

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - SPECIAL SESSION ONE CONTINGENCY STARTUP JOINT SUBCOMMITTEE ON INSTITUTIONS & CULTURAL EDUCATION**

**Call to Order:** By Chairman Ed Grady on August 20, 1993, at 10:15 A.M.

#### **ROLL CALL**

**Members Present:**

Rep. Ed Grady, Chairman (R)  
Sen. Eve Franklin, Vice Chairman (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: **DISCUSSION ON ADDITIONAL BUDGET CUTS FOR  
THE MONTANA ARTS COUNCIL, MONTANA STATE  
LIBRARY, HISTORICAL SOCIETY AND THE  
DEPARTMENT OF CORRECTIONS AND HUMAN  
SERVICES**

Jane Hamman, Office of Budget and Program Planning, said that this meeting had been requested by legislative leadership in order to put together preliminary budget plans.

#### **ARTS COUNCIL**

Arlynn Fishbaugh, Executive Director, Montana Arts Council, told the committee that the following cuts are under consideration:

	<u>FY94</u>	<u>FY95</u>
Artist in the School clerical	\$2,500	\$2,500
Honorarium for panelists	(1,650)	(2,850)
Governor's Arts Awards	5,000	0

# HOUSE INSTITUTIONS & CULTURAL EDUCATION SUBCOMMITTEE

August 20, 1993

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Professional development-staff	2,000	2,000
Underwriting	1,750	1,750
Kumamoto Exchange translator	2,500	2,123
Total	\$12,100	\$5,523

## EXHIBIT 1

**Discussion:** SEN. LYNCH asked what percentage the \$17,622 is of their overall budget.

Ms. Fishbaugh stated that the 10% cuts she presented today have been approved by the Governor's budget office as preliminary cuts.

Mary LaFond said all agencies were asked to look at 10% cuts to start the budget reduction procedure.

SEN. BECK asked if the 4.0 FTE were receiving full benefits.

Ms. Fishbaugh said she has reduced the four positions to 2.0 FTE which will reduce full benefits.

SEN. AKLESTAD asked if there would be an insurance savings with the reduction in FTE.

Carleen Layne, Arts Council Accountant, told the committee that worker's comp is paid by the artists from the honorariums they receive.

REP. MENAHAN said that he believes the budget office and the legislative fiscal analyst are duplicating services.

## MONTANA STATE LIBRARY

Richard Miller, Montana State Librarian, stated that in May the Montana State Library applied for contingency funding in order to meet their cuts. The library asked for \$15,957 in general fund money and \$3,700 in RIT funds. The rate the library has negotiated is 1/2 of 1 percent to 5.53 percent.

The cuts which were presented to the Governor's budget office are:

- Proposed 2% vacancy savings
- Combining responsibilities from two different sections of the library to save \$6,000 per year
- Eliminating federal documents from their collection and using the documents at the University of Montana at a savings of approximately \$4,000 a year
- A reduction in state aid to libraries

These cuts total \$119,957.

The State Library Commission feels the Montana State Library is small and cannot stand any more cuts. The commission feels the only cuts that can be made would be to eliminate the FTE at Warm Springs and the \$12,000 book budget for institutional services.

The library came up with \$41,500 per year in cuts and this is not the 10% requested.

**SEN. LYNCH** asked whether, if the state is to stay in compliance with the Ihler decision, the librarian at Warm Springs could be cut.

**REP. MENAHAN** added that he believes the services should be the same at the prison and at Warm Springs.

**Mr. Miller** agreed with **REP. MENAHAN**.

**SEN. AKLESTAD** stated that he feels the agency needs to make its fair share of cuts.

**Mr. Miller** said their cuts should reach the approximate 10% requested.

**SEN. BECK** said the agency should make its own cuts and that the cuts should not be made by the subcommittee.

#### MONTANA HISTORICAL SOCIETY

**Brian Cockhill, Director**, made a special plea that if a special session does occur, contingency funds to meet shortfalls resulting from the 5% cut taken in regular session not be taken. The budget office has committed \$38,600 of the contingency fund to the Society to operate tours of the Capitol and the Original Governor's Mansion. If the contingency fund is taken, not only will these tours end but the Society will find itself a further \$20,000-\$25,000 negative because of funds already spent on this touring.

The options for cuts are:

Eliminate the .50 FTE Grade 14 Accountant position  
Eliminate the Museum Preparator position **EXHIBIT 2**

**Discussion:** **SEN. LYNCH** asked whether the designer and preparator positions overlap. **Mr. Cockhill** responded that the designer can do some minor repairs.

**REP. NELSON** asked how the tours given by the legislative wives worked out. **Mr. Cockhill** said that the tours worked out fairly well. He feels there weren't enough wives to handle the required tours.

**SEN. LYNCH** asked whether there could be a fee structure for tours. **Mr. Cockhill** said that charging fees would be possible in some areas of the society.

**SEN. AKLESTAD** asked if schools are given any criteria regarding Capitol tours and whether other areas could be cut so that the Capitol tours could continue.

**REP. MENAHAN** said that most states do not run Capitol tours through their museums.

**SEN. AKLESTAD** asked if some other department could handle the Capitol tours. **Mr. Cockhill** said that, in earlier years, the tours were conducted by General Services. Former Governor Schwinden asked to have Capitol tours handled through the museum. **Mr. Cockhill** said perhaps the Department of Commerce could use the bed tax to fund Capitol tours.

**REP. NELSON** asked if service club volunteers could handle the tours. **Mr. Cockhill** responded that there are 100 volunteers in the agency already. There is no consistency on a day-to-day basis using volunteers especially in the summer. Volunteers are not as reliable as a paid staff member.

