

MINUTES OF THE MEETING
FINANCE AND CLAIMS COMMITTEE
MONTANA STATE SENATE

March 14, 1979

The fifteenth meeting of the Senate Finance & Claims Committee was held as a joint meeting with the House Appropriations Committee to continue the hearing on House Bill 483, and the subcommittee report on the institutions.

Roll call was held with all members of the Senate present, and the meeting was called to order by Chairman Bardanouve, who asked the subcommittee chairman, Representative Dan Yardley to present the proposed budget for the institutions.

Rep. Yardley introduced his subcommittee members, the fiscal analyst, Betty Waugh, and the people he had worked with from the institutions, Larry Zanto, Curt Chisholm, etc. He said there is now \$815,000 that is no longer spent by the institutions, but by SRS. He went through the budget and the explanation for the changes, justifications, etc.

Chairman Bardanouve went back over the budget and the committee member asked questions for clarification as follows:

Central Office: Representative Hand: On the S.W. drug unit -- The suggestion of merging the Montana Drug program with the mental health centers--wouldn't it work? Rep. Yardley: It was suggested, we moved it one time, and the executive convinced us to take it out. The mental health people don't think they have the same type of people. Mr. Chisholm: The preference of the Department to keep the SW program in the division where it was since its creation. Some of the mental health center are responsible for counselling. For example -- chemical abuse--not for treatment to get them off alcohol. We hope to be able to integrate the drug, alcohol and mental health services together.

Representative Yardley: They also had trouble with the federal grant which could not be used to administer mental health facilities.

Representative Menahan: The central office keeps growing in the human service area. We are talking about getting service to the clients; there is 228.9 employees. I would like to know what grade and step they are and why so much growth for paper shuffling.

Representative Yardley: It is in 228.9 in '79 and 191 in '81. The only big decrease is in CETA positions. He gave the figures, some of which were: management service, 39 people; mental health, 15 people; analysts, 6; counsellors, 15; patrol officers, 44; after care, 29; alcohol, 32--16 of them in the field; staff, 8 people of which they added an attorney and took out one personnel.

Some discussion was held on the figures prior to the passage of House Bill 627 two years ago.

Senator Thomas: On the dollar amounts--that is mostly grants on the alcohol program. Most of the grants are funneled through. That is the mental health grants are funneled through--the programs are established in the central office, but many of the dollar amounts are spent outside the central office.

Representative Moore: Why is it nearly \$290,000 in the SW drug program: Rep. Yardley: There is a federal grant, 40%, matching fund from the state--average around \$143,000. We put a provision in the budget if it gets above 40% they have to terminate it in '81.

Representative Moore: The alcoholic tax was to help the communities. In the bill you have about 3 out of every \$4 going to Glasgow and in '81 \$3 to Glasgow for every \$5 to other counties. Why are you spending so much on Glasgow?

Representative Yardley: They have a program going which has a 29-day detoxification program. It is providing service for a large number of people, not just a community center. It is more successful than Galen on residivism. The program at Glasgow seems to be working. It is a location in the state that is providing for a lot of people--also it is cheaper.

Representative Moore: I understand there has only been 8 or 9 funded around the state, why? Rep. Yardley: The man who runs the grant program is here; there are 40 or 44 around the state now.

Mr. Mike Murray, Administrator of the Alcohol and Drug Center, said in 1977 because of the 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 reverted 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: The intent of the legislature was not followed throughout the past 2 years.

Representative Marks: Do you feel the SW drug program is a little shaky? Rep. Yardley: We have a little problem because the mental health program also has a drug program.

Representative Menahan: We had the 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.

Representative Waldron: We had a program in Missoula that was one of the most inefficient ones that I have ever seen. They defunded programs because they just aren't doing the job.

Representative Menahan: We had 5 at the meeting; I got letters from 25--they said they got better treatment before.

Representative Waldron: Why not eliminate the drug program, use the mental health and drug program, and then use the SW program. Why not eliminate the one and use referrals to the SW program?

