MINUTES

MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION

Call to Order: By WM. "RED" MENAHAN, on February 5, 1991, at 8:00 A.M.

ROLL CALL

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

Members Excused: Sen. Dick Manning

Staff Present: Sandra Whitney, Associate Fiscal Analyst (LFA)
Mary LaFond, Budget Analyst (OBPP)
Mary Lou Schmitz, Secretary

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

Curt Chisholm, Director, Department of Institutions, said he would discuss the Department's proposal for closing the Galen campus. Montana State Hospital is an administrative entity responsible for managing two separate campuses. One is the Warm Springs campus that traditionally has been and still is the state's inpatient psychiatric care facility for individuals with serious mental diseases. The Galen component provides residential inpatient care for chemically dependent individuals and nursing home and hospital care for Institutional clients. The Galen operation does not fit within the definition of being an integral part of the mental health system, nor does it fit in terms of being an integral part of the corrections service delivery system or the DD system.

There are three distinct programs at Galen. The first is an acute hospital licensed for 33 beds. In FY89 the 33 bed hospital experienced an average daily population of 13.9 patients which means 58% of the beds were vacant and 42% of the beds were filled. That is a very low occupancy rate for a very expensive operation. In FY91 the billable rate for the hospital beds is $198.84 a day. The acute care patients represent only 1.04 patients on an ADP. This trend has been continuing downward throughout the last five years. **Mr. Chisholm** said he does not justify maintaining an acute care hospital for the few patients

they have.

The second program is a long term or nursing care component. The problem is to affix a sense of responsibility and definition to these beds. There are vacancies at Galen and substantial vacancies at the other facilities. Given the high vacancy rates at all three of the nursing home locations, a patient care assessment was done to re-analyze these populations on the Galen, Warm Springs and Center for the Aged Campuses. This was done using assessment forms intended to give some indication whether these people needed to be in nursing care beds and what form of nursing care environment was appropriate. The results of that assessment indicated a number of people within an institutional environment did not need to be there.

An objective nursing care assessment was done by commissioning a study with representatives from the Montana-Wyoming Foundation for Medical Care, the state's professional review organization, relative to federal entitlement programs subsidizing acute medical, intermediate and skilled nursing care throughout the state. The results of that assessment were: Of the 265 patients reviewed, 74 in institutional care beds required ordinary nursing care and did not require any specialized care. They recommended that 105 of these patients could more appropriately be served at the Center for the Aged, 31 needed to be served in the intensive treatment environment in Unit 219 at Warm Springs as nursing care patients, and 55 individuals were personal care patients and should be placed in personal care environments outside institutional facilities.

The third component is the chemical dependency program which contains two separate programs. There is a 72 bed alcohol services center which is a free standing, typical 28 days residential inpatient program for recovering alcoholics. There is a 15 bed program called the Lighthouse Drug program. **Mr. Chisholm** said it makes sense to phase them out. What the Department is recommending is to relocate the beds but not at the current levels. They would contract with existing free-standing and hospital based programs that represent 300 beds that are under-utilized and contract up to 50 beds statewide for the managed care availability for inpatient treatment for the indigent, chemically dependent populations of Montana.

SEN. BECK asked the Department of Institutions to provide written documentation so figures can be compared.

OPPOSITION TO GALEN CLOSURE

Keith Colbo, representing the Galen Task Force, spoke in opposition to closure of Galen Campus. He introduced the following people:

Jim Flynn, Chairman, Galen Task Force, an organization consisting of individuals from the communities of Anaconda, Butte and Deer

Lodge. The task force's concern was economic impact and effect on employees residing in those communities. They were also concerned for the programs at Galen and the abrupt ending of that facility. There have been many years of commitment and those clients have received the benefits of that commitment.

The Task Force was formed as a result of the Department's recommendation and it gave five reasons for its justification. There was a savings of $7,000,000 in the Biennium, the facility was under-utilized, the care was available elsewhere, the infrastructure was decaying and inefficient and there was difficulty in recruiting and retaining the staff. Since that time there have been reviews of the recommendation by the State Legislative Auditor's office, by the Legislative Fiscal Analyst's Office and the committee report conducted by the staff at Montana State Hospital. These reviews cast serious questions about the five reasons the Department initially used to justify the recommendation. Because of serious differences, the Task Force is requesting the Galen Campus be funded for the next Biennium and its programs continued.

Charlotte Denda, Substance Abuse Counselor, Galen Alcohol Service Center, spoke in support of the staff and described the effectiveness of the program. They should be thinking of increasing service instead of decreasing it because of client waiting lists.

Lee Jaeger, Detox Counselor, Montana State Hospital, Galen, compared private (Intensive Outpatient) costs with services at Galen and quoted figures showing cost effectiveness.

Mike McGrath, Lewis and Clark County Attorney, representing Montana County Attorneys' Association, said their concern about the closure proposal relates solely to the alcohol treatment program. They get involved in sending people to this program who have an advanced state of alcoholism. It is their position that outpatient services will not be effective as a means to treat these people. They need to be removed from their communities as they do not have the support systems necessary to make an intensive outpatient treatment program work. For these reasons, it is imperative the state continue to operate an inpatient alcohol treatment program.

Ed McLean, District Judge, Missoula County, expressed concerns he and other district judges have with the attempted closure of the chemically dependent unit at Galen. Local services are not available to provide the types of service when chemical dependency is involved. If a person is without funds or insurance they have to utilize the Institution's facility. They are sent there on the recommendation of qualified people.

