

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION**

#### **JOINT SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION**

**Call to Order:** By REP. ED GRADY, Chairman, on February 9, 1993,  
at 8:00 am

#### **ROLL CALL**

**Members Present:**

Rep. Ed Grady, Chair (R)  
Sen. Eve Franklin, Vice Chair (D)  
Sen. Gary Aklestad (R)  
Sen. Tom Beck (R)  
Sen. J.D. Lynch (D)  
Rep. Red Menahan (D)  
Rep. Linda Nelson (D)

**Members Excused:** NONE

**Members Absent:** NONE

**Staff Present:** Sandra Whitney, Legislative Fiscal Analyst  
Mary LaFond, Office of Budget & Program Planning  
Judy Murphy, Committee Secretary

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

**Committee Business Summary:**

**Hearing:** MENTAL HEALTH CONTINUED AND CENTER FOR  
THE AGED

**Executive Action:** NONE

#### **HEARING ON MENTAL HEALTH CONTINUED**

**Tape No. 1:A**

#### **Informational Testimony:**

Dan Anderson, Administrator Mental Health Division, explained the medications which are given at the state mental hospital. Patients discharged from Montana State Hospital are given a two week supply of medications. Montana Medicaid has an "open formula". Medicaid will pay for any recognized medication prescribed by a physician for a Medicaid recipient. Consumers who are not on Medicaid must purchase medications themselves from pharmacies. On a limited basis the mental health centers provide some assistance to consumers in acquiring medications in

emergency situations. Clozapine is a new drug designed to treat people with severe schizophrenia who have not responded to other medications. EXHIBIT 1

Questions, Responses, and Discussion:

SEN. GARY AKLESTAD asked who pays for non-prescription drugs given to the patients?

Mr. Anderson said the institutions provide these medications and patients served are charged on their ability to pay.

SEN. AKLESTAD asked what is the percentage of patients at state insitutions who can pay?

Mr. Anderson said the percentage is small for those who can pay the full cost. He believes many patients pay partial cost for their medications.

SEN. AKLESTAD asked for the relationship between the Meriwether Lewis Institute and the total organization of mental health.

Mr. Anderson said the people who are involved with the Meriwether Lewis Institute live independently and receive services from community mental health centers to help them maintain in the community.

REP. RED MENAHAN said he thought the Mental Health Division started the Meriwether Lewis Institute.

Mr. Anderson told the committee he applied and received the grant. The consumers formed their own organization.

SEN. AKLESTAD asked how many consumers being helped by the state are in the same category as the Meriwether Lewis consumers?

Mr. Anderson said treatment varies according to the needs of the consumer. Some patients go to treatment daily in local communities.

SEN. AKLESTAD ask if most of the individuals at the Meriwether Lewis Institute hold jobs?

Mr. Anderson said most of them hold part-time jobs.

REP. MENAHAN said some of the clients work in restaurants, Gilder House, thrift clothing stores and kitchens.

Mr. Anderson believes work means in competitive settings, not just in day-treatment centers.

SEN. AKLESTAD asked who determines how much treatment is necessary per client?

**Mr. Anderson** said the decision is made by the mental health professional and the consumer.

**SEN. AKLESTAD** said it seems there are people in the communities who require more treatment. He feels the people who gave testimony yesterday are functioning fairly well so why is the state continuing to give money to these consumers for MH.

**Mr. Anderson** said day treatment centers are good in the sense they provide the client the ability to function on his/her own. The state needs to be supporting those in need of MH services.

**SEN. AKLESTAD** believes there are too many managers within the programs. He feels if there were less managers then there would be more money for treatment.

**SEN. TOM BECK** feels the personal service budget of MH is large. He asked what Dr. Drury and the five regional directors get paid annually?

**Mr. Anderson** said Dr. Drury's salary is lower than what is paid at the state hospital.

**REP. MENAHAN** asked if Dr. Drury has a private practice along with his work for the state?

**Mr. Anderson** said he is a full-time employee of the mental health center and does not have a private practice.

**Marty Onishuk, Montana Alliance for the Mentally Ill**, said it is very important for the patients to remain on their medications in order to have productive lives. They must have help to maintain life skills. It is very important the patients have on-going support. Some centers have contracted psychiatric services which cost more than what Dr. Drury is getting paid. Psychiatrists must prescribe and monitor the drugs. Community programs help to keep the clients out of the state hospital.

