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MINUTES OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON
INSTITUTIONS
February 10, 1983

Side 58 The meeting was called to order at 8:35 a.m. in Room 108 of the Capitol Building.

Members present were Sen. Mark Etchart, Sen. Bill Thomas, Rep. Bob Thoft, Sen. Donald Ochsner, Rep. Steve Waldron, and Rep. Glenn Roush.

Also present were Norm Rostocki of the Legislative Fiscal Analyst's Office (LFA), Bill Gosnell of the Governor's Office of Budget and Program Planning (OBPP), Carroll South, director of the Department of Institutions, Mike Murray, administrator of the Alcohol and Drug Abuse Division (ADAD), Jerry Hoover, administrator of the Mental Health and Residential Services Division (MHRSD), Keigh Wolcott and Dan Anderson, auditors for MHRSD.

(015) Mr. Rostocki handed out a breakdown of the funding and expenditures for the Community Health Centers (see Attachment 1).

He then handed out a breakdown of the funds available for ADAD for FY'84 and FY'85 (see Attachment 2). These are the figures that will have to be decided on by the committee. Mr. Rostocki explained in great detail just where these funds come from and where they go. Whatever is not appropriated in the Earmarked Account is passed through to the counties. The Department requests that the Discretionary Grants come from block grants. The reason for this is, if Earmarked Funds fall short, that shortfall can be funded by block grants.

Mr. Rostocki explained that if there isn't enough money appropriated in the block grant, it can't be spent. However, in the Alcohol Earmarked Account, all of it will be spent because all that remains in excess of appropriations from the Earmarked Alcohol Account passes through to counties by law.

Last biennium, the Earmarked Alcohol Funds were lower than anticipated. However, due to restrictive language in HB2, there was not enough money appropriated out of the block grants. That left \$776,348 in the account that could not be spent due to a lack of authorization. This \$776,348 is then carried over into this biennium.

There is enough money to fund the ADAD programs at current level with the carry over funds included for the biennium. However, there will not be enough money next biennium unless there is an increase in revenues. Both Mr. Gosnell and Mr. Rostocki agreed that the programs were spending funds faster than they were receiving them.

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The Chairman explained to the committee that ADAD is not a General Fund program and he does not want to see General Fund monies used for this program. The discussion of the committee centered around what could be done about the funding for this program after this biennium. The Chairman stated that the program would either have to cut services or look for revenue from some other source. Mr. Rostocki noted that there would be the option of eliminating Discretionary Grants next biennium to fund services.

SEN. THOMAS moved to accept the OBPP recommendation for \$385,534 in FY'84 and \$392,386 in FY'85 for Administration and \$381,679 in FY'84 and \$496,654 in FY'85 for the Discretionary Grants.

The motion was passed UNANIMOUSLY.

SEN. THOMAS moved to have the Chairman send a letter to the Department of Institutions urging them to investigate the possibility of requiring services to be paid on a sliding fee schedule; to investigate the possibility of the Department purchasing fees similar to Mental Health; and to investigate the possibility of changing the wine and beer tax to a percentage of sale price.

The motion was passed UNANIMOUSLY.

SEN. ETCHART moved to request the Department of Institutions to look into putting a cap on the expenditures for the Galen Alcohol Treatment Program.

Chairman Waldron explained that this motion would cause money for services to come out of the General Fund, which is going broke. Sen. Etchart said that, if a cap is not put on Galen's program, Galen will eventually get all of the funds earmarked for Alcohol Programs.

REP. WALDRON opposed the motion by Sen. Etchart. All other members approved the motion.

The committee discussed the Department's request for flexibility through language in the bill which would allow the Department to use block grant funds as necessary to keep the county programs at current level.

SEN. OCHSNER moved to authorize the Department of Institutions to budget amend additional funds for the counties from the fund balance or other funds if they become available to keep the county programs at current level over the biennium.

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The motion was passed UNANIMOUSLY.

The OBPP and the LFA will work together to find out the exact amount necessary to keep county programs at current level and will return to the committee with a language proposal.