Representative Yardley: Basically, that is what we did.

Senator Aklestad: How effective is the Glasgow program as to--say the AA program? What is the track record?

Senator Etchart: It basically is the AA program. It is a 12-step AA program, and has about a 65% success ratio of people who have gone through it who are still dry. They do work with counsellors in the field when they go out and work with the AA groups in the area. They have an integrated approach with the AA that has a lot to do with the success ratio that they achieved.

There was some discussion about reimbursement costs at Galen, Boulder, etc., and Rep. Marks asked if they were talking about patient reimbursement. There was no way of knowing 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, in the Department of Justice, in regard to the DWI program and the \$12 million budgeted--Is this an additional amount of money or is it earmarked to the Dept. of Justice? It involved \$81,000 and \$71,000.

Representative Bardanoue: That is alcohol money that will cover that particular program.

Senator Himsl: Under the Mental Health Center--does the increase cover the added cost for the Center for the Aged federal program: Rep. Yardley: Mental Health works through private corporations. Their funding is at least \$800,000 short of what they need. It is mostly on 8-year grants on federal money.

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. It is after care. In Great Falls, they go to public school during the evaluation period.

Senator Hims1: 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.

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. Bardonouve: 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. Bardonouve: 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.

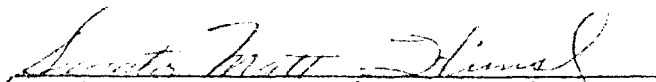
Rep. Moore: If we lease the farm and sell the equipment, does it go into the general fund?

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 out.

The Senate Finance and Claims Committee was excused to hold a meeting of their committee in room 108. The meeting will continue as a joint hearing at 7:30 p.m.


Senator Matt Himsl, Chairman

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ROLL CALL

SENATE FINANCE AND CLAIMS COMMITTEE

46TH LEGISLATIVE SESSION 1979

Date 3-14-79

NAME	PRESENT	ABSENT	EXCUSED
SENATOR HIMSL	✓		
SENATOR STORY	✓		
SENATOR AKLESTAD	✓		
SENATOR LOCKREM	✓		
SENATOR ETCHART	✓		
SENATOR NELSON	✓		
SENATOR SMITH	✓		
SENATOR BOYLAN	✓		
SENATOR REGAN	✓		
SENATOR FASBENDER	✓		
SENATOR THIESSEN	✓		
SENATOR THOMAS	✓		
SENATOR STIMATZ	✓		

HOUSE

COMMITTEE

ALL

Date 3-13-79 - PM

SPONSOR

NAME	RESIDENCE	REPRESENTING	SUPPORT	OP
Harold Fryslie		DCA		
with L. Colbo		SRS		
Neil Haight		MT. Legal Services Assn.		
Joe Mazuruk		Helena Achievement Place		
Robert		MT		
Robert		MT		
Wm. Murphy		Waters Corporation		
D. Fuller		Dept of Labor Ind.		
J. C. Kneight		Dept Health		
R. J. REDPATH		MSDH & ES		
M. J. Shurston		MSDH & ES		
Ray Steffen		Post 3031		
D. J. MAC KINTOSH		Vets of Mont		
Don E. Allen		DISABLED AMERICAN VETERANS		
Barry Durbin		DAV		
Larry Lloyd		VFW		
Wynne Sylva		DHES		
John Phillips		DHES		
Ken Wiche		"		
Ch. Pitt.		"		
Michael		OBPP		
Ed Hagan		Announcement Place		
Marlene Remington		Dist. 30		
		Achievement Place		

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PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE COMMITTEE

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Date 3/10/79

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VISITORS' REGISTER

HOUSE

COMMITTEE

ALL

Date 3-13-79 - R. J.

ONSOR

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DATE 3 17 17 A.M.