#### DEPARTMENT OF CORRECTION AND HUMAN SERVICES

**Rick Day, Department of Corrections and Human Services Director**, told the committee that the department is still in the middle of implementing the sweeping changes which made the regular session's cuts possible. These major tasks have been completed:

- Closure of the Galen Hospital and Nursing Home
- Reopening of the Chemical Dependency Program in Butte at the St. James East Facility
- Closure of the Swan River Forest Camp and establishing the boot camp

The department is still working on the following items:

- Restructuring of the Corrections Division from a total of 610.0 FTE to 585.0 FTE
- Downsizing of the Montana State Prison from 1,200 inmates to 850 inmates
- Implementation of unit management at Montana State Prison
- Implementation of a boot camp at the Swan River facility
- Increasing the number of pre-release beds, and conversion of the Missoula Life Skills Center to a private non-profit center
- Increase of probation and parole officers
- Developing and determining the needs of Montana Women's Correctional system
- Closure of Galen Campus of Montana State Hospital

Establishing community based system of services for  
seriously emotionally disturbed youth  
Review of mental health system management  
Pursuing accreditation of Montana State Hospital  
Eastern Montana Veterans Home construction and managements  
projects - HB 5 and HB 46  
Montana Developmental Center campus construction project HB  
963 and HB 53  
Central office staffing and management position review  
Corrections medical costs **EXHIBIT 3**

**SEN. LYNCH** asked why the department changed its mind on the women's facility in Billings. **Mr. Day** told the committee that, while the department felt Montana did not need a large facility, the facility will stay in Billings.

**REP. MENAHAN** asked what new policy the department has adopted. **Mr. Day** presented a report which addresses "good time." **EXHIBIT 4** He said the department is focusing on admissions to the prison, not the inmates inside the prison at this time.

**SEN. BECK** asked **Mr. Day** if he feels the negotiations with the labor union are going well. **Mr. Day** said that labor meetings are closed but management meetings are open. He said not all parties involved are in complete agreement.

**SEN. BECK** asked if the department has ever arrived at a definition of unit management. **Mr. Day** said all the positions have been submitted and classified. The managers are line supervisors. The department will provide management training sessions.

**SEN. LYNCH** asked where the security for inmates and personnel appear in the department's priority list. **Mr. Day** said there is high priority for the safety of personnel and inmates at all the correction facilities.

**REP. MENAHAN** said that security positions are important in the prison. He wanted to know why programs are never started on the low-side of the prison. **Mr. Day** said the investigator will work with the warden and the director. He does not feel the institution is unsafe. He feels that efficient use of the staff is important.

**REP. MENAHAN** asked what case manager duties would be. **Mr. Day** said the case manager is the sub-line supervisor.

**REP. MENAHAN** asked what the status is regarding medical costs. **Mr. Day** said savings have been made by inmates paying for their own prescriptions and the control of a Blue Cross contract.

**SEN. AKLESTAD** asked whether the department will know how programs and plans have worked by the next session and whether he believes that additional cuts can be made in his department. **Mr. Day** said

that no more cuts can be made without public or patient risks.

**SEN. AKLESTAD** asked if there were any more cuts which could be made in the medical area, athletic area or the law library. **Mr. Day** said no, not at this time.

**Dave Lewis, Director, Governor's Office of Budget and Program Planning**, said there are no intentions of proposing reductions to Montana State Prison other than the reduction in the prison population. He said that going to one license plate instead of two may have to be looked at for savings.

**REP. GRADY** asked why the veterans' home was not put on hold by the Governor along with the buildings at the university system. **Mr. Lewis** told the committee that the Governor said not to sell the bonds. The time table was set by the legislature and it has been followed.

**Mr. Day** said there is no general fund money or bonding in the veterans' home project.

**SEN. FRANKLIN** asked if there are any economic savings in programs for emotionally disturbed youth. **Mr. Day** said that placements have to be reviewed before they are made if public funds are to be used. The department has put into effect the managed care concept.

**SEN. FRANKLIN** asked what the process is for the inmates to purchase over-the-counter drugs. **Mr. Day** said the inmates may purchase the drugs at the canteen.

**Wilbur Rehmann, Communications Director for the Montana Federation of State Employees**, told the committee that the labor union is interested in staff concerns at Montana State Prison. He feels that staff morale at the prison is low. The staff is not certain how the unit management concept will affect them. He represents the local union 4700 at Montana State Prison.

**John Chains, Public Policy Coordinator for the Mental Health Association of Montana**, said the system for handling troubled youth is not in place at this time so the money should be left in place. **EXHIBIT 5**

**REP. SMITH** said that she feels the formula used to reconstruct the prison is questionable. She is concerned that the reduction in the staff will hurt the security at the prison.

**REP. BROOKE** feels the bonds should not be issued for the Women's Correctional facility.



**Jerry Anderson, 3M Company**, said there is a desire to maintain two license plates. People pay for two plates so they will not want just one plate.

SEN. FRANKLIN asked about the temporary housing for the women. Mr. Day said he has asked for an evaluation of the forensic facility and the Pintler facilities in regards to housing for women.

ADJOURNMENT

Adjournment: 3:15 p.m.

  
REP. ED GRADY, Chairman

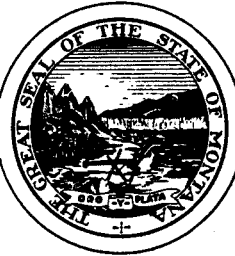
  
JUDY MURPHY, Secretary  


EG/JM

## MONTANA ARTS COUNCIL

DATE 8-20-93

HB \_\_\_\_\_



MARC RACICOT, GOVERNOR

316 NORTH PARK AVENUE  
CITY COUNTY BUILDING, ROOM 252

## STATE OF MONTANA

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HELENA, MONTANA 59620-2201

August 20, 1993

To: Institutions Subcommittee; Rep. Ed Grady, Chairman  
Sandy Whitney, LFA; Mary LaFond, Governor's Budget Office

From: Arlynn Fishbaugh, Executive Director *af*

Current Agency Scenario:

-- FY93 on budget; general fund reversion of \$1,498.63 -- audit underbilling.

Agency-initiated plans to streamline and increase savings:

- Consolidate four .5 FTE's into two full FTE's.
- Set up new systems so schools pay artists directly and handle worker's comp paperwork for Artist-in-School residency program.
- Contract out and/or scale back special projects to alleviate comp time extremes.  
(Eg. As of June 30: 3 program FTE's -- 1,165 hours).
- Reduce 15-member Council meetings from 4 to 3 per year to keep within budget.
- Eliminate need to type travel claims; submit written claims w/ proper signatures (300claims/yr.)
- Reformat data base structure to allow for single entry of grant application budgets and other information which allows for easier and more flexible reporting for final reports to NEA and legislature, etc..
- Investigate using Governor's "Capitol for a Day" in tandem w/ our "Office on the Road".

