MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON HUMAN SERVICES AND AGING

Call to Order: By Stella Jean Hansen, on February 1, 1989, at 3:00 p.m.

ROLL CALL

Members Present: All, except

Members Excused: Rep. Blotkamp

Members Absent: None

Staff Present: Mary McCue, Legislative Council

Announcements/Discussion: Members of the Subcommittee on Human Services and Aging joined in the Hearing on HB 66.

HEARING ON HB 377

Presentation and Opening Statement by Sponsor: Rep. Daily stated that this bill was an act to require health care providers to notify medicare patients as to whether or not they accept payment for services based on a medicare assignment.

List of Testifying Proponents and What Group They Represent:

Earl Riley, Montana Senior Citizens Association

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Earl Riley supports this bill and states that this bill would help the seniors and patients in that they will know if the doctor accepts assignment for medicare. Exhibit 1.

Questions From Committee Members: Rep. Simon asked Rep. Daily to explain the language on lines 21, 22, 23 regarding notice given on a written statement prior to

services being rendered in regards to physicians that do not have direct contact with patients, i.e., radiologists. Rep. Daily indicated that members of their staff would be responsible for informing the patients.

Rep. Stickney asked Rep. Daily what he would have done had he known that a doctor did not accept medicare assignment and Rep. Daily indicated that he would have done nothing.

Rep. Good asked Rep. Daily about the doctors administering emergency services and Rep. Daily said that family members of the patients are generally informed before service.

Rep. Gould asked Rep. Daily about supplemental insurance and Rep. Daily indicated that most senior citizens could afford to acquire supplemental insurance.

Rep. Boharski asked Rep. Daily how a doctor determined that a patient was on medicare and Rep. Daily indicated that prior to exam the question is generally asked.

Rep. Stickney questioned Rep. Daily about Mont-Share and his opinions of same and Rep. Daily indicated that he did approve.

Closing By Sponsor: Rep. Daily closed on the bill.

HEARING ON HB 308

Presentation and Opening Statement by Sponsor: Rep. Squires stated that this bill was an act to generally revise the laws relating to community programs for persons with severe disabilities; to authorize the state to administer community programs for persons with severe disabilities under any provision of Title VII of the Federal Rehabilitation Act of 1973; to transfer authority for licensing of community homes for persons with severe disabilities from the Department of Social and Rehabilitation Services to the Department of Family Services.

List of Testifying Proponents and What Group They Represent:

Maggie Bullock, Montana Department of Family Services
Lesley Taylor, Montana Department of Family Services

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Maggie Bullock suggested that the committee approve the amendments appearing before them. One of the items in the bill which would conform to the federal language is the reference to people with severe disabilities rather than referring to them as severely disabled persons.

Lesley Taylor supports this bill and said that currently the Department of Family Services licenses the facilities as a part of SRS.

Questions From Committee Members: Rep. Simon asked Ms. Taylor about the term "temporary" and Ms. Taylor stated that in sections 13 and 14. Mary McCue answered the question for Rep. Simon. When a bill is drafted the dates are both inserted, make the changes in both sections, and if the date changes, they both will appear. This does not have anything to do with substance.

Rep. Good asked Ms. Taylor if there was going to be a change and Ms. Taylor indicated that there was not.

Rep. Boharski questioned "reasonable fee" and Ms. Bullock stated that the Department of Health was the licensing authority for the state and so they go into various facilities and they are the appropriate people to license these.

Closing by Sponsor: Rep. Squires closes on the bill.

HEARING ON HB 304

Presentation and Opening Statement By Sponsor: Rep. Hannah stated that this bill was an act to codify authorization for medicaid inpatient psychiatric services; to define "residential treatment facility"; to provide inpatient psychiatric services to persons under 21 years of age in a residential treatment facility; to require a certificate of need for residential treatment facilities. Exhibit 2.

List of Testifying Proponents and What Group They Represent:

Loren Soft, Yellowstone Treatment Center
John Wilkinson, Intermountain Deaconess Home
Dan Yasak, Yellowstone Treatment Center
Pat Melby, Yellowstone Treatment Center
Steve Waldron, Montana Residential Child Care

Association
John Thorson, Montana Mental Health Association
Jack Casey, Shodair Hospital
Chad Smith, Shodair Hospital
Rep. Tom Nelson
Rep. Stella Jean Hansen

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Loren Soft states his support and gave a brief history of the Yellowstone Treatment Center and the changes which had occurred over the last 25 years of his employment with the facility. The most significant change which came about for YTC was to be JCHO accredited as a psychiatric treatment facility. This occurred in 1979. YTC was at one time a long-term care custodial care facility where children came to grow up to a facility which is a short term intense treatment facility where they actively engage the parents in the therapy process.

John Wilkinson supports this bill and said that the kinds of children that are treated at Deaconess are those who have been severely, emotionally, physically, sexually abused, pervasively neglected and pervasively understimulated.