COMMITTEE ON

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppos
RAND LAFISH	WSSH Independent Union			
Larry Adams	WSSH Independent Union			
Oscar R. Siegle	W.S.S.H. Independent Union			
Virginia Kenyon	M. D. Bd. of Visitors			
Allen V. Bertelsen	Mental Disabilities Bd. of Visitors			
Earl Dalling	Yellowstone Boys Ranch			
Will Chase	Mentally Dis. Bd. of Visitors			
B. J. R. Lang	Dept. of Inst.			
Gene Donaldson	HD29			
Jim Hansen	Dept. of Institutions			
Ed Chace	" "			
Peter Blauke	"			
James Hall, Jr.	Warm Springs Nat. Hosp.			
Jack Harrison	Comm. of P.D.			
Don Finneken	Mt. Assn. of Counties			

INSTITUTIONS
1981 Biennium

	<u>FTE</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Executive Budget	2,564.72	\$78,498,184	\$12,273,601	\$90,771,785
LFA Recommendation	2,137.77	70,560,721	14,099,346	84,660,067
H.B. 483	2,272.46	76,501,783	14,258,497	90,760,280

CENTRAL OFFICE

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$12,147,018	\$14,178,195	17.0
Other Funds	<u>5,097,483</u>	<u>6,002,165</u>	<u>18.0</u>
Total	\$17,244,501	\$20,180,360	17.0
FTE	228.9	191.0 191.0	

The committee recommendations include:

1. Funding mental health centers at the level recommended by the executive which is a 31 percent increase from the 1979 biennium;
2. An additional staff attorney to reduce legal fees incurred in each institution;
3. Current level operation of the management services and corrections division.

Language in the appropriation bill provides:

1. The mental health centers shall provide the same detailed financial information required of all state agencies in support of budget requests. No money appropriated to the department of institutions for mental health services may be disbursed to the centers unless the mental health centers are reporting financial information uniformly;
2. That the department develop a plan for expanded drug services through existing alcohol programs without increasing general fund support;
3. The nine full-time positions funded by mental health federal grant funds are to be maintained only for the duration of federal grants;
4. The department may transfer general fund appropriations to the 45-day juvenile evaluation program in Great Falls to Mountain View to operate a 45-day evaluation program.

The committee recommendations exceed the LFA recommendation by \$1,338,848. The reasons are:

1. A consolidation of administrative functions in the central office with staff and operating cost reductions;
2. Maintaining the southwestern Montana drug program as an independent program rather than consolidating with the mental health centers as the LFA recommended;
3. The general fund appropriations to mental health centers was maintained at the fiscal 1979 level.

The committee recommendation is \$954,301 lower than the executive recommendation for the following reasons:

1. The executive recommendation included funds in the central office budget to maintain the old prison operation for three months;

2. The executive recommendation included funds for two FTE not included in the committee recommendation.

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Summary

The general fund appropriation is \$1,338,848 above the legislative fiscal analyst's recommendation and \$954,301 below the executive budget.

BOULDER RIVER SCHOOL AND HOSPITAL

	1979 <u>Biennium</u>	1981 <u>Biennium</u>	% <u>Increase</u>
General Fund	\$14,161,191	\$13,989,626	(1.2)
Other Funds	<u>512,000</u>	<u>280,566</u>	<u>(45.2)</u>
Total	\$14,673,191	\$14,270,192	(2.75)
FTE	561.12	449.18	

The decrease in general fund appropriation between the 1979 and 1981 bienniums appears smaller than will eventuate. The 1979 appropriation will be augmented by a supplemental appropriation that is dependent on the length of the strike. The decrease in appropriation is due to lowering the patient population from about 300 to 225 by June 30, 1981.

Other funds are expected to fall as Title I and school lunch funds are reimbursed on a per capita bases.

The committee recommends the transfer of at least 30 and as many as 40 residents to the new Glendive facility to improve living conditions and increase federal reimbursement by using a medicaid-approved facility; the transfer of 44 residents to community group homes as appropriate treatment homes are established (this transfer would occur by June 30, 1981); and the closure of the obsolete resident housing units #3 and 5 by the end of June 1981.

