MINUTES

MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By REP. WILLIAM "RED" MENAHAN, on January 15, 1991 at 7:30 A.M.

ROLL CALL

Members Present:
Rep. Wm. "Red" Menahan, Chair (D)
Sen. Dick Manning, Vice Chair (D)
Sen. Gary Aklestad (R)
Sen. Tom Beck (R)
Rep. Dorothy Cody (D)
Rep. Chuck Swysgood (R)
Sen. Eleanor Vaughn (D)

Members Absent: None

Staff Present: Sandra Whitney (LFA), Mary LaFond (OBPP) and Mary Lou Schmitz, Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

SPECIAL SERVICES DIVISION

Bob Anderson, Administrator, Special Services Division, gave a presentation from **Exhibits 1 and 2.**

Tape No. 1

Questions From Subcommittee Members:

REP. CODY asked **Mr. Anderson** what he meant by inappropriate commitment. He said if someone has a developmental disability and is referred to the Department for evaluation, they determine if the individual should be served in the community rather than an institution. **REP. CODY** asked if the courts are sending individuals to the Department now who they consider to be in an inappropriate setting. **Mr. Anderson** said they provide services for those people and make recommendations to the Court. Sometimes there are no community services so they are recommitted to the Montana Development Center.

REP. CODY asked why there are so many survey failure problems with Medicaid certification at Montana Developmental Center and Eastmont Human Services Center. Mr. Anderson said the survey was to determine if the facility is providing an active treatment

program for its patients. This is an ongoing, 16 hr. per day/7 days a week complete overall resident program. These program regulations were implemented in October, 1988. A random sample of patients was taken and if any patients were not receiving this "active treatment", the facility was out of compliance and failed the survey. This federal criteria are HCFA (Medicaid) standards. Other areas reviewed are staffing, dietary, and training.

REP. CODY asked if the Medicaid certification pertains to community group homes. **Mr. Anderson** said group homes do not have to meet the same criteria but do have to meet stringent standards from SRS.

REP. SWYSGOOD said he understands that Boulder and Eastmont provide almost identical services to patients but looking at 1993 projections, the population at Boulder will decrease about twice as much as Eastmont. He questioned why there were about three times the number of employees at Boulder. **Mr. Anderson** said the Boulder patients have major and severe behavior problems who require more staffing. Eastmont also has a smaller campus. **REP. SWYSGOOD** asked if the patients who are hard to handle come under the behavioral management program. **Mr. Anderson** said those services are provided in any intermediate care facility for the mentally retarded because HCFA requires it.

SEN. VAUGHN asked about new Federal legislation that sets certain standards and if it will result in more people "falling through the cracks" in local areas that do not have the adequate facilities and don't meet the standards (to be admitted). **Mr. Anderson** said he thinks the new legislation will help and possibly "fill the cracks" better than no legislation.

REP. CODY asked if there is a large employee turnover at the Boulder and Eastmont facilities. **Mr. Anderson** said the turnover at Eastmont is not too bad but there is a large turnover of aides at Boulder as is true at most of the institutions. They also have recruitment problems at Boulder to fill professional positions. **REP. MENAHAN** said the insecurity is also a factor, such as closing possibilities. **SEN. BECK** asked about the statement regarding eliminating the adverse behavior intervention techniques at Boulder and what was put in their place. **Mr. Anderson** said they improved training by implementing a new way to handle patients with behavior management problems. They have reduced the group size of activity programs and eating areas. The Inspectors look at each resident to insure they are receiving an individualized plan.

Tape 1, Side B

MANAGEMENT SERVICES DIVISION

Jim Currie, Administrator, introduced Bobbie Dixon, Fiscal Bureau Chief; Janie Wunderwald, Reimbursement Bureau Chief; John Brodersen, Information Systems Bureau Chief; and Data Processing

Services Bureau.

Mr. Currie said Central Operations Program is a budgetary summary of those functions within the Department that have responsibilities that cross organizational lines. The Board of Pardons. The program is made up of four areas, the Director's office, Management Services Division, Special Services Division Operations and the Board of Pardons. See Budget narrative, Department of Institutions.

BOARD OF PARDONS

Hank Burgess, Chairman, Montana Parole Board, said the Board is composed of three members selected by the Governor who work on a part-time basis. There is one auxiliary member to attend if a member is absent. The Board employs a staff of four located in Deer Lodge.

They have a budget of $180,000 a year; $140,000 is for personal services and $40,000 for office and expenses. The Board meets at the Prison once a month for two days to hold hearings. They meet once a month at Swan River, Women's Correction Center and Butte Pre-release. They meet on alternate months at the pre-release centers in Missoula, Billings and Great Falls. Parole is their major concern so they hold a number of parole hearings each month. They hold hearings on parole revocation, recision and supervised release cases. They also conduct commutation and pardon hearings and make recommendations to the Governor.

In 1990 the Board heard 1479 cases; 1989, 1268 cases; 1988, 1102. There is a strong upward demand in the last few years for their hearings which relates to the large number of people in prison. By law prisoners are up for parole or parole interview after a certain period of time. They parole an average of 65% of the people they hear. If 100 people are paroled in a year, they get back 27. This is considered a low number according to national figures. In 1990, 355 people were paroled and 27 paroles were revoked because of committing new felony offenses.

Mr. Burgess said all budget items recommended by the LFA are realistic and agreeable to him.

