

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By WM. "RED" MENAHAN, on January 25, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Rep. Wm. "Red" Menahan, Chairman (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Rep. Dorothy Cody (D)
Rep. Chuck Swysgood (R)
Sen. Eleanor Vaughn (D)

Members Excused: Sen. Dick Manning

Staff Present: Sandra Whitney, Senior Fiscal Analyst (LFA)
Mary LaFond, Budget Analyst (OBPP)
Mary Lou Schmitz, Secretary

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

SUPPLEMENTALS

Jim Currie, Administrator, Management Services Division, reviewed Exhibit 1, Supplemental requirements totaling \$1,541,331 for 1991 biennium. Of that amount \$1,445,331 is associated with the Corrections Division, a result of the overcrowding problem.

MONTANA STATE PRISON is the largest supplemental, \$719,417, and it results from various unfunded activities they have undertaken to manage the inmate population. One is the Warm Springs reception overflow unit and opening Unit D on February 1, 1991 and need for operating funding for that facility. They have hired two targeted case managers and a pre-parole programmer. The Department has variable costs associated with inmate populations. The Prison is budgeted this fiscal year for a population of 1,086 and is above that. With the increase in population there is also an increase cost for prescription drugs. There were two personnel actions that were not funded for. One is the negotiated agreement that upgrades correctional officers. The other is the salary increases negotiated for the registered nurses. Last session there was an amendment to HB 100 that required the Department to specifically address the salary issue with registered nurses.

SWAN RIVER FOREST CAMP has a projected supplemental of \$48,775. They had to increase beds from 55 to 60 for expanding and associated costs throughout the facility. There is the same issue with the correctional officers which were not funded. There were food service positions that were reclassified and upgraded by the Personnel Division. There is also a significant impact with fuel oil cost increases.

COMMUNITY CORRECTIONS: The Department requests \$25,742 which is directly attributable to the need to contract for 15 additional beds at three privately operated pre-release centers. The actual cost of that increase for 15 beds was \$64,000 but were able to minimize the amount of the supplemental by absorbing it through other areas of the operations.

WOMEN'S CORRECTIONS program has a supplemental request for \$78,040 and variable costs attributable to a higher inmate population than budgeted. The agency was not budgeted for holiday overtime, salary increases and correctional officer upgrades so these were unfunded costs to be absorbed.

CORRECTIONS MEDICAL budget is the second most significant request; \$565,357 is a Biennial supplemental request. \$71,000 was transferred from FY 91 to FY 90 to cover a projected shortfall. In addition, they used their transfer authority to transfer \$37,000 from the regular appropriation for the license plate factory to help offset that deficit.

BOARD OF PARDONS has a \$38,000 Biennial supplemental. Last year \$16,350 was transferred from FY 91 authority to FY 90. This was required for inmate population increases and a large termination pay in FY 90.

MONTANA STATE HOSPITAL has a \$96,000 Biennial supplemental. In FY 90 \$54,145 was transferred to offset an operational deficit. There are unanticipated expenditures for the drug, Clozaril, which will be used for seven to ten patients per week for the remainder of the fiscal year.

The Eastmont Human Services Center is operating with a projected deficit of \$124,000 but the Department is not showing it as a Supplemental. It is tied directly to six additional non-funded FTE put into that facility in order to achieve certain licensure. There is language in the Supplemental Bill that modifies the transfer authority to permit the Department to transfer personal services as well as operating expenses.

Mr. Currie said last session the Appropriation's Bill had boiler plate language that prevented the agencies from using any excess personal services money to bail out operations. The Department of Institutions has been historically under funded in operations so they have had to use operational plans when situations arose. The transfer language the Department is asking for in the Supplemental Bill is another example. There is a large surplus projected at the Montana Developmental Center and could easily

have cut some of the Supplementals in the mental health area.

REP. CODY asked why there are such large surpluses in the personnel services at Montana Developmental Center and Montana State Hospital. **Mr. Currie** said the reason is they are going through a downsizing process. The population has gone down so the staffing is less than budgeted. Montana State Hospital ties primarily with recruitment problems so it generates significant vacancy savings. **REP. CODY** asked why boiler plate language was put in by the Subcommittee last session. **Mr. Currie** said it was not included by this Subcommittee but by the Appropriations Committee. The decision was made to not apply the vacancy savings factor last session.

