

MINUTES OF THE MEETING  
LEGISLATIVE APPROPRIATIONS COMMITTEE

March 14, 1979  
Room 104  
State Capitol

The meeting was called to order at 8:05 A.M. by Chairman Francis Bardanouve. All members of the Senate and House committees were present.

Chairman Bardanouve announced that this would be a joint committee meeting with the Senate Finance and Claims Committee for the purpose of hearing the report from the subcommittee on institutions on House Bill 483.

Representative Yardley introduced his subcommittee members, the fiscal analyst Betty Waugh, and the people he had worked with from the institutions, Larry Zanto, and Curt Chisholm. He said there is now \$815,000 in the budget for SRS for group homes which includes Warm Springs and Boulder budgets. He explained that this will no longer be spent by the Department of Institutions.

Representative Yardley went on to explain that there are approximately 292 patients at Boulder and that Eastmont represents the largest change in the budget. They are increasing the employees at Eastmont from 32.11 to 91. He explained that a nursing home is a part of Eastmont adjacent to the building. Representative Yardley said that there are presently 27 patients at Eastmont and most of them are quite severely retarded. He said that the nursing home originally was intended to be a 100 bed unit, but that by the time it was completed it was only a 40 bed unit. The nursing home has been sitting vacant since last August. He said that using this nursing home there could be approximately 67 patients cared for at Eastmont and that they intend to use the facilities at Eastmont for the betterment of the people that will be put there. They do not intend to close the facilities at Boulder.

Representative Yardley then explained the situation at Galen saying that there are 245 certified beds at Galen and that Boulton Hall at Warm Springs would be closed out. He stated that there are 170 patients at Galen presently. There are approximately 50 girls at the present time at Mountain View School and Representative Yardley stated that the administration at Mountain View School runs a good program.

There has been a proposal to close the farm at the Pine Hills School. This was proposed by both the executive and the fiscal analyst budgets. He explained that the facility at Pine Hills currently handles 116 and that it should be maintained at about 100 residents.

Representative Yardley then addressed the situation at the State Prison explaining that \$44,000 was allowed for dining room equipment. He said that the subcommittee couldn't find out how much the opera-

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tion of the prison costs and that the prison ranch has been instructed to provide the subcommittee with that information. It is difficult to evaluate the prison ranch. He stated that there will be 757 inmates, and this will increase in 1980 to 839; in 1981 they anticipate 930 inmates; in 1982, they look for a figure of 1014; and in 1983 they anticipate a total prison population of 1065. Representative Yardley stated that the total budget to house these additional prisoners exceeded \$6,000,000.

On the Swan River Youth Forest Camp Representative Yardley stated that federal law says you can not mix juvenile offenders with adult offenders. They are using this facility for about 36 residents right now and that it is going to be used to its full capacity. The maximum was 45 and they are talking about 50 now.

Representative Yardley stated that there is no problem on the budget for the Veterans Home.

On the budget for the Warm Springs State Hospital Representative Yardley stated that there are about 27 residents at the present time. They are talking about having 8 beds at Yellowstone Boys Ranch and 8 to 10 in a less restrictive area. The Boys Ranch will have an emotionally disturbed facility for about 20 people.

This concluded Representative Yardley's presentation of the budget and Chairman Bardanoue stated that the committee members would be allowed to ask questions for clarification.

Representative Hand asked for an explanation of the Southwest Drug unit.

Mr. Chisholm explained the preference of the Department to keep the Southwest program in the division where it was since its creation. He said that some of the mental health centers are responsible for counseling. For example -- chemical abuse is not for a treatment to get them off alcohol. They hope to be able to integrate the drug, alcohol and mental health services together.

Representative Yardley stated that they have had trouble with a federal grant which could not be used to administer mental health facilities.

Representative Menahan questioned the growth in the human services area of the Central Office. He wanted to know the grade and step of the employees there and why there is so much growth for paper shuffling.

