

# DPHHS Healthcare Facilities Division

January 5, 2023

ALVAREZ & MARSAL  
LEADERSHIP. ACTION. RESULTS.™

## 2023 Health and Human Services Joint Appropriation Subcommittee



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# Healthcare Facilities Division Overview

# Overview | Healthcare Facilities Division

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## MISSION

To create a high quality, person-centered “system of care” in service of individuals living with mental illness, intellectual and developmental disabilities, aging related health conditions, including veterans and substance use disorders.

## REGIONAL APPROACH TO HEALTHCARE SERVICES

The Healthcare Facilities Division (HFD) manages seven healthcare facilities across the Montana region, each serving populations with unique needs and challenges.

- Montana State Hospital (MSH) in Warm Springs
- Intensive Behavior Center (IBC) in Boulder
- Montana Mental Health Nursing Care Center (MMHNCC) in Lewistown
- Montana Chemical Dependency Center (MCDC) in Butte
- Montana Veterans Home (MVH) in Columbia Falls
- Southwest Montana Veterans Home (SWMVH) in Butte
- Eastern Montana Veterans Home (EMVH) in Glendive

## A NEW DIVISION WITHIN DPHHS

The Division was created in the 2023 Biennium to allow for more focus and centralized support to the facilities and is currently the newest Division within DPHHS. In addition to overall operational management of all agency facilities, the HFD is responsible for developing and implementing statewide public policy promoting comprehensive health, prevention methods, interventions, and systems of care for the Department’s patient/client population with a strong focus on safety science. The Division employs 1,087.76 FTEs working across Montana.

While the new Facilities Division is still in an early stage of operation, the impacts of its creation are evidenced by new administrators providing direction and support at four of the seven facilities, improvements in training compliance noted at all locations, and implementation of new quality initiatives with a focus on patient/client outcomes.



# Montana State Hospital

Montana State Hospital (MSH) provides inpatient psychiatric treatment for adults with serious mental illness on civil or forensic commitment. MSH is codified in [MCA 53-21-601](#).

## Background

- Opened in 1877 with 13 patients.
- During the history of the hospital, the peak census reached 1,986 patients in the mid-20<sup>th</sup> century.
- Today, the hospital maintains 270 licensed beds, of which 216 are situated on the main campus, and 54 are located at the Galen / F-Wing satellite campus.
- The main campus contains 174 beds within the hospital while the remaining 42 beds are distributed in several group homes spread about the Warm Springs grounds.

## Purpose

- MSH serves Montana via civil commitments, involuntary commitments, emergency detentions, or court ordered placements. The hospital also aids the Montana legal system by providing forensic evaluations to the courts of Montana.
- MSH is the only adult psychiatric hospital in the state.
- MSH has a staff of licensed addiction counselors in addition to physicians, psychologists, nurses, mental health counselors, and direct care staff.

## Operational Challenges

- Difficulty recruiting and retaining competent staff.
- Length of stay is too long, and there is limited admission and discharge planning.
- Limited active treatment.
- Unmet demand for services.

# MSH | Scorecard – November 30, 2022

Traveler spend at MSH increased between October and November, and projected expenses in FY23 are significant compared to budget. MSH continues to make progress on its quality indicators and training compliance; a third quality indicator was added in November.

## Census & Staffing<sup>1</sup>

Status: ●

Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	84.1%	84.4%	
Admissions	61	75	
Discharges	50	72	
Waitlist	42 <span style="color: red;">●</span>	61 <span style="color: red;">●</span>	< 12
Employee Vacancy Rate	47.1% <span style="color: red;">●</span>	45.2% <span style="color: red;">●</span>	< 15%
Employee Turnover Rate	4.4% <span style="color: red;">●</span>	1.4% <span style="color: yellow;">●</span>	< 1.0%
Net Employee Hires	+2 <span style="color: red;">●</span>	-1 <span style="color: red;">●</span>	+6

## Budget – SFY23

Status: ●

Indicator	October 2022	November 2022	Goal
Starting Budget	\$48,873,226	\$48,873,226	
Actuals to Date	\$25,158,151	\$30,055,580	
Projected Expenses		\$87,172,320	
Variance – Budget to Projected Expenses		- \$38,299,094 <span style="color: red;">●</span>	> \$0
Cost per Bed Day		\$1,052	
Revenue to Date	\$789,083	\$999,441	
Monthly Traveler Spend	\$3,950,271	\$4,124,597	
Percent change in Traveler Spend	+2% <span style="color: red;">●</span>	+4% <span style="color: red;">●</span>	< -5%

## Quality & Training Metrics

Status: ●

Indicator	October 2022	November 2022	Goal
% of patients evaluated for Medicaid eligibility upon admission	100% <span style="color: green;">●</span>	100% <span style="color: green;">●</span>	95%
Patient attendance for group therapy sessions offered	71% <span style="color: yellow;">●</span>	72% <span style="color: yellow;">●</span>	75%
% of completed community re-entry form within 10 days of admission		50% <span style="color: red;">●</span>	90%
Training Compliance	90% <span style="color: yellow;">●</span>	94% <span style="color: yellow;">●</span>	100%

<sup>1</sup>Census and staffing data is aggregated for MSH across the main hospital, forensic facility (Galen) and the group homes.