REP. CODY referred to Clozaril and is there any way to weigh the benefits against the cost. **Dan Anderson, Administrator, Mental Health Division**, said they have treated to date 17 patients and of those patients, 5 have been moved to less restrictive settings on the Warm Springs campus or have been discharged. The drug costs \$9,000 per patient a year. If the Department can get a patient into the community on the drug, Medicaid pays for the drug so much of the cost is shifted to the federal government. There are also humanitarian benefits.

REP. CODY asked about the base being under funded because it was based on FY 88 actual which was low that year. **Mr. Currie** said there were less medical needs so the expenditure was less.

REP. SWYSGOOD asked if a targeted set-aside from OBPP is it targeted for any specific area or an overall to encompass all the Department. **Mr. Currie** said it is for the entire Department and they try to manage for each individual area.

SEN. VAUGHN asked if the anticipated medical needs include emergency heart surgery, etc. and will it be adequate. **Mr. Chisholm** said this is speculative and from experience try to build it in as part of their request.

REP. BARDANOUVE asked if the Subcommittee approved the entire request for Swan River Forest Camp and if an amendment for an additional \$35,000 would be required. **Mr. Currie** said when the supplemental was calculated the projected deficit at Swan River Forest Camp was \$13,500. Further review showed more impact within the operations and in personal services budgets so they revised the figures.

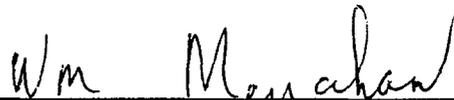
REP. SWYSGOOD understands HB 3 contains certain monies already there. In addition to that the above Supplementals have \$291,476 additional dollars. **Ms. LaFond** said the executive budget is \$1,268,450. There have been additional amendments for \$426,840 and the Budget Office supports the amendments. The Governor's budget has been reviewed and the additions are for the Subcommittee's consideration. **REP. SWYSGOOD** asked if the

\$426,840 includes \$124,000 for Eastmont. Ms. LaFond said yes. It will not be in the Bill because they are going to transfer with the language in the Supplemental Bill.

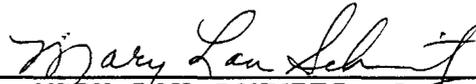
REP. BARDANOUVE asked for an explanation of the cost of Clozaril. Mr. Currie said there are two parts to the Biennial Supplemental for Montana State Hospital. In FY 90 Montana State Hospital had to transfer \$54,145 from its FY 91 authority in order to get through FY 90. The primary reason for the deficit had to do with inflationary costs in the repair and maintenance category. Montana State Hospital has an old infrastructure and requires much maintenance. In addition, the Clozaril drug program started in FY 91. The drug is sold to the Department at cost. Periodic blood testing to detect serious side effects is the major cost.

ADJOURNMENT

Adjournment: 9:15 A.M.



WM. "RED" MENAHAN, Chair



MARY LOU SCHMITZ, Secretary

WM/mls

HOUSE OF REPRESENTATIVES
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

ROLL CALL

DATE 1-25-91

NAME	PRESENT	ABSENT	EXCUSED
REP. WM. "RED" MENAHAN, CHAIRMAN	✓		
SEN. DICK MANNING, VICE-CHAIRMAN		✓	
REP. DOROTHY CODY	✓		
SEN. ELEANOR VAUGHN	✓		
REP. CHUCK SWYSGOOD	✓		
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		

HR:1991
CS10DLRLCALIN&C.MAN

AMBIT 1-25-91
DATE 1-25-91
HB Instit Subcomm.
2-8

**DEPARTMENT OF INSTITUTIONS
SUPPLEMENTAL REQUESTS**

Montana State Prison

Cost Increases Related to Overcrowding - The department requests \$719,417 general fund for variable costs and security for an increased inmate population. The department projects an actual average daily population (ADP) of 1,156 for fiscal 1991, compared to the fiscal 1991 budgeted level of 1,087 ADP. This supplemental request includes \$355,114 in personal services and \$364,303 in operating expenses.