Dan Yasak supports this bill and states that services are provided for the facilities at about 50 cents on a dollar. In the last year, that has resulted in money in the figure of 1.3 million dollars.

Pat Melby supports this bill and states that with this legislation, cost to the state will not be any more money. All the children in the facilities will be medicaid or DFS funded.

Steve Waldron supports this bill and states that the facilities are underfunded.

John Thorson supports this bill and states that the availability of funding could benefit Montana facilities.

Jack Casey is a supporter of the bill as amended.

Chad Smith supports this bill and spoke of the proposed amendments and supplied them as Exhibit 4.

Tom Nelson stated his support.

Rep. Stella Jean Hansen supports this bill.

Questions From Committee Members: Rep. Gould asked Mr. Melby about the certificate of need. Mr. Melby stated that a certificate of need served a beneficial purpose. Rep. Gould then asked Mr. Smith the direction that the program at Shodair was doing. Mr. Smith stated that the purpose of the 20 bed unit is to provide psychiatric treatment with the best and talented psychiatrists and other auxiliary staff help that can be found.

Rep. Lee asked Mr. Melby if the out of state patients are funded at about $175.00 a day and Mr. Melby said that they were.

Rep. Good asked Mr. Wilkinson about the children which were being treated out of state. Who picks up the costs of the treatment of these children? Mr. Wilkinson stated that the state of Montana was responsible.

Rep. Lee asked Mr. Wilkinson how many children could have come back to Montana that had been treated out of state and Mr. Wilkinson indicated that approximately 30-35 children could have returned. Rep. Lee then questioned the unused capacity at Deaconess and Mr. Wilkinson indicated that 40 beds were available. Rep. Lee then asked Rep. Hannah if the children out of state were getting good enough care and Rep. Hannah indicated that they were.

Rep. Russell asked Mr. Waldron about long range projections and Mr. Waldron indicated that he did not have good accessible data. Rep. Russell then asked Mr. Wilkinson about the number of children returning back to communities and he indicated that approximately 20% were reinstated with their families. Rep. Russell then asked Mr. Melby who paid for the care of Indian children and Mr. Melby indicated that the Bureau of Indian Affairs did this.

Closing by Sponsor: Rep. Hannah closes on the bill.

A Recess was called at 5:30 p.m. and called back to order at 7:00 p.m.

HEARING ON HB 66

Presentation and Opening Statement by Sponsor: Rep. Schye stated that bill was an act to include case management services for the chronically mentally ill as a mandatory service under the medicaid program.

List of Testifying Proponents and What Group They Represent:

Steve Waldron, Montana Council of Mental Health Centers
Tom Cherry, Montana Mental Health Association
Paul Stahl, Deputy County Attorney for Lewis and Clark County
Joan Rebech, Montana Mental Health Council
Kelly Morris, Alliance for the Mentally Ill
Bob Anderson, Montana Department of Institutions
Rep. Jessica Stickney
Gene Haire, Montana House
Brad Talbert, Montana Mental Health Association

List of Testifying Opponents and What Group They Represent:

None

Testimony:

Steve Waldron presented a movie on case management for the chronically mentally ill. People decompensate and this could be prevented if case managers in the community were available for support system. The current system has been ascribed by some as being a facility base system. Residential programs and out patient programs are available. For those persons who are severely disabled, by the nature of the disease, they tend to become isolated. Many cannot come to where the services are and so taking the services to these people is important. Helping with housing needs, assistance needs, making sure that the food, clothing and shelter or the basic needs are met. Case management works so well it could lower admission to the state hospital. Trying this operation at two urban areas is the goal of the program.

Tom Cherry stated that persons with mental health problems be treated in the least restrictive and most appropriate manner possible.

Paul Stahl stated his support and stated that one of the functions of his position as County Attorney is to

commit people involuntarily who decompensate enough to need admission to Warm Springs State Hospital. In 1985, Lewis and Clark County Attorney's Office committed 19 people to Warm Springs under the involuntarily commitment mechanism in the statute and this past year, 78 were committed which was a significant rise in the number people. This rise in mental commitments is unanticipated in Lewis and Clark County and Mr. Stahl thinks there is a promise to these people that when people are deinstitutionalized, or have never been in an institution, there was a promise that they would be able to have somewhat a fulfilling life and if they are constantly going in and out of the institutions.

Joan Rebech states that she is a member of the Montana Mental Health Council and as a private therapist throughout the state and stands in support of this bill.

Kelly Morris supports this bill in regards to case management and considers case management one of the utmost priorities of this session. Case management has been the main service which has proven effective in treating persons with a serious mental illness. It is cost effective and provides community services.

Bob Anderson supports this bill and states his concern about the dollars the state is facing now, the impact of the general fund and especially on the medicaid budget. There is a need for more case management in the state. It has been difficult for the Department of Institutions to further implement that case management system with a current level budget for mental health centers which has stayed pretty much constant over the last eight years. To try to take money out of one service and put it into another service is very difficult.