Background on potential cuts:

- MAC general fund: \$130,700 FY94; \$126,490 FY95 (One program)
- General fund was 9% of FY92 budget; anticipate less than 9% in FY95-95.
- Support staff situation so tight that program staff amassing high comp hours.
- *FYI: FY94 general fund is 2% less than FY84 (\$133,031).*

General fund is expended, roughly, as follows:

- 30% Various grants to rural communities: Underwriting, Artist in Schools, Grant to Orgs.
- 47% Half of salary and fringe for Executive Director; half of entire support staff and administration for agency (ie. half of 3.5 FTE's)
- 5% Half of costs for 15-member Council meetings and operations
- 13% One-quarter to one-half of fixed costs, rent and other operating costs
- 5% All of audit

CUTS UNDER CONSIDERATION

	FY94	FY95	Priority (#1 = most valuable)
Artist in the School clerical	\$2,500	\$2,500	#1
Honorarium for panelists*	(1,650)	(2,850)	#2
Governor's Arts Awards	5,000	0	#3
Professional development-staff	2,000	2,000	#4
Underwriting	1,750	1,750	#5
Kumamoto Exchange translator	\$2,500	\$2,123	#6
Total	<u>\$12,100</u>	<u>\$5,523</u>	



### Detail on Montana Arts Council Cuts

- 1) Artist in the Schools clerical support. Additional clerical/administrative assistance is needed in this highly successful program. This past year over 600 comp hours have been amassed by the director of this program -- due primarily to insufficient clerical help.

Impact: this cut forces continued contraction of the scope of this valuable program.

- 2) Honorariums for panelists. The Council voted to pay grant panelists for their efforts: 12-36 hours of work; \$50 for days in panel meetings (1-2 days). Item not originally budgeted. More panels in FY95, hence higher amount than fiscal year.

- 3) Governor's Arts Awards. MAC's most important annual event. Apex to the mission of the agency, which is to promote the arts. This cut is derived from reducing scope of award program in even-numbered fiscal years.

Impact: This savings would have been used to pay for honorariums above.

- 4) Professional development. MAC staff are at salary levels several grades below others in comparable positions in other agencies. In lieu of salary increases, had budgeted one TQM seminar for whole staff, and \$150 per person for professional development courses.

Impact: No professional development.

- 5) Underwriting grants are "courage" money for rural communities to underwrite performances presented in their community. Funding level: \$300 per grant maximum.

Impact: Rural communities will not receive support.

- 6) Kumamoto Exchange translators. This funding was to cover a Japanese translator for this international exchange, which we have just learned is expected to occur in FY95 (rather than FY94). This exchange program was initiated at the behest of the Council in FY 93, and was considered an important benchmark for Montana's relationship with its sister city, Kumamoto.

Impact: FY94 -- money would have been used the next year; FY95 -- will seriously jeopardize our ability to maintain our earlier commitment to Kumamoto; potential lack of income to Montana artists if we curtail this international exchange. Original exchange occurred in Bozeman last summer with Kumamoto artists participating in the MAC's 25th anniversary.

DATE 8-20-93

HB

## MONTANA HISTORICAL SOCIETY

225 NORTH ROBERTS STREET • (406) 444-2694 • HELENA, MONTANA 59620-1201



August 20, 1993

Chairman Grady and Members of the Subcommittee

Following are options that might be pursued to reduce the general fund portion of the Society's budget. Let me be clear that the impact of these cuts on our services to the public, and to our credibility as an entity receiving public and private funds is severe.

I have not proposed elimination of one or more programs because that approach represents impossibilities in all cases where general fund represents the majority of a program's operational expenditures. The largest impossibility is the existence of the \$41,000,000 collections of the Society.

Thus, what I am putting forward as options are cuts from aspects of the Society. This will, taken in total, damage the institution, and cause us to fall further behind in our attempts to fulfill ever increasing public demands and expectations.

\* I would make a special plea that if the Special Session does occur, that the contingency funds to meet shortfalls resulting from the 5% cut taken in regular session, not be taken. The Budget Office has committed \$38,600 of the contingency fund to the Society to operate tours of the Capitol and the Original Governor's Mansion. If the contingency fund is taken, not only will these tours end but the Society will find itself a further \$20,000-\$25,000 negative because of funds already spent on this touring.

The options for cuts discussed with Governor Racicot are listed below by program:

Program 01 - Administration

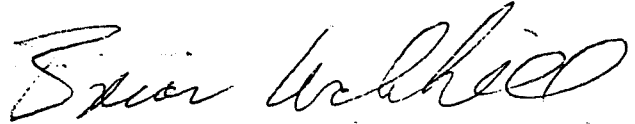
Eliminate the .50 FTE Grade 14 Accountant position. This will have serious ramifications for fiscal compliance and may ultimately threaten the Society's ability to receive private and federal grants. The business office was required to work 232 hours of compensatory time in FY93 when fully staffed. This cut will seriously jeopardize cash handling, grants management and other activities. (both years) FY94 - \$7,194, FY95 - \$17,175.

Program 03 - Museum

Eliminate the Museum Preparator (carpenter) position. This will end the Society's program of rotating major exhibits and travelling exhibits provided throughout the state. Only minor maintenance of existing exhibits will be possible in future if this position is eliminated. Grade 10 (craft) - both years. FY94 - \$14,635, FY95 - \$34,645.

\* FY94 Total - \$21,829

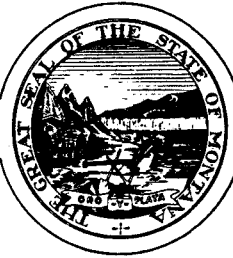
\* FY95 Total - \$51,829



Brian Cockhill

Director

BC/db

DEPARTMENT OF CORRECTIONS  
AND HUMAN SERVICES

MARC RACICOT, GOVERNOR

1539 11TH AVENUE

STATE OF MONTANA

(406) 444-3930  
FAX: (406) 444-4920PO BOX 201301  
HELENA, MONTANA 59620-1301MEMORANDUM

DATE: August 20, 1993

TO: INSTITUTIONS & CULTURAL EDUCATION COMMITTEE

MARY LAFOND, Budget Analyst  
Office of Budget and Program Planning

FROM: RICK DAY, Director  
Department of Corrections and Human Services

SUBJECT: Status Report

When considering the potential for reductions, it is important to keep in mind the Department's 94-95 biennium general fund budget is \$23.8 million dollars under the executive request and \$9.7 million under the LFA current level. In addition, the building projects were reduced by about \$25 million and those projects which continue are tied to budget reduction and program improvement.