Swan River Forest Camp

Increases for Personal Services and Operating Expenses - The department requests \$48,775 general fund for personal services and operating expenses. The personal services increase is primarily for increased pay needed: 1) to recruit registered nurses; and 2) for correctional officers to pay for upgrades from a grade 9 to a grade 10. Increases in operating expenses are primarily the result of an increase from 55 to 60 beds for expanding correctional populations. House Bill 3 contains a request for \$13,500, while the updated request is \$48,775. If the committee approves the entire request, an amendment for an additional \$35,275 will be required.

Community Corrections

Increases for Board and Room and Miscellaneous Costs - The department requests \$25,742 general fund for 15 additional beds at three privately operated pre-release centers. Contracts for these beds were initiated to help alleviate the over-crowding at the prison.

Women's Corrections

Increases for Personal Services and Operating Expenses - The department requests \$78,040 general fund for personal services and operating expenses. The personal services increase is primarily for increased pay needed: 1) to recruit registered nurses; 2) to pay for correctional officer upgrades from a grade 9 to a grade 10; and 3) for overtime and holiday pay for additional staff in the old forensics unit. Increases in operating expenses are due to increases in costs of counseling, treatment, medical services, and other costs related to population increases.

Board of Pardons

Increases for Personal Services and Operating Expenses - The department requests \$38,000 general fund primarily for: 1) a large termination payoff for the Executive Secretary; 2) increases in communications and travel related to increases in caseload; 3) increases in repair and maintenance for a vehicle and computer equipment. House Bill 3 contains a request for \$35,651, while the updated request is \$38,000. If the committee approves the entire request, an amendment for an additional \$2,349 will be required.

1-25-91

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Corrections Medical

Increases for Operating Expenses - The department requests \$565,357 general fund for increased medical expenses resulting from increases in inmate populations and extraordinary costs associated with heart surgery for one inmate. House Bill 3 contains a request for \$336,932, while the updated request is \$565,357. If the committee approves the entire request, an amendment for an additional \$228,425 will be required.

Montana State Hospital

Increases for Operating Expenses - The department requests \$96,000 general fund for unanticipated expenditures for the drug, Clozaril, and projected expenditures for repairs. The department anticipates that Clozaril will be used for seven to ten patients per week for the remainder of the fiscal year. House Bill 3 contains a request for \$70,573, while the updated request is \$96,000. If the committee approves the entire request, an amendment for an additional \$25,427 will be required.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By WM. "RED" MENAHAN, on January 29, 1991, at 8:00 A.M.

ROLL CALL

Members Present:

Rep. Wm. "Red" Menahan, Chairman (D)
Sen. Dick Manning, Vice Chairman (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Rep. Dorothy Cody (D)
Rep. Chuck Swysgood (R)
Sen. Eleanor Vaughn (D)

Staff Present: Sandra Whitney, Associate Fiscal Analyst (LFA)
Mary LaFond, Budget Analyst (OBPP)
Mary Lou Schmitz, Secretary

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

Bob Anderson, Administrator, Special Services Division, is responsible for operation of the Developmental Disabilities program which includes the Montana Developmental Center in Boulder and Eastmont Human Services in Glendive. He is also responsible for the Veteran's Service.

Eastmont (55 bed) is part of an overall DD residential component of a total system; Community services are through SRS' DD division and the Department of Institutions provides residential services (ICFMR). The Governor's action plan generated a new mission for Eastmont to serve people with severe self-help deficits but as a group are predominantly ambulatory and do not have severe behavioral, nursing or medical problems.

The main issues facing Eastmont are staffing, maintaining certification and recruitment.

Mr. Anderson introduced **Sylvia Hammer, Superintendent,** and **Justin Cross, Business Manager.** **Ms. Hammer** addressed deficiencies encountered at Eastmont. The Medicaid survey was passed recently

and vast improvements have been made in their program but they need to continue on improvements.

SEN. AKLESTAD said it would be advantageous to new members if **Ms. Hammer** would explain active treatment and how we fail to meet compliance. In some cases this active treatment is unrealistic compared to normal people. **Ms. Hammer** said active treatment is an aggressive and continuous program to find out what skills to work on in the future. Every patient is profoundly retarded which means low skill levels. Surveyors look to see if treatment meets the patient's needs and is evaluation done properly. The program has to be continuous and the staff plans for them constantly.