Jack Lynch, Chief Executive, Butte-Silver Bow, said the Butte, Anaconda and Deer Lodge area loss of jobs relative to this proposed closure will have an economic impact and he urged the

Subcommittee to take a long hard look at all the figures.

Carroll Jenkins, Representative of the Mental Health Association of Montana said his organization expresses deep reservations about proposed closure of three programs on the Galen campus: The Lighthouse program, the alcohol treatment program and the acute care hospital. They strongly believe that Montanans in need of treatment for mental illness or chemical dependency should be served in the least restrictive environment possible. They are concerned that proper planning for and development of less restrictive alternatives for these programs has simply not happened. **Exhibit 1**

George Hagerman, Executive Director, American Federation of State, County and Municipal Employees (AFSCME), Council 9 represents almost 3,000 Montana public sector employees including those at Galen. **Exhibit 2**

Eunice Connally, President, AFSCME, Local 1620, Galen, represents 150 employees and includes the direct care workers, maintenance workers and clerical staff and said they are opposed to a proposed Galen closure.

Dorothy Young, LPN at Galen for 7 years, spoke as an advocate for her patients.

Kathy Logan, an LPN at Galen for 11 years, described patients and said they do not adjust to changes or moves.

Shirley Kelly, member of the Galen Task Force and an employee at Galen for 24 years, is presently working in the chemical dependency unit.

Ann Bethke, local president, MNA association on the Galen campus, represents Registered Nurses. Galen residents require skilled nursing care as their needs are very detailed. The Department cost analyses do not account for the fact that Galen provides essential mental health and medical services that long term patients need.

Wilbur Rehmann, Labor Relations Director, MNA represents 1300 statewide members who during a recent convention voted overwhelmingly to oppose the closure of Galen. They represent nurses in collective bargaining units from surrounding health care facilities and all of those RNs support the testimony **Ms. Bethke** gave.

Dick Baumberger, Legislative Representative for Disabled American Veterans spoke on behalf of the Galen chemical dependency program. **Exhibit 3**

Terry Minow, Representative for Montana Federation of Teachers, Montana Federation of State Employees and Alcohol and Drug Dependency Counselors at Galen, said she is not testifying about

saving jobs as their members from Galen can find better paying jobs in the private sector. She is testifying in support of an excellent, cost efficient service provided to Montana residents.

Hal Manson, Representing American Legion Department of Montana, said his organization is opposed to closing Galen. There is a great need for what it does and cannot see substitutes because of the costs on the outside.

Jean Collins, Billings, spoke on behalf of her daughter, a former patient at Galen. **Exhibit 4**

Audrey Asphalm, Chairman, Anaconda-Deer Lodge County Commission said as an employee in the private sector, she has seen dramatic changes in the last six months due to the Omnibus Reconciliation Act (OBRA) of 1987. The private nursing homes will not be able to meet psychiatric and psychological needs that are already being met in Galen.

SEN. BECK asked **Dr. Gary Lord** what the patient load is at Galen campus. Dr. Lord said the criteria for acute care is spelled out diagnosis by diagnosis and in hospitals were reimbursed on the basis of the number of days they were given by diagnosis. In looking at the Galen patients, several did not meet the criteria so were put in a category of non-acute care rather than acute care. In FY90 they treated 300 people for detoxification.

REP. MENAHAN asked **Dr. Virginia Hill** her view on moving patients between Warm Springs and Galen. **Dr. Hill** said it could be extremely traumatic and is very concerned about that. She mentioned the intensive nursing needs of the patients on the nursing home unit at Galen. They have untreatable psychiatric disease and serious medical illnesses that require constant monitoring. There are terrible behavioral problems that take three or four staff persons to provide them with basic needs. Most are referred from nursing homes who could not manage them.

SEN. BECK said he recently heard comments about the infrastructure at Galen and asked if there is any report. **Dr. Lord** said people coming through the facility do not see any decaying or crumbling. The care and maintenance figure for FY90 was less than FY88 or FY89. There are things to be done over a prolonged period of time to keep the facility functional. **SEN. BECK** asked if he was correct in assuming there was an accreditation team looking at the facility and felt it was in good shape. **Dr. Lord** said it is his understanding it meets current standards and is not at grave risk. **Jane Edwards, Superintendent, Montana State Hospital,** said a Department of Health and Environmental Sciences Medicaid survey of the long term care unit was done in December and they received no deficiency and the best review they have ever had.

SEN. BECK asked **Mr. Chisholm** if he had any other alternatives for the Galen campus. **Mr. Chisholm** said they would continue to

provide inpatient care on that campus, relative to temporary, if not permanent use, as a facility to place correctional population because of forced expansion.

ADJOURNMENT

Adjournment: 11:00 A.M.

Wm Menahan
WM. "RED" MENAHAN, Chair

Mary Lou Schmitz
MARY LOU SCHMITZ, Secretary

WM/mls

HOUSE OF REPRESENTATIVES

INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

ROLL CALL DATE 2-5-91

NAME	PRESENT	ABSENT	EXCUSED
REP. WM."RED" MENAHAN, CHAIRMAN	✓		
SEN. DICK MANNING, VICE-CHAIRMAN			✓
REP. DOROTHY CODY	✓		
SEN. ELEANOR VAUGHN	✓		
REP. CHUCK SWYSGOOD	✓		
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		

HR:1991
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Mental Health Association of Montana

A Division of the National Mental Health Association

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(406) 442-4276 • Toll-Free 1-800-823-MHAM

2-5-91
Inst. Subcomm.