Rep. Jessica Stickney supports this bill and shared with the committee, the outcome of a case of a young man in Miles City and his dilemma with the mental condition which he had and the eventual outcome with a case management system.

Gene Haire is the manager of a psycho-social treatment program for people with long-term serious mental illnesses. Montana House is one of seven other programs throughout Montana that provide similar services. Intensive case

management is the best new innovation in community based day treatment type programs. Mr. Haire believes very strongly that this program is a necessary medical treatment for people who have medical illnesses and that many of these people, literally is the difference between staying in the community and functioning or ending up in the hospital.

Brad Talbert states his support and says that there is a great need for more case managers and that the program is beneficial for the community.

Questions From Committee Members: Rep. Russell asked Mr. Stahl about the 300% increase in commitments to Warm Springs State Hospital and questioned the number statewide and Mr. Stahl stated that the increase in Helena alone is more according to the Supreme Court report.

Rep. Gould asked Ms. Rebech why the seriously mentally ill stop taking their medication which is the major problem of patients returning to Warm Springs. Why has there not been a medication that is time releasing for these patients. Rep. Gould also questioned why hypnosis had not been tested on these patients to encourage them to continue their medication. Ms. Rebech stated that she did not know of a method for time releasing medication and she indicated that most patients begin to feel so well that they eventually stop taking it because they feel that it is not required any more. Ms. Rebech did not comment on hypnosis.

Rep. Good asked Mr. Waldron what qualifications were needed for case managers and Mr. Waldron stated that the qualifications have to do with a persons personality, intelligence, and some training in understanding the nature of these disorders, and the willingness to do some of the things in any other service system may be odd such as helping someone to do their shopping.

Rep. Boharski asked Mr. Anderson about the reduction of persons to Warm Springs and Mr. Anderson stated that the program was in trying to keep these people in the community. Rep. Boharski then asked Mr. Anderson if he felt it was realistic to add a cost to the general fund of $100,000.00 for this program and Mr. Anderson stated that he did not know. Rep. Boharski asked Ms. Rebech what the difference between mental health counselors and a case manager and Ms. Rebech stated that a mental health counselor is a therapist and a case manager is similar to a social worker.

Rep. Bradley asked Mr. Waldron what committee this had passed and Mr. Waldron indicated that it had passed in the Disabilities Committee. Rep. Bradley then asked Mr. Waldron if there were people in Warm Springs who should not have been there and Mr. Waldron stated that lowering the admissions to the State Hospital can be proven and also long range planning is necessary.

Rep. Grinde asked Mr. Waldron about the need for more case management people in Montana and Mr. Waldron stated that it was a recent service which was started about October 1st. It started with federal funding. Who administers the service? Mr. Waldron stated that it was administered through the Department of Institutions. Who would be eligible? Mr. Waldron said that anyone who is medicaid eligible and in need of the service in the targeted area and met diagnostic definition and functional definition would be eligible. Would the Department of Institutions set up the criteria? Yes. Where it would it be administered? There should be some contractual relationship and contract monitoring reviewing the program done by the Department of Institutions and SRS to make sure that their criteria is met by their providers. Are you only helping medicaid patients under this program? Mr. Waldron indicated that was true.

Sen. Hofman asked Mr. Waldron how many chronically ill patients there were in Montana. Mr. Waldron said that there were 500 chronically mentally ill patients and 375 are medicaid eligible. Would the patients who were not eligible for medicaid not be helped by this program? Mr. Waldron said that they would not qualify under this program. Why can't the family members deal with the patients themselves? Mr. Waldron said that most families do not have the skills to care with this population. Mr. Haire responded in a similar way.

Sen. Von Valkenburg asked Mr. Waldron who decides that 25 cases was the only caseload? Mr. Waldron said the Department of Institutions made the decision.

Rep. Simon asked Mr. Waldron if patients were committed repeatedly by the County Attorney's Office? Mr. Waldron said they were. Rep. Simon asked why patients go through this process - could these patients not be furloughed? Mr. Waldron said that a conditional release was possible. Rep. Simon asked Mr. Waldron if these were state employees or contract services and Mr. Waldron said they were not state employees. Rep. Simon

DAILY ROLL CALL

HUMAN SERVICES AND AGING COMMITTEE

51st LEGISLATIVE SESSION -- 1989

Date February 1, 1989
3:00 PM

NAME	PRESENT	ABSENT	EXCUSED
Stella Jean Hansen	✓		
Bill Strizich	✓		
Robert Blotkamp			✓
Jan Brown	✓		
Lloyd McCormick	✓		
Angela Russell	✓		
Carolyn Squires	✓		
Jessica Stickney	✓		
Timothy Whalen	✓		
William Boharski	✓		
Susan Good	✓		
Budd Gould	✓		
Roger Knapp	✓		
Thomas Lee	✓		
Thomas Nelson	✓		
Bruce Simon	✓		

MSCA SUPPORTS HB 377

(1) WOULD HELP SO PATIENTS WILL KNOW IF DOC WILL ACCEPT ASSIGNMENT.