SEN. BECK asked **Mr. Burgess** if any of the figures were in the executive budget. **Mary LaFond** explained they tried to re-allocate from Fiscal 91 to Fiscal 1992 and 1993 in personal services and operating expenses.

REP. CODY asked **Ms. LaFond** why the executive did not take this agency into consideration when drafting the budget. **Ms. LaFond** said if she had specific questions to ask she would, but these were basic policy issues.

SEN. BECK asked if the Governor's budget reflected another FTE

for the Board of Pardons. **Ms. LaFond** said it was in a Modification to be considered.

REP. SWYSGOOD referred to the Operating Worksheet, Executive 92 and asked if that base was appropriated in FY 91. **Ms. LaFond** said inflation costs were included. **REP. SWYSGOOD** asked what the figure was and **Ms. LaFond** said they use different inflation rates than the LFA but it would be about $1500. **REP. SWYSGOOD** asked if it was current level in the LFA for FY 92. **Ms. Whitney** said the LFA was based on 90 actual with the inflation. LFA inflated a number of different categories which the Subcommittees' Chairman decided to go with. Total inflation for the Board of Pardons at the current level is $1675 in 1992, $1578 in 1993. **REP. SWYSGOOD** asked **Ms. LaFond** if she used $1500 in 1992 and a negative inflation for 1993 for the executive. She answered yes.

SEN. BECK asked if figures could be put into percentages for comparison purposes. **Ms. Whitney** referred to the second page of the blue worksheet which gives the difference between the executive and the LFA budgets. Personal services #2, the Board of Pardons per diem shows $1600 Mr. Burgess mentioned and the LFA included from the increased workloads that was not included in Budget office numbers. Under operating expenses, #5 and 6, next page, the increases for postage and travel and increased caseload are $6818 in each fiscal year. The base differences between the executive and budget office and the inflation differences amount to less than $300 the first year and $400 in the second. The terms of percentage of budget, the overall inflation factor, is about 1% of total budget.

REP. SWYSGOOD asked if the chairman agreed to go with the LFA inflation factors as presented in their budget. **REP. MENAHAN** said they would operate from the LFA budget so then they would have the 1991 budget figures too so all committees would operate on LFA 1990 and they will have 1991 figures also.

REP. SWYSGOOD asked if the new anticipated postal rate was included in postage figures. Ms. Whitney said the LFA current level included the agency request for those things so unless it was in there she would guess not.

Keith Wolcott, Deputy Director, said the LFA lists all the differences in the separate categories for inflation so that will give an idea what the differences of what inflations were applied and the rationale between the LFA and the Budget office.

Mr. Burgess referred to Page 3 of the worksheet under executive budget modifications. He explained it shows one FTE for the pre-release program, Grade 13, step 5, but a Grade 15 is needed. He said he drives about 12,000 miles a year in his own car and it costs the state over $2800 a year. He asked for a car to be put into the budget. **REP. CODY** asked if he could use a state car. **Mr. Burgess** has tried that but ran into too many problems.

ADJOURNMENT

Adjournment: 9:00 A.M.