Mr. Anderson said one of the issues is a new regulation implemented by HCFA in 1988 and they used the term "continuous" as an adjective in the definition of active treatment. The new guidelines told state and federal inspectors how to inspect facilities and do surveys to determine whether or not the facilities were complying. They take a random sample of the population and follow a patient on a daily basis. They make sure the patient is totally involved in appropriate training activities.

SEN. AKLESTAD said it is unrealistic to expect people to be involved in activities all day. It is impossible to provide staff to keep the patients that occupied.

Mr. Anderson said Eastmont is totally General Funded but does generate a lot of Federal revenue through the Medicaid program. If the Agency does not comply with Federal standards, revenue is jeopardized. In FY90 total expenditures were \$2,374,271; \$1,417,719 of that was Federal or other revenue.

In FY90 \$149,282 was reverted. This was primarily for personal services and jobs that cannot be filled and they are critical positions. See Exhibit 1.

EXECUTIVE ACTION ON EASTMONT

Tape No. 1;A;673

Motion/Vote: **REP. SWYSGOOD** moved to accept the Eastmont executive budget \$2,720,581 FY92 and \$2,731,115 FY93. **MOTION CARRIED UNANIMOUSLY**

Motion/Vote: **SEN. BECK** moved to accept \$2500 for constructing new bathrooms. This amount will be in the operating budget for one year of the Biennium FY92. **MOTION CARRIED with SEN. AKLESTAD AND REP. SWYSGOOD VOTING NO.**

Motion/Vote: **REP. CODY** moved to accept 6 FTEs of the executive budget Modification #1, \$139,510 FY92 and \$139,900 FY93. **MOTION CARRIED UNANIMOUSLY.**

Motion: **REP. CODY** moved to accept 6 additional FTEs; 1.0 FTE Grade 12, Step 2 Habilitation Specialist; 1.0 FTE QMRP, (Qualified Mental Retardation Professional), Grade 15, Step 2; 1.0 FTE Grade 8, Step 2 Rehab Aide 1 and 3.0 FTE Grade 8, Step 2,

J1012991.HM1

Resident Care Aide II.

Discussion: SEN. VAUGHN asked the cost and Ms. Whitney said approximately \$141,000 each year. FY93.

Motion/Vote: REP. SWYSGOOD made a substitute motion to add 3 FTEs; 1.0 FTE QMRP; 1.0 FTE Habilitation Specialist and 1.0 FTE Rehab. Aide. MOTION CARRIED WITH SEN. AKLESTAD AND REP. SWYSGOOD VOTING NO.

Motion/Vote: SEN. MANNING moved to accept the language, Exhibit 3, Contracts negotiated or re-negotiated by the department may not extend beyond the end of the 1993 biennium unless they contain the clause, "subject to legislative appropriation of funds for this contract." MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT

Adjournment: 9:20 A.M.



WM. "RED" MENAHAN, Chair



MARY LOU SCHMITZ, Secretary

WM/mls

HOUSE OF REPRESENTATIVES
INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

ROLL CALL

DATE 1-29-91

NAME	PRESENT	ABSENT	EXCUSED
REP. WM. "RED" MENAHAN, CHAIRMAN	✓		
SEN. DICK MANNING, VICE-CHAIRMAN	✓		
REP. DOROTHY CODY	✓		
SEN. ELEANOR VAUGHN	✓		
REP. CHUCK SWYSGOOD	✓		
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		

EXHIBIT
DATE 1-29-91
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DEPARTMENT OF INSTITUTIONS
1991 BIENNIUM
REVERSIONS