Representative Yardley responded saying that it is in 228 for 1979 and 191 in 1981. They dropped the Ceta positions.

At this point discussion was had about the figures prior to the passage of House Bill 627 in the last session.

Senator Thomas stated that the committee was concerned about the dollar amounts. Most of the grants of more than \$1,000,000 are funneled through

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the federal government. The programs are established in the central office but many of the dollar amounts are spent outside the central office.

Representative Moore wondered why there is nearly \$290,000 of general fund money in the Southwest Drug Program.

Representative Yardley stated that it is a federal grant program of 40% matching fund money in the State. If it gets above 40% of general fund, they have to terminate it in 1981.

Representative Moore stated that they raised the alcohol tax last session. Glasgow is getting about \$3 out of every \$4 and in 1981 \$3 out of every \$5. He wondered why they are spending so much on Glasgow.

Representative Yardley explained that they have actually have a program going with a detoxification process. It provides a service for a large number of people. It is much more successful than the program offered at Galen. The program at Glasgow seems to be working. It is in a location that is providing for a lot of people and it is a cheaper program than Galen.

Mr. Mike Murray, Administrator of the Alcohol and Drug Center said that in 1977 because of a suggested increase in alcohol abuse, there were a number of new centers opened. They drained off the money, and prior to HB 627 (it was referred to the counties) it was not being implemented in 56 counties in Montana. It was being implemented in 32 counties -- but the increased funding -- while they have alcoholic service in every county, they are not necessarily staffed.

Representative Moore stated that the intent of the legislature was not followed throughout the past 2 years.

Representative Marks questioned if the subcommittee feels the Southwest Drug program is a little shakey and Representative Yardley said that we have a little problem because the mental health program also has a drug program.

Representative Menahan stated that we had people from different counties in Montana that were associated with the way the money was being spent. In the existing programs that had alcohol in them, the cost was not too high. Then the drug people came in and that was a different story.

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Representative Waldron stated that they had a program in Missoula that was one of the most inefficient ones that he has ever seen. They defunded programs just because they weren't doing the job.

Representative Waldron went on and asked why they don't eliminate the drug program and use the mental health and drug program and then use the Southwest Drug program. Why not eliminate the one and use referrals to the Southwest program.

Representative Yardley stated that basically that is what they did.

Senator Aklestad asked how effective is the Glasgow program in comparison to the AA program.

Senator Etchart stated that basically it is the AA program. It is a 12 step AA program and they have about a 65% success ratio. They work with counsellors in the field. They have an integrated approach with the AA and that has a lot to do with the success ratio they have achieved.

There was discussion about reimbursements costs at Galen, Boulder, etc., and Representative Marks asked if they were talking about patient reimbursement. There was no way of know just when or what patients would be moved to any of the suggested areas such as Galen and Eastmont, and that the assurance of money "following" and the cost of the moves was taken care of.

Senator Smith asked about the \$12,000,000 budgeted for the Department of Justice. He wondered if this is an additional amount of money or is it earmarked to the Department of Justice.

Representative Bardanouve stated that this is alcohol money that will cover that particular program.

Senator Himsl questioned the increase under the Mental Health Center. He wondered if the increase covers the added cost for the Center for the Aged federal program. Representative Yardley stated that mental health works through private corporations. Their funding is at least \$800,000 short of what they need.

Senator Himsl: This is in one area. Do we pick up this?

Representative Yardley: They are \$2 million short. \$1.2 million, and the last figure was \$800,000.

Senator Himsl: Are we picking up these differences? Rep. Yardley:

Only to this extent. Sen. Himsl: The juvenile evaluation program in Great Falls-- is it state operated, or who is doing it? Rep.

Yardley: This was developed after the close of the Twin Bridges facility. It is after care. In Great Falls, they go to public school during the evaluation period.

Senator Himsl: These people assigned by the officers of the court. What happens in Great Falls, where are they put?

Senator Thomas: The old St. Thomas Home in Great Falls. The court said you could not do an evaluation in a confined area.