Side 59 MENTAL HEALTH AND RESIDENTIAL SERVICES

(030) The Chairman reopened the hearing for public testimony on mental health services.

(051) Jeff Langen, director of the Friends to Youth Program in Missoula, explained the program to the committee (see Attachment 3). The program is partially funded by the MHRSD. This program has seen a noticeable decrease in commitment rates to institutions from Missoula County, a reduction in crime, and a growing community support for this program. This program offers an alternative to institutionalization.

The Chairman asked Mr. Langen if the program charges fees based on ability to pay. Mr. Langen stated that they do not charge fees. Part of the reason is that, if the family has to pay for these services, they would be less likely to use the services. The Program does solicit donations and many of the families that can afford it do donate.

Mr. Hoover stated that the MHRSD has assessed the Friends to Youth Program and encourages the concept. He noted that this program only serves Missoula County and the costs are relatively low but part of the reason is the community contributions.

(192) Mr. South explained a diagram which showed how Mental Health Centers were funded (see Attachment 4).

The committee discussed a spread sheet of options to be decided on by this committee (see Attachment 5). Option 1 would use more block grant money; Option 2 would use more General Fund money; and Option 3 would keep General Fund at the FY'83 level but would reduce Medicaid by 40%. The committee discussed the differences between these options and the pros and cons of each option.

There was a good deal of discussion regarding the Medicaid match and the Maintenance of Effort. The Chairman felt that there possibly was a commingling of appropriated General Fund and Medicaid match funds by the Department in FY'83 and, if the funds were commingled there is a

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possibility that this may have raised the base for the General Fund portion of the Maintenance of Effort.

The Chairman did not feel comfortable taking any Executive Action on this budget until he met with the Legislative Auditor regarding this commingling of funds.

The meeting was adjourned at 10:30 a.m.

Respectfully submitted:

Steve Waldron
Steve Waldron, Chairman
Approved

SW/lt

VISITORS' REGISTER

HOUSE Institutions Sub

COMMITTEE

BILL - MENTAL HEALTH BUDGET

Date February 14, 1983

SPONSOR

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Attachment 1

Montana Mental Health Clinics
FISCAL 1984 AND 1985 PROJECTED BUDGET AND INCOME SUMMARY

BUDGETS

NO.	EXPENDITURE I.D.	FY 1983		FY 1984	FY 1985	Total
		Combined	Budget			
1100	PERSONAL SERVICES	5,797,523.44	5,985,587	6,096,960	12,082,547	
1400	BENEFITS	1,036,260.69	1,104,329	1,126,668	2,250,997	
	TOTAL PERSONAL SERVICES	6,833,784.13	7,089,916	7,223,628	14,313,544	
2100	CONTRACTED SERVICES	511,611.00	505,209	534,300	1,039,509	
2200	SUPPLIES & MATERIALS	305,236.00	321,670	339,617	661,287	
2300	COMMUNICATIONS	217,315.00	230,887	254,637	485,524	
2400	TRAVEL	155,370.00	164,807	175,298	340,105	
2500	RENT & LEASES	414,629.00	429,414	443,324	872,738	
2600	UTILITIES	92,592.00	111,515	134,833	246,348	
2700	REPAIR & MAINTENANCE	81,097.00	85,957	91,190	177,147	
2800	OTHER EXPENSES	34,094.00	32,017	31,971	63,988	
	TOTAL OPERATION EXPENSES	1,803,944.00	1,881,476	2,005,170	3,886,646	
	TOTAL CAP OUTLAY-EQUIP	74,070.00	102,353	82,500	184,853	
	GRAND TOTAL	8,726,798.13	9,073,745	9,311,298	18,385,043	