AGENCY 6401 PROGRAM	FY90 APPROPRIATED	FY90 EXPENDED	FY90 SUPPLEMENTAL	FY90 REVERSION	FY91 APPROPRIATED	FY91 PROJ. EXPENDED	FY91 SUPPLEMENTAL	FY91 REVERSION
DIRECTOR'S OFFICE								
PERSONAL SERVICES	353,881	291,657	0	62,224	365,456	321,289	0	44,167
OPERATING	46,461	42,801	0	3,660	46,732	45,051	0	1,681
EQUIPMENT	0	0	0	0	0	0	0	0
TOTAL	400,342	334,458	0	65,884	412,188	366,340	0	45,848
MGMT. SVCS. DIVISION								
PERSONAL SERVICES	693,636	623,207	0	70,429	719,328	698,708	0	20,620
OPERATING	315,154	187,098	0	128,056	160,785	144,704	0	16,081
EQUIPMENT	3,986	3,059	0	927	0	0	0	0
DEBT SERVICE	1,300	1,996	0	(686)	0	0	0	0
TOTAL	1,014,076	815,360	0	198,716	880,213	843,412	0	36,801
ADAD (NO GENERAL FUND EXCEPT IN GRANTS)								
PERSONAL SERVICES	0	0	0	0	0	0	0	0
OPERATING	0	0	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0	0	0
GRANTS	215,200	215,199	0	1	215,200	215,200	0	0
TOTAL	215,200	215,199	0	1	215,200	215,200	0	0
MENTAL HEALTH DIV.								
PERSONAL SERVICES	195,936	191,208	0	5,728	203,207	201,265	0	1,942
OPERATING	52,292	51,004	0	1,288	56,733	53,760	0	4,973
EQUIPMENT	6,000	5,580	0	420	0	60	0	(60)
GRANTS	3,895,173	3,895,173	0	0	3,999,468	3,999,468	0	0
TOTAL	4,150,401	4,142,965	0	7,436	4,259,168	4,254,553	0	6,855
CORRECTIONS 45								
PERSONAL SERVICES	2,196,701	2,108,071	0	88,630	2,283,283	2,247,579	0	35,704
OPERATING	1,794,769	1,783,164	0	11,605	1,873,664	1,898,935	25,271	0
EQUIPMENT	123,312	124,220	0	(908)	13,020	13,020	0	0
FEASES	896	896	0	0	524	995	471	0
TOTAL	4,115,678	4,016,351	0	99,327	4,170,491	4,160,529	25,742	35,704

Ex. 1
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AGENCY 6401 PROGRAM	FY90 APPROPRIATED	FY90 EXPENDED	FY90 SUPPLEMENTAL	FY90 REVERSION	FY91 APPROPRIATED	FY91 PROJ. EXPENDED	FY91 SUPPLEMENTAL	FY91 REVERSION
WOMEN'S CORRECTIONS								
PERSONAL SERVICES	835,748	767,843		57,905	868,776	927,816	59,040	0
OPERATING	243,569	247,627		(4,058)	239,440	257,553	19,000	887
EQUIPMENT	22,072	17,693		4,379	2,190	2,190		0
LEASES		148		(148)		887		(887)
TOTAL	1,101,389	1,033,311	0	58,078	1,110,406	1,188,446	78,040	0

CORRECTIONS MEDICAL								
PERSONAL SERVICES				0				0
OPERATING	774,706	837,008	71,000	8,698	649,499	1,214,856	565,357	0
EQUIPMENT				0				0
TOTAL	774,706	837,008	71,000	8,698	649,499	1,214,856	565,357	0

DEPARTMENT OF INSTITUTIONS AGENCY 6401	FY90 SUPPLEMENTALS	FY90 REVERSIONS	FY90 NET REV.	FY91 SUPPLEMENTALS	FY91 REVERSIONS	FY91 NET REVERSION	91 BIENNIUM NET REVERSION
	71,000	348,813	277,813	669,139	125,168	(543,971)	(266,158)