(2) THIS IS ONE PART OF HB 382 BUT SINCE THAT ONE IS MANDATORY, THE SIGN SAYS DOC WILL ACCEPT. MUCH STRONGER—

(3) BUT HB 377 IS GOOD IN THAT INFORMS.

NOW PEOPLE DON'T KNOW — UNLESS THEY ARE BOLD ENUF TO ASK & MOST AREN'T.

EARL REILLY, PRES.
&
JUDY CARLSON
2/1/89

EXHIBIT 1
DATE 2-1-89
HB 377

STATE OF MONTANA
Office of the Legislative Fiscal Analyst
STATE CAPITOL
HELENA, MONTANA 59620
406/444-2986

JUDY RIPPINGALE
LEGISLATIVE FISCAL ANALYST

January 31, 1989

Representative Tom Hannah
Seat #29
Montana House of Representatives
Helena, MT 59620

Dear Representative Hannah:

The following is in response to your request for additional information regrading medicaid certification of youth treatment centers. The analysis is based on information contained in the draft fiscal note and a draft copy of the SRS analysis of the fiscal impact of certifying the Yellowstone Treatment Center (YTC) and the Deaconess Home. The major assumption I have made in the analysis is that the Department of Family Services (DFS) and medicaid must have the same reimbursement rates, i.e., medicaid will not reimburse for the same service at a higher rate than the state would pay with non-medicaid funds.

According to the information contained in the draft fiscal note, YTC will provide services to 58 youth during both fiscal 1990 and 1991, or 21,170 days of care. Of the 21,170 days of care, approximately 70 percent would be medicaid reimbursed and the remaining 30 percent would be funded through the DFS. The Deaconess will provide services to 10 youth during fiscal 1990 (3,650 days of care) and services to 19 youth in fiscal 1991 (6,935 days of care). I have used the same ratio of funding as contained in the draft fiscal note.

The following table compares the cost to the state of providing care at YTC at the projected medicaid reimbursement rate of $165 per day, with the projected cost to the state if YTC were not medicaid certified and the state had to renegotiate their contract with YTC. According to the SRS draft document, the renegotiated rate would be approximately $125 per day.

EXHIBIT 2
DATE 2-1-89
HB 304

Table 1
Yellowstone Treatment Center
Comparison of Costs for Residential Care

	Medicaid $165/Day	Costs $125/Day	Difference
General Fund	$1,369,697	$1,712,069	$ (342,372)
Federal	1,934,972	479,537	1,455,435
County	188,382	454,644	(266,262)
Total	$3,493,051	$2,646,250	$ 846,801

As shown in Table 1, the net savings to the state by providing medicaid reimbursement would be approximately $342,000 per year, or $685,000 in general fund over the 1991 biennium. Using a similar procedure to compare the costs at the Deaconess at a medicaid reimbursement rate of $145 per day, the net savings to the state would be approximately $126,423 for the biennium.

If you desire additional information, please feel free to contact me.

Sincerely,

Peter Blouke
Senior Fiscal Analyst

PB3:kj:rh1-31

Mental Health Association of Montana

A Division of the national Mental Health Association
State Headquarters
555 Fuller Avenue
Helena, Montana 59601
(406) 442-4276

Madame Chairperson, Committee Members:

The Mental Health Association of Montana does not have a formal position on HB304 but does have some concerns with this bill. The MHAM is a non-profit, volunteer organization advocating for improvement of care and treatment services and their availability and accessibility for persons of all ages. One of our primary interests is that persons with mental health problems be treated in the least restrictive, most appropriate manner possible, with consideration also being to cost effectiveness and proximity to ones residence.

Our concern is two-fold.

Montana is faced with a problem of an incomplete system of care for serving our emotionally disturbed children and youth. We feel we may have enough inpatient psychiatric hospital beds to meet the needs of our young ones, we do not have enough of the alternative services, such as therapeutic foster homes, group foster homes, day treatment programs, and family based programs. There is, we believe, a need for a true continuum of care to meet the treatment needs of children at each level of illness and disability.

We are concerned that youth placed in a residential treatment facility (or RTF) may not be in the least restrictive, most appropriate program for their needs. The placement may be influenced by their eligibility for Medicaid reimbursement. Medicaid availability, while a very important and necessary financial resource, may encourage placement in a RTF as opposed to an alternative program which could be more appropriate, less restrictive and less expensive. We are concerned that this may encourage long-term institutionalization.

Secondly, we want to address the potential financial implications for state general funds. It is our understanding that children and youth who are placed in an RTF are receiving services under an entitlement program. If they are Medicaid eligible, the federal government picks up part of the tab for a period of time. Once the service is no longer "medically necessary", Medicaid reimbursement is no longer available. Unless the child is therapeutically at a point of being released from the RTF and there is a natural home or some alternative service available and appropriate for that child, the state Dept of Family Services may then be responsible for the cost, even though the Youth Placement Committee did not place the child at the RTF. Even if the State pays at a lower reimbursement rate than the Medicaid approved rate, it is using general funds dollars for a placement that is no longer the most appropriate. This has the potential of competing with state funds for other mental health services for children.

