

SENATE BILL NO. 39

INTRODUCED BY KEATING  
BY REQUEST OF THE COMMITTEE ON  
THE MONTANA STATE HOSPITAL

IN THE SENATE

DECEMBER 22, 1992	INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS.
JANUARY 4, 1993	FIRST READING.
FEBRUARY 18, 1993	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 19, 1993	PRINTING REPORT.
	SECOND READING, DO PASS.
FEBRUARY 20, 1993	ENGROSSING REPORT.
	THIRD READING, PASSED. AYES, 27; NOES, 23.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON APPROPRIATIONS.
	FIRST READING.
MARCH 17, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 29, 1993	SECOND READING, CONCURRED IN.
MARCH 31, 1993	THIRD READING, CONCURRED IN. AYES, 61; NOES, 38.
APRIL 1, 1993	RETURNED TO SENATE.

IN THE SENATE

APRIL 2, 1993	RECEIVED FROM HOUSE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

## SENATE BILL NO. 39

INTRODUCED BY KEATING

BY REQUEST OF THE COMMITTEE ON

THE MONTANA STATE HOSPITAL

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR DISCONTINUING LICENSED ACUTE HOSPITAL CARE ON THE GALEN CAMPUS OF THE MONTANA STATE HOSPITAL; AMENDING SECTION 53-21-601, MCA; REPEALING SECTION 50-17-104, MCA; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, the 52nd Legislature created a study committee to make recommendations on the future role of the Montana State Hospital; and

WHEREAS, the Committee on the Montana State Hospital, by majority vote, has recommended that the Montana State Hospital discontinue licensed acute hospital care on the Galen campus; and

WHEREAS, two independent physicians, contracted by the Committee on the Montana State Hospital, found, after reviewing patient files and the capabilities of the Galen acute care hospital, that the acute care capabilities of the Galen hospital are very limited and that the great majority of the residents of Galen, Warm Springs, and the Montana State Prison can be effectively served in a subacute

infirmary setting; and

WHEREAS, these two physicians expressed concerns about whether institutional residents who do require acute care receive the level of care they need at the Galen acute care hospital; and

WHEREAS, the continued operation of a licensed acute care hospital in aging facilities that are costly to maintain is inefficient and unnecessary; and

WHEREAS, an infirmary will be established at Warm Springs to provide for the subacute medical needs of residents of Galen, Warm Springs, and the Montana State Prison; and

WHEREAS, the medical detoxification of clients of the Galen chemical dependency program can be accomplished in a subacute setting.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 53-21-601, MCA, is amended to read:

"53-21-601. Location and primary function of hospital.

(1) The agency facility providing comprehensive health care services at Galen and Warm Springs, Montana, is the Montana state hospital and as its primary function provides:

(a) care and treatment of mentally ill persons;

(b) diagnosis, care, evaluation, treatment, referral, and rehabilitation of persons afflicted with chemical

1 dependency;

2 (c) care and treatment of institutional residents or  
3 clients of the department's community and residential  
4 programs who require acute-hospital-care-or nursing care;

5 ~~{d}--treatment--of--tuberculosis-and-silicosis--(commonly~~  
6 ~~called-miner's-consumption); and~~

7 ~~{e}{d}~~ detoxification of those persons who seek relief  
8 from the disabling effects of alcohol and other chemical  
9 substances; and

10 ~~{f}--contingent-upon-space-and-funds--the--treatment--of~~  
11 ~~pulmonary-diseases-and-other-medical-or-organic-disorders.~~

12 (2) The campus facility at Warm Springs, Montana, is  
13 the component designated as the mental health facility, as  
14 defined in 53-21-102, of the department of corrections and  
15 human services for the care and treatment of mentally ill  
16 persons.

17 (3) The designated campus facilities at Galen, Montana,  
18 are the components designated as the department's  
19 residential treatment facilities for those persons suffering  
20 from chemical dependency.

21 (4) The campus facility at Galen, Montana, licensed to  
22 provide acute-hospital-and intermediate nursing care, is the  
23 facility component designated for the care and treatment of  
24 ~~the-medical-and-organic-disorders-described-in-this--section~~  
25 clients of the department's community and residential

1 programs who require nursing care."