6401 REV

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DEPARTMENT OF INSTITUTIONS
1991 BIENNIUM
REVERSIONS

VARIOUS PROGRAM	FY90 APPROPRIATED	FY90 EXPENDED	FY90 SUPPLEMENTAL	FY90 REVERSION	FY91 APPROPRIATED	FY91 PROJ. EXPENDED	FY91 SUPPLEMENTAL	FY91 REVERSION
BOARD OF PARDONS								
PERSONAL SERVICES	132,693	139,308	6,260	(355)	130,346	146,318	15,972	0
OPERATING	33,475	42,363	10,090	1,202	22,717	44,745	22,028	0
EQUIPMENT	13,363	14,075	0	(112)			0	0
TOTAL	180,131	195,746	16,350	735	153,063	191,063	38,000	0
CENTER FOR THE AGED								
PERSONAL SERVICES	2,452,331	2,217,570	0	234,761	2,547,761	2,489,818	0	57,943
OPERATING	565,425	559,650	0	6,775	621,629	619,656	0	2,573
EQUIPMENT	30,266	30,125	0	141			0	0
DEBT SERVICE	0	0	0	0			0	0
TOTAL	3,048,022	2,806,345	0	241,677	3,169,390	3,108,874	0	60,516
MONT. VETERANS' HOME (GENERAL FUND ONLY)								
PERSONAL SERVICES	90,697	4,496	0	86,201	190,501	165,405	0	25,096
OPERATING	567,529	507,194	0	60,335	592,412	593,837	0	(1,425)
EQUIPMENT	11,954	790	0	10,864	2,000	641	0	1,359
GRANTS	0	0	0	0	0	0	0	0
TOTAL	669,880	512,480	0	157,400	784,913	759,883	0	25,030
EASTMONT HUMAN SERVICES CENTER								
PERSONAL SERVICES	2,192,963	2,036,390	0	156,573	2,250,505	2,357,974	124,000	16,531
OPERATING	309,196	318,121	0	(8,935)	357,419	366,943	0	(9,524)
EQUIPMENT	20,766	19,122	0	1,644	760	745	0	15
GRANTS	0	0	0	0	0	0	0	0
TOTAL	2,522,915	2,373,633	0	149,282	2,608,684	2,725,662	124,000	7,022
MONTANA STATE HOSPITAL								
PERSONAL SERVICES	17,555,529	16,370,829		1,184,700	18,175,282	17,506,008	0	669,274
OPERATING	3,189,697	3,290,947	54,145	(47,105)	3,563,149	3,658,940	96,000	209
EQUIPMENT	57,016	26,833		30,183	57,016	57,016		0
LEASES	0	0		0	0	0	0	0
TOTAL	20,802,242	19,688,609	54,145	1,167,778	21,795,447	21,221,964	96,000	669,483

EX. 1
 1-29-91
 Instit. Subcom.

AGENCY 6401 PROGRAM	FY90 APPROPRIATED	FY90 EXPENDED	FY90 SUPPLEMENTAL	FY90 REVERSION	FY91 APPROPRIATED	FY91 PROJ. EXPENDED	FY91 SUPPLEMENTAL	FY91 REVERSION
MONTANA DEVELOPMENTAL CENTER								
PERSONAL SERVICES	11,056,726	10,719,526		337,200	11,502,069	9,933,581	0	1,568,488
OPERATING	1,750,385	1,772,951	90,000	67,444	1,713,576	1,590,982	0	122,594
EQUIPMENT	73,664	39,297		34,367	117,646	117,646		0
LEASES	41,568	14,757		26,831		0		0
TOTAL	12,922,373	12,546,531	90,000	465,842	13,333,291	11,642,209	0	1,691,082

MONTANA RIVER FOREST CAMP								
PERSONAL SERVICES	645,940	639,931		6,009	670,342	591,202	20,960	0
OPERATING	241,502	239,649	0	1,853	244,276	272,191	27,915	0
EQUIPMENT	13,674	11,457		2,017				0
TOTAL	900,916	891,037	0	9,879	914,618	963,393	48,775	0

MONTANA STATE PRISON								
PERSONAL SERVICES	10,549,155	10,493,898		55,257	10,951,917	11,294,621	355,114	12,410
OPERATING	5,341,977	5,095,999		245,978	4,090,229	4,394,232	364,303	60,300
EQUIPMENT	63,732	60,670		3,062	62,476	62,226		250
LEASES				0				0
TOTAL	15,954,864	15,650,567	0	304,297	15,104,622	15,751,079	719,417	72,960

DEPARTMENT OF INSTITUTIONS	FY90 SUPPLEMENTALS	FY90 REVERSIONS	FY90 NET REV.	FY91 SUPPLEMENTALS	FY91 REVERSIONS	FY91 NET REVERSION	91 BIENNIIUM NET REVERSION
AGENCY 6401	71,000	348,813	277,813	669,139	125,168	(543,971)	(266,158)
CONCORRECTIONAL INSTITUTIONS	144,145	2,181,979	2,037,834	220,000	2,453,133	2,233,133	4,270,967
CORRECTIONAL INST./PROG.	16,350	314,911	298,561	806,192	72,960	(733,232)	(434,671)
TOTAL	231,495	2,845,703	2,614,208	1,695,331	2,651,261	955,930	3,570,138

6401REV2

24 Jan
 1 A
 DATE 1-29-91
 HB Inflation Submittal

DD Service System Modifications
 Phase I through Phase IV
 (General Fund Expenditures Only)