Representative Marks asked about the staffing and what percentage of cost the Great Falls center was. Representative Yardley said 29%-- it was cost related to direct care. They did not have a very good ratio. Billings has \$56,000--there was some in the supplemental. We do not have any say-so about how it is run--we are proposing that at least the accounting system be set up so that we can compare it with the other centers. Other comments included that there was not much control over how they operate, that Great Falls does not seem to have a handle on it, and that a lot of the grants for spending do not go through the state at all, but straight to the entities. The only audit was a federal audit that is required when federal monies are expended.

Senator Smith: In setting up a new establishment at Eastmont Training Center, is there any assurance of getting more federal money? Medical care reimbursements, for example?

Representative Bardanouve: These funds go directly into the general funds--(the medical reimbursements).

Senator Regan: When we build a center for one purpose and then use it for another, has Hauck's office examined it to see that the retards won't be kicking the walls in, etc.? Rep. Bardanouve: When the program came up there was a report on the use of the facility. I asked about the facility, where it would be used for mentally retarded and geriatric patients, and at first was told it would have to be renovated. They took another look and came back after a check and said the building was built to the standards required for mentally retarded and geriatrics. It will need about \$34,000 in equipment for it.

Representative Marks questioned the process of reimbursement from Boulder to Glendive, and if left in Boulder longer, and also in regard to Eastmont. Rep. Bardanouve said the Department report shows the reimbursement when moved to Galen was substantial, also the move to Eastmont.

John LaFaver, fiscal analyst, said only Eastmont is medicaid, and that will be the difference between Boulder and Eastmont. Boulder does not qualify since it cannot be certified. There will be reimbursement at Eastmont.

Representative Marks asked why they could not leave some of these people in cottages at Boulder and get them certified and Rep. Bardanouve said the Board of Health does the certification.

Representative Kvaalen: In looking at the budgets, at Boulder we are taking people out, the budget is reduced by \$300,000. This costs \$1.6 million at Galen. Why the big difference?

John LaFaver: The figure that shows in 1979 for Boulder is \$14,161,000 and is augmented by a supplemental. This funding was calculated last session and is short. This legislature will be asked to make a supplemental for that amount. If you add this into the '79 figures you will see it changes that figure.

Senator Aklestad: What basis did the committee have to make their judgment on a 1-1 staff instead of a 2-1? Rep. Yardley: This ratio only applies to the mentally retarded. John LaFaver: This policy was made 2 years ago, and does not apply to Warm Springs.

Representative Yardley: That was a fiscal analyst's recommendation to follow the policy set 2 years ago. 1-1 care.

Senator Aklestad: You mean this is not mandated? Rep. Yardley: The minimum is 1-2. John LaFaver: That is exactly right. We are required to staff in direct care 1-2. Beginning in 1975 with all the problems the legislature appropriated for the mentally retarded on a 1-1 ratio. This was appropriated for. The subcommittee continues that policy set, and reestablished in 1977.

Representative Marks again questioned the reimbursement policy saying they had moved 30 and picked up \$500,000--or about \$18,000 each. He wanted to know why this was not done by the institutions previously, and more discussion was held on the issue. Rep. Marks then questioned cottages 6, 7 and 8 at the Boulder River School and asked if they could not be fixed up to meet the qualifications for certification. He said he could not understand moving these people at a big cost when there were places there available.

Mr. Larry Zanto, Department of Institutions, said it was his understanding that those buildings could not be certified. Rep. Marks questioned why not and Mr. Zanto said to meet certification qualifications there was a long list of standards that had to be met. It would take a lot of money to build them to these standards, and there is a building at Eastmont that already meets this. Rep. Marks said he could not understand why it had not been looked into before--that Galen was not there before, but Boulder was.

Senator Etchart explained that part of the reason was the horrible experience that they had had in remodeling Warren Hall. It had cost \$1 and 1/4 million to bring it up--it was their experience that it sometimes cost more to bring a building up to standards than to build another new one.