One full-time equivalent direct care staff member per resident is provided. The appropriation is below the LFA and executive recommendations because of the proposed reduction in population. The LFA recommendation included a 1:1 direct-care staff to resident ratio. The executive included a 1:2 ratio.

The general fund appropriation is \$1,654,214 below the legislative fiscal analyst's recommendation and \$609,686 below the executive budget.

*The cost shift of 1/2 plus goes to Nat Guard
instead of Inst. because of State. But in
a Boulder Court case 1/2*

CENTER FOR THE AGED

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$2,561,441	\$2,970,546	11.6
Other Funds	<u>-0-</u>	<u>6,000</u>	<u>100.0</u>
Total	\$2,661,441	\$2,976,546	11.8
FTE	94.43	99.73	

The 11 percent general fund increase from the 1979 biennium is due to the inclusion of \$10,100 each year for an automated data systems which is expected to increase reimbursement revenues by at least \$40,000 annually. Staff also increases to include one medical records technician, 4.00 direct-care personnel and .50 FTE warehouseman. Added staff will provide more appropriate direct care coverage, will allow resident medical records to be updated and maintained and will provide needed staff to develop control of warehouse inventories.

Summary

The general fund appropriation is \$249,848 above the legislative fiscal analyst's recommendation and \$136,849 below the executive budget.

EASTMONT TRAINING CENTER

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$866,086	\$2,484,022	186.8
Other Funds	<u>102,000</u>	<u>91,791</u>	<u>(10.0)</u>
Total	\$968,086	\$2,575,813	166.1
FTE	32.11	91.5	

The 186 percent increase in general fund appropriation results from the proposal to operate the new facility as an expanded Eastmont training center for the mentally retarded.

The 10 percent reduction in other funds reflects anticipated grant funds not realized in the 1979 biennium.

The superintendent, director of nurses and the food service staff presently at Eastmont will assume the added responsibilities for the expansion. Additional staff of 60 will be required to provide one full-time equivalent direct care staff per resident, adequate developmental training and support staff.

The committee recommendation will improve living conditions for 30 to 40 Boulder residents; increase federal reimbursement by using a medicaid-approved facility; and permit the use of an unoccupied state facility.

The committee recommendation exceeds the executive recommendation as the operation of the new facility was not included in the budget. It also exceeds the LFA recommendation due to the inclusion of funding for geriatrics rather than mentally retarded.

Summary

The general fund appropriation is \$751,864 above the legislative fiscal analyst's recommendation and \$1,544,891 above the executive budget.

GALEN STATE HOSPITAL

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$5,605,775	\$6,851,635	22.2
Other Funds	<u>1,980,899</u>	<u>2,469,454</u>	<u>24.6</u>
Total	\$7,586,674	\$9,321,089	22.8
FTE	260.0	282.2	

The 22 percent increase in general fund is the results from the proposal to transfer 50 to 60 geriatrics from Warm Springs to Galen.

The 24 percent increase in other appropriated funds is mainly due to an increase in alcohol funds.

The appropriation will provide better living conditions for Warm Springs patients; reduce the population at Warm Springs and close an obsolete building; increase reimbursement to the state; and operate Galen at full capacity.

Language in the appropriation bill requires evaluation of the alcohol program by the end of fiscal year 1980. In the amount the department can affect economies in the operation of the alcohol program, funds may be transferred into community alcohol programs.

The executive budget did not include the transfer of the geriatrics from Warm Springs to Galen.

Summary

The general fund appropriation is \$27,006 above the legislative fiscal analyst's recommendation and \$928,979 above the executive budget.

MOUNTAIN VIEW SCHOOL

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$2,191,857	\$2,148,257	(2.0)
Other Funds	<u>73,090</u>	<u>155,185</u>	<u>112.3</u>
Total	\$2,264,947	\$2,303,442	1.7
FTE	73.88	68.38	

The general fund appropriation for the 1981 biennium reflects a two percent decrease due to the committee decision to discontinue the 45-day evaluation program for boys and the education in operating costs by using existing inventories.