INCOME

NO.	REVENUE I.D.	FY 1983		FY 1984	FY 1985	Total
		Combined	Collections			
5000	Service Revenue	1,338,548.00				
5100	Federal Revenue	113,406.00				
5200	State Revenue	6,245,529.30				
	Federal Block Grant			1,126,575	1,083,781	2,210,356
	Medicaid			1,553,929	1,588,230	3,142,159
	State General Fund			4,085,888	4,312,439	8,398,527
	County Revenue	659,360.00		667,270	675,570	1,342,840
	Other Income	414,611.12		197,441	197,529	394,970
	TOTAL REVENUE	8,771,404.42		9,056,373	9,376,428	18,432,801

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4245,195 4482,144

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→ Children Services

FY 1983 EXPENDITURE REPORT FOR COMMUNITY MENTAL HEALTH CENTER

AC.	EXPENDITURE I.D.	Region I	Region II	Region III	Region IV	Region V	FY 1983 Combined Budget
1100	PERSONAL SERVICES	870,997.00	1,500,692.00	1,343,270.44	1,074,034.00	1,008,530.00	5,797,523.44
1400	BENEFITS	154,208.00	262,885.42	245,839.27	182,998.00	190,330.00	1,036,260.69
	TOTAL PERSONAL SERVICES	1,025,205.00	1,763,577.42	1,589,109.71	1,257,032.00	1,198,860.00	6,833,784.13
2100	CONTRACTED SERVICES	40,219.00	61,660.00	212,240.00	47,319.00	157,113.00	511,611.00
2200	SUPPLIES & MATERIALS	42,660.00	89,505.00	70,040.00	41,883.00	61,140.00	305,236.00
2300	COMMUNICATIONS	28,750.00	44,456.00	59,125.00	39,084.00	45,900.00	217,315.00
2400	TRAVEL	36,000.00	31,500.00	33,300.00	30,500.00	24,070.00	155,370.00
2500	RENT & LEASES	103,243.00	120,310.00	36,729.00	103,663.00	50,684.00	414,629.00
2600	UTILITIES	13,275.00	5,810.00	29,025.00	11,734.00	32,745.00	92,592.00
2700	REPAIR & MAINTENANCE	8,965.00	20,300.00	27,720.00	13,724.00	10,378.00	81,097.00
2900	OTHER EXPENSES	6,300.00	10,900.00	5,860.00	8,259.00	2,775.00	34,094.00
	TOTAL OPERATION EXPENSES	277,993.00	374,941.00	474,039.00	292,176.00	384,805.00	1,803,944.00
	TOTAL Cap OUTLAY-EQUIP	2,300.00	27,500.00	20,000.00	12,605.00	11,965.00	74,070.00
	GRAND TOTAL	1,306,603.00	2,175,518.42	2,083,148.71	1,565,813.00	1,595,630.00	8,726,798.13

FY 1983 REPORT OF REVENUE FOR COMMUNITY MENTAL HEALTH CENTER

SUMMARY

AC.	REVENUE I.D.	Region I	Region II	Region III	Region IV	Region V	FY 1983 Combined Collections
5000	Total Service Revenue	189,960.00	304,400.00	375,000.00	221,300.00	248,848.00	1,338,548.00
5100	Total Federal Revenue			53,918.00	51,093.00	8,395.00	113,406.00
5200	Total State Revenue	976,640.00	1,573,680.30	1,381,090.00	1,237,086.00	1,077,025.00	6,245,529.30
5300	Total County Revenue	75,605.00	171,046.00	263,231.00	55,388.00	88,000.00	659,360.00
5400	Total Other Income	67,300.00	120,392.12	32,000.00	21,505.00	173,364.00	414,641.12
	TOTAL REVENUE	1,308,121.00	2,175,518.42	2,105,239.00	1,586,372.00	1,595,632.00	8,771,484.42