## Overview | Montana Mental Health Nursing Care Center

Montana Mental Health Nursing Care Center (MMHNCC) provides long term care and treatment of persons who have mental disorders and who require a level of care not available in the community, but who cannot benefit from the intensive psychiatric treatment available at Montana State Hospital. MMHNCC is codified in [MCA 53-21-401](#).

### Background

- Opened in 1952 as a certified Long-Term Care Facility in Lewistown.
- Today, the hospital maintains 117 licensed beds, and typically serves 80 to 95 residents who would not be accepted into any other facility in the state.

### Purpose

- To be served by the facility, residents must meet the requirement for a nursing home, have a severe and disabling mental illness, and be denied entrance to at least three other nursing home facilities in the state. They may also be transferred, due to need, by another state facility.
- Usually, residents are committed to the facility by a judge.
- Most of the residents at MMHNCC are over the age of 65 and have extremely high care needs as well as challenging behaviors.

### Operational Challenges

- Difficulty recruiting and retaining competent staff.
- Poor employee satisfaction levels.
- Leadership turnover.

# MMHNCC | Scorecard – November 30, 2022

Employee vacancy rates at MMHNCC remain around 30 percent, though traveler spend decreased in November. Progress declined on the first two quality indicators between October and November. The facility has made continued progress on training compliance and added a third quality indicator for November.

## Census & Staffing

Status: ●

Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	57.3% <span style="color: red;">●</span>	57.3% <span style="color: red;">●</span>	> 89.7%
Admissions	1	1	
Discharges	0	0	
Waitlist	3 <span style="color: yellow;">●</span>	3 <span style="color: yellow;">●</span>	< 1
Employee Vacancy Rate	29.8% <span style="color: yellow;">●</span>	29.9% <span style="color: yellow;">●</span>	< 15%
Employee Turnover Rate	4% <span style="color: red;">●</span>	1% <span style="color: yellow;">●</span>	< 1.0%
Net Employee Hires	+2 <span style="color: yellow;">●</span>	+1 <span style="color: red;">●</span>	+4

## Budget – SFY23

Status: ●

Indicator	October 2022	November 2022	Goal
Starting Budget	\$12,411,241	\$12,411,241	
Actuals to Date	\$4,033,390	\$4,644,391	
Projected Expenses		\$13,581,961	
Variance – Budget to Projected Expenses		-\$1,170,720 <span style="color: yellow;">●</span>	> \$0
Cost per Bed Day		\$555	
Revenue to Date	\$1,463,201	\$2,102,129	
Monthly Traveler Spend	\$224,525	\$161,073	
Percent change in Traveler Spend	-28% <span style="color: green;">●</span>	-28% <span style="color: green;">●</span>	< -10%

## Quality & Training Metrics

Status: ●

Indicator	October 2022	November 2022	Goal
Falls with major injuries (as % of residents)	0% <span style="color: green;">●</span>	1.4% <span style="color: yellow;">●</span>	0%
% of patients being weighed monthly per CMS guidelines	100% <span style="color: green;">●</span>	95% <span style="color: yellow;">●</span>	100%
% of residents with a UTI against the Montana state average		1% <span style="color: green;">●</span>	< 2.9%
Training Compliance	87% <span style="color: red;">●</span>	91% <span style="color: yellow;">●</span>	100%





## Intensive Behavior Center

The Intensive Behavior Center (IBC) treats patients with intellectual and developmental disabilities (I/DD) who need intensive treatment due to continuous or repeated behaviors that pose an imminent risk of serious harm to themselves or others. IBC is codified in [MCA 53-20-602](#). Currently, IBC is licensed as an Intermediate Care Facility/Developmentally Disabled (ICF/DD) under [ARM 37.106.6](#), with no federal match for funds.

### Background

- The 2015 Legislature passed SB 411 requiring DPHHS to develop a plan and close the Montana Developmental Center (MDC). The department was instructed to move most of the residents into community services by Dec. 31, 2016. A final closure date was set for June 30, 2017.
- The 2017 Legislature passed HB 387 authorizing a permanent 12-bed secure Intensive Behavior Center (IBC) at the facility.