EXHIBIT 3
DATE 2-1-89
HB

As an example of the potential competition, please see the attachment to our testimony from the Invisible Children Project. These figures indicate that residential treatment care might run as much as 4 times as much as day treatment services.

If you favor this legislation we urge that it have a sunset provision and that continuation of the legislation should be heavily dependent of the results of the study of residential treatment facility needs in Section IV of the bill. In particular we feel the study should address the appropriateness of placement under the bill and the cost implications for Medicaid and state general fund.

We do not want to deny any child needed services, including residential treatment services when appropriate. But we do hope to impress upon you our concerns with this legislative proposal as it relates to appropriate treatment and care of our emotionally disturbed children and youth.

Thank you.

NEWS

National Mental Health Association

RECEIVED

JAN 3 1989

NATIONAL MENTAL HEALTH ASSOCIATION

INVISIBLE CHILDREN FACT SHEET

The National Mental Health Association (NMHA) initiated its INVISIBLE CHILDREN PROJECT as a take-home assignment for the 500 participants in the NMHA Children's Mental Health Conference in Milwaukee, Wisconsin, in November 1986. Through the project, NMHA hoped to focus attention on the mental health needs of children by collecting data regarding children with serious emotional problems.

NMHA believed that information regarding the number of youth placed in state hospitals and in out-of-state and in-state residential treatment facilities (plus other demographics regarding this group) could assist local, state and national officials in planning more effectively for this population.

The children identified in our report are only the "tip of the iceberg." The INVISIBLE CHILDREN PROJECT addressed only those children identified in public mental health systems. Even then, we had extensive difficulty in obtaining data. Data on children seen in private psychiatric facilities, foster care, detention or juvenile justice facilities are at best tangentially included in this report. Any of these would warrant a separate study.

Out of our nation "wide-lens" view, we have isolated a clearer "snapshot" of who these children are:

OUT-OF-STATE PLACEMENT

- Nearly 5,000 children were identified by our survey as placed by state agencies in out-of-state psychiatric facilities.

- 92 percent of these placements were initiated by state departments other than mental health. From the 37 states who submitted complete information, child welfare agencies placed the most children nationally (51%) followed by education (22%) and juvenile justice (19%).

- 89 percent of these children were referred to private residential treatment facilities at an estimated average cost of $40,760. The average length of stay was 15.4 months, with 10 years being the longest reported stay.

(more)

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- Composite demographic data collected from 18 states that provided such information reflected that most youth referred out-of-state were white (74%) adolescent (87%) males (68%) who presented serious behavior and conduct problems (79%) rather than psychosis or other thought process disturbances.

- The national average for out-of-state placements is 14 per 100,000. (See attached chart for state by state breakdown.)

- There is extreme variation among states of comparable size in the number of children they send out-of-state:

STATE	CHILD POPULATION	RATE PER 100,000
North Dakota	197,000	31
South Dakota	205,000	4
Ohio	2,873,000	6
Pennsylvania	2,877,000	29
North Carolina	1,589,000	0
Georgia	1,658,000	7

- Not only was Pennsylvania the highest recipient of referrals from other states (215) but it placed the most children out-of-state (847).

STATE HOSPITALIZATION

- Nationally 22,578 children were placed in state hospitals in 1986, according to our survey. The number of children so placed ranged from none to over 3,000, with the average being 427 children per state.

- Average length of stay was reported as 4.2 months.

- Most youth were white (74%) adolescent (89%) males (67%) with serious behavior problems (77%) according to the 18 states who submitted this information.

- The national average rate for state hospital utilization is 38 per 100,000. The three states with the highest state hospitalization were:

Wyoming	(131 per 100,000)
Tennessee	(97 per 100,000)
Georgia	(95 per 100,000)

- Three states--Delaware, Nevada and West Virginia--placed no children in state hospitals. (See attached chart for state by state breakdown.)

- Average per diem rate for state hospitaliztion (from a sampling of states) is $299.16. Average annual cost is $109,193.40. Cost per child per 4.2 month episode is $38,217.69. Total cost for serving 22,578 youth in state hospitals per episode is $862,879,004.80.

(more)

WHY IS THIS DATA OF CONCERN?

Admission to a state hospital or residential treatment facility is not always undesirable but is often unnecessary and inapporpriate. Many children with serious emotional problems can be treated effectively in their homes or home communities. Treatment should be offered in a less restrictive setting before placement in a more restrictive setting is considered. These children need intensive treatment but intensive treatment can be offered in a child's home.