**SEN. AKLESTAD** stated again he feels the dollars should go to the patients and not to administration.

**REP. MENAHAN** said the directors get paid between \$57,000 and \$60,000 annually.

**Bob Ross, Director of the Mental Health Center in Billings**, told the committee he makes less than \$45,000 per year and is the highest paid individual in his organization other than his two physicians. Not only is he the director, he also carries a caseload and provides emergency services. He said the MH centers do not provide treatment when it is not needed. The ethical standard requires the centers provide the least restrictive, least abrasive level of treatment possible at all times. The center follows the medical model.

**SEN. J.D. LYNCH** asked what control the committee has over the spiraling cost in private corporations? He asked how the MH centers arrive at schedules for their pay plans?

**Mr. Ross** said the corporation decides on the salary structure, pay matrix, and raises for the whole corporation. They do not necessarily negotiate with DCHS. Approximately 35% of his total budget comes from DCHS, a certain percentage of money comes from Medicaid and from private insurance companies. Over the last five and a half years the corporation has not given more than a four percent salary increase. The corporation is monitored by DCHS, and the board members are county commissioners.

**Kathy McGowen, Montana Mental Health Council representative,** feels there is still a very basic misunderstanding about mental illness. The consumers of the MH centers have good days and bad days and have a difficult time maintaining.

**SEN. BECK** told **Ms. McGowen** the committee is not here to penalize the programs.

**Ms. McGowen** said the people from the mental health division are doing their jobs by presenting the facts to the committee. The division is not blaming the committee for the budget cuts which have to be made but are trying to make the committee aware of the importance of the various programs.

**SEN. LYNCH** said the people working at Warm Springs are not high paid employees and the committee does not know the pay plan of the MH centers.

**Ms. Onishuk** is familiar with the region five MH office. She told the committee region five has adopted the state pay matrix and is keeping up with the plan for their employees. She said some MH regions have not been able to adopt the pay plan.

**SEN. EVE FRANKLIN** told the committee community-based programs are labor intensive. Community programs are crisis oriented. Clients of MH centers require structure to maintain their day-to-day living and in order to maintain the structure they need to be medicated.

**SEN. BECK** asked how, where and in what programs are the cuts going to be made? There will have to be some difficult decisions made by the committee regarding priorities of programs.

**SEN. LYNCH** asked how the Meriwether Lewis Institute got its start and is the state going to fund the institute?

**Mr. Anderson** said two years ago the department received a grant to strengthen the ability of both family members of patients with mental illness and the consumers themselves to provide more mutual support. This was a National Institute of Mental Health grant. The Meriwether Lewis Institute is an independent consumer

organization. There are between eight and ten chapters within the state. The funding for the grant is in its last year. Once the federal funding is gone the MLI will have support their own facility. No one receives a salary who works for the institute. He believes the institute is valuable for the families and consumers in order to provide mutual support.

REP. MENAHAN asked who governs the regional MH centers?

Mr. Anderson explained the regional MH centers are required by state law to have one family member and one primary consumer on their boards. The responsibility of the board is to operate the community MH center.

REP. MENAHAN feels the community MH centers are private corporations.

Mr. Anderson said the regional MH centers are private non-profit corporations.

SEN. BECK asked why some counties have MH plans and some counties do not?

Mr. Anderson said some counties do not participate in the MH programs and some counties have not submitted their MH plans to the department.

SEN. FRANKLIN said the Gallatin County Commissioners did not want to address their county's MH problems so they choose not to submit a plan.

SEN. LYNCH feels public perception is an important factor in the community MH centers. He believes the perception must be kept positive and he supports what the community MH centers are doing.

CHAIRMAN GRADY asked how many people are in need of community MH services? Are the programs doing a good job in serving the population?

Mr. Anderson feels the MH centers do an exceptional job in community outreach.

Ms. Onishuk feels the commitment laws need to be looked at in future legislative sessions.