FY 1984 REPORT OF EXPENDITURES FOR COMMUNITY MENTAL HEALTH CENTER

SUMMARY

NO.	EXPENDITURE I.D.	Region I	Region II	Region III	Region IV	Region V	FY 1984 Combined Budget
1100	PERSONAL SERVICES	886,298	1,572,838	1,343,270	1,074,034	1,109,147	5,985,587
1400	BENEFITS	186,122	281,565	245,840	182,998	207,804	1,104,329
	TOTAL PERSONAL SERVICES	1,072,420	1,854,403	1,589,110	1,257,032	1,316,951	7,089,916
2100	CONTRACTED SERVICES	43,672	62,263	224,974	34,489	139,811	505,209
2200	SUPPLIES & MATERIALS	46,586	91,794	74,388	44,462	64,340	321,670
2300	COMMUNICATIONS	31,541	46,826	62,271	41,046	49,103	230,887
2400	TRAVEL	41,401	31,500	35,298	32,330	24,278	164,807
2500	RENT & LEASES	109,804	120,310	38,934	102,441	57,925	429,414
2600	UTILITIES	15,751	6,961	34,199	13,856	40,738	111,515
2700	REPAIR & MAINTENANCE	10,093	20,922	29,383	14,558	11,001	85,957
2800	OTHER EXPENSES	7,000	10,900	6,212	4,984	2,921	32,017
	TOTAL OPERATION EXPENSES	305,058	391,476	505,659	288,166	390,117	1,881,476
	TOTAL CAP OUTLAY-EQUIP	32,253	11,500	19,100	27,000	12,500	102,353
	GRAND TOTAL	1,410,731	2,257,379	2,113,869	1,572,198	1,719,568	9,073,745

FY 1984 REPORT OF REVENUE FOR COMMUNITY MENTAL HEALTH CENTER

SUMMARY

NO	REVENUE I.D.	Region I	Region II	Region III	Region IV	Region V	FY 1984 Combined Collections
5000	Service Revenue	195,000	334,840	375,000	243,430	276,000	1,425,270
5100	Federal Revenue						1,126,575
5200	Federal Block Grant						1,553,929
	Medicaid						4,085,888
	State General Fund						
5300	County Revenue	75,595	177,046	271,141	55,388	88,000	667,270
5400	Other Income	80,000	40,500	32,000	21,941	15,000	197,441
	TOTAL REVENUE						9,056,373

SUMMARY
FY 1985 REPORT OF EXPENDITURES FOR COMMUNITY MENTAL HEALTH CENTER

NO.	EXPENDITURE I.D.	Region I	Region II	Region III	Region IV	Region V	FY 1985 Combined Budget
1100	PERSONAL SERVICES	992,671	1,572,838	1,343,270	1,074,034	1,114,147	6,096,960
1400	BENEFITS	208,461	281,565	245,840	182,998	207,804	1,126,668
	TOTAL PERSONAL SERVICES	1,201,132	1,854,403	1,589,110	1,257,032	1,321,951	7,223,628
2100	CONTRACTED SERVICES	47,345	62,902	238,471	36,558	149,024	534,300
2200	SUPPLIES & MATERIALS	51,112	94,217	79,246	47,201	67,841	339,617
2300	COMMUNICATIONS	34,834	53,002	66,409	43,891	56,501	254,637
2400	TRAVEL	47,612	31,500	37,416	34,270	24,500	175,298
2500	TOTAL RENT & LEASES	117,051	120,310	41,269	103,364	61,350	413,324
2600	UTILITIES	18,764	8,616	41,595	16,899	48,959	134,833
2700	REPAIR & MAINTENANCE	11,371	21,580	31,146	15,432	11,661	91,190
	TOTAL OTHER EXPENSES	7,240	10,900	6,585	4,223	3,023	31,971
2800	TOTAL OPERATION EXPENSES	335,309	403,027	542,137	301,838	422,859	2,005,170
	TOTAL CAP OUTLAY-EQUIP	4,000	16,500	25,500	26,500	10,000	82,500
	GRAND TOTAL	1,540,441	2,273,930	2,156,747	1,585,370	1,754,810	9,311,298