Wm Menahan

WILLIAM "RED" MENAHAN, Chair

Mary Lou Schmitz

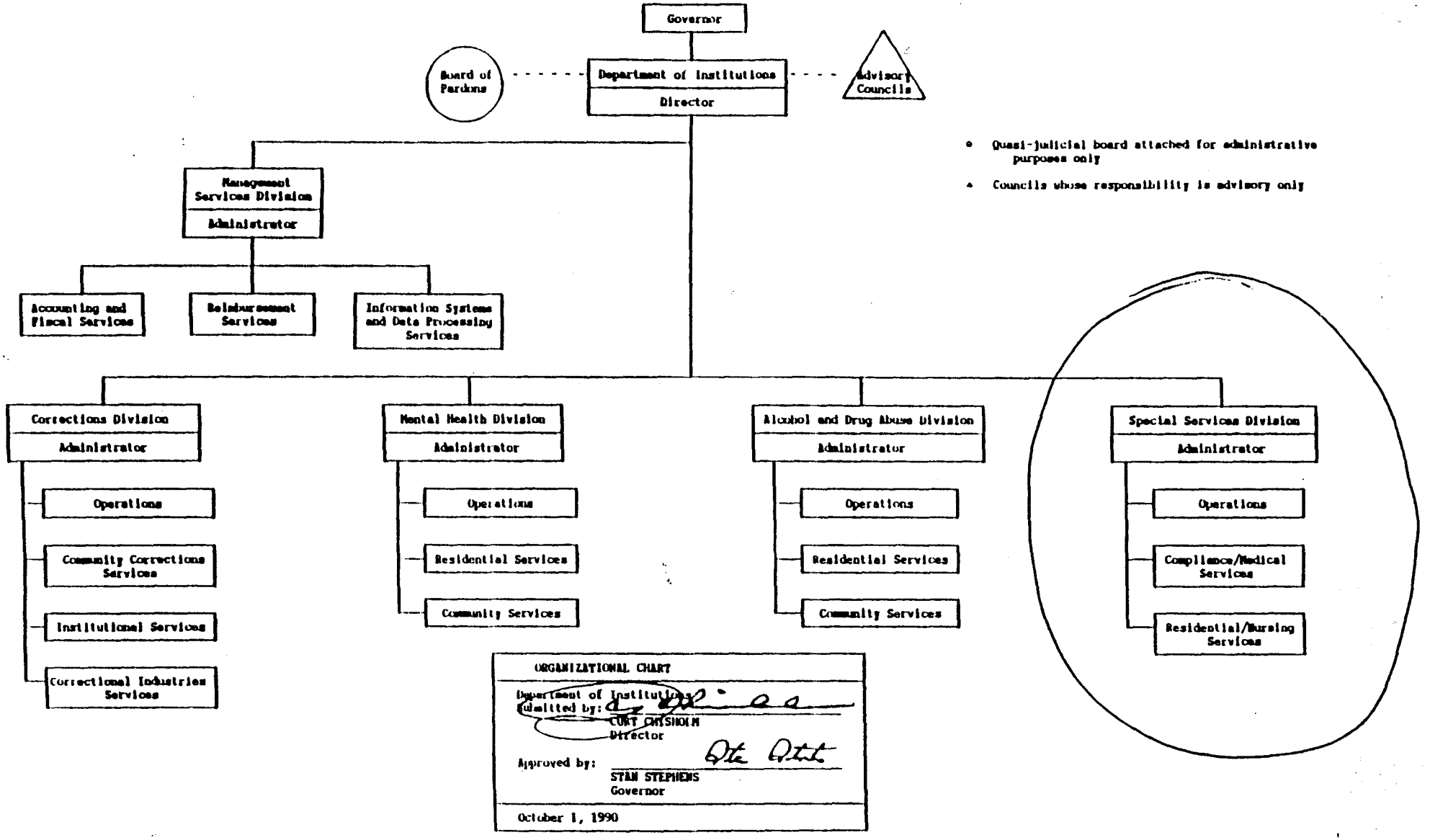
MARY LOU SCHMITZ, Secretary

WM/mls

SPECIAL SERVICES DIVISION

DEPARTMENT OF INSTITUTIONS

Ex. 1 1/15/91
Instit. Subcomm.



SPECIAL SERVICES DIVISION

-ORG CHART

- -Operations
- -Compliance/Medical Support
- -DD Residental/Veterans Services

Operations (1.0 FTE)

- -Provide planning, management, budgetary and administrative support to Compliance/Medical, DD Residential and Veterans Services
- -Provide for and coordinate the inter-agency planning of DD residential services with community services (SRS-DFS)

Compliance/Medical Support (entire Department)

-CHART- Medical Services- Dept. large medical responsibilities

- All Institutions required to provide medical services
  - -Facilities
    - 1 licensed Hospital- 33 beds
    - 2 medical infirmaries - 18 beds
    - 4 (soon to be 5) licensed nursing facilities 526 beds
    - Total medical/nursing beds 579
  - -Medical Staff
    - 12 M.D.s/Psychiatrists
    - 1 Physician assistant
    - 195 RNs/LPNs
    - Total 208 staff - annual salaries of --$5.7 million
  - -Contracted Medical Services
    - Annual Contacts for medical services --<u>$1.9 million</u>
  - -Total annual medical costs ---------- $7.6 million
  - -Monitoring responsibilities of medical services provided by community service providers

-Medical Services (Contracted services) - Oversee all medical services and policies provided or contacted by the Department and provide consultation, assistance, coordination and evaluation of those services and policies.

- -<u>Consultation</u>- provide ongoing professional medical consultation, policy guidence and direction to the Director, Division Administrators, Superintendents, Institutional medical staff and community service providers.
- -<u>Assistance</u>- provide medical assistance to Institutional medical staff and contacted community service providers regarding the provision of medical services and the development and implementation of policies and procedures

-Coordination- coordinate all medical services between institutions, community services and provide direction and policy guidence regarding patient admissions, discharges, transfers or outside medical needs.
-Evaluation- conduct reviews and evaluations of all institutional medical services and policies or medical services and policies performed by contracted community service providers and report findings to the Department

CHART- Facility Mgmt- Dept has major responsibilities in planning, managing, and evaluating its campuses and facilities,
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7 Campuses (soon to be 8)
-43,902 acres (1447 used - 42,455 leased)
-226 buildings/structures(30 unused) = 1,010,152 sq. ft. Patient/inmate occupied bldgs must meet specific required bldg., fire, life and safety codes
-Average LRBP requests(last 2 bienniums)= 24 million
Utility Systems
-5 water systems, 4 sewer systems,- meet DHES,EPA standards
-On campus electrical and gas distribution systems
-Garbage disposal
-Transportation Systems(road/sidewalks etc)
-Underground storage tank- new regulations
-Total annual utilities FY 90 = $2,020,494

-Facility Management (1.0 FTE proposed)- Oversee the planning, management and evaluation of all Department facilities and campuses.
-Develop inventory or listing of all institutional campuses and facilities operated by the Department
-Conduct ongoing assessment and evaluation of all institutional campuses and infrastructures to include current and future conditions or expectations of buildings, utility systems, roads/sidewalks/parking lots, landscaping and equipment and report findings
-Manage the Long Range Bldg program for the Department
-Oversee all construction and maintenance projects
-Provide guidance and direction to institutional staff regarding the development, implementation and evaluation of preventive maintenance programs
-Provide consultation and direction regarding specific compliance to building fire, life and safety codes

Issues
-Additional operations staff to provide administrative support to Medical Services, Facility Management and DD Residential and Veterans Services
-Additional staff needed to provide support to institutional services regarding quality assurance, licensure/ certification compliance and resident/inmate abuse investigation.

