

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

February 1, 1979 - Room 108

The meeting was called to order at 8:05 a.m. by Chairman Yardley. Committee members present were:

Representative Art Lund
Representative Howard Ellis
Representative Pat Gesek
Senator Mark Etchart
Senator Bill Thomas

Also present were Betty Waugh and John LaFaver, Legislative Fiscal Analyst Office, Doug Booker, Office of Budget and Program Planning, Peter Blouke and Curt Chisholm, Department of Institutions, and Representative Francis Bardanouve. Staff members present from Galen State Hospital to give testimony were Joe Balkovatz, Hospital Administrator, Jim Barkley, Business Manager and Dr. E. P. Higgins, Superintendent. Also present to give testimony was Don Judge, Executive Director of AFSCME, AFL-CIO. (See attached Visitors' Register for others present.)

Peter Blouke gave a brief presentation on Galen State Hospital.

Dr. Higgins gave the committee a presentation about Galen's history.

Jim Barkley went over the proposed budget for Galen with the committee. (See exhibit A.)

The Legislative Fiscal Analyst's FTE count is higher than Galen's proposed FTE count because the LFA included enough staff to cover the transfer of patients from Warm Springs to Galen.

Contracted Services - The LFA's proposed figure is \$22,048 higher than the agency's. The agency told the committee there were certain services that had to be hired from outside the agency. For instance, the agency has to pay one-half of the cost of an arbitrator for union problems. The maintenance contract for equipment includes an increase of about 6% per year, which they have been experiencing in the past.

Representative Bardanouve asked the agency staff to get a breakdown of all contracts and expenses included in contracted services and give that breakdown to the committee. Chairman Yardley asked Dr. Blouke if they could provide that and Dr. Blouke told the committee they would get the information in the next day or so.

- Supplies and Materials - The agency has been experiencing about a 53% increase in the food purchased from the prison and about a 12% or better increase in medical supplies. The average cost per meal at Galen is approximately 73¢.
- Communications - There has been an increase cost in metering which was not accounted for at the time this budget was made up so they will need an additional \$6,000 per year to cover that increase.
- Travel - The recommended amount is only for instate travel for training. The LFA did not include instate travel in their recommendation.
- Rent - The major expenses are for rent on office equipment, a burglar alarm and land rented from the state for water rights.
- Utilities - The recommended amount was based on the agency's projections and the LFA ran about the same.
- Repair and Maintenance - Major expenses are for sludge pump repairs and replacements of cells for the portable X-Ray machine.
- Other - Expenses included in this recommendation were \$450 for landfill assessment, \$350 for licensing of items like the elevator, pharmacy, etc.
- Equipment - The committee was given a list of equipment requested by the agency. Only the first four items were included in the proposed budget for 1980. (See exhibit B.)

Peter Blouke told the committee that the Department of Institutions and the Galen administration have been considering the transfer of the direction of the Alcohol and Drug Abuse Programs from the Division of Mental Health and Residential Services to the Division of Alcohol and Drug Abuse. There are some obvious programmatic management reasons for this and the principle one being that they are alcohol and drug programs and should be in the Division of Alcohol and Drug Abuse. They hope by transferring the administrative direction to one administrative unit, some of the problems will be eliminated and would facilitate the long-range planning for the statewide alcohol and drug program. This is just a preliminary discussion stage.

Don Judge said he felt Galen is one of the best run institutions. His organization supports the transfer of Warm Springs' patients to Galen.

Dr. Higgins told the committee to strongly consider some out-of-state travel for the physicians from Galen. There are certain areas of medical practice that are not covered in Montana meetings. (Those expenses are not included in the proposed budget.)

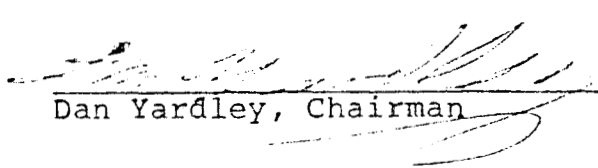
Representative Bardanouve consulted with Larry Zanto, Director of Institutions, on the alternative uses of Galen and asked Mr. Zanto to breakdown the impacts on Warm Springs and Galen; what would Galen require if the Warm Springs' patients were transferred. Peter Blouke told Representative Bardanouve that Mr. Zanto had already talked to him about that and they will have that breakdown to the committee later next week.

Representative Ellis asked if Galen was getting any compensation from the prison for the medical services and laundry services being provided for the prison. Mr. Balkovatz said not at the present time but it has been suggested that they get some kind of compensation. Dr. Higgins told the committee it is a possibility that a two-bed ward may be converted to a prisoner ward which would cut down on the prison's hospital expenses.


The alcohol program was discussed. Some of the topics were the average stay at Galen, how many repeat admissions there are, what the success ratio is and how many alcoholics are admitted in a year.

Senator Thomas asked if Galen received any money from the Alcohol Division. Mr. Barkley told him about 25% of the total budget from last year came from the Alcohol Division. Representative Ellis asked why there was a \$64,258 difference between the agency's recommendation and the LFA's recommendation in the earmarked revenue fund request. Mr. Barkley told him the amount for earmarked revenue is a projection of what might be available which isn't controlled by the agency. Galen puts in a dollar amount of what they need and the Alcohol Division bases their budget on the amount of earmarked revenue funds remaining. The possibility of a veteran's home at Galen was discussed.

The meeting was adjourned at 9:40 a.m.



Dan Yardley, Chairman



Vicki Lofthouse, Secretary