FY 1985 REPORT OF REVENUE FOR COMMUNITY MENTAL HEALTH CENTER

SUMMARY

NO.	REVENUE I.D.	Region I	Region II	Region III	Region IV	Region V	FY 1985 Combined Collections
5000	Service Revenue	206,000	368,324	400,000	255,602	288,953	1,518,879
5100	Federal Revenue						1,083,781
5200	Federal Block Grant						1,589,230
	Medicaid						4,312,439
	State General Fund						75,695
	County Revenue						177,046
	Other Income						88,000
	TOTAL REVENUE						9,376,428

1984FUNDS AVAILABLEPROGRAMS to FUND

Block grant \$ 978,817

① Administration

time carryover \$ 776,348

current level \$ 391,625

Alcohol earmarked

dept req \$ 385,534

OBPP est \$ 2,032,261

LFA est \$ 2,116,792

② Discretionary grants

current level \$ 624,636

dept req \$ 381,679

Total avail using

LFA est: \$ 33,66055

③ Remainder goes to
counties

OBPP est: \$ 3281534

FY 83 = \$1.4 million

FY 85

FUNDS AVAILABLE

Block grant \$665,700

Alcohol earmarked

LPA est - \$ 2,212,597

OBPP est - \$ 2,092,562

TOTAL AVAILABLE USING

LPA estimate : 2,446,195

OBPP estimate : 2,326,160

PROGRAMS TO FUND

① Admin

current level - \$ 395,876

dept req \$ 392,386

② Discretionary grants

current level \$ 662,114

dept req ^{\$1,60} \$ 496,654

③ Remander goes to

counties

FY 83 = \$ 14 million



267 W. Front St.
Missoula, Montana 59802 (406) 728-2662

FACT SHEET

WINTER, 1983

"Program Facts"

BOARD OF DIRECTORS

Wally Small
President

Jeffrey M. Langan
Executive Vice President

David Kester
Secretary-Treasurer

Ken Blevins

Betty G. duPont

Bill Hainline, Jr.

Marv Horner

Roy Hughes

Jim McDonald

Ed McLean

Nick Nicholson

Bill Sanders

Doug Stewart

Paul B. Smith

William E.S. Reely

Clients:

Friends To Youth is a six year old non-profit corporation which works with youth offenders, ages 10 to 17, who are in trouble with the law. Friends To Youth works with over 60 youths who have been referred by a variety of agencies, including schools, probation, law enforcement, group homes, etc.

These youths' problems include everything from physical and sexual abuse and neglect, to drug and alcohol abuse, and failure in employment and education. These problems show themselves when these kids are arrested for crimes, including everything from runaway and truancy to major felonies.

Program Services:

Individual Youth Counseling and Family Therapy; Upon entering the program, each youth is assigned to one of our professional counselors, who sees the youth weekly and consults the court and other involved agencies. In addition, we believe that we must work with a youth's entire family if we are to be effective with the youth. Our professional counselors are particularly adept at family therapy. In the last year Friends To Youth has provided over 1,525 counseling hours to youths.

Match with a Community Volunteer; Supervised Senior Friend Volunteers spend a minimum of 3 hours per week for one year working with their "Junior Friend". Volunteers spent almost 8,000 hours with our youths in the last year.

Groups and Workshops; Friends To Youth counselors run on-going group counseling sessions with parents and youth and present workshops on such topics as drug and alcohol abuse, parent effectiveness skills, etc..

Jobs Referral and Program; Friends To Youth counselors help youths find employment in Missoula and refer them to Government subsidized jobs programs when appropriate. In addition, Friends To Youth employs youth clients in our recycling business.

Group and Individual Activities; Friends To Youth runs indoor and outdoor activities for youths and our matches have 2-for-1 discounts available to them at theaters, restaurants, and recreation centers in Missoula.

"Program Accomplishments"

Delinquency Reduced:

Friends To Youth has contracted for independent evaluation of the impact on repeat crimes committed by "Junior Friends". The evaluation consists of administering self-report delinquency questionnaires to each youth at the point of entering the program, six months, and one year after participating in Friends To Youth services. This type of evaluation has been used nationally as an accurate indicator of actual crimes committed, as opposed to substantially less reliable arrest statistics. This evaluation studied 30 different offenses and found major reductions in commission of repeat offenses, particularly for more serious crimes. For example, reduced; from 10 to 5, the number of youth committing burglary; from 23 to 10, the number of youth committing runaway; from 29 to 13, the number of youth committing theft; and from 14 to 4, the number of youth committing felony theft. A complete copy of this evaluation is available upon request.