Preliminary results from an on-going longitudinal study of 800 children with serious emotional disturbance, conducted by Robert M. Friedman, Ph.D., and Starr Silver, Ph.D., shows that the psychological profile of children being treated in state hospitals is not that different from those being treated successfully in their own homes.

Often state hospital placements and out-of-state residential treatment facilities are the most expensive forms of treatment. Recent studies are beginning to show the effectiveness of both intensive in-home crisis services (such as Homebuilders out of Tacoma, Washington) and day treatment.

INTENSIVE IN-HOME CRISIS SERVICES **$ 1,100**

Episode: Six weeks of intensive in-home crisis counseling may be offered to prevent removal of children from home and to stabilize the family situation.

DAY TREATMENT **$12,500**

Episode: A year of treatment in a day treatment program may be offered to children who are seriously emotionally disturbed. Many times this has prevented the removal of the child from home.

STATE HOSPITAL **$38,218**

Episode: Nationally, the estimated cost in a state hospital for treating adolescents and children is $299 per day. The cost per episode would be $38,218 based upon an average length of stay of 4.2 months. (Annual cost = $109,193)

RESIDENTIAL TREATMENT FACILITIES **$53,500+**

Episode: Nationally the estimated cost in a residential treatment facility is $111.67 per diem. Because of incomplete data this per diem rate is considered an underestimate of the actual cost of the service. Based upon an average length of stay of 15.4 months the cost per episode would be $53,500.

(more)

SUMMARY

A review of current research regarding the effectiveness of community-based mental health services and overutilization of out-of-home treatment placements, plus our findings in this study, lead us to the same conclusion that Knitzer, Friedman and many others have reached: many INVISIBLE CHILDREN could have been served as effectively in their own home community if appropriate community services had been available.

The data collected in this survey confirms the concerns of the National Mental Health Association that a major problem continues to exist ten years after Knitzer's initial warnings with regard to the unnecessary out-of-home placement of our young people and the failure of most states to develop a community-based system of mental health services for children.

We must begin to look at the long-term effects of current policy on our children. We must begin to preserve families, to create self-sufficiency rather than dependence and to meet the needs of our children with minimal intrusion into their lives and their families' lives. Policies that lead to child-centered, family-focused, community-based care must be put into effect so that our INVISIBLE CHILDREN will have a better chance to become contributing, healthy citizens.

HOUSE BILL NO. 304

MR. CHAIRMAN:

I move to amend House Bill No. 304 as follows:

On page 9 in line 4 by deleting the following: "of not less than 30 beds that is".

On page 9 in line 7 by deleting the following: "between 5 and" and by substituting in lieu thereof the word "under".