The Department is still in the middle of implementing the sweeping changes which made the regular session cuts possible. Although we are behind schedule in the reduction of prison population and face legal challenges in the Men's and Women's Corrections systems, the efforts of some very dedicated staff have led to the completion of the following major tasks:

- 1) Closure of the Galen Hospital and Nursing Home;
- 2) Reopening of the Chemical Dependency Program in Butte at the St. James East facility;  
and,
- 3) Closure of the Swan River Forest Camp and establishing the Boot Camp.

In addition, the Department is proceeding with the Corrections Division, Central Office and Mental Health reorganizations.

Consequently, although I realize the need to contribute to the planning process, I believe the Department will be fortunate to operate within current appropriations. As a result, the Department does not recommend nor support further reductions; but I am interested in and willing to explore suggestions from the Committee and other interested parties.

Please contact me if you have any questions.

RD:bt

## **CORRECTIONS DIVISION**

**TASK:** **RESTRUCTURING OF THE CORRECTIONS DIVISION FROM A TOTAL OF 610 FTE TO 585 FTE.**

**REASON:** Budget reductions relating to the planned decrease in the Prison population, increased emphasis on Community Correctional programs, the 5% administrative efficiency savings and new management methods are the primary reasons for the restructuring. Montana State Prison (MSP) was reduced by 41 FTE. The Corrections Division efficiency reduction for the 94-95 biennium was \$1,039,673. The targeted FTE total for MSP is 415 FTE by December 31, 1994.

**ACTIONS:** The Department is implementing a Division-wide reorganization which is scheduled for completion by January, 1994.

Vacant positions have been left open and when possible new hires are being done internally.

Positions that have been, or will be, deleted or downgraded:

1. Assistant Administrator
2. Warden MSP
3. Associate Warden Administration, MSP
4. Personnel Officer II (Manager)
5. Correctional Treatment Supervisor
6. Security Manager
7. Infirmary Supervisor
8. 14 Sergeants

These positions are being redirected to line functions or eliminated to accommodate the 1993 Legislative reductions.

**PENDING:** Completion of MSP union contract negotiations and implementation of a unit management system.

**BENEFITS:** Improved management, supervision of inmates and cost savings.

**TASK:** **DOWNSIZING OF THE MONTANA STATE PRISON FROM 1,200 INMATES TO 850 INMATES.**

**REASON:** Montana State Prison will have a reduced staff and population. This reduction is the result of new directions in corrections based on the realization that the correctional system has been marginally successful and very costly. This new direction includes an increased emphasis on Community Correctional programs and the legislative authorized reduction of inmates incarcerated at MSP to 850 by July 1, 1994.

**ACTIONS:** When possible, the primary reduction in inmates is being accomplished by diverting admissions. In addition, inmates will be discharged early when recommended by the Unit Management Team. The ADP in August, 1992 was 1,210. In comparison the MSP population on August 11, 1993 was 1,164. The Swan River Forest Camp has been closed and reopened as a Boot Camp, and at this point, MSP Rothe Dorm has been closed.

**PENDING:** The Department has adopted a new policy based on criminal history, behavior, and attitude to guide good time grants. Consequently, the reduction of inmates will get a boost in August and September with the awarding of additional good time to discharge early 20 to 25 inmates. In addition, good time will be awarded to the more suitable inmates to make them eligible for parole consideration or placement in the community programs.

**BENEFITS:** The smaller size of institution will allow for better and more cost effective treatment of the inmate population. At a time of very limited resources, Community Corrections provides a very viable option to incarceration, and a strong, functional prison is a vital part of the Community Corrections' program.

**TASK:** **IMPLEMENTATION OF UNIT MANAGEMENT AT MONTANA STATE PRISON**

**REASON:** In order to improve use of resources, enhance "ownership" in operating the prison and improve management of inmates incarcerated at MSP.

**ACTIONS:** Three management meetings have been held to outline and discuss the implementation of the Unit Management concept. The Department is committed to building a team approach to corrections. Consequently, all staff have been invited and encouraged to attend. All of the position descriptions for the various assignments have been developed and provided for review to the interested staff. A notebook of all of the requirements and explanations of Unit Management have been developed to be checked out by interested staff.

**PENDING:** The positions of Unit Manager and Case Manager are planned for posting by August 23, 1993. It has been projected that the following positions will be part of the direct care staff of the Unit Management component:

- 10 Unit Managers
- 10 Case Managers
- 10 Correctional Services Coordinators
- 16 Sergeants
- 8 Correctional Technicians
- 177 Correctional Officers

This is a total of 231 FTE's. Currently the unit staff to inmate ratio is 1:4.5; under the new unit management the ratio will be 1:3.7 when the population reaches 850.

**BENEFITS:** Unit Management will permit a more professional approach to corrections. The inmates will be served in a more quality fashion, and the staff will be empowered and trained to a higher level of professionalism. Staff will have the authority to make the decisions, and the managers will be working on the unit and available to both staff and inmates.

**TASK: IMPLEMENTATION OF A BOOT CAMP AT THE SWAN RIVER FACILITY  
KNOWN AS THE SWAN RIVER CORRECTIONAL TRAINING CENTER**

**REASON:** In order to try new correctional approaches, address the overcrowding and the directed downsizing of the Montana State Prison, the Legislature authorized the Boot Camp. This is an intensive, short term shock incarceration that places young offenders in a "Boot Camp" environment for 90 to 120 days. The young men have a full day of drill, education, counseling, and exercise. They are programmed from 5 AM to 9 PM.

Inmates are referred to this program by the courts, and if approved by the Corrections Division and upon successful completion of the program they return to court to have their sentence adjusted to probation and are then placed in the most suitable program.

**ACTIONS:** The Boot Camp opened on July 8, 1993. On August 11, 1993, 11 trustees and 11 "Booters" were in the program. Swan River Forest Camp staff of 18 were re-trained under grants from the National Institute of Corrections. The Drill Instructors were sent to a 3 week training camp in Michigan, and two consultants from the Wyoming Boot Camp were used as trainers for the entire staff. The 11 trustees were selected and recommended by the staff of the prison, and the final selection was by the Bureau Chief, Superintendent and Program Managers of the Boot Camp program. The trustees provide all of the support labor needed to operate the program, such as kitchen help, maintenance, staff aides, and general duties.