Representative Marks explained that there are 3 buildings that are one-story buildings and that they are relatively new ones, not old buildings. Rep. Yardley: We should probably have them looked into and a written estimation as to what it would cost for the upgrading.

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Rep. Gerke: There has been a lot of time put in having them inspected and looked into at the time. They had worked at and tried to get estimates together, and it was absolutely impractical. They did finally go along with one building at Warm Springs and it turned out more costly than building a new one. I understand your concern. It is in his district, but it is not something that was overlooked. Maybe some other building could be built there, but this would be impractical.

Rep. Hand: In looking at our experience with Twin Bridges, and the proposals at Galen--are there any ingredients similar to Twin Bridges? Rep. Bardanouve: Eventually, if we left these people at Boulder, the solution would be to build one or more cottages at Boulder.

Rep. Kvaalen: On the staffing pattern-- 1-1 staffing pattern. The population is not as severely retarded as now, and told we can train them. Now these people are more severely retarded. Could we relax on the staff now since we do not have the training? Rep. Yardley: We followed the policy pattern. There are more less trainable, more that need more care. They need more care than the 44 sent to the group home.

Senator Stimatz: In the future the budget the future reimbursements from patients would be reduced? Rep. Bardanouve: If a hospital facility is over 50% mentally ill, it does not qualify for certification.

Senator Aklestad: What presentation of the budget is personnel services? Rep. Yardley: Just over \$6 million one year and \$5,800,000 the second year. The projection is 44 people at Boulder that could be moved into group homes once they become available. This is in compliance with a court order.

Rep. Marks: It seems that the attitude of the legislature has been to deinstitutionalize--this is really reinstitutionalization. What does the department have to say about it?

Mr. Phelps, Department of Institutions: This falls right in line with the report prepared by the department. In each option we have alternatives. Each option has a mentally retarded, geriatric or alternative of a private non-profit organization to operate.

Rep. Marks: Would the placement of the first 44 people be in Eastmont? Would this satisfy the court order to put them there?

Rep. Bardanouve: The group homes are the ones that will hopefully, satisfy the court order. The court order will eventually look at Boulder again. What if we move to a higher class facility? We are moving from a substandard facility to a high class facility. A judge may rule otherwise. It is still an institution type facility.

Dr. Peter Blouke, Department of Institutions, said there are 2 different populations. 44 at Boulder have been identified for placement in communities; 30 to facilities at Eastmont. Maybe some of the 44

that are are not immediately ready and may have to be based at Eastmont and then go to community placement.

Rep. Marks: Could sending the 44 to Glendive satisfy the court order? Answer: We have looked at it to satisfy the court order. It should be ready in 6 months and will be ready for continuing placement.

Center for the Aged: Rep. Marks: When we meet tonight would it be possible to have an addendum to see what the reimbursement for each of these places is? Rep. Bardanouve: We will have one.

Eastmont: Rep. Marks: I did not understand--with the plan to put DD people in there wasn't space for educational needs in that building? Answer: There is a walkway. Rep. Marks: You have the room to take in another 40 patients and do it all? Rep. Ellis: We are allowing about a 10 patient cushion to take some of the people in the neighborhood. Medicare will be a community hospital contracted service.

Rep. Hand: The labor pool is insufficient. How about that at Glendive? Answer: Lewistown was very successful in this. They have very fine labor recruitment, fine labor relationship in the community. If it were a large facility, you might run into trouble.

Rep. Bardanouve: The people in Boulder should have the first priority to move. Mr. Zanto: We would try to do this in any case. The staffing pattern needs certain types of persons, if the staff need fits one from Boulder, they would have a choice if they wish to move.

Discussion was held on the amount of staff needed to move the patients, and Senator Thiessen asked if the staff was being beefed up. Answer: There would be 32 for 27, now moving up to 40 and adding 60, but this will be 7 days, before it was not. Also 3 shifts per day, 7 days a week. There was an administrative reduction because of the lower population at Boulder.