Working for Montana's Mental Health

TESTIMONY BEFORE THE SUBCOMMITTEE ON HUMAN SERVICES
FEBRUARY 5, 1991

ON BEHALF OF THE
MENTAL HEALTH ASSOCIATION OF MONTANA

Good morning Mr. Chairman and Members of the Committee. My name is Carroll Jenkins. I represent the Mental Health Association of Montana.

The Mental Health Association of Montana today wishes to express deep reservations about the proposed closure of three programs on the Galen campus of Montana State Hospital; the Lighthouse program, the alcohol treatment program, and the acute care hospital.

The Mental Health Association of Montana strongly believes that Montanans in need of treatment for mental illness or chemical dependency should be served in the least restrictive environment possible. We are concerned, however, that proper planning for and development of less restrictive alternatives to these programs scheduled for closure at Galen has simply not happened.

During the past several months, the Association, like many Montanans has waited for detailed alternate plans for placements of persons now served on the Galen campus of Montana State Hospital.

Ex. 1
2-5-91
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We applaud the Department for the time and resources expended developing alternative and appropriate placements for persons now in the long term care facility at Galen.

We believe that you need the same kind of detailed information about how and where Montanans now served by the acute care hospital, the Lighthouse chemical dependency, and the alcohol treatment programs at Galen will have their needs met before these programs are simply closed.

We also wish to express the same concerns about Montanans served by the Montana State Hospital facilities at Warm Springs. We note that the Governor's budget clearly presented a commitment to increase funding for community based mental health services in the face of reductions of institutional services. We applaud the Governor's commitment, but still await a plan that clearly and expressly outlines execution or funding of the policy.

The Mental Health Association therefore asks the Montana Legislature to examine the appropriateness and the quality of the programs offered at both Warm Springs and Galen during the upcoming interim. We also ask that the Legislature to carefully examine pending legislation that would require all programs at Montana State Hospital be accredited by the Joint Commission of Accreditation of Health Care Organizations. We believe that a fiscal note laying out the cost of providing minimum accreditation

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services at Montana State Hospital will assist the Legislature make intelligent decisions about the best way to help Montanans in need of mental health services.

The Mental Health Association firmly believes that persons should not be in Montana State Hospital simply because there is no where else for them to go; it is after all a HOSPITAL.

Montana State Hospital must serve as the institutional anchor for a community based mental health system in Montana. Persons should be in Montana State Hospital because they are in need of hospitalization and treatment that cannot be delivered in a less restrictive setting.

The Association will work with the legislative and executive branches of government during the next eighteen months to carefully fashion proper care alternatives for Montanans now served by Montana State Hospital.

THANK YOU.

WRITTEN TESTIMONY OF

GEORGE HAGERMAN
EXECUTIVE DIRECTOR
AMERICAN FEDERATION OF STATE, COUNTY AND
MUNICIPAL EMPLOYEES (AFSCME), COUNCIL 9

SUBMITTED TO:

THE JOINT HOUSE AND SENATE
APPROPRIATIONS SUBCOMMITTEE
ON INSTITUTIONS AND CULTURAL EDUCATION

February 5, 1991

**GALEN: WE CAN AFFORD TO FUND IT.
WE CAN'T AFFORD TO BE WITHOUT IT.**

For over 70 years the Galen campus of Montana State Hospital (Galen) has provided critical care for the state's most needy residents. Today, the Department of Institutions proposes to eliminate this essential source of care by closing Galen. The question is not whether we can afford to fund Galen, but whether we can afford not to fund Galen.

What has become apparent since the DOI first announced their intention to close Galen is that Galen provides unique and essential services that cannot be replaced by other providers; Galen serves the poor, the needy, and the difficult to treat who would be unable to find care if not for Galen; the cost of closing Galen might actually exceed the costs of keeping Galen open; and Montana needs Galen's services now and in the future.

These type of issues have been encountered throughout the country when states have closed institutions. As national experts and officials in one locality after another have looked at the results of institutional closures to date, they have identified a common set of problems. First, there are inadequate numbers of providers to care for the displaced patients. Second, the poor, minorities and the difficult to treat have a hard time getting access to the private sector providers. Third, the state institutions provide care to a population that private providers do not know how to care for. Fourth, no one is accountable for

those who need services. Finally, states have inadequate quality and price controls over the private community care.

Massachusetts makes a good case study. During the 1970's Massachusetts closed several health care institutions and purchased care from private providers throughout the state to replace the state institutional services. A 1980 study by the Massachusetts Taxpayer's Foundation of the state's purchase of service system concluded that the state had lost control of the system. Specifically, the study found that the state could not account for one-third of the funds that had gone to contracts through its delivery system.

Because Massachusetts not prepared to provide services, the state became completely dependent upon and at the mercy of private providers. The state was not in a position to demand reforms from the providers and was not in a position to resist their demands for more money. New York, Washington and Wisconsin have had similar experiences.

The closure of Galen will place Montana in a similar position. Only the private sector will be providing substance abuse treatment and pulmonary disease treatment should Galen close. While it could be argued that the state will provide long term care services even if Galen should close, Lewistown and Warm Springs provide care to a much easier to care for client than Galen does.

Montana, like Massachusetts, New York and Washington will have to rely on contracts with private providers to make care available to the poor. However, Montana will have no guarantees that this

care will be of a consistent quality, of sufficient quantity, or delivered to the difficult (and therefore more expensive) to care for. A provider's client is the funding source. If the patient is not paying for his own care, then the patient is not the client. Where state contracts pay discounted rates, second class and inadequate care result: the provider has no motivation to respond to the patient.