**PENDING:** New inmates are placed at the rate of 8 to 10 every 3 weeks until the total of 30 "Booters" is reached.

**BENEFITS:** This program provides a very quick and intense opportunity for the young men to confront the issues that placed them in the program, and allows them to benefit from a period of incarceration of 90 days as opposed to average sentence of 2 years. The program also allows the Division to program an increased number of inmates with less state resources.

**TASK: INCREASE IN THE NUMBER OF PRE-RELEASE BEDS, AND CONVERSION OF THE  
MISSOULA LIFE SKILLS CENTER TO A PRIVATE NON-PROFIT CENTER**

**REASON:** The shift to community based corrections, and a MSP budget based on ADP of 850 inmates. In addition, due to historically limited state resources and successful non-profit operation of pre-release facilities, the Department decided to transition the Missoula Life Skills Center to a private non-profit center known as Missoula Correctional Services, Inc.

**ACTIONS:** Contracts have been completed with the existing pre-release centers in Billings, Butte, and Great Falls. Each of these programs will increase to 60 beds with the ability to have an additional 15 non-residential clients at a reduced cost to the State.

The Centers will be paid \$32/day for 50 inmates, \$33/day for the next 10, and a bonus of \$125 per each new client they take. They will be paid \$7/day for up to 15 non-residential clients. The bonus will be paid to encourage them to use the non-residential placement, plus it also encourages them to employ the inmate internally to keep him or her from building up large bills to the centers until they have located a job. In addition, the offender will pay up to \$10/day in all of these programs. The exact amount is at the discretion of the provider.

These increases will allow an additional 75 slots for males and 14 for females. There will be a total of 262 slots for males and 30 slots for females in FY 94. That will be increased to 297 males and 47 females in FY 95.

**PENDING:** A request for Missoula proposals was issued in April, and Missoula Correctional Services, Inc. (MCS) and a company from Denver submitted proposals. Because of the strong community support, MCS was selected. After some misunderstandings and further negotiations, it was determined the state would continue to operate the facility; but no longer than June 30, 1994, at which time the center would become a private operation. The Center will maintain the current capacity of 27 beds and will be permitted to have an additional 10 non-residential beds. In FY 95 they will be paid the same rate as the other centers and will be permitted to have 60 beds.

**BENEFITS:** Utilizing the existing centers allowed for immediate additional pre-release beds. At this point the Department feels these centers are large enough, and future expansions will be planned for other communities.

✓ **TASK:** INCREASE OF PROBATION AND PAROLE OFFICERS

**REASON:** Due to the shift to community corrections and the downsizing of the Montana State Prison the Legislature authorized the addition of 17 Probation and Parole officers.

**ACTIONS:** Intensive Supervision Programs will be increased in Billings and Great Falls, and a new program will be opened in Kalispell. In addition Extended Supervision Programs will be opened in other parts of the State including Butte, Helena and Bozeman. This will allow more than 200 slots for offenders needing more intense supervision.

The Regional Supervisor for Kalispell has been hired. The initial posting for the additional 17 officers was done internally to allow for interested staff from the prison and state operated pre-release centers to apply under a training assignment. Eight internal applicants were offered positions but only 5 accepted.

**PENDING:** The remaining officers are being recruited from the general public. Placement should be completed by October.

**BENEFITS:** This increase of officers allows the assignment of more realistic case loads and allows the Division to better address the needs of the community and the offenders.

✓ **TASK:** DEVELOPING AND DETERMINING THE NEEDS OF MONTANA WOMEN'S CORRECTIONAL SYSTEM

**REASON:** There has been a strong push to build a Women's Prison in Montana. The proposed size has varied from 80 to 200 inmates. The Corrections Division has agreed that a more modern women's center is needed; but the Department feels the exact size of the center cannot be accurately identified until the effect of an active community alternative program is assessed. In order to address the physical condition of the facility and lawsuits by the ACLU, it was



determined that some more immediate solutions had to be developed in the interim to provide quality facilities for the excellent programs that exist at the Women's Center. Currently there are 47 women in the Center, 37 in the main unit and 10 in the expansion unit, 12 in the Billings Life Skills Center, 13 in the Butte Pre-Release Center, and 9 on Intensive Supervision for a total of 81.

**ACTIONS:** Formal planning has been authorized to move from the current facility to Pintlar Lodge on the grounds of the Montana State Hospital. This facility is located adjacent to the Expansion Unit and will permit more beneficial use of staff. The Pintlar Unit will require the addition of modular buildings for visiting and education. This is not a long term solution, and the building will be able to be used by the hospital when the Women's Center is relocated.

Currently there are 20 beds available in Butte for female clients. They are paid \$41 per day and the inmate can pay up to \$10 per day. There are 12 beds available at the Billings Life Skills Center.

**PENDING:** An RFP is being developed to add a 24 bed community program that will include the Billings Life Skills program and add 12 more beds. This program will be a community program and will be innovative in its approach and will house both minimum and community classified residents. The program will be expected to address the unique needs of women offenders and will include parenting, mother/child interaction, job training, education, substance abuse, and sexual and physical abuse counseling. Women will be encouraged to pursue non-traditional occupations, and the program will focus on the uniqueness of the women offenders and not attempt to fit them into a dysfunctional male model.

**BENEFITS:** This women's correctional system will respect and recognize the differences of the women offenders from the male offenders. The programs will focus on the community and more clearly address the needs of the female offenders of Montana.

✓ **TASK:** CLOSURE OF GALEN CAMPUS OF MONTANA STATE HOSPITAL

**REASON:** Patients could be served in other facilities at less cost.

**ACTIONS:**

- a) Placement of nursing home patients in private nursing homes and the Center for Aged.
- b) Establishment of 18-bed infirmary at Warm Springs campus.
- c) Establishment of Montana Chemical Dependency Center at Butte.
- d) Staff lay-offs.
- e) Closure of the Galen facilities.
- f) Request for proposals was issued to manage the property; but no acceptable responses were received.

**PENDING:** Although a use for the Galen campus has not been identified the Department would like to find a way to maintain staff housing at Galen. Anaconda-Deer Lodge government has expressed some interest in finding uses for the facility.