Budget Item	Executive* Fiscal 1992	LFA** Fiscal 1992	Difference Fiscal 1992	Executive* Fiscal 1993	LFA** Fiscal 1993	Difference Fiscal 1993
Mt. Development Center (MDC)	10,972,755	12,328,658	(1,355,903)	9,973,632	12,430,573	(2,456,941)
SRS Phase I & II	392,681	0	392,681	390,038	0	390,038
SRS Phase III	954,249	954,249	0	952,130	952,130	0
SRS Phase IV	727,727	0	727,727	1,216,301	0	1,216,301
DFS Phase I & II	27,072	0	27,072	27,072	0	27,072
DFS Phase IV	92,357	0	92,357	168,062	0	168,062
Total Difference	13,166,841	13,282,907	(116,066)	12,727,235	13,382,703	(655,468)

* Includes Executive Budget current level and all budget modifications requested for DD system modifications.

** Includes a MDC reduction of 30 average daily population (ADP) transferred to the new SSSO (Phase III).

ISSUE: Although the Executive Summary of the "Governor's Action Plan To Modify the Montana's Developmental Disabilities Service System" calls for redesign, consolidation and new construction at MDC costing \$8.0 million, the Executive Budget does not request funds for MDC renovation and consolidation. If MDC is not consolidated and renovated as proposed by the designers of the new DD Service System:

- 1) will MDC cost savings included in the Executive Budget actually be realized?
- 2) will the MDC facility be able to maintain medicaid certification over the long-term?

EXHIBIT 2-29-91
 DATE 1-29-91
 HA Instit. Subcomm.

Budget Item	Actual Fiscal 1990	Executive Fiscal 1992	LFA Fiscal 1992	Difference Fiscal 1992	Executive Fiscal 1993	LFA Fiscal 1993	Difference Fiscal 1993
FTE	98.62	98.62	98.62	.00	98.62	98.62	.00
Personal Services	2,036,390	2,405,637	2,398,253	7,384	2,414,097	2,410,485	3,612
Operating Expenses	318,762	303,726	303,004	722	306,032	308,074	2,042
Equipment	19,122	11,218	16,301	5,083	10,986	16,301	5,315
Total Expend.	\$2,374,274	\$2,720,581	\$2,717,558	\$3,023	\$2,731,115	\$2,734,860	\$3,745
<u>Fund Sources</u>							
General Fund	2,373,636	2,719,881	2,716,920	2,961	2,730,415	2,734,222	3,807
State Revenue Fund	638	700	638	62	700	638	62
Total Funds	\$2,374,274	\$2,720,581	\$2,717,558	\$3,023	\$2,731,115	\$2,734,860	\$3,745

CURRENT LEVEL DIFFERENCES

	FY 92	FY 93
Personal Services		
1. Base differences in differential, holidays, overtime & related benefits	\$7,384	\$3,612
Operating Expenses		
1. Base differences	\$12,189	\$15,325
2. Inflation differences - primarily supplies and materials	(\$11,467)	(\$17,367)
Total Operating Differences	\$722	(\$2,042)
Equipment		
1. LFA included top 20 priorities in line with historical expenditures	(\$5,083)	(\$5,315)
Exec. equipment is approximately equal to the 1991 biennium appropriation		
Funding		
1. State Revenue is donations - LFA is at fiscal 1990 actual, Exec. at fiscal 1991 approp.	\$62	\$62
2. Balance with general fund		

ISSUES

- Committee Issues

EXECUTIVE BUDGET MODIFICATIONS

- Increased staff to maintain certification - 6.0 FTE each year - All personal Services
 1.0 FTE Grade 14/2 Training & Devel. Spec.
 1.0 FTE Grade 12/2 Habilitation Specialist
 1.0 FTE Grade 8/2 Rehab. Aide I
 3.0 FTE Grade 8/2 Resident Care Aide II

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EXHIBIT 3
DATE 1-31-91
HA Instit. Subcomm.
29-91

Language approved -

1. The Corrections Medical budget is a biennial appropriation.

Language requested -

1. Contracts negotiated or re-negotiated by the department may not extend beyond the end of the 1993 biennium unless they contain the clause, "subject to legislative appropriation of funds for this contract."