In addition, once the state is out of the business of providing care, they will have no power to resist the hefty price increases that providers will demand. This is the law of supply and demand. The state's only method to control costs will be to reduce the quantity of services which they fund, leaving those without insurance coverage and those unable to afford the treatment with no care.

AFSCME rejects the idea that Montana is spending too much on state health care facilities. One of the critical problems nationwide, is that private community based providers cannot or will not treat the poor, those with mental illness and disabilities, the chemically dependent and the difficult to care for. Getting out of the health care business is not the answer. States throughout the country have found that a combination of publicly and privately provided care is essential to ensuring that all their citizens have access to needed services.

The many states that have made a clear choice to stay in the business of providing health care cite the following reasons for continuing:

1. Based on irregularities of purchase of service systems, states have chosen not to rely on vendor-operated facilities;

2. State-operated facilities serve as emergency back-up centers for the private community services;

3. State residents desire for continued state provided services, and the quality and continuity of care which accompany them; and

4. The value of skilled, experienced state workers dedicated to providing care to the most medically complex patients.

* * * * * *

The heart of the DOI proposal to close Galen argues that: 1) the acute care unit and the long term care unit are underutilized; 2) appropriate patient care is available from other providers; and 3) that the Galen campus is outdated and requires costly repairs. The remainder of our testimony will outline problems and inadequacies of the DOI arguments.

Utilization of Galen Services:

According to DOI Galen long term care and acute care services

are underutlized. The data which DOI offers certainly suggest such a situation. However, what the DOI did not reveal is that Galen is budgeted for 85 beds and on average served 71 patients each day. These data calculate to an occupancy rate of 84%, far higher than the DOI's 35%. Furthermore, the DOI controls the rate of admission and could very easily have restricted admissions to Galen to reduce the patient population.

The DOI also argues that acute care unit utilization has dropped dramatically. Yet this is not the full situation. Third party payer criteria of an acute care day has changed dramatically in an effort to reduce the amount of services insurers will pay for. Insurers simply do not cover much in the way of substance abuse services anymore. So the reduction in acute care days is simply an artifact of changing insurance coverage criteria. The fact remains that Galen patients still needed acute care services.

The testimony submitted by the Warm Springs/Galen Task Force provides much more detailed information on these points.

The Need for Galen Services

A real need for Galen's services exists throughout Montana, yet the DOI has not examined this issue or tried to reach out to those in need of Galen services but not receiving them.

Population based studies conducted nationally find that over 13 million elderly need medical and personal care services that they do not receive. A large portion of these unserved elderly need nursing home care and a subgroup of this population needs

nursing home care with mental health services.

While these are national figures (figures for Montana are not available), it is hard to imagine that the situation is significantly different in Montana. In fact, because the elderly population is rising so fast in Montana, seven times faster than the general population, it is likely that this situation is worse. There is a shortage of quality nursing homes, closing Galen will only make the situation worse.

The closure of Galen's long term care unit presents some very particular problems. The Galen long term care unit serves a very specific type of patient: the elderly mentally ill. The 1987 Nursing Home Reform Act, which went into effect on October 1, 1990, requires that nursing home residents with mental illness must receive specialized services, arranged and paid for by the state, for their mental illness. This requirement was enacted, because nursing homes were providing inadequate and poor quality services to their mentally ill residents.

Galen residents receive the specialized services which are now required by federal law. However, most other nursing home still do not provide these services, it is the state's responsibility to do so. The DOI's own patient assessment study indicated that Center of the Aged did not provide needed mental health services. In fact, the DOI analysis concluded that the Center for the Aged patients had "The most frequently noted unmet service needs".

The Galen long term care unit provides unique and needed long

term care services to the state's elderly. It is clear that nursing home care, like that provided at Galen, is an essential part of the long term care continuum. Galen's closure would leave a serious gap in that continuum.

Turning to the need for Galen's substance abuse treatment services -- the overwhelming need for Galen's substance abuse treatment services is clearly demonstrated by the high level of use that unit has. However, several points should be highlighted. Galen substance abuse treatment program is the only relatively low cost program in the state.

For Montana residents who's insurance limits their substance abuse treatment costs to $2,000 (a common limit on policies), Galen offers the only affordable option. Even worse, for those who have no insurance, Galen is their only hope. State funded contracts to replace Galen will not be sufficient. The state cannot fund the volume of care provided at Galen for the same price in the private sector. Again, the Warm Springs/Galen Task Force testimony provides detailed information in this area.

Finally, the pulmonary disease treatment provided by Galen is a unique service. While it is only a small part of Galen, it is vital to the state's public health. The incidence of tuberculosis (TB) is on the rise. The Center for Disease Control (CDC) research has found that the incidence of TB among people infected with the human immunodeficiency virus (HIV, the virus that causes AIDS) is extremely high. In fact, the CDC now recommends that all people who test positive for TB be tested for HIV and that all people who

test positive for HIV be tested for TB immediately. Furthermore, recent CDC guidelines state that TB carriers with HIV should be isolated in infection control facilities for at least 7 days. This means that special facilities will have to be available for those who are TB and HIV positive, home care will not be an option.

The High Cost of Closing Galen

The closure of Galen would likely result in paying more for less service -- a double loss to Montana taxpayers. Throughout the country, states which have contracted for health care (and any other type of service) find that to achieve the "low bid" price, private providers simply provide less care. In Ohio, Michigan, California and many other states, contracting out for health care has resulted in poor quality care and patient deaths.

In Ohio, residents of private group homes were being fed only carrots, celery, and crackers for lunch, and were forced to live without soap, toothpaste, and toilet paper. (Cincinnati Enquirer, 9/30/84). Documentation of inadequate food, inadequate staffing and absent medical services in private nursing homes throughout the country abound.

