUTION TO OTHER AGENCIES

	DEPARTMENT OF INSTITUTIONS		SOCIAL AND REHABILITATION SERVICE		DEPARTMENT OF JUSTICE		DEPARTMENT OF HEALTH		ELIMINATED	
	FTE	FY 1988	FTE	FY 1988	FTE	FY 1988	FTE	FY 1988	FTE	FY 1988
MENTAL HEALTH DIVISION										
TOTAL FUNDS MENTAL HEALTH										
Central Office	5.00	\$5,368,296								
Montana Developmental Center	440.15	\$11,968,626	5.00	\$5,368,296						
Center For The Aged	99.24	\$2,682,836	440.15	\$11,968,626						
Eastmont Training Center	93.02	\$2,235,954	99.24	\$2,682,836						
Veterans' Home	74.00	\$2,008,351	93.02	\$2,235,954						
Montana State Hospital	697.60	\$20,983,683	697.60	\$20,983,683						
TOTAL MENTAL HEALTH	1409.01	\$45,247,746	1409.01	\$45,247,746	0.00	\$0	0.00	\$0	0.00	\$0
GENERAL FUND MENTAL HEALTH										
Central Office	5.00	\$4,117,105								
Montana Developmental Center	440.15	\$11,912,340	5.00	\$4,117,105						
Center For The Aged	99.24	\$2,675,501	440.15	\$11,912,340						
Eastmont Training Center	93.02	\$2,231,954	99.24	\$2,675,501						
Veterans' Home	74.00	\$514,140	93.02	\$2,231,954						
Montana State Hospital	697.60	\$19,156,088	697.60	\$19,156,088						
TOTAL MENTAL HEALTH GEN FUND	1409.01	\$40,607,128	1409.01	\$40,607,128	0.00	\$0	0.00	\$0	0.00	\$0
DIRECTOR'S OFFICE AND MANAGEMENT SERVICES										
TOTAL FUNDS										
Central Office	9.00	\$377,193								
Director's Office	28.00	\$1,032,398	5.00	\$218,665		\$43,168		\$983	9.00	\$377,193
Management Services Division									23.00	\$769,582
TOTAL	37.00	\$1,409,591	5.00	\$218,665	0.00	\$43,168		\$983	32.00	\$1,146,775
GENERAL FUND										
Central Office	9.00	\$377,193								
Director's Office	28.00	\$1,022,110	5.00	\$216,310		\$36,493		\$0	9.00	\$377,193
Management Services Division									23.00	\$769,307
TOTAL	37.00	\$1,399,303	5.00	\$216,310	0.00	\$36,493		\$0	32.00	\$1,146,500
TOTAL FUNDS	-2177.33	(\$75,581,605)	1602.47	\$51,010,004	523.86	\$21,378,571	\$21,626,634	\$1,670,815	41.00	\$1,506,292
TOTAL GENERAL FUNDS	-2146.33	(\$65,331,048)	1601.47	\$45,648,642	503.86	\$17,962,189	\$18,090,538	\$215,200	41.00	\$1,505,017