Mr. Doug Booker: There is some reduction. We still need an administrative staff. You will take out some administrative staff, and some support care.

Rep. Marks: If you put one of the kids who need medical attention or evaluation to Butte or Helena, how does it compare? Rep. Yardley: At Boulder many patients needing hospitalization are taken to Helena now. Rep. Marks: How does it check out? Rep. Yardley: The contract services for Eastmont for the 27 people is \$34,000 a year. That includes contracted service for other than medical and dental.

Rep. Marks: There is a difference in the people there. Rep. Bardanouve: Some are comparable. Others are not. Perhaps Mr. Zanto could answer this.

Mr. Zanto: I am not sure I know how to answer the question. Rep. Marks: If you take a kid that has to go to the hospital at Boulder, or the same person to St. Peter's--what is the direct effect?



Mr. Zanto: We are not doing any major surgery at Boulder now, and that is the more costly of hospitalizations.

Rep. Marks: Just--if it was general hospitalization--what would the difference in cost be?

Mr. Zanto: In Helena they would be reimbursed with medicaid and the bill would be covered. In the Boulder Hospital, it is not certified for medicaid, and would only be comparable if it could be covered in Boulder.

Rep. Bardanouve: Federal payments on reimbursement move up with inflation. The department the last couple of years has done a much superior job of recovering reimbursements. In the general fund it is increasing substantially over what we were calculating 2 years ago. The department has been doing a far superior job of returning more of the cost, and to pinpoint where the cost is. If you can show where it relates to the patient, the federal government will reimburse it.

Senator Smith: Did the committee check out why the difference in staff between Mountain View and the prison? There is 3 prisoners to one staff, in Mountain View, 1 1/2 per girl. Rep. Bardanouve: It is a smaller facility, and has a larger staff. Also Mountain View is a school.

Rep. Yardley: They graduate people out of Mountain View.

Mr. Zanto: Mountain View is not really a security facility. It is an open campus. In a prison they can have one guard watch a lot more people than where it is in the open.

Rep. Moore: Did you crank any supply money so that they can replace drapes and some of those things? Rep. Lund: Not for drapes.

Rep. Moore: They have done so much on their own, I think we should crank some money in for these things.

Rep. Waldron: How much starter cost for transferring the ones from Boulder to Eastmont? Rep. Yardley: It is not in this budget. They overlap and it has to be figured out. If this budget is accepted, we will have to figure there will be an overlap of staff for a short time.

Galen: Rep. Marks: On the staff level to Warm Springs and Galen-- You move 50 people across and geriatrics. Are you just going to keep the staff total between the two units, or how is it working out?

Rep. Yardley: There are different unions involved. They would have to be terminated at the one job and then hired on the other.

Rep. Marks: Do the total numbers come out about the same? Rep.

Yardley: The subcommittee said about 40 out of Warm Springs and 50 in Galen. There were 3 or 4 for service that would not be available in Galen that would be needed.

Rep. Hand: You say 245 certified beds. What does it mean?

Rep. Bardanouve: This meets the requirements of the Board of Health and HEW requirements too. HEW sets them.

Dr. Blouke: Our own standards are the federal standards. HEW sets some and the state sets some.

Rep. Yardley: If you use the facility without them, there is no possibility of reimbursement. We are proposing to close Bolton Hall. We didn't want to make it more of a retention place than they had at Warm Springs.

Rep. Bardanouve: Bolton Hall at Warm Springs is the poorest facility we have. Mr. Butorovich, the Operations and Support Bureau Chief said it cost \$5,000 a year to heat that one hall.

Rep. Menahan: If you move these patients, how much reimbursement per patient? Rep. Bardanouve: We will have the figures tonight. Both the totals and per person. If they were in acute care, they would get more than if judged ambulatory, in a proportion for the type of care needed. They reimburse on what the cost is. If the cost is higher in the hospital, they reimburse more.