Documented experience from states throughout the country indicates that once the state is no longer a direct provider of services, it is easier for a state to cut back appropriations for essential care.

In order to justify Galen's closure, the DOI cost estimates

seriously underestimate the real costs of caring for Galen residents. Private sector providers must run for a profit or "surplus" in the case of non-profits, which state facilities do not receive.

In addition, studies show employee turnover rates in private sector facilities far surpasses turnover in state operated institutions. Data from California shows that staff turnover rates in private nursing home are close to 100 percent per year. More recently, researchers at the University of Illinois found that staff turnover in private facilities occurred twice as often as turnover in public facilities.

Excessive turnover increases the cost of care dramatically, and jeopardizes the quality of care. A 1978 study calculated the average cost of replacing a direct care staff person in 1978 was $1,500, in 1991 that cost would be over $2,500. In a facility with 100 employees with a turnover of only 50 employees, recruitment and training would cost only $125,000. In contrast, in a facility with 100 employees with a turnover of 100 employees, recruitment and training would cost $250,000.

As pointed out in Ann Bethke's testimony, the DOI has also forgotten to include the cost of ancillary services in its analysis of private sector costs. These services, which are extensively needed by Galen patients, are included in the Galen cost estimates. If included in the private sector cost estimates the cost of private sector care would increase dramatically.

Hidden costs such as these will certainly make the closure of

Galen a surprisingly expensive decision.

Appropriate Care is Not Available from Other Providers

Galen patients have traditionally been those who private providers are unwilling or unable to serve. The chemically dependent for whom past treatment has not been successful, the elderly who's care is so complex that nursing homes were unable to manage, the mentally ill in need of acute care services. Private providers simply do not have staff with the necessary skills or sufficient resources to provide the complex care that Galen patients require.

One example of this situation is in the long term care area. The state proposes to transfer Galen nursing home patients to other state nursing homes or to private nursing homes. Yet the Galen long term care patients require a staff to patient ratio of one to four. Montana nursing homes do not even come close to such a staffing level. In 1988, analyses show that **90% of Montana's nursing homes did not even have enough staff to meet expert recommended minimum staffing levels of one staff per 10 patients.**

The staffing situation at the Center for the Aged in Lewistown would also have to be increased dramatically to meet Galen patients' needs. It is particularly troubling that the state proposes to transfer Galen patients to the Center of the Aged, even after their own analysis revealed that facility did not meet its patients' needs.

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It is clear that the closure of Galen has the potential to cost taxpayers more money, will reduce the availability of essential services to state residents, will reduce the quality of care that the present Galen residents receive, and leave Montana's most vulnerable citizens with even fewer sources of care.

Montana can afford Galen.

Montana cannot afford to be without Galen.

FINAL REPORT

SPECIAL TASK FORCE FOR STUDY OF LONG RANGE PLANNING AND FUTURE DELIVERY OF ALCOHOL AND DRUG ABUSE TREATMENT IN MONTANA

July 16, 1982

Department of Institutions
1539 11th Avenue
Helena, MT 59620

Exhibit # 3 2/5/91
Instit. Subcomm.

ATTACHMENT D

HISTORICAL PERSPECTIVE OF PUBLIC TREATMENT IN MONTANA

1911 Public Inebriate Statute Enacted by the 12th Legislative Assembly

"A "department" established at Montana State Hospital at Warm Springs called "State Hospital for Inebriates" supervised and controlled by the "State Board of Commissioners for the Insane"."

Commitment made by District Judge "if after examination or hearing" "that the accused in proper person to be committed to said hospital. The term of detention or treatment shall be until cured or until the Superintendent of the hospital is satisfied that the person is not receiving substantial benefit from treatment."

1935 Formation of Alcoholics Anonymous in Ohio

This voluntary association found its way into Billings and from there spread to Western Montana. AA currently exists in every county in the state with many groups in larger cities meeting seven days a week. AA has a fiercely independent tradition of self-help for its members and does not associate itself or its members with public or private institutions of any kind. To include AA as part of the historical system of alcoholism services available in Montana is in no way meant to undermine their independence or anonymity. The facts of the matter are that AA is the only free, long term, effective sobriety maintenance program available in Montana. As such, it becomes an integral part of the alcoholism services system in the state regardless of the fact that it has no formal ties with conventional notions of a state system of services. Many people passing through other elements of the state system of services eventually belong to AA to maintain their sobriety.

1935 Founding of Shadle Alcoholism Hospital in Seattle

Montanans who could afford it often sent people to Shadle as an alternative to Warm Springs. Shadle was the first of the private institutions specializing in alcoholism to be established in the United States. Because of its proximity to Montana, Shadle became well known and was considered vastly preferable (for those who could afford private care) to being sent to the state hospital for the insane at Warm Springs.

1949 31st Legislative Assembly Established the Narcotic Education Section

This section was located in the Department of Health under the direction of the State Board of Health. Provided funding for a consultant trained in education and pharmacology to provide narcotic education to; the general public, elementary and high schools and institutions of higher learning, regarding the scientific facts concerning narcotic drugs.

1953 Passage of House Joint Resolution No. 5

This resolution provided for a citizen's committee to be established by the State Board of Health to study alcoholism and report its findings to the 34th Legislative Assembly. The report submitted in October 1954 by the Department of Health contained the following recommendations:

1. Authorize the Montana State Board of Health to plan, organize, and direct a coordinated program of Treatment, Rehabilitation and Guidance of the Alcoholic, and to seek the cooperation of community and school organizations in disseminating information about Alcoholism.