2 NEW SECTION. **Section 2.** Repealer. Section 50-17-104,  
3 MCA, is repealed.

4 NEW SECTION. **Section 3.** Effective date. [This act] is  
5 effective July 1, 1993.

-End-

## STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB0039, as introduced.DESCRIPTION OF PROPOSED LEGISLATION:

An act providing for discontinuing licensed acute hospital care on the Galen campus of the Montana State Hospital (MSH).

ASSUMPTIONS:

1. Senate Bill 40 also is enacted.
2. Current law figures are taken from the LFA current level 1995 Biennium Budget Analysis.
3. Proposed law figures are the Executive Budget current level recommendation plus one modification to allow added staffing in the Center for the Aged to accommodate some of the current MSH patients.
4. The LFA 1995 Biennium Budget Analysis estimates that lost Medicaid revenue to the general fund would be \$730,032 in FY94 and \$679,070 in FY95.
5. The Executive Budget recommendation assumed enactment of SB39 and SB40 in both expenditures and revenue estimates.
6. The average of 5 FY93 termination payouts at MSH was \$646.00 per employee. Department of Corrections and Human Services estimates that vacancy savings from employees changing jobs or terminating early will approximately offset payouts at this average level.

FISCAL IMPACT:Expenditures:

	FY '94			FY '95		
	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>	<u>Current Law</u>	<u>Proposed Law</u>	<u>Difference</u>
FTE	680.72	604.20	(76.52)	680.72	604.20	(76.52)
Personal Services	23,435,614	21,150,158	(2,285,456)	24,158,812	21,963,629	(2,195,183)
Operating Costs	<u>2,896,654</u>	<u>3,339,024</u>	<u>442,370</u>	<u>2,888,265</u>	<u>3,409,381</u>	<u>521,116</u>
Total	26,332,268	24,489,182	(1,843,086)	27,047,077	25,373,010	(1,674,067)

Funding:

General Fund	24,218,565	22,306,046	(1,912,519)	24,900,753	23,127,219	(1,773,534)
State Special	2,112,668	2,182,101	69,433	2,145,289	2,244,756	99,467
Federal Revenue	<u>1,035</u>	<u>1,035</u>	<u>0</u>	<u>1,035</u>	<u>1,035</u>	<u>0</u>
Total	26,332,268	24,489,182	(1,843,086)	27,047,077	25,373,010	(1,674,067)

Revenues:

Medicaid Reimbursement to the General Fund	(730,032)	(679,070)
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Net Impact:

General Fund	(1,182,487)	(1,094,464)
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*David Lewis* 1-18-93  
 DAVID LEWIS, BUDGET DIRECTOR DATE  
 Office of Budget and Program Planning

*Tom Keating*  
 TOM KEATING, PRIMARY SPONSOR DATE

Fiscal Note for SB0039, as introduced

SB 39

APPROVED BY COMM. ON  
FINANCE AND CLAIMS

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CAMPUS OF THE MONTANA STATE HOSPITAL; AMENDING SECTION  
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to make recommendations on the future role of the Montana  
State Hospital; and

WHEREAS, the Committee on the Montana State Hospital, by  
majority vote, has recommended that the Montana State  
Hospital discontinue licensed acute hospital care on the  
Galen campus; and

WHEREAS, two independent physicians, contracted by the  
Committee on the Montana State Hospital, found, after  
reviewing patient files and the capabilities of the Galen  
acute care hospital, that the acute care capabilities of the  
Galen hospital are very limited and that the great majority  
of the residents of Galen, Warm Springs, and the Montana  
State Prison can be effectively served in a subacute

infirmity setting; and

WHEREAS, these two physicians expressed concerns about  
whether institutional residents who do require acute care  
receive the level of care they need at the Galen acute care  
hospital; and

WHEREAS, the continued operation of a licensed acute  
care hospital in aging facilities that are costly to  
maintain is inefficient and unnecessary; and

WHEREAS, an infirmity will be established at Warm  
Springs to provide for the subacute medical needs of  
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2 NEW SECTION. Section 2. Repealer. Section 50-17-104,  
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