VETERANS SERVICES

*Montana Veterans Home(MVH), Columbia Falls MT. 150 total beds. 90 beds are licensed for nursing care and 60 beds provide domiciliary care. The 90 nursing beds are licensed to meet both HCFA Medicaid and VA reimbursement requirements, while the 60 domiciliary beds meet only the VA requirements.

Support Services

-Administration, Food Service, Maintenance/Custodial

Treatment Services

-Nursing
-Medical/Dental
-Physical Therapy
-Social Work
-Medication/Pharmaceutical
-Special Dietary
-Activities
-Leisure/Recreation (domiciliary)
-Independent Living (domiciliary)

FY	1988 actual	1989 actual	1990 actual	1991 budgeted	1992 budgeted	1993 budgeted
ADP						
Nur	83	86	87	87	87	87
Dom	49	42	38	45	35	35
TOT	132	128	125	132	122	122
FTE	81.3	81.3	86.4	85.89	84.89	84.89

Issues

-Direct care staffing currently at minimum required levels
-Old unusable buildings creating safety hazards- need to be demolished

*Eastern Montana Veterans Home(EMVH),Glendive MT. Proposed 100 nursing beds.

-Between July 1989-March 1990, site selection committee and process chose Glendive, Mt. as proposed site.
-October, 1989 initial application for VA construction funding submitted to VA, and all criteria were met.
-April 1990 architect chosen to develop schematics
-August 1990 final application for VA construction funds submitted to VA
-Sept 1990 notification that application was complete and Montana placed into #1 priority
-Oct 1990 EMVH operational budget developed for the last 6 months of FY 93 and placed in the Executive Budget
-Dec 1990 notification from VA that Montana will not be funded in FY 91. EMVH FY 93 budget request pulled out of Executive Budget request.
-Aug 1991 Dept will resubmit application for FY92 funding

Issues

-Maintain State matching funds for construction
-Ability to staff EMVH once operational

DEVELOPMENTAL DISABILITY (DD) RESIDENTAL SERVICES

The Special Services Division manages the residential component of Montana Developmental Disabilities Service System (MDDSS) which consists of two licensed facilities: Montana Developmental Center (MDC) and the Eastmont Human Services Center (EHSC). The community component of the MDDSS is managed by SRS, DD Division and case management services are provided by DFS.

CHART

MDDSS SYSTEM

RESIDENTAL SERVICES	COMMUNITY SERVICES	
DofI	SRS	DFS
MDC-198beds(160)	47 Providers	Case mgmt.
EHSC-55beds	2544 individuals served	

Events leading up to the creation of the Governors Interagency Task Force on Developmentally Disabled and the development of the MDDSS 4 Phase Action Plan to modify statewide DD services.

- -History of previous studies (909)
- -Medicaid certification problems at MDC and EHSC and the potential loss of 8.0 million dollars annually to the state general fund
- -Successful court petition to move 6 MDC clients into less restrictive community services- affect an additional 50

MDDSS ACTION PLAN-OVERVIEW (Exec Summary Enclosed)

- -Phase I-Nov 89 - June 90- Mission statements developed for MDC, EHSC and community services; MDC staffing/program enhancements implemented; move 6 residents to new community services; develop Phase IV plan
- -Phase II-Apr 90 - Nov 90- 18 MDC residents moved to new community service: refine Phase IV plan for inclusion in the executive budget; develop new DD commitment law legislation
- -Phase III-Nov 90 - June 91- 30 MDC residents along with 22 community individuals moved into the SSSO ; present PhaseIV to the legislature.
- -Phase IV FY 92-93- 30 MDC residents moved to new community services along with 30 individuals from the community and 10 adolescents; MDC campus redesign

*MONTANA DEVELOPMENTAL CENTER, Boulder MT.- 198 bed licensed Intermediate Care Facility for the Mentally Retarded(ICF/MR)

Support Services

- -Administration, Food Service, Maintenance/Custodial

Treatment Services

- -Psychological Evaluation
- -Behavior Management Programs
- -Complete Medical/Dental

-Education Programs-school aged
-Vocational Training
-Physical/Occupational Therapy
-Speech Pathology/Audiology
-Recreation Therapy
-Special Dietary
-Basic Skills Training- self help, functional living, job, educational, communication, social.
-All residents have an Individual Treatment Plan(ITP) which incorporates all of the above services, through an inter-disciplinary team process, managed by a Qualified Mental Retardation Professional(QMRP)

FY	1988	1989	1990	1991	1992	1993
ADP	195	186	181	151	119	110
FTE	438.15	438.15	456.72	426.03	371.19	328.31

Medicaid Certification
-1985-1987 certification maintained however major deficiencies noted
-Sept 1988 DHES/Medicaid survey failed
-Oct 1988 New Medicaid ICF/MR standards adopted
-Dec 1988 follow-up survey failed-MDC decertified however medicaid maintained through April 1989 pending hearing
-April 1989 Hearing held- MDC granted 11 month intermediate sanction status through March 1990
-Sept 1989 DHES follow-up survey failed
-Oct 1989 Court orders 6 MDC residents to community services
-Nov 1989 Governors MDDSS Action Plan released
-Jan-Mar 1990 MDC implements program/staffing enhancements
-March 1990 DHES/Medicaid survey passed