2. Establish and maintain a special hospital for the treatment and rehabilitation of Alcoholics in Montana, which shall not be identified, by name, with the Montana State Hospital.

3. Alcoholism is an illness, and it should be treated as an illness, not as a penal offense. Therefore we urge that admission of a patient to a hospital for the treatment of alcoholism be voluntary and by recommendation of a physician. Court commitment of an alcoholic should be limited to the Montana State Hospital at Warm Springs.

4. By means of leaflets, bulletins, newsletters, and by lectures, talks, discussion groups, and other educational media, disseminate information about alcoholism, its prevention, its treatment, and the roles of other people in the treatment and rehabilitation of the alcoholic.

5. That these programs of treatment, care, guidance and information be implemented, financially.

The report also asked for $96,000 to establish an 18 bed facility complete with a physician and 4 employees. Also, an appropriation of $110,000 was requested for a new treatment facility. The money was requested for fiscal years 1955-56 and 1956-57.

The Citizens Committee was made up of the following:

Chairman: Judge W.W. Lessley — Vice-Chairman: Dr. W. Bruce Talbot

Alcohol Tax Unit	Mr. John H. Cosgriff, Helena
Alcoholics Anonymous	A Member, Helena
Bureau of Vocational Rehabilitation	Mr. Edward Hooper, Helena
Clergy—Protestant	The Rev. Gordon A. Patterson, Helena
Clergy—Roman Catholic	The Very Rev. R.V. Kavanagh, Helena
Department of Public Welfare	Mr. John Coey, Jr., Helena
Farm (Montana Woolgrowers Ass'n.)	Mr. Everett E. Shuey, Helena
Ladies Auxiliary to the V.F.W.	Mrs. A.J. White, Helena
Liquor Control Board	Mr. Oakley E. Coffee, Missoula
Mines (Anaconda Copper Mining Co.)	Mr. John Boardman, Butte
Montana Bar Association	Mr. Gene Picotte, Helena
Montana Beer Wholesalers' Ass'n.	Mr. T.E. Stump, Livingston
	Mr. Alfred F. Dougherty, Helena
Montana County Superintendents Ass'n.	Mrs. Dorothy H. Simmons, Helena
Montana Highway Patrol	Supervisor Glenn M. Schultz, Helena
	Captain Alex B. Stephenson, Helena
Montana Hospital Association	W. Bruce Talbot, M.D., Butte
Montana Judges Ass'n.	The Hon. W.W. Lessley, Bozeman
Montana Licensed Liquor Dealers Ass'n.	Mr. Elmer Jennings, Harlowton
	Mr. Ferd Mehlhoff, Livingston
Montana Medical Ass'n. — Gen. Pract.	Theodore W. Cooney, M.D., Helena
— Psychiatrist	Winfield S. Wilder, M.D., Great Falls
Montana Public Health Physicians Ass'n.	Carl W. Hammer, M.D., Bozeman
Montana School Administrators Ass'n.	Mr. A.G. Erickson, Helena
	Mr. Elmore S. Smith, Alberton
	Mr. E.H. Fellbaum, Helena

Montana Society for Mental Health	Mrs. Walter Needham, Anaconda
Montana State Board of Pharmacy	Mr. H.T. Porter, Bozeman
Montana State Employment Service	Mr. R. Blaine Downs, Helena
Montana State Hospital	Robert J. Spratt, M.D., Warm Springs
Montana State Nurses' Ass'n. – Hospital	Mrs. Dorothy Evans, R.N., Great Falls
– Public Health	Miss Wava L. Dixon, R.N., Helena
Peace Officers Ass'n.	Mr. David Middlemas, Helena
Probation Officer	Mr. Carle F. O'Neil, Kalispell
Rails (Norther Pacific Railway Co.)	Mr. Neil L. MacLean, Helena
State Department of Public Instruction	Miss Mary M. Condon, Helena
University of Montana – Pharmacy	Dr. John F. Suchy, Missoula
– Physiology	Dr. J.H. Pepper, Bozeman
– Sociology	Mr. Gerald C. Caskey, Havre
– Teacher Training	Mrs. Zella K. Flores, Dillon
Utilities (Montana Power Co.)	Mr. Robert E. Crangle, Butte
	Mr. Louis J. Somers, Jr., Butte
Woman's Christian Temperance Union	Mrs. H.C. Kreis, Sidney

–CONSULTANTS–

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Mr. William I. King	High School Supervisor, Helena
Mary E. Soules, M.D.	Public Health Officer, Missoula

1957 Two Staff Members Hired for the Inebriate Treatment Program at Warm Springs

Superintendent Spratt employed two counselors who were recovering alcoholics to give lectures to "Inebriates" committed under the 1911 statute.

1959 Warm Springs State Hospital Formally Establishes the "Inebriate Treatment Program"

Program staffed with director and three counselors. It is important to recognize the director and counselors hired to run this new program were:

1. All recovering alcoholics who achieved their individual sobriety through Alcoholics Anonymous;

2. Had no previous professional training;

3. Had all been committed under the old law to the Warm Springs Mental Hospital.

1961 Repeal of the Public Inebriate Law and Founding of the Alcohol Service Center at Warm Springs State Hospital

The freshman representative sponsoring the bill and the four chief lobbyists for the bill were all active members of AA.

While augmented from other therapeutic sources down through the years, understandably, the Galen treatment approach has been inspired by Alcoholics Anonymous. From the beginning in 1957 in Montana it was recognized that:

1. The disease of alcoholism could be treated as a unique disease;

2. That existing professional approaches were ineffectual or non-existent; and

3. That laymen having personal experience with alcoholism in their own lives could become expert counselors for alcoholics.