Mr. Ross said the department did set up an effective system for the state hospital to network with the community MH centers. Due to this networking the MH centers are made aware of state hospital discharges and the centers and the hospital can develop treatment plans pertaining to each discharged individual.

SEN. AKLESTAD asked for a breakdown of the community-based MH centers.

Ms. Whitney said what is in the LFA current level is a contracted service for grants to communities and there is not a breakdown by region.

SEN. AKLESTAD ask the department for a breakdown on the individual centers regarding people being served, personnel, FTE level and the pay schedule?

SEN. LYNCH asked the department for a memo telling the committee if cuts are made in the community MH centers where the department would make the cuts in their budgets?

HEARING ON CENTER FOR THE AGED

Tape No. 1:A

Informational Testimony:

Mr. Anderson said the Center for the Aged is a 191 bed licensed nursing home which serves elderly people over the age of 55 who have a mental illness and require nursing home care. Some of the patients are transferred from Warm Springs and over the past several years the majority of patients have come from communities.

The proposal for the Center for the Aged for the next biennium is to increase staff by 10 direct care FTE in order to serve an increased number of patients if Galen is closed. The department feels by increasing the staff by 10 the Center will be able to handle 150 residents.

There are some differences in the executive and LFA budgets and he would like the committee to consider these areas. One area is contracted medical services. The executive budget includes over \$75,000 for contracted medical services which includes a medical director, physician services, and \$29,000 for psychiatric consultation. The second area is the food budget. In FY 92 the center spent \$152,784 on food. In FY 92 the department was able to buy food from the Desert Storm military operation (Desert Share). The department was able to purchase \$10,000 worth of food for \$1,000. The FY 92 expenditures were artificially low by approximately \$8,200.

This next issue deals with the Center for the Aged and Montana State Hospital. The Center for the Aged has no full-time staff development program and a very small budget for this area, \$873 training funds. This \$873 is to cover the training of 108 FTE. The state hospital has 2.5 training staff and \$1,700 in training funds for 60 professional staff. Over the past ten years the central office budget had a training fund to pay for training of professional staff at five institutions. Professional staff training at the institutions is essential for patient safety, recruitment and retention of staff. The executive request of \$10,000 per year is above the LFA budget.

Questions, Responses, and Discussion:

SEN. AKLESTAD asked if the food budget at the Center for the Aged was the only budget which was artificially low and was it set artificially low for the FY 92-FY 93 budget?

Mr. Anderson does not believe the budget was set artificially low. He said the Desert Storm food became available in FY 92 and suggested the expenditures were artificially low because \$10,000 worth of food cost only \$1,000.

SEN. AKLESTAD assumed the \$10,000 was budgeted for food so where was \$8,700 spent?

Mr. Anderson said the committee would have to look at the total expenditures for FY 92 to see where the \$8,700 was spent.

SEN. LYNCH said the current budget was not enough if the department would have paid full price.

SEN. LYNCH asked if the state hospital has a psychiatric staff?

Mr. Anderson said there is psychiatric staff at the state hospital. He is not sure the patients receive the same amount of psychiatric consultation as the Center for the Aged patients receive.

SEN. LYNCH asked who decides on the amount of consultation?

Mr. Anderson said that is the decision of the medical director.

Mr. Anderson said the department has only six psychiatrists plus the medical director to serve the entire Warm Springs population.

REP. MENAHAN said the department has changed the intention of the Center for the Aged.

SEN. FRANKLIN felt the psychiatric consultation at Galen was sufficient for what the patients require.

Mr. Anderson believes the amount of psychiatric consultation is adequate. He doesn't feel it is as regular as the services at Lewistown, but then Lewistown serves more patients. The patient/psychologist ratio is improving.

SEN. LYNCH said the committee was told the psychiatric service was adequate and now the department is telling the committee they need more staff in this area.

Mr. Anderson said he did not mean to imply the Galen patients were not getting adequate psychiatric counseling and he did not mean to imply the department needed increased psychiatric services at the Center for the Aged because they were transferring patients from Galen. He told the committee that all

140 patients at the Center for the Aged have some sort of mental illness. They need psychiatric services at the Center for the Aged whether they close Galen or not. There will be an increase of ten patients from Galen if Galen is closed.