The 112 percent increase in other appropriated funds includes the appropriation of fund balances.

Summary

The general fund appropriation is \$28,562 below the legislative fiscal analyst's recommendation and \$16,343 below the executive budget.

PINE HILLS SCHOOL

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$3,551,714	\$3,824,439	7.7
Other Funds	<u>337,127</u>	<u>407,052</u>	<u>20.7</u>
Total	\$3,888,841	\$4,231,491	8.8
FTE	121.42	124.87	

The committee recommends that the general fund be increased for additional cottage staff coverage.

An evaluation of the Pine Hills school brought about by a "right to treatment" suit against the school indicated additional staff is needed.

The farm operation is discontinued and the land should be leased.

Summary

The general fund appropriation is \$58,972 above the legislative fiscal analyst's recommendation and \$40,482 below the executive budget.

STATE PRISON

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$11,302,428	\$10,691,892	(5.4)
Other Funds	<u>2,596,904</u>	<u>2,948,458</u>	<u>13.5</u>
Total	\$13,899,332	\$13,640,350	(1.8)
FTE	318.90	266.5	

The costs of operating the prison are expected to decrease in the 1981 biennium. The two new wings at the prison will be ready for occupancy in October 1980. The wings will be double bunked and the prison will operate at full capacity of 718 inmates. The old prison will be closed and the number of employees reduced.

The LFA recommendation is exceeded due to the determination to continue the ranch operation.

Language in the appropriation bill indicates legislative intent to continue the ranch on a probationary basis through the 1981 biennium. Unless the ranch operation clearly demonstrates that it can operate profitably, the operation should be terminated and the land leased.

The executive budget is exceeded because the executive included funds for operating the old prison until October 1, 1979 in the department of institution's budget.

Summary

The general fund appropriation is \$2,301,244 above the legislative fiscal analyst's recommendation and \$327,630 above the executive budget.

SWAN RIVER YOUTH FOREST CAMP

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$ 883,022	\$1,071,633	21.4
Other Funds	<u>252,572</u>	<u>63,200</u>	<u>(74.9)</u>
Total	\$1,135,594	\$1,134,833	(1.0)
FTE	28.33	25.33	

The apparent 21 percent general fund increase for the 1981 biennium is somewhat misleading. Federal grant funds included in the 1979 biennium appropriation were not available and a general fund supplemental has been requested. The attorney general ruled Swan River residents do not qualify for federal vocational rehabilitation funds designed for the physically and mentally disabled.

The total 1981 biennium appropriation is reduced by one percent to lower inventory levels of food, housekeeping and janitorial supplies.

Summary

The general fund appropriation is \$21,328 above the legislative fiscal analyst's recommendation and \$48,334 below the executive budget.

VETERANS' HOME

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$ 297,231	\$ 233,517	(21.4)
Other Funds	<u>1,159,503</u>	<u>1,362,570</u>	<u>17.5</u>
Total	\$1,456,734	\$1,596,087	9.6
FTE	49.13	49.13	

Private billing reimbursement is expected to increase in the 1981 biennium. General fund appropriations will decrease 21 percent and other funds will increase 17 percent.

Summary

The general fund appropriation is \$20,348 above the legislative fiscal analyst's recommendation and \$119,419 below the executive budget.

WARM SPRINGS STATE HOSPITAL

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$21,922,760	\$17,831,998	(19.0)
Other Funds	<u>749,575</u>	<u>472,056</u>	<u>(37.0)</u>
Total	\$22,672,335	\$18,304,054	(19.0)
FTE	526.2	519.2	

The decrease in general fund appropriation between the 1979 biennium and the 1981 biennium appears larger than the actual reduction. Warm Springs appropriation in the 1979 biennium was based on a population of 500. The population was 457.3 and a general fund reversion of \$607,206 was made.

The committee recommends the transfer of 50 geriatrics to Galen, 16 residents to community group homes and a limitation of 22 emotionally disturbed children in the Warm Springs children's unit.