The recognition of these three facts and a good deal of trial and error were the basis for what has become a successful treatment approach in Montana and elsewhere. Unfortunately, that recognition has not developed in all states for a variety of reasons and specialists in the alcoholism field are quick to point to the treatment disasters that result.

The significance of the chain of developments lies not only with the treatment approach but with its impact on the communities of Montana, especially the community of recovering alcoholics.

Unlike other states (California for example) the community of recovering alcoholics in Montana readily accepts alcoholism treatment as a legitimate and effective first step in recovery. This acceptance has had a profound effect on the success of residential treatment in Montana.

1969 The Montana Commission of Alcoholism Established in the Department of Health

This Commission was funded with a general fund budget of $25,000. The Commission budget provided funding to continue to study alcoholism in Montana, provide public information on alcoholism and encourage development of local community treatment programs.

1969 Legislature Moves the Alcohol Service Center from Warm Springs State Hospital to Galen State Hospital

This legislation provided for a separate unit at Galen for the treatment of alcoholism with admittance to be the same as for other ill persons at the hospital.

1972 Creation of the Federal National Institute on Alcohol Abuse and Alcoholism

In the late 1960's and early 1970's national interest in the health and social problems of alcohol led to a federal initiative. Early federal funds began to trickle to the states from the National Institute of Mental Health. The passage of the Hughes Act (PL 92-255) and the creation of a separate institute for alcoholism (NIAAA) presaged a major turning point in the direction and extent of alcoholism services in Montana.

With the passage of the federal legislation two divergent alcoholism funding arrangements began to take place. Groups supporting and operating the locally funded half-way houses in places like Helena, Havre and Great Falls made direct application for NIAAA funds for treatment centers. These grants directly from federal sources to local groups resulted in the creation of the full scale residential treatment centers at Havre and Great Falls and the short lived residential treatment center at Helena called New Horizons. Outpatient services were also started in Billings, Glendive, an eleven county area in Southwestern Montana and four of the seven reservations.

A second reaction to the federal funding occurred at the state level to enable the state to take advantage of the federal formula grants to states. Part of the early Montana federal formula funds were used to fund community programs. Early funding also came from; The Federal Office of Economic Opportunity, Montana Crime Control Commission and Montana Vocational Rehabilitation Agency. Throughout this period no stable or ongoing source of funding for local or county wide alcoholism services was available from public or private sources. Nevertheless, based on local support in the community, programs continued to exist and in several cases individuals starting a local program in one community moved on to another Montana location to start another program.

1972 Funding for Drug Programs begins

In 1972 the state received two federal grants to start drug abuse treatment. Warm Springs State Hospital received a National Institute of Mental Health Hospital Improvement grant to establish a residential drug treatment program. Due to administrative problems with the program, and the inability of the Warm Springs staff to accept adolescents with drug addictions rather than mental health problems, this program was moved to separate isolated quarters on the Galen Hospital Campus in 1974. Although located at Galen, funding and administration was under the control of Warm Springs. This program (Lighthouse) has been maintained through a general fund appropriation in the Galen budget since 1975.

The Montana Drug Program was funded through a federal National Institute on Drug Abuse grant matched with state general funds to serve southwestern Montana. This program was expanded to include Missoula County in 1976 and Yellowstone County in 1978, and then further expanded to Cascade, Flathead Reservation and Flathead and Lake Counties. The program provides drug free outpatient services to residents of Montana.

Both of these programs have always been in the Department of Institutions system.

1974 Passage of House Bill 909

This legislation recognized alcoholism as an illness, provided intoxicated persons could not be subjected to prosecution because of alcohol consumption and must be afforded a continuum of treatment (Uniform Act) and increased the tax on alcoholic beverages to create a Fund for Treatment Programs. The tax on liquor was increased to 5% with 4/5 of the tax going to cities and counties and 1/5 to the general fund, along with a new tax of 25 cents per barrel on beer. This new general fund revenue was to be used to pay the cost of alcoholism treatment.

1975 Passage of House Bill 699

Recognizing the fragmentation of funding and of services between the Departments of Health, Institutions and the Governor's Office, and responding to the criticisms of local programs, in 1975 the Legislature passed HB 699. The intent of this 1975 legislation was to:

1. Place State responsibility for alcoholism and drug services in a single agency -- the Department of Institutions;

2. Give direction and authority to establish a State Alcohol Authority and a Single State Agency for drugs both required to receive federal formula funding.

Obviously, the location of this authority in the State Department of Institutions had a great deal to do with the fact that the Galen program, with its historical public alcoholism role, and the Montana Drug Program were already in the Department. The 1975 bill (in reality an appropriation bill) gave the Department of Institutions funding for alcohol administration. It also provided a line item budget for the Galen Alcohol Service Center. Federal formula monies were also now directed to this new state authority for distribution on a regional basis as well as the state general fund appropriation levied from the liquor tax.

By 1975 at least one residential treatment program had failed (in Helena). Residential treatment programs remaining in Billings, Havre and Great Falls received a combination of local, state and federal funding. Some programs such as the residential program at Havre and the 12 county outpatient program operated from Helena were funded directly through NIAAA grants. The Galen program continued to be funded from a state general fund appropriations. The local city and county outpatient programs were funded from three sources; general fund appropriations derived from the small liquor tax, federal formula funds and locally generated monies.

1977 Passage of HB 627

This legislation increased the tax on liquor to 10% and $1.00 per barrel on beer.