Missoula has fewer commitments to Reform School:

In 1976 Missoula committed 29 youths to Reform Schools. Last year we only committed 5 youths. In addition, Missoula County has one of the lowest commitment rates per capita in the State of Montana. Friends To Youth services, provided since 1976, have been a significant factor in this reduced rate of commitments.

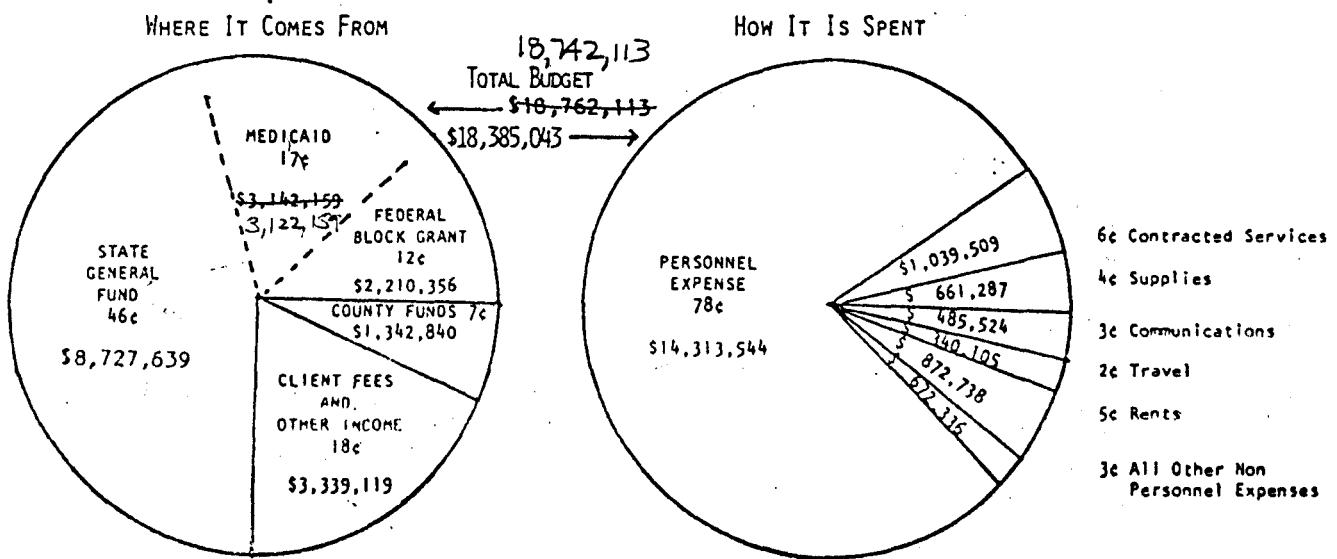
"Program Budget and Finances"

Friends To Youth operates with a half-time Director, a Secretary/Bookkeeper, and two full-time counselors. The total annual operating budget is \$60,000.00, not including such items as donated office space, activities, or equipment. The budget is funded with both public and private dollars. The State of Montana Division of Mental Health Services funds \$30,000.00 per year, paid per hour of individual, family, or group therapy provided by Friends To Youth. The other \$30,000.00 per year comes from private donations and fundraisers, including "Managing Friend" Board members who donate over \$500.00 annually; annual Benefit Dinners; Raffles; and a profitable recycling business.

Friends To Youth currently operates the lowest cost per hour service of any Mental Health program in the State of Montana.

For further information about Friends To Youth, contact Jeffery M. Langan, Programs Manager at our offices.

MONTANA MENTAL HEALTH CENTERS
PROJECTION OF INCOME AND EXPENDITURES
1984-85 BIENNIVUM



87% tax dollars