The appropriation will provide better living conditions for Warm Springs patients transferred to Galen and a less restrictive environment for residents in the community group homes.

Summary

The general fund appropriation is \$2,873,693 over the legislative fiscal analyst's recommendation and \$2,951,610 under the executive budget.

BOARD OF PARDONS

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$148,056	\$156,952	6.0
FTE	3.25	3.50	

A .50 FTE clerk-typist position is added and the number of days board members may receive per diem is increased from three days a month to six days a month.

Summary

The general fund appropriation is \$19,025 below the legislative fiscal analyst's recommendation and \$10,040 above the executive budget.

MENTAL DISABILITIES BOARD OF VISITORS

	<u>1979</u> <u>Biennium</u>	<u>1981</u> <u>Biennium</u>	<u>%</u> <u>Increase</u>
General Fund	\$78,455	\$69,071	(5.7)

The staff is to be transferred from private office space into the capitol office space and the part-time secretary position should be eliminated as secretarial services could be provided by the governor's secretarial pool.

Cost savings will be recognized through the elimination of building rental costs and contracted secretarial services.

Summary

The general fund appropriation is the legislative fiscal analyst's recommendation. The executive budget did not include the board.

DEPARTMENT OF INSTITUTIONS

	Fiscal 1980		Fiscal 1981	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds
CENTRAL OFFICE				
1. Director's Staff	216,077		217,794	
2. Management Services Division	751,627	64,328	775,053	64,416
3. Alcohol & Drug Abuse Division				
a. Alcohol - Central Office				
Administration		560,053		560,053
b. Alcohol & Drug Abuse -				
Community Program		1,449,945		1,562,630
c. Southwestern Montana				
Drug Program	143,082	318,423	147,220	327,683
4. Mental Health Division				
a. Central Office				
Administration	132,201	255,453	133,202	261,474
b. Mental Health Community				
Program	3,281,674	148,191	3,499,211	163,191
5. Corrections Division	2,420,848	70,940	2,460,206	73,657
6. Prison Industries Program		77,214		44,514
Total Central Office	6,945,509	2,944,547	7,232,686	3,057,618

The appropriation in item 3b is generated under provisions of 16-1-404. The funds listed below, generated under provision of 16-1-404 are included within the appropriation in items 3a and b.

Department of Justice	\$ 84,379	\$ 71,936
Glasgow Residential Treatment Program	314,000	300,000
Corrections Substance Abuse Project	31,756	51,387
Community Alcohol Program	410,964	524,364
Alcohol-Central Office Administration	81,880	81,880
Total	\$922,979	\$1,029,567

The general fund appropriation in item 3c shall be used to match federal funds from the national institute on drug abuse. The appropriation in fiscal 1981 is contingent on the following:

a. The department receiving written notice that the federal match will remain at least 60 percent;

b. The department receiving written notice that the federal funds can be used to expand services to other geographic areas of the state without additional general fund support; and

c. The department developing a plan for expanded drug services through existing alcohol programs without increasing general fund support.

If these conditions are not met, the department shall phase out the operation of the southwestern Montana drug program by June 30, 1981.

Included in item 4a are general funds to support six permanent full-time equivalent positions. Nine full-time positions, to be maintained only for the duration of the community support project and the manpower federal grant, are provided within other appropriated funds.

The department of institutions shall assure that the mental health centers are reporting all financial transactions through a uniform accounting system including a single chart of accounts and accounting manual. The mental health centers shall provide the same detailed financial information required of all state agencies in support of budget requests of the 1981 legislature.

No moneys appropriated to the department for mental health services may be disbursed to the centers unless the director of the department of institutions certifies to the legislative finance committee that the mental health centers are recording and reporting financial information uniformly.

At any time during the biennium, if the director of the department of institutions determines that a mental health center is not reporting in a manner consistent with the uniform accounting system, he shall suspend allocation of state funds until the center is in total compliance.

Included within other appropriated funds in item 5 is \$93,287 for the biennium of grants from the board of crime control which the board shall make for shelter care services.