The 1977 law signaled a new and comprehensive approach to alcoholism services in Montana based on an earmarked revenue fund tied to liquor sales taxes. Moreover, it tied funding of alcohol programs to a relative percentage of sales in individual counties and made available to counties monies to be used exclusively for alconolism services subject to approval of service programs by the state authority.

1979 Passage of HB 844

This legislation further refined alcohol treatment funding, giving the individual counties greater responsibilities for determining the needs for alcoholism services. The bill also required a county plan for alcohol services and established an area to population ratio for the disbursement of direct alcohol earmarked tax revenues to the counties. It also gave the Department of Institutions responsibility for individual counselor competency by requiring the Department to establish alcohol and drug abuse counselor Certification and develop guidelines for Certification.

1979 Passage of SB 61

This legislation provided for the first time all group and individual health insurance sold in Montana must offer alcohol and drug abuse rehabilitation benefits. Although previous to this legislation, some campanies paid for inpatient alcohol services, this expanded the number of companies offering benefits. It also provided for the first time alcohol outpatient and drug abuse rehabilitation benefits.

Exhibit # 3 2/5/91
Instit. Subcomm.

1981 Passage of HB 364

This Legislation provided for mandatory sentences for driving while under the influence of alcohol or drugs. The law also mandated that any individual convicted of driving while intoxicated must complete an approved DUI Court School program.

Exhibit 4
4
2-5-91
Hs Instit. Subcomm.

My daughter is a product of Galen. She completed her treatment there in April, 1985.

Barb is basically a shy person who does not feel comfortable talking to people she is not close to. She asked me to appear here on her behalf.

She told me of the cold fear she felt when she arrived at the Hospital after dark, half drunk and broke. She spoke of it as the most frightening and forbidding place she had ever seen. But she went in.

She told me about lying in bed the first couple of nights at the hospital terrified by the noises. A patient with the DT's was strapped to his bed and it rattled all night. She told me of going to the hospital and seeing her future in the permanent patients, if she continued to drink.

She told me about the counselors and how she was sure they would be paid much higher salaries in the private sector, but she felt they were dedicated to helping people like her that can't afford high priced clinics. She told me how they helped her regain some feelings of self worth and self respect. The simple assignment of daily tasks renewed her feelings of responsibility.

The caring and concern doesn't end with the counselors, it is evident in all the employees. They exhibit genuine concern for the patients. She told me that her experiences at Galen had a more profound effect than any amount of lecturing could ever have.

She has deep concerns that closing Galen will prohibit people like her from seeking treatment. She told me once that if Galen had closed in March of '85, she would either be dead or a wet brain by now.

Ex. 4
2-5-91
Instit. Subcomm.

I asked her why Galen would serve her needs better than a private care center. She told me that any drunk that she knew would spend the $7,000 getting drunk before they went to treatment.

I'm very thankful that my daughter had Galen available to her and I pray that this service will not be denied others that need it.

She is afraid that if Galen is closed people who need it most will be denied alcohol treatment.

While we are engaged in a war against drugs it would be criminal to close treatment against the worst drug known - alcohol.

JEAN COLLINS
539 CUSTER AVE.
BILLINGS, MT.
59101

259-2660

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Institutions SUBCOMMITTEE DATE 2-5-91

DEPARTMENT(S) _____ DIVISION _____

PLEASE PRINT **PLEASE PRINT**

NAME	REPRESENTING	
George Hagerman	AFSCME Helena	442-1192
Tom Butler	MNA - Galen	563-6802
Dorothy Young LPN	AFSCME - Galen	846-1348
Eunice Connolly	AFSCME - Galen	846-3328
Shirley Kelly	AFSCME - Galen	563-3615
Kathy (CSPN)	AFSCME - Galen	693-2316
Jim Stucky	Operating Eng #400 Galen	442 9597
Gary Zoul M.D.	Physician - Galen	693-2391
CHH MD	Psychiatrist - Warm Springs	693-7000
Steve Klein	Mental Health Servs Assn	442-0310
Marty Onishuk	Mon AMI	251-2754
John Pinto	M.H.C. Billings	252-5658
Fraulein Faire	Eastern Mont MHC	232-0234
Kathy McLean	mcmhc	442-7505
Roger De Bruycker	DIST 13	449-3788
Mike McGrath	MT CNTY ATTYS ASSOC	447-8221
Dick Baumberger	Self - Chem. Dep. Program Helena	458-5752
JEAN Collins	SELF -	259-2660

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Please Sign

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NAME	REPRESENTING	
HAL MANSON	AMERICAN LEGION	458-9278
Jim Davison	Anaconda LDC	563-5538
Dennis Burr	Assistant	444-4400
JANE EDWARDS	MONTANA STATE HOSPITAL	693-7013
Pete Smith	ANA / Deerlodge Co Comm.	563-7774
Ruby Crippen	"	543-1949
Lee Haeger	Galen Task Force Comm	693-2322
Ed McLean	MSH District 6	523-4771
Charlotte A Cenda	Galen Task Force	693-2249
JIM FLYNN	GALEN TASK FORCE	563-2401
Keith L. Colbo	Galen Task Force	443-4940
Wilbur W. Fellmann	MT. Nurses Assn.	442-6710
Terry Minow	MT Ed State Employees	442-2123
Jack Lynch	Butte-Silver Bow	723-8262
Audrey J. Asphalm	ADLC	563-6949

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DATE 2-5-91

SUBCOMMITTEE ON Institution

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One Support	Oppose
Marion Jenkins MSW	Montana Mental Health Assoc.			
Ed McLean	District Judge			