✓ **TASK:** **ESTABLISH COMMUNITY BASED SYSTEM OF SERVICES FOR SERIOUSLY EMOTIONALLY DISTURBED YOUTH.**

**REASON:** The 1993 Legislature discontinued Medicaid funding for child/adolescent inpatient psychiatric services and decreased Medicaid funding for residential services. There has been a previous general agreement that with a stronger community-based system youth could be served closer to their homes and in less restrictive settings.

**ACTIONS:**

- a) An interagency agreement including six state agencies has been signed.
- b) Funds from several agencies are funneled through a single contract with each of the community mental health centers.
- c) Each region has a Managed Care Team which advises the community mental health center and works with a State Team.
- d) Training for Managed Care Specialists and Regional Teams has occurred. Local training and public meetings are taking place late in August.
- e) Public Service Announcements are being prepared to inform public of program.

**PENDING:** Eventually the regional managed care system will control all placements into residential treatment. This will require transition from the current utilization review process.

✓ **TASK:** **REVIEW OF MENTAL HEALTH SYSTEM MANAGEMENT**

**REASON:** To achieve savings necessary to meet personal services reduction applied by Legislature while maintaining or improving management efficiency.

**ACTIONS:** Two top management positions have become vacant and will not be filled. The duties will be assumed through a restructured administration.

**PENDING:** Review of Montana State Hospital and Mental Health Division structure is ongoing. Final organizational structure will be determined following review.

✓ **TASK:** **PURSUE ACCREDITATION OF MONTANA STATE HOSPITAL**

**REASON:** To assure the highest quality services which meet applicable national standards.

**ACTIONS:** Planning committees are being formed at Montana State Hospital to develop proposals for facility and program improvements needed to meet accreditation standards.

**PENDING:** Committee deliberations and recommendations, followed by management decisions.

✓ **TASK:** **EASTERN MONTANA VETERANS HOME CONSTRUCTION AND MANAGEMENT PROJECTS - HB 5, and HB 46.**

**REASON:** To construct the 80 bed EMVH in Glendive, Mt. and contract with a private vendor to operate the facility. Total project = \$5,691,134 (federal 65% = \$3,699,237 & state 35% = \$1,991,897). There is also a \$325,000 special revenue appropriation to the DCHS for start up and maintenance of the facility.

**ACTIONS:** Bids were opened for construction on August 4, 1993 and several were under budget. Bid tabs and other required information were sent to the VA on August 12, 1993 for their review and approval. RFP for the management and operation of the facility was sent out July 6, 1993. Seven (7) letters of interest/intent to bid had been received by August 6, 1993.

**PENDING:** Notice of the VA construction grant award is expected by late August or early September 1993. Construction is projected to begin no later than October 1, 1993 and completed by December 1995. RFP for the operation of the EMVH will be opened on October 4, 1993. Review and negotiations will take place during October with a selection made in November 1993.

**BENEFITS:** The facility will provide 80 additional veterans nursing beds without additional general fund expenditures.

✓ **TASK:** **MONTANA DEVELOPMENTAL CENTER CAMPUS CONSTRUCTION PROJECT - HB 963 (1991 Session), and HB 537 (1993 Session).**

**REASON:** Construct and consolidate the MDC campus on the north side of the river for 110 residents, enhance treatment programs and create efficiency savings.

**ACTIONS:** Schematic design phase completed in June 1993.

**PENDING:**

- a) Design development & approvals phase projected completion - September 1993.
- b) Contract documents & approval phase - January 1994.
- c) Bidding - February 1994.
- d) Construction - March 1994 through March 1996.

**BENEFITS:** No impact on the general fund or State's bonding debt as revenue bonds will be sold through the Montana Health Facility Authority and paid by increased medicaid reimbursement and efficiency savings at MDC.

✓ **TASK: CENTRAL OFFICE STAFFING AND MANAGEMENT POSITION REVIEW**

**REASON:** Improvement in efficiency and approximately 9% or \$272,848 total, legislative reduction in personnel services.

**ACTIONS:** Consolidating the functions of Personnel Administrator and Chief Legal Counsel by reassignment of those duties to the Deputy Director position. The incumbent Personnel Administrator is retiring and will not be replaced. The supervisory functions of the attorney supervisor are assigned to the Deputy Director leaving two legal counsel positions.

Reassignment of Research and Information positions to Management Services Division from Corrections to provide increased support in grant administration and research abilities for the entire department.

**PENDING:** The personnel and legal units are being restructured to accommodate the organizational changes. The savings will not be realized until FY 95 primarily due to benefit pay outs.

**BENEFITS:** The research and information position transfer has already led to submittal of federal grant applications on behalf of ADAD and Mental Health Divisions in an attempt to find federal resources to improve delivery of services to the chemically dependent correctional population and seriously emotionally disturbed children.

✓ **TASK: CENTRAL CORRECTIONS MEDICAL COSTS**

**REASON:** Efficient management of Corrections medical budget due to escalating health care costs.

**ACTIONS:** Contracted with Blue Cross and Blue Shield of Montana through their Managed Care Program to provide claims administration, access to their participating physician network and provider discounts, pre-admission review, discharge planning and provider reimbursement service.

Implemented a Physician "Gate Keeper" concept at MSP Infirmary.

Require Inmate purchase of over the counter medications.


Contracted with Coastal Corrections Health Care, Inc. to prepare Corrections medical policy and procedure manual.

**PENDING:** Recruiting and retention of medical staffing at MSP.

Rental or purchase of medical equipment for Infirmary to provide earlier post hospital care.

DATE 8-20-93

HB

Department of Corrections and Human Services Policies and Procedures for Corrections Division	Policy Subject: ADDITIONAL GOOD TIME CREDIT/DISCHARGE & PAROLE			
	Original Policy Yes [X] No [ ]	Effective Date 08/01/93	Page 1	Policy No. 526
Signature of Responsible Person 	Revision Date		of	
Date 8/18/93	Revision Date		5 Pages	

**OBJECTIVES:**

To allow the Department of Corrections and Human Services to award additional good time credits to selected inmates when the Montana State Prison or the Montana Women's Correctional Facility exceeds the design capacity.