Rep. Kvaalen: Is there any reimbursement from the counties? Rep. Bardanouve: Any judge can say they can be the guest at Warm Springs and we have to provide for them.

Rep. Menahan: If the mentally ill person cannot be reimbursed, what about the senile? Can you designate to spend? Can the people be moved back and forth to receive the money?

Rep. Bardanouve: If the population is over 50% mentally ill people, then they cannot be certified and cannot receive reimbursement. I don't believe the senile are a part of this.

Mr. Zanto: There is something to the issue. If a facility is primarily for mental health care and the population is 60 & 62? Basically the law says if a mental institution they will not reimburse.

Pine Hills: Sen. Smith: I would like to question the decision to close the farm. Wasn't there a certain amount of training involved in this? Rep. Bardanouve: This is what kept the farm open. It was the recommendation from the Governor's office 4 years ago to close it. The subcommittee decided it had training value to have it kept open. There are 4 or 5 civilian employees on the farm, and the cost has been so high--Again the governor's office has recommended to close it. Rep. Yardley: The local administrator, Mr. Davis, reluctantly went along with it. He did recommend a vo-tech in the school, lease the farm, and keep 4 acres and run a small operation there.

Rep. Bardanouve: You can't make these boys work. The vegetables are ready to harvest, and the boys would not work, so they rotted.

Rep. Moore: Was the decision to sell the equipment or does it go with the lease? How much can we lease the farm for?

Rep. Yardley: It is about a 400 acre farm. We would sell the equipment.

Rep. Bardanouve: If you get an estimate from the State Lands, what do you plan to do, have a public lease, or what?

Senator Etchart: I think they figure about \$25 per acre, and sell the machinery. The cattle will be sold on the market, as well as the cows and calves.

Rep. Gerke: I guess I will have to give up on the program down there. I don't know how good the training was; I know you can't make them work. I don't think it was all the fault of the boys. If we had paid enough for management, it would have provided some outlet for the boys. I do hope that we are taking this into consideration--this is a 400 acre irrigated farm and is almost all good land. We should get as much money from it as we can. We should have a really good program to dispose of the machinery and the cattle, we will have to turn right around and spend it on recreation for the boys.

Rep. Moore: What funds are the "other" funds? Rep. Yardley: School lunch, etc. We have a complete school system going there.

Senator Smith: Do you have an inventory of the equipment at the present time? Rep. Bardanouve: The department had plans made to dispose of the farm--all the plans are made.

Senator Thomas: The committee had the same feeling. We had a number of situations. We found the floor of the barn is bad, the pasturizer is bad, a roof is bad. It would take so much money to bring it up to standard and only 6 boys at a time have a cycle of a month or a month and a half. This could be done with existing farms in the area.

Rep. Lund: On the condition of the equipment. We have a complete inventory and a time schedule of how it will be disposed of.

Senator Smith: Auction? Rep. Lund: Yes. Rep. Ellis: There is a different atmosphere with the new administration. I think we will find some changes that will be productive.

Rep. Bardanouve: The new superintendent is doing a good job.

Rep. Moore: If we lease the farm and sell the equipment, does it go into the general fund?

Mr. Zanto: The lease money from the farm will go into the general fund. There is one small parcel that is swampy. Not good farm land. It was suggested this one small portion might be done something else with-- it was suggested that there be some leeway left here.


Prison: Rep. Bengston: Are we, as a legislature, going to endorse pre-release centers, and what kind of a policy are we going to embrace? Have you considered the location or what?

Rep. Yardley: The proposal has not been gone into in the institution budget. There is a proposal in LRB to build two pre-release centers. The reason why was brought out. If you don't have it and don't use Swan River, the prison is not big enough. Now 150 more prospective prisoners. One large one will not take care of all of them. It may be contracted.

At this point the Senate Finance and Claims Committee was excused to hold a meeting of their committee. The meeting was recessed at 11:15 to reconvene at 7:30 this evening.

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Chairman.

  
Secretary