**SEN. AKLESTAD** asked if there is a medical director at the Center for the Aged and how long has that person been there?

**Mr. Anderson** said the center has had a contracted medical director for the last two to three years.

**REP. MENAHAN** explained the handout that was distributed to the committee regarding the cost per inmate at MSP. The handout was prepared by a staff member of the prison. **EXHIBIT 2**

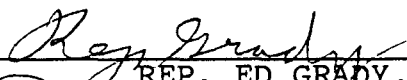
**Rick Day, Department of Corrections and Human Services Director**, believes the department staffing levels have changed since 1978. There has been a drastic reduction in central bureaucracy since 1978. There has been a trend of de-institutionalization across the Department of Corrections and Human Services. He feels in order to maintain security at MSP it will require some changes to the present system. He told the committee the department is also looking at the level of management. The department will also look at duplication and automation regarding the central operation and in the institutions. Over the next four years the department is going to be stressing the team approach and part of the team approach will be at MSP with unit management. The whole approach to team management gives the employees a sense of ownership. The medical policy will be changed over the next two years.

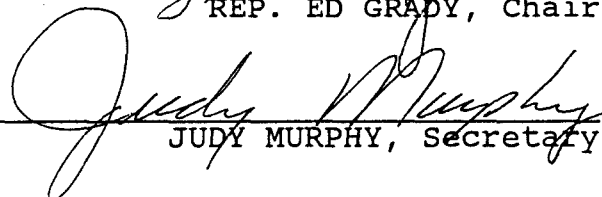
A motion was made to adjourn.



ADJOURNMENT

Adjournment: 9:40 am

  
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REP. ED GRADY, Chair

  
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JUDY MURPHY, Secretary

EG/jm

# HOUSE OF REPRESENTATIVES

INSTITUTIONS/CULTURAL EDU. SUB-COMMITTEE

ROLL CALL

DATE

2-9-83

NAME	PRESENT	ABSENT	EXCUSED
SEN. GARY AKLESTAD	✓		
SEN. TOM BECK	✓		
SEN. EVE FRANKLIN, VICE CHAIRMAN	✓		
SEN. J.D. LYNCH	✓		
REP. RED MENAHAN	✓		
REP. LINDA NELSON	✓		
REP. ED GRADY, CHAIRMAN	✓		

### MEDICATIONS

- o Patients discharged from Montana State Hospital are given a 2 week supply of medications.
- o Montana Medicaid has an "open formulary" - Medicaid will pay for any recognized medication prescribed by a physician for a Medicaid recipient.
- o Consumers who are not on Medicaid must purchase medications themselves from pharmacies. On a limited basis the mental health centers provide some assistance to consumers in acquiring medications in emergency situations:

Clozapine: This is a new drug designed to treat people with severe schizophrenia which has not responded to other medications. Although often dramatically effective, it is also very expensive (about \$5,000 per year) and is associated with serious (sometimes fatal) side effects in some people. The 1991 Legislature provided funding so that the State Hospital can offer this medication. Fifty-five percent of the patients treated at the State Hospital with Clozapine have shown moderate or significant improvement. The other side of this sheet shows more details of the patients treated at Montana State Hospital.

In addition to being available at Warm Springs, Clozapine is available in communities to patients who can afford the cost and to Medicaid recipients.

The cost per Inmate at Montana State Prison FY 1992 was \$38.88 per day, well under Mr. Gambles \$47.00 per day. Even if you add the projected 3.2 Million over the next two years it still comes out to less than \$47.00 per day. You cannot fairly add 3.2 Million because that figure encompasses the entire Dept. of Corrections.

Between Feb. 2, and Feb. 6, 1993 sixteen inmates came into MSP. The following is a breakdown of these inmates.

New inmates	3	18.8%
Probation violation	5	31.3%
Parole violation	4	25%
Pre Release	3	18.8%
Previous offender	1	6.3%

National return rate Parole violators.

11% the first year

20% the second year

40% the third year

71% total over three year period