The Glasgow residential treatment program shall revert state alcohol funds in the amount third party reimbursements exceed \$1,094,121 in the 1981 biennium.

Item 6 is a revolving fund for operating an industry program at the state prison.

	Fiscal 1980		Fiscal 1981	
	General	Other	General	Other
	<u>Fund</u>	<u>Appropriated</u>	<u>Fund</u>	<u>Appropriated</u>
		<u>Funds</u>		<u>Funds</u>
BOULDER RIVER SCHOOL AND HOSPITAL	7,128,782	143,437	6,860,844	137,129

The appropriation is adequate to provide one full-time equivalent direct care staff per patient. Direct care staff includes registered nurses, licensed practical nurses, cottage life supervisors, nurses aides and habilitation aides. It is the intent of the legislature that units three and five be permanently closed by June 30, 1981.

CENTER FOR THE AGED	1,476,781	3,000	1,493,765	3,000
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Included within the appropriation is \$10,100 each year for the biennium for automated data systems which do not include word processing or on-line inquiry to the state accounting system. The department represents that this expenditure will serve to increase reimbursement revenues by at least \$40,000 annually.

	Fiscal 1980		Fiscal 1981	
	General Fund	Other Appropriated Funds	General Fund	Other Appropriated Funds
EASTMONT TRAINING CENTER	1,242,936	45,830	1,241,086	45,961
GALEN STATE HOSPITAL	3,346,743	1,220,021	3,504,892	1,249,433

The alcohol program shall be evaluated by the end of fiscal year 1980.

Included in other appropriations are \$1,219,021 in fiscal year 1980 and \$1,248,433 in fiscal year 1981 generated under provisions of 16-1-404. In the amount the department can effect economies in the operation of the alcohol program, funds may be transferred into community alcohol programs.

MOUNTAIN VIEW SCHOOL	1,058,310	84,421	1,089,947	70,764
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The legislature is aware of additional other appropriated funds that may become available to the school. In the amount such funds become available, the general fund appropriation is reduced.

PINE HILLS SCHOOL

1. Personal Services	1,733,476		1,741,015	
2. Operating & Equipment	<u>159,950</u>	<u>203,526</u>	<u>189,998</u>	<u>203,526</u>
Total Pine Hills School	1,893,426	203,526	1,931,013	203,526

STATE PRISON

1. General Operations	5,381,565	477,026	5,266,327	477,026
2. Kitchen Equipment	44,000			
3. Ranch	<u> </u>	<u>980,626</u>	<u> </u>	<u>1,013,780</u>
Total State Prison	5,425,565	1,457,652	5,266,327	1,490,806

The intent of the legislature is to continue operation of the prison ranch on a probationary basis through the 1981 biennium. Capital expenditures for minor replacement only are appropriated. The proposed irrigation system is not funded. The department shall develop an accounting system for the ranch by July 1, 1979 which accurately portrays the revenues, costs, profits and losses of each operating component of the ranch. Any funds generated from reducing the livestock inventory shall be held in reserve. Unless the ranch operation clearly demonstrates that it can operate profitably, the operation should be terminated and the land leased.

The department shall present a plan to provide work opportunities for prison inmates to the 1981 legislature.

The department shall immediately deposit all moneys received in connection with oil and gas exploration and drilling activities and timber sales in the general fund.

	Fiscal 1980		Fiscal 1981	
	General <u>Fund</u>	Other <u>Appropriated Funds</u>	General <u>Fund</u>	Other <u>Appropriated Funds</u>
SWAN RIVER YOUTH FOREST CAMP	534,254	31,600	537,379	31,600
VETERANS' HOME	126,624	664,655	106,893	697,915
WARM SPRINGS STATE HOSPITAL	8,978,933	236,028	8,853,065	236,028
BOARD OF PARDONS	78,470		78,482	
<p>Board members may receive compensation at \$25 per day for as many as six days per month for preparation.</p>				
MENTAL DISABILITIES BOARD OF VISITORS	34,455		34,616	