EXHIBIT 4
DATE 2-1-89
HB 304

SYSTEM OF COMMUNITY SERVICES FOR ADULTS WITH CHRONIC MENTAL ILLNESS

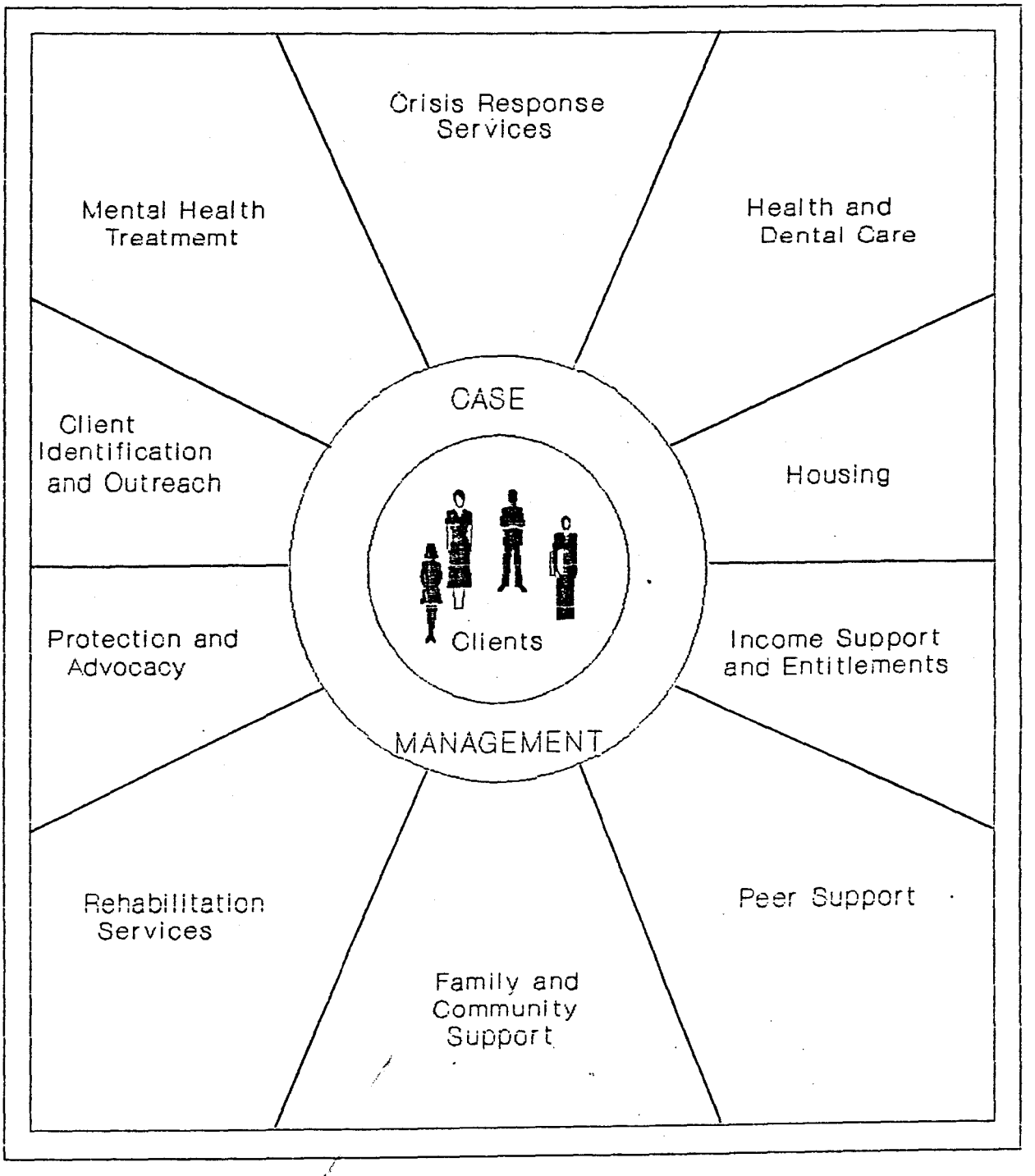

EXHIBIT 5
DATE 2-1-89
HB

MEDICAID - CASE MANAGEMENT PROPOSAL

A. Target Group

Adults with severe and disabling mental illness

B. Availability

Consider targeting certain communities or counties to initiate program.

C. Providers

1. The State may limit the case managers available.

2. The State sets qualifications of providers.

D. Payment Method

May be paid on fee-for-service or capitation basis. Special rules apply to capitation methods.

E. Definition of Case Management

1. State has considerable discretion.

2. "Outreach" may be reimbursed as administrative expense only (50% federal funds).

3. Discharge planning from Medicaid reimbursed facility is not reimbursable.

4. The current Mental Health Bureau definition of case management is:

> Intensive case management is the activities of a single person or team which carries responsibility for: a) helping the consumer make informed choices about opportunities and services, b) assuring timely access to needed assistance, c) providing opportunities and encouragement for self-help activities, d) assisting the consumer in the development of realistic, attainable life goals, and e) coordinating all services to meet these goals. Intensive case management is a supportive community-based service which seeks to maximize an individual's personal abilities and enable growth in some or all aspects of the person's vocational, residential, social, and health related environments. Priority is placed on providing personal support and guidance in helping the person acquire comprehensive, integrated resources in his or her natural community environment.

Mental Health Association of Montana

A Division of the National Mental Health Association
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Presentation of the
Mental Health Association of Montana

Concerning HB 66, Case Management Services

Before the House Human Services Committee,

February 1, 1989

The Mental Health Association of Montana strongly supports the passage of HB66, an act to include case management services for the chronically mentally ill as a mandatory program under the Medicaid program. In fact, at the Association's Board meeting last weekend, this bill was identified as one of the three most important measures before the 51st Session of the Montana Legislature.

The Mental Health Association is a nonprofit, volunteer organization advocating the improvement of care and treatment services and their availability and accessibility for persons of all ages. One of our primary interests is that persons with mental health problems be treated in the least restrictive, most appropriate manner possible, with consideration also being given to cost-effectiveness and proximity to one's residence.

Case management services satisfy those criteria. Case management can take place in the person's own community rather than in a distant city or state. When appropriate, the case manager can be in contact with the person's family.

Case management allows more holistic attention to the needs of the mentally ill. The case manager can assist the client in locating the appropriate local medical and social services. The case manager can help ensure that the client is receiving proper medication. The location of clean, secure housing is one of the most important of the case management services. Case managers can also assist their clients in locating job training programs and jobs--such as through supported employment programs. The case manager can intervene early in crisis. The case manager can be a supporter, a listener, and a friend.

EXHIBIT 6
DATE 2-1-89
HB 66

Case management is also cost-effective. Clients can remain in their communities with case management rather than in more expensive state or private institutions. Case management can prevent the deterioration of persons whose present condition would not yet justify institutionalization. So long as case managers exercise independent judgment with regard to their clients, they can be effective advocates in behalf of their clients before other components of the mental health delivery system.

We have successfully reduced the number of individuals in Montana's State Hospital. So that this policy of deinstitutionalization does not become a policy of eviction, we must be very concerned about the availability and quality of mental health programs in our communities so that these people do not become invisible children and invisible adults. Our community mental health centers are one essential aspect of locally provided mental health care. Case management services are another.

