

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

January 25, 1979 - Room 108

Representative Lund, acting Chairman, called the meeting to order at 8:00 a.m. Committee members present were:

Representative Howard Ellis
Representative Pat Gesek
Senator Mark Etchart
Senator Bill Thomas
Representative Dan Yardley

Also present at the meeting were Betty Waugh, Legislative Fiscal Analyst; Doug Booker, Office of Budget and Program Planning; and Larry Zanto, Director of the Department of Institutions. (See the attached Visitors' Register for others present.)

Larry Zanto opened the meeting by introducing Ron Phelps, Hospital Administrator for the Department of Institutions, Mr. R. L. Heard, Acting Superintendent of Boulder River School and Hospital, and Mr. Jim Currie, Business Manager for the Boulder River School and Hospital.

Ron Phelps gave a presentation explaining his "Report On The Consolidation of Health Care Services Between Warm Springs and Galen State Hospitals and Plans For Optimum Utilization of Health Care Resources". (See attached exhibit A.) He said the major accomplishment has been the centralization of acute care to Galen. He stated the two primary obstacles to the total consolidation of Galen and Warm Springs are: (1) restrictive federal regulations, and (2) union resistance. It was realized that complete consolidation was not possible but efforts were made to improve management systems. Those efforts included: (1) reorganization of Warm Springs State Hospital, (2) a master staffing plan at Warm Springs, (3) a physician compensation plan at all institutions, and (4) physician services at Montana State Prison. Mr. Phelps also talked about the Eastmont Human Services Center. Many proposals to manage the facility were received by the Department of Institutions but the three most feasible are: (1) to be used as a geriatric facility for selected Warm Springs patients, (2) a veteran's component for Eastern Montana, and (3) an intermediate care facility for the mentally retarded.

The second portion of the meeting concerned Boulder River School and Hospital. Peter Blouke, Department of Institutions, referred to the implementation of deinstitutionalization. He said that the deinstitutionalization policy consists of three facets. (1) Reducing the number of developmentally disabled individuals in institutions by returning such individuals to useful lives in the community, (2) eliminating inappropriate admissions of individuals to institutions, and (3) improving the quality of care to those people for whom institutional care is appropriate.

Mr. R. L. Heard went over the Progress Report to the 46th Legislature from the Boulder River School and Hospital. (See exhibit B.)

Mr. Jim Currie distributed copies of the biennial budget request and went over it with the committee. (See exhibit C.)

Personal Services -

The Legislative Fiscal Analyst's recommended FTE is 578.4 for FY'80 which would make an average salary per employee of \$12,459. For FY'79, Boulder River School and Hospital's average salary per employee is \$13,195. Therefore, they would be running a deficit next year.

Contracted Services -

Contracted services are basically a fixed cost item. If Boulder River School and Hospital were to run on the LFA's recommendation, they would be forced to reduce services in some other major category.

Supplies and Materials -

The LFA's estimate was lower than the agency's. The agency does not feel they can get by on any less and as an example, Jim Currie said if the prison ranch were to close down, the agency's requirements for food would be raised by approximately \$30,000 per year.

Travel -

The LFA's recommended budget is less but Jim Currie said if that recommendation were accepted, the agency would have to eliminate almost all of the management and resident travel.

Other Costs -

Agency anticipates an increase in freight and handling and feels they can't get by on any less than their recommendation.

Equipment -

The LFA's recommendation is lower than the agency's but for the last three years the agency has not been able to replace the equipment because of their small equipment budget. The agency's estimate may not meet the needs of the equipment for BRSH but they feel they cannot lower their estimate.

Ms. Charlotte Easter, representing the Parent's Advisory Committee, gave testimony in favor of the budget proposed by Boulder River School and Hospital. (See exhibit D.)

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Dr. William Tiddy, DDS, and Chief of Staff at the Boulder River School and Hospital, also testified in favor of the proposed budget saying the staff feels if the FTE levels are cut, the residents would not get the proper care they deserve.

Ms. Diane Williams, representing the League of Women Voters, and Harvey Macferran, a parent, both said they supported the budget proposed by Boulder River School and Hospital and opposed any cuts.

The committee discussed the clothing inventory, the direct-care ratio, expenses for food from the prison ranch, legal services and overtime.

Chairman Yardley adjourned the meeting at 11:40 a.m.


Dan Yardley, Chairman


Vicki Lofthouse, Secretary