FY90-91 Program/Staffing Enhancements Needed For Medicaid Certification (+21.5 FTE)
-Developed a new intra-disciplinary team approach to the ITP
-Changed daily activities/schedules to better meet ITP goals and ensure active treatment
-Developed smaller day activity groups and enhanced staffing
-Strengthened client rights and abuse/neglect policies
-Established active Client Grievance and Human Rights Committees
-Eliminated aversive behavior intervention techniques(time out corners)
-Increased Physician/Psychiatrist participation in ITP
-Restructured nursing services which requires RNs to have a caseload and participate in ITP
-Increased vocational and client worker programs
-Increased purchase of meaningful training supplies
-Enhanced and increased staff development/training program

-Improved and enhanced client living areas
-Implemented a new cook/chill food preparation system which improved quality, dietary control and freed up direct care staff for active treatment activities

*EASTMONT HUMAN SERVICES CENTER (EHSC), Glendive Mt. 55 bed licensed Intermediate Care Facility for the Mentally Retarded(ICF/MR)

Support Services
-Administration, Food Service, Maintenance/Custodial

Treatment Services
-Psychological Evaluation
-Behavior Management Programs
-Complete Medical/Dental
-Education Programs-school aged
-Vocational Training
-Physical/Occupational Therapy
-Speech Pathology/Audiology
-Recreation Therapy
-Special Dietary
-Basic Skills Training- self help, functional living, job, educational, communication, social.
-All residents have an Individual Treatment Plan(ITP) which incorporates all of the above services, through an inter-disciplinary team process, managed by a Qualified Mental Retardation Professional(QMRP)

FY	1988	1989	1990	1991	1992	1993
ADP	54	55	54	55	55	55
FTE	92.02	92.02	98.62	104.62	104.62	104.62

Medicaid Certification
-1985-1987 certification maintained with minor deficiencies
-Dec 1988 DHES/Medicaid survey failed
-March 1989 follow-up survey passed
-Nov 1989 DHES/Medicaid survey failed- MDDSS Plan released
-Jan-Mar 1990 program/staffing enhancements implemented
-Mar 1990 follow-up survey passed

FY90-91 Program/Staffing Enhancements Needed For Medicaid Certification (+ 6.0 FTE)
-Expanded and reorganized the active treatment program to provide more activities to clients
-Changed daily activities/schedules to better meet ITP goals and ensure active treatment
-Developed smaller day activity groups and enhanced staffing
-Increased and enhanced recreation program
-Increased purchase of meaningful training supplies
-Enhanced and increased staff training and development program
-Upgraded the Psychologist position to oversee all treatment services
-Improved medication administration
-Reassigned residents to different cottages to improve individual programming

Issues

- -Maintain program/staff enhancements to ensure medicaid certification at both MDC and EHSC
- -Specialize facility services to conform with MDDSS plan long range mission
- -Continue to reduce client/staff(downsize) to meet the new MDC mission and maintain morale, quality services and certification
- -Ensure that only individuals who meet the MDC mission are admitted through new DD commitment legislation
- -Educate community providers, justice/legal system regarding MDDSS and new law
- -Develop a new consolidated campus at MDC to ensure needed and appropriate services are provided to the new types of residents in a more appropriate atmosphere at a lower cost
- -If MDC campus redesign is not approved- re-institute LRBP and DNRC energy retrofit projects on the south campus
- -Ensure continuation of interagency long term planning for the MDDSS

DEPARTMENT OF INSTITUTIONS

STAN STEPHENS, GOVERNOR

1539 11TH AVENUE

STATE OF MONTANA

(406) 444-3930

HELENA, MONTANA 59620-1301

MEMORANDUM

DATE: December 4, 1990

TO: 1991 LEGISLATORS AND
OTHER INTERESTED PERSONS

FROM: THE GOVERNOR'S INTERAGENCY TASK FORCE
ON DEVELOPMENTAL DISABILITIES

RE: Executive Summary of the Action Plan to Modify the Montana's Developmental Disabilities Service System (MDDSS)

Enclosed for your review and inspection, is an Executive Summary of the Governor's Action Plan To Modify the MDDSS for fiscal years 1990 - 1993. This four phase plan was announced in November, 1989 and updated in January 1990 and again in October 1990. Phases I-III of the plan, includes objectives which have been or are being addressed in FY's 1990 and 1991. Phase IV addresses action strategies and objectives for FY's 1992 and 1993, and have been included in the executive budget request.

Questions regarding the report should be addressed to:

Robert Anderson, Administrator
Special Services Division
Department of Institutions
1539 11th Avenue
Helena, MT 59620
(444-3904)

Gary Walsh, Administrator
Program Planning & Evaluation Division
Department of Family Services
48 N. Last Chance Gulch
Helena, MT 59620
(444-5906)

or

Dennis Taylor, Administrator
Developmental Disabilities Division
Dept. of Social & Rehabilitation Services
25 South Ewing
Helena, MT 59620
(444-2995)

RA:bt

EXECUTIVE SUMMARY
THE GOVERNOR'S ACTION PLAN
TO
MODIFY THE MONTANA DEVELOPMENTAL DISABILITIES SERVICE SYSTEM (MDDSS)
1990-1993

INTRODUCTION

This report is a summary and further update of the Action Plan for the Governor's planned modification of the Montana Developmental Disabilities Service System (MDDSS) FY 1990-1993. This plan was released in November 1989, updated in January 1990 and again in October 1990. The Action Plan is the result of Governor Stan Stephen's commitment to develop a service delivery system that will meet the individual needs of each Montana citizen with developmental disabilities and is fundamental to the Governor's concept of efficient and responsive government. With legislative support of this MDDSS Action Plan the following will be accomplished:

- Improved interagency coordination and planning of the total developmental disabilities (DD) service system which includes community and residential services.