We strongly urge your support of HB 66.

WITNESS STATEMENT

NAME Brad Talbert BUDGET Salary $16,500 4K,

ADDRESS c/o Montana House 422 N. Main

WHOM DO YOU REPRESENT? Mental Health Dept. Helena, MT

SUPPORT yes OPPOSE _____ AMEND _____

COMMENTS: I feel ICM (case mgmt) has been the best service available ever & we need more case mgrs. We presently have 1½ Full time in Helena,

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Form CS-34A
Rev. 1985

WITNESS STATEMENT

NAME Gene Haire BUDGET #500,000.00

ADDRESS 428 S. Rodney Helena

WHOM DO YOU REPRESENT? Mental Health Svs., Inc.

SUPPORT ✓ OPPOSE _____ AMEND _____

COMMENTS: ICM best innovation in Community SVCS. for seriously mentally ill in 15 years.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Form CS-34A
Rev. 1985

Secretary - House Human Service
Re: HB 66

February 3, 1989

TO: Committee Chairman and Representatives on the Committee for CASE MANAGEMENT

FROM: Laura M. Risdahl
2405 39th St
Missoula, MT 59803

Since our son became ill about eighteen years ago at the age of around 33, my husband and I have repeatedly said, "Why isn't there a knowledgeable person in the field of mental illness to work with him (and others) to see that his life is at the very least lived in an appropriate fashion.

The CASE MANAGEMENT plan is the best idea that has come about in Montana and we heartily subscribe to it.

However, even that is headed for a possible disaster. It is my strong feeling that case managers should be hired on a contract basis that would eliminate the possibility of conflict of interest with the Regional Mental Health Systems The bid for services needs to be publicized so that any organized group qualified to provide the services might bid on it.

A very strict system is necessary to monitor supervisors and case managers to see that complete and proper services are being provided.

Monopolizing all services in one organizational body removes the competition necessary to improve the services and reduce the cost.

(Since the hearings were closed the day of your committee meeting we are expressing our sincere thoughts via letter. Please hear us.)

Laura M. Risdahl

Amendments to House Bill No. 305
First Reading Copy

For the Committee on Human Services and Aging

Prepared by Mary McCue
January 30, 1989

1. Page 2, line 19.
Following: "(f)"
Insert: "if the child is an Indian,"

DATE 2-1-89

COMMITTEE ON HB66

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Check One: Oppos
[illegible]	[illegible]	66	✓	
Kelly Moore	Board of Visitors	66	✓	
Jeanne Porter	Helena Alliance for Mentally Ill	66	✓	
Jan Cherry	Myself	66	✓	
Paul Stahl	Myself	66	✓	
John Thoson	Mental Health Assoc.	66	✓	
Joan Rehbein	Mont Mental Health Coun.	66	✓	
Ted Doney	Mont Mental Health Counselors Assn.	66	✓	
Bob Anderson	Dept of Inst	66		
Rep Jessica Stickney	H.D. 26 Miles City	66	✓	
Brad Talbert (Case mgr)	Mental Health Svc	66	✓	
Sue Haire	Mental Health Svcs, Inc.	66	✓	
Nancy Krigger	Mental Health Serv Inc	66	✓	
Greg Kellick	Mont. House	66	✓	
Judy Hirtiff	Montana House	66	✓	
Judy Erickson	Montana House	66	✓	
Paul D. Hopkins	"	66	✓	

(Please leave prepared statement with Secretary)

VISITORS' REGISTER

HUMAN SERVICES AND AGING COMMITTEE

BILL NO. HB 304 DATE 2/1/89

SPONSOR

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
STEVE WALDRON	MRCCA - HELENA	✓	
Pat Melby	Yellowstone Treatment Cntr	✓	
JOHN LEALKINSON	Deaconess House	✓	
JOHN THORSON	MENTAL HEALTH ASSOC	✓ WITH CONCERNS	
Jack Casey	Shodair	w/amendment	
Michael Smith	Shodair	w/amendment	
Joan Rebich	Mont Ment Health Couns.	✓	
~~Steve Browning~~	~~Montana Hosp Assoc.~~		
TOM NELSON	HRS	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

_____ COMMITTEE

BILL NO. 304 DATE 3/31

SPONSOR Hamm

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Loran Soft	1732 S. 72nd St. W Billings MT	X	
Dan Hyatt	1732 S. 72nd St W Billings MT	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HUMAN SERVICES AND AGING COMMITTEE

BILL NO. HB 308 DATE 2/1/89

SPONSOR

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
MARGARET BULLOCK	HELENA SRS	✓	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HUMAN SERVICES AND AGING COMMITTEE

BILL NO. HB 377 DATE 2/1/89

SPONSOR

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Judith Carlson	MSCA	X	
Earl Reilly	M, S, C, A - Helena	X	
Mary Dalton	Helena	X	

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.