**AUTHORITY:**

Section 53-30-105 (5) MCA; A.R.M. Rule \_\_\_\_\_

**POLICY:**

This policy is to establish guidelines for granting of additional good time credits which allow offenders early eligibility for parole or discharge. The guidelines are to define factors which the Department must consider when providing additional good time credits.

**DEFINITIONS:**

- (a) "Additional good time credits" means:
- (i) Good time days awarded to permit an inmate to become eligible for parole.
  - (ii) Good time days awarded to permit an inmate to discharge his/her sentence, not to exceed 180 days.
- (b) "Attitude" generally means an inmate's satisfactory completion of recommended programs of rehabilitation.
- (b) "Board" means the board of pardons as provided for in 2-15-2302, MCA.
- (c) "Criminal History" includes the nature, severity, frequency and circumstances of present and prior offenses and adjustment to supervision.
- (d) "Department" is the department of corrections and human services as provided for in 2-15-2301, MCA.

- (e) "Design Capacity" means the average daily inmate population of a correctional institution established by legislative appropriation.
- (f) "Discharge" means completion of institutional or program commitments imposed by the sentencing court.
- (g) "Good Behavior" generally means no major disciplinary violation within the most recent four-month period and an acceptable behavioral history while incarcerated.
- (h) "Inmate" means any person residing in a state adult correctional facility.
- (i) "Parole Eligibility" means the earliest possible date a person may be released from confinement on parole in accordance with Chapter 23, Title 46, MCA.

ELIGIBILITY:

Inmates of Montana's Corrections system who are nearest to parole eligibility or discharge, with the exception of those prohibited by statute, administrative rule or court order may be eligible for consideration of additional good time credits.

Inmates with demonstrated good behavior and appropriate attitude who have obtained recommended treatment relative to their criminal history may be considered for additional good time credits. Generally, an inmate with a criminal history including two or more crimes of violence will not be eligible for the award of additional good time credits. Consideration for additional good time credits is solely within the discretion of the Department.

PROCEDURAL GUIDELINES:

The Records Department of Montana State Prison will identify those inmates closest to parole eligibility/discharge.

- (a) The institution will prepare a report and recommendation regarding the awarding of additional good time credits. The report will be submitted to the Director, Department of Corrections and Human Services or his designee, along with the attached form for the approval/disapproval of additional good time credits by the Director or his designee.
- (b) The signed authorization form will be returned to the Records Department for the appropriate action.

**ADDITIONAL GOOD TIME CREDIT/  
DISCHARGE & PAROLE**

Page 3 of 5 Pages

**ADDITIONAL GOOD TIME CREDITS FOR PAROLE ELIGIBILITY:**

Generally, only one award of additional good time credit may be granted per sentence for purposes of parole eligibility.

- (a) When an inmate becomes eligible for parole through the award of additional good time credits, he/she then becomes subject to the laws, rules, and policies of the Board of Pardons.
- (b) The award of additional good time credits to enable an inmate to become parole eligible are conditional upon the inmate's parole. If an inmate is not granted a parole, or if he waives his appearance before the date on which the inmate becomes parole eligible with-out the additional good time credits, the additional good time credits are automatically forfeited.

**ADDITIONAL GOOD TIME CREDITS TO DISCHARGE:**

An award of additional good time credits to allow the discharge of a sentence may not exceed 180 days per sentence.

**APPROVAL OF AWARD OF ADDITIONAL GOOD TIME CREDITS:**

Upon award of additional good time credits, the Records Department shall schedule the inmate for parole hearing within the two months following the date an inmate becomes eligible, or place the inmate on a waiting list to be discharged as needed to meet the design capacity.

**FORFEITURE OF ADDITIONAL GOOD TIME CREDITS:**

In the event an inmate violates the rules prescribed by the Department or the Board of Pardons, the Department may order forfeiture of all or any portion of additional good time credits.

**DISAPPROVAL OF AWARD OF ADDITIONAL GOOD TIME CREDITS:**

Should the Director of the Department of Corrections and Human Services or his designee disapprove consideration of the award of additional good time credits, the institution may apply for reconsideration when the inmate has successfully complied with the requirements set forth by the institution or program.

**CLOSING:**

Questions concerning this policy and procedure can be directed to the

Corrections Administrator  
Department of Corrections and Human Services  
1539 11th Avenue  
PO BOX 201301  
Helena, MT 59620-1301  
Telephone: 444-3902

GRANTING ADDITIONAL GOOD TIME CREDIT

PAROLE ELIGIBILITY

Name: \_\_\_\_\_ MSP #: \_\_\_\_\_ Location: \_\_\_\_\_

In accordance with Section 53-30-105 (5), MCA, and the Department of Corrections and Human Services' Policy No. 526 the Records Department has determined a projected parole eligibility date of \_\_\_\_\_ for the above named individual.

Upon approval of the Director of Department of Corrections and Human Services or his designee, additional good time credit will be granted in the necessary amount to allow for the inmate's parole eligibility.

Any misconduct may result in forfeiture of additional good time.

I hereby \_\_\_\_\_ approve \_\_\_\_\_ disapprove  
the granting of additional good time credit to allow for parole eligibility.

\_\_\_\_\_  
Date Director, Department of Corrections and Human Services

ADDITIONAL GOOD TIME CREDIT AWARDED

\_\_\_\_\_  
years

\_\_\_\_\_  
months

\_\_\_\_\_  
days



ADDITIONAL GOOD TIME CREDIT/  
DISCHARGE & PAROLE

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## GRANTING ADDITIONAL GOOD TIME CREDIT

DISCHARGE

Name: \_\_\_\_\_ MSP #: \_\_\_\_\_ Location: \_\_\_\_\_

In accordance with Section 53-30-105 (5), MCA, and the Department of Corrections and Human Services' Policy No. 526 the Records Department has determined a projected discharge date of \_\_\_\_\_ for the above named individual.

Upon approval of the Director of Department of Corrections and Human Services or his designee, additional good time credit will be granted in the necessary amount to allow for the inmate's discharge, not to exceed 180 days.

Any misconduct may result in forfeiture of additional good time.

I hereby \_\_\_\_\_ approve \_\_\_\_\_ disapprove  
the granting of additional good time credit to allow for discharge.