- Better defined missions of the community and residential components of the DD system which will ensure more appropriate care and treatment.

- The provision of more DD services to more individuals in less restrictive environments.

- The provision of new and additional services for adolescents with developmental disabilities.

- Improved residential programs through new and more appropriate facilities with enhancements and specialization of programs and services which will help ensure compliance with licensing and certification standards.

- Completion of the above through the reallocation of existing resources at no increased cost to the state of Montana.

Over the past several years Montana has faced increasing pressures to reorganize its service delivery system for persons with developmental disabilities. A sense of urgency entered the process during FY 90 as a result of a potential loss of $8-9 million dollars of federal Medicaid reimbursement to the State general fund from the Montana Developmental Center (MDC) and Eastmont Human Services Center (EHSC) and the successful court petitions of six MDC residents to be placed in less restrictive, community-based treatment environments. To facilitate the planning process and to ensure coordination among all agencies involved in the project, an interagency task force was appointed by Governor Stephens. This task force included representatives from the Department of Institutions (DofI), Department of Social and Rehabilitation Services (SRS), Department of Family Services (DFS), Department of Health and Environmental Sciences (DHES), Governor's Office of Budget and Program Planning (OBPP), Developmental Disabilities Planning and Advisory Council (DDPAC), Board of Visitors (BOV), Montana Advocacy Program (MAP), Family Members, and Community Developmental Disabilitaies service providers. The task force developed a four-phase reorganization of services that will create a system consistent with newly adopted mission statements within a three year period. This report provides an update and overview of Phase I-III (FY 90-91), Phase IV (FY 92-93), and the MDC campus redesign.

MISSION STATEMENTS FOR MDDSS

COMMUNITY SERVICES

Community-based services should provide persons with developmental disa-

bilities and their families the training and support necessary to allow the individual to achieve the greatest degree of independence possible. Community services extend into natural living and learning environments in both rural and urban areas. Among the available community service options are:

1. Traditional residential services such as adult, children's and senior group homes, or less structured residential options such as transitional and independent living services;

2. Vocational services such as supported employment, work activities and sheltered employment;

3. Non-vocational day services such as senior or intensive day programs; and

4. Family support services such as family training, specialized family care, respite care and adaptive equipment.

SPECIALIZED RESIDENTIAL PROGRAMS

Although a majority of individuals with developmental disabilities should be served in community-based programs, some individuals can be appropriately served in highly structured residential treatment alternatives offering specialized programs and environments for specific population groups. Consistent with the concept of specialized programs and environments for specific groups, the following outline presents the roles and functions of the Montana Developmental Center (MDC) in Boulder, Montana and Eastmont Human Services Center (EHSC) in Glendive, Montana.

MDC will provide comprehensive residential training and treatment services to:

1. Persons with developmental disabilities whose behavior problems at this time are so severe that they cannot safely and effectively be served in community-based settings. This group includes, but is not limited to, people with dual diagnoses of mental illness and mental retardation who also have severe behavior problems. Services for these individuals include:

   a. intensive time limited and transitional services for persons with severe behavior problems who respond to treatment and have the ability to care for themselves such that community placement will be feasible and appropriate; and,

   b. long term residential treatment and care for those with severe behavior problems who do not respond well to treatment; and

   c. court ordered diagnostic and evaluation services, not to exceed 30 days.

2. Persons with developmental disabilities who have no severe behavior problems, but who have major self help deficiencies which cause them to require:

   a. immediate emergency nursing or medical intervention; or

   b. total, or nearly total, assistance in caring for themselves.

EHSC will provide comprehensive residential, training, and treatment services to persons with developmental disabilities who:

1. have severe self-care deficits;
2. as a group are predominantly ambulatory;
3. do not have severe behavior problems; and,
4. do not have severe nursing or medical problems.

Based on the above mission statements the remainder of this report describes a four phase action plan to reorganize the MDDSS.

PHASE I - III
(FY 1990-91)

Phase I began November 1, 1989 and ended June 30, 1990. During this period, all three main objectives were accomplished through interagency efforts. First, the DofI instituted a staff enhancement plan at MDC and EHSC and met Medicaid certification requirements during the FY 1990 inspections. Second, six MDC residents were successfully placed in less restrictive community-based environment. Finally, Phase IV of the MDDSS Action Plan was developed and submitted in the Governor's initial executive planning process in January.

Phase II from April 2, 1990 through November 1990, addresses two primary objectives of system modification. First, 18 MDC or EHSC residents are being placed in three newly developed community-based intensive group homes located in Hamilton, Livingston and Billings. Second, the MDDSS Action Plan was refined and incorporated into the Executive Planning Process (EPP) in October 1990 for 1993 biennium budget considerations. Also, a DD Law Task Force was convened and has developed proposed legislative changes to Title 53, Chapter 20, MCA to ensure that DD commitment statutes better conform to the new MDDSS mission statement addressed earlier in this report.

Phase III of the MDDSS reorganization, from November 1990 through June 1991, will accomplish two main objectives. First, the Specialized Service and Support Organization (SSSO) authorized and funded by the 1989 legislature is being developed in Missoula and will be ready for placement of 30 MDC or EHSC residents and 22 from intensive community waiting lists. Second, the departments of SRS, DofI, and DFS will present a joint proposal to the 1991 Legislature for approval and funding of the Phase IV FY 1992-93 plan to meet future needs of Montana's developmentally disabled population.

The fiscal impact of Phases I-III are shown in Table I, page 5.

PHASE IV
Fiscal Years 1992-93

Phase IV of the MDDSS reorganization is a high priority and will represent the foundation of the Executive's 1993 biennium budget request for DD services. The objectives of Phase IV are to further ensure that only those individuals who are appropriate for DD community and residential missions are served in those settings. This will result in: (1) an increase in SRS and DFS obligations for the expansion of community DD services to meet the needs of 60 adults and 10 children with severe developmental disabilities; 2) enhancement and specialization of EHSC and MDC services and a further reduction of 30 MDC residents, (3) ensure that Phase IV can be accomplished without the need for additional state general fund dollars above the FY 91 appropriated level; and (4) the consolidation of the campus at MDC to more efficiently and economically meet the needs of 110 residents. These four issues are addressed as follows:

1. Increase in SRS and DFS Obligations

a. SRS is primarily responsible for the development and administration of community-based residential, day, transportation, family training and support services. In the Governor's Action Plan, SRS is in the process of financing construction and developing the necessary and appropriate community-based intensive services for individuals who are currently at MDC, EHSC, or on community waiting lists. To address this need, SRS will need funding for additional residential and support services for 60 individuals in addition to the four homes started in Phases I-II for FY 1992 and 1993. Also due to the increase in the number of individuals served by the DD Division, reorganization from a three region administrative concept to a five region concept will be needed and requires additional administrative costs. The SRS additional expenditures and

revenue sources for Phase IV are reflected in Table I.

b. DFS will experience an increased fiscal obligation in four (4) program areas as a result of Phase IV. The first responsibility will be to provide case management services to individuals who are in need of intensive care that will be provided in community-based services. Second, individuals who are placed in community homes will become eligible for Montana's State Supplement to federal Social Security Income, resulting in modest state payments to each. Third, training for case managers who will be involved with individuals with developmental disabilities will be necessary because of the intense level of attention each client demands. Finally, as an integral part of the restructuring, provision of services to 10 additional children who are difficult to serve will result in new community services. DFS additional expenditures and revenue sources for Phase IV are represented in Table I.

2. DofI (MDC/EHSC) The goal of the DofI in Phase IV is to attain a specialization of facility services in conformance with the long range mission of the MDC and EHSC. In order to meet that goal, the department must maintain Medicaid certification standards, reduce the total resident population, narrow the definition of individuals with developmental disabilities who should be served at the facilities, reorganize staffing patterns to accommodate these changes, and physically restructure the MDC campus.

   During FY 1992, an additional 30 MDC residents will be placed into community services further reducing MDC to an average daily population (ADP) of between 100 to 110 residents. Although a total of 84 residents are to be placed out of MDC during Phases I-IV, ADP's also reflect projected admissions. Table I reflects actual and projected ADP and FTE levels for FY 90-93. MDC's FTE levels will be reduced from 456.72 in FY 90 to 328.31 in FY 93, for a total reduction of 128.41. The majority of MDC projected savings will result from these FTE reductions. EHSC will add an additional 6.0 FTE and will experience a corresponding increase in expenditures.

3. Table I displays the appropriations, expenditures and revenue sources for all four phases of the MDDSS action plan. Total FY 90 and FY 91 appropriation levels (HB 100) are displayed for MDC and EHSC. Appropriations for SRS and DFS are not shown as their expenditures represent only the additional costs required above their appropriation levels. Funding sources represent the portion of total expenditures from state General Funds and federal or other funds. MDC and EHSC savings are determined by the differences in the appropriation levels and expenditure levels.

   Although both MDC and EHSC are totally funded with General Fund dollars they both collect reimbursement revenue from Medicaid, Medicare, private insurance and private pay which is deposited directly into the State General Fund. Federal Medicaid reimbursement represents the largest share, approximately 94% of total collections while the other revenues represent the remaining 6%. These collections are shown under Federal/Other revenue sources on Table I. As the population is reduced at MDC, not only will their expenditures decrease, but also federal Medicaid reimbursement revenue they generate will decrease. Because of the major changes in resident population and mission at MDC, federal Medicaid regulations allow the state to recalculate (rebase) the Medicaid per diem rates each year. These recalculations incorporate the higher costs associated with the changes at MDC and help mitigate the loss of Medicaid reimbursement revenue. The increase in the per diem Medicaid rates that this plan projects is only available because of the major changes at MDC. Ordinarily, the frequency with which rates may be rebased, from year to year, is restricted by federal regulations and are typically limited to the amount of a pre-established inflation index. MDC/EHSC reimbursement collections are projected to exceed the FY 90 level in both FY 91 and 92 and almost equal the amount in FY 93 even

with a reduced population at MDC. Federal revenue generated by community service is projected to increase $4.1 million during the 93 biennium.