\_\_\_\_\_  
Date\_\_\_\_\_  
Director, Department of Corrections and Human Services

ADDITIONAL GOOD TIME CREDIT

\_\_\_\_\_  
months\_\_\_\_\_  
days

DATE RELEASED \_\_\_\_\_

COMMENTS TO THE APPROPRIATIONS COMMITTEE OF HUMAN SERVICES

AUGUST 10, 1993

PRESENTED BY JOHN M. SHONTZ  
PUBLIC POLICY COORDINATOR

**Mental Health Association of Montana**

*An Affiliate of the National Mental Health Association*

**State Headquarters**

555 Fuller Avenue • Helena, Montana 59601  
(406) 442-4276 • Toll-Free 1-800-823-MHAM



Dorothy M. Leonard, *President*  
Joy McGrath, *Executive Director*  
John Shontz, *Public Policy Coordinator*

Chairman Cobb and Members of the Committee,

My name is John M. Shontz. I am the public policy coordinator for the Mental Health Association of Montana. The Association aggressively supported tax reform during the 1993 Session of the Legislature. The Association understood then and understands now the consequences of the failure of fundamental tax reform in Montana. We all face those consequences today. But the Legislature's options are limited.

Article XII, Section 3 of the Montana Constitution states in part;

(1) THE STATE SHALL ESTABLISH AND SUPPORT INSTITUTIONS AND FACILITIES AS THE PUBLIC GOOD MAY REQUIRE , INCLUDING HOMES WHICH MAY BE NECESSARY AND DESIRABLE FOR THE CARE OF VETERANS.

(3) THE LEGISLATURE MAY PROVIDE SUCH ECONOMIC ASSISTANCE AND SOCIAL AND REHABILITATIVE SERVICES AS MAY BE NECESSARY FOR THOSE INHABITANTS WHO, BY REASON OF AGE, INFIRMITIES, OR MISFORTUNE MAY HAVE NEED FOR AID OF SOCIETY.

The question, then is not if persons who are mentally ill, for example, will receive assistance from the legislature, but how the assistance can be delivered in the most cost effective manner; either in an institutional setting or in a community based setting.

During the past decade, the Mental Health Association of Montana supported and advocated for the development of community based services for mentally ill adults and children in Montana.

#### CHILDREN:

During the recent legislative session, the Association supported the Governor and Legislature's initiative to replace the heavy use of inpatient psychiatric care for Montana children in favor of developing a community based system of care for our emotionally and severely emotionally disturbed youth. The saving to the general fund as a result of this switch was several million dollars.

This committee was instrumental in assembling a package that established the mechanisms which is making the development of the community based programs for Montana children possible. You might be interested to know that thanks in part to your efforts, Montana is one of, I believe, only

four states in this country that requires state agencies to coordinate their services to severely emotionally disturbed children.

Do NOT reduce the current level budget for those programs. The result will simply be a return to institutionalized care for SED children in Montana at a tremendous increase in costs to the state's general fund.

#### ADULTS:

During the past decade, state services to mentally ill adult Montanans has undergone a great change. Scores of people moved from institutionalized settings into community based treatment programs. Advances in treatment and medications have also aided in the healing of thousands of people with mental illnesses. The Medicaid program and the Medically Needy program have been the primary vehicles used to fund the care of mentally ill indigent adults in community based settings.

Reduction or elimination of the optional services provided under Medicaid (including medication, day treatment, and therapy) will simply mean that adults will be served at Montana State Hospital at Warm Springs rather than at home. Specifically, reductions in the medically needy program limiting non targeted case management care to 22 hours of therapy per incident at community mental health centers and fifteen hours of day treatment per week will result in the speedy institutionalization of many Montanans at a high cost.

As I noted earlier, our state Constitution mandates that the Legislature provide assistance to persons in need. We point out that this committee, in reality, controls the general fund budget prepared by the Institutions Subcommittee because of your control of funding for community based programs through the medically needy program and the Medicaid program. The responsibility to minimize general fund spending for the care of mentally ill indigent Montanans rests with you.

Let me close with a clear financial example of what will occur if services to the mentally ill are reduced through the medically needed program and the Medicaid program.

Last year, these programs paid for treatment of 687 Montanans suffering from severe schizophrenia. Of those, 630 persons were treated in Montana's five community mental health centers. If a "cap" of 22 hours of treatment in a community mental health center is put in place per person, then a large number of those persons will not be treatable in their community; they will

require institutionalization.

We again note that this point that, by federal law, CARE AT MONTANA STATE HOSPITAL IS FULLY FUNDED BY THE STATE'S GENERAL FUND: Medicaid cannot help.

The executive director of the least populated mental health region estimates that 100 persons who are currently being treated in their communities under the Medicaid program alone will require commitment to Warm Springs within a year. The cost to Montana's general fund will be about \$1,650,000.00 for the treatment at Montana State Hospital for these persons. Currently, the region receives \$140,000.00 in general fund money to serve those persons in their communities. The general fund money is matched with about \$360,000.00 in federal money to fund the locally based treatment programs.

\$140,000.00 in general fund at the local level verses \$1,650,000.00 in general fund at Warm Springs. We note that if all 100 persons were permanently committed to Warm Springs the cost to the general fund would rise to well in excess of six million dollars. The choice clearly rests with you.

Do not demand small savings in community based services for the mentally ill by eliminating or reducing services under the medically needy or Medicaid options. Dramatic cost increases will result due to a certain dramatic rise in institutionalization.

#### SUMMARY:

The Montana Constitution mandates that services be provided to mentally ill indigent Montanans.

The mental health system in Montana is becoming more cost effective as institutional services are replaced with

community based services. Patients are certainly better treated as well.

Development of adequate services to severely emotionally disturbed Montana children at the community level is just beginning. Funding reductions now will again commit the general fund to support very high cost institutional care.

The same is true for Medicaid and medically needy service for mentally ill indigent adults in Montana. Consider the general fund cost of caring for persons at Warm Springs compared to the cost of care in the local community when you examine reducing the funding for the options that you currently fund.

We encourage this committee to again meet jointly with the Subcommittee on Institutions to address these issues. We encourage you to direct your staff and to request the executive to explore the general fund impacts of caring for Montanans in the event you choose to reduce the medically needy program and Medicaid funding for indigent mentally ill Montanans.

You that you will be appalled at the increased costs to general fund that will inure if the medically needy and the Medicaid optional services are cut or reduced at the community level.

Thank you.