TABLE I
MDDSS FISCAL SUMMARY
FY 1990 - 1993

FY	Phase I - FY90 Actual	Phases II&III - FY91 Projected	Phase IV FY92 Projected	FY93 Projected
APPROPRIATIONS-ADP-FTE				
MDC	$13,119,286	$13,419,976		
ADP	181	151	119	110
FTE	456.72	426.03	371.19	328.31
EHSC	$ 2,523,615	$ 2,609,384		
ADP	54	55	55	55
FTE	98.62	104.62	104.62	104.62
EXPENDITURES				
DofI				
MDC	$12,617,989	$12,466,601	$11,016,321	$10,006,108
EHSC	$ 2,374,271	$ 2,746,475	$ 2,860,091	$ 2,871,015
SRS	$ 224,500	$ 1,204,706	$ 2,624,681	$ 4,061,260
DFS	-0-	-0-	$ 279,440	$ 463,266
TOTAL EXP.	$15,216,760	$16,417,782	$16,780,533	$17,401,649
REVENUE SOURCES				
General Fund				
MDC*	$ 5,331,573	$ 4,327,485	$ 3,697,903	$ 3,439,145
EHSC*	$ 956,552	$ 776,644	$ 794,207	$ 793,743
SRS	$ 193,390	$ 534,725	$ 1,250,144	$ 1,736,019
DFS	-0-	$ -0-	$ 119,429	$ 195,134
TOTAL	$ 6,481,515	$ 5,638,854	$ 5,861,683	$ 6,164,041
	43%	34%	35%	35%
Federal/Other				
MDC	$ 7,286,416	$ 8,139,116	$ 7,318,418	$ 6,566,963
EHSC	$ 1,417,719	$ 1,969,831	$ 2,065,884	$ 2,077,272
SRS	$ 31,110	$ 669,981	$ 1,374,537	$ 2,325,241
DFS	-0-	-0-	$ 160,011	$ 268,132
TOTAL	$ 8,735,245	$10,778,928	$10,918,850	$11,237,608
	57%	66%	65%	65%
TOTAL REVENUE	$15,216,760	$16,417,782	$16,780,533	$17,401,649

* Since both MDC/EHSC are totally funded with general fund dollars, these figures represent the net affect to the general fund by subtracting the federal/other revenue from the total expenditures.

As this MDDSS Action Plan progresses from Phase I (FY90) through Phase IV (FY93), expenditures for residential services (DofI) decreases while community services (SRS - DFS) increases. The MDDSS Plan represents a total increase of 2.2 million dollars to the DD system with a net savings to the State General Fund.

4. MDC CAMPUS REDESIGN

By the end of FY 1992, the MDC population will be stabilized at 100-110 residents. MDC is currently located on a large spread-out campus on the southeast end of Boulder, Montana. The facility campus covers over 190 acres and is divided in half by the Boulder River making a South and North Campus. Presently, buildings on both campuses are being utilized. The main goal of a campus redesign would be to reconstruct a smaller, more useful and efficient campus on the north side of the river. The primary objectives of a campus redesign are:

- Provide a fully licensable facility for treatment of 52 non-ambulatory clients and 50-60 low and high skill clients with severe behavior problems. Meet all ICF/MR code requirements, and have ability to adapt economically as codes become more stringent. All new construction and all remodeled space must comply with the uniform federal accessibility standards.

- Provide a facility which trains clients to progress to a less restrictive environment or community environment whenever possible.

- Build a facility which recognizes the aggressive/destructive behaviors of some clients.

- Develop a compact campus to minimize transportation of residents, services, materials, and maximize staff efficiencies.

- Abandon outdated structures and utilize existing buildings and campus assets wherever practical.

- Develop a smaller home-like residential atmosphere to the extent possible, and provide services in a community-like or normal setting.

The DofI projects further reductions in staff and cost savings associated with operating out of a smaller compact campus. Additional reductions in Administration, Support, Professional and Direct Care staff could be made as the manpower required to operate out of the current old campus would no longer be needed. Table II shows projections of further staff reductions and cost savings associated with a smaller campus.

TABLE II
MDC CAMPUS REDESIGN
FISCAL SUMMARY

	Phase IV		
FY	FY92 Projected	FY93 Projected	FY94 New Campus
APPROPRIATIONS-ADP-FTE			
MDC			
ADP	119	110	110
FTE	371.19	328.31	286.42
EXPENDITURES*			
MDC	$11,904,713	$10,894,500	$9,647,262
REVENUE**			
General Fund	$4,063,895	$3,722,717	$3,376,542
Federal/Other	$7,840,818	$7,171,783	$6,270,720
TOTAL REVENUE	$11,904,713	$10,894,500	$9,647,262

* Expenditures include $888,392 annual MHFA loan payment
** Federal Medicaid Revenue based on higher per-diem rates due to construction costs.

The estimated cost of new construction and the campus consolidation is approximately $8.0 million based on projections from the Department of Administration, Architecture and Engineering Division. The task force is recommending that the DofI finance the MDC campus redesign through the Montana Health Facility Authority (MHFA) over 20 years, utilizing an increase in cost-savings and Federal reimbursement revenue generated from rebased Medicaid per diem rates which include construction costs.

Table II incorporates the $888,392 annual payments into the MDC expenditures for 1992-94 and also projects new federal revenue figures based on the new Medicaid rates. By operating out of a new consolidated campus, MDC could reduce FTE an additional 41.89 generating savings in expenditures of approximately $1.2 million dollars annually. This savings along with the ability to generate additional revenue demonstrates that this campus redesign can also be accomplished without the appropriation of additional general fund dollars above the FY 91 level.