### Purpose

- IBC serves as an intensive, short-term treatment facility, located in Boulder MT, for individuals with developmental disabilities that have been determined by a court to pose an imminent risk of serious harm to themselves or others.
- Many individuals served by IBC exhibit severe and persistent challenging behaviors such as physical aggression and self-injurious behaviors as well as increased rates of mental health issues.

### Operational Challenges

- Difficulty recruiting and retaining competent staff.
- Leadership turnover.
- Limited active treatment.

# IBC | Scorecard – November 30, 2022

IBC continues to struggle with high employee vacancy rates, with a third of their positions vacant. Waitlist numbers increased significantly between October and November. There was no significant progress on quality indicators – and attendance at community outings dropped significantly.

## Census & Staffing

Status: ●

Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	83.3% <span style="color: yellow;">●</span>	83.3% <span style="color: yellow;">●</span>	> 91.7
Admissions	0	1	
Discharges	0	1	
Waitlist	0 <span style="color: green;">●</span>	14 <span style="color: red;">●</span>	< 1
Employee Vacancy Rate	66.7% <span style="color: red;">●</span>	66.7% <span style="color: red;">●</span>	< 15%
Employee Turnover Rate	9.1% <span style="color: red;">●</span>	0% <span style="color: green;">●</span>	< 1.0%
Net Employee Hires	+1 <span style="color: red;">●</span>	0 <span style="color: red;">●</span>	+4

## Budget – SFY23

Status: ●

Indicator	October 2022	November 2022	Goal
Starting Budget	\$2,775,188	\$2,775,188	
Actuals to Date	\$2,422,020	\$2,757,378	
Projected Expenses		\$8,360,079	
Variance – Budget to Projected Expenses		-\$5,584,891 <span style="color: red;">●</span>	> \$0
Cost per Bed Day		\$2,290	
Revenue to Date	\$30,689	\$37,223	
Monthly Traveler Spend	\$495,783	\$393,558	
Percent change in Traveler Spend	+19% <span style="color: red;">●</span>	-21% <span style="color: green;">●</span>	< -10%

## Quality & Training Metrics

Status: ●

Indicator	October 2022	November 2022	Goal
Comprehensive behavior support plans are updated at least quarterly or based on the individual's changing needs and expected outcomes	60% <span style="color: red;">●</span>	60% <span style="color: red;">●</span>	100%
Total attendance at community outings	20 <span style="color: green;">●</span>	4 <span style="color: red;">●</span>	12
Training Compliance	97% <span style="color: yellow;">●</span>	98% <span style="color: yellow;">●</span>	100%



# Montana Chemical Dependency Center

The Montana Chemical Dependency Center (MCDC) provides detoxification, evaluation, treatment, referral, and rehabilitation services to patients who have substance use disorder. MCDC is codified in [MCA 53-21-603](#).

## Background

- Opened in 1995 and moved to a new building in 2014.
- Today, MCDC has 16 treatment beds for men, 16 treatment beds for women and 16 beds for withdrawal management, providing a 3.5 and 3.7 level of ASAM (American Society of Addiction Medicine) care.

## Purpose

- MCDC provides the highest level or most intense level of treatment for addictions in the health care continuum funded by the state of Montana.
- MCDC engages with all community partners who provide and support addiction and recovery services to continue the lifelong journey of recovery.
- MCDC is the only state-run substance use disorder treatment center administered by the state of Montana for individuals 18 and older.

## Operational Challenges

- Lack of demand and low census.

# MCDC | Scorecard – November 30, 2022

MCDC remained fully staffed in November, and as a result had no traveler spend for the month. However, census remains low, at 50 percent of the total licensed bed capacity. The facility reduced its number of discharges against medical advice (AMAs) significantly during the month, and added a third quality indicator.

## Census & Staffing

Status: ●

Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	47.9% ●	50% ●	> 90%
Admissions	29	42	
Discharges	34	33	
Waitlist	0 ●	0 ●	< 1
Employee Vacancy Rate	0% ●	0% ●	< 15%
Employee Turnover Rate	0% ●	0% ●	< 1.0%
Net Employee Hires	0 ●	0 ●	0

## Budget – SFY23

Status: ●

Indicator	October 2022	November 2022	Goal
Starting Budget	\$6,000,763	\$6,000,763	
Actuals to Date	\$1,873,136	\$2,126,471	
Projected Expenses		\$6,239,593	
Variance – Budget to Projected Expenses		-\$238,830 ●	> \$0
Cost per Bed Day		\$743	
Revenue to Date	\$98,820	\$143,527	
Monthly Traveler Spend	\$38,530	\$0	
Percent change in Traveler Spend	-4% ●	-100% ●	< -10%

## Quality & Training Metrics

Status: ●

Indicator	October 2022	November 2022	Goal
% of discharge follow-ups, or attempts, across all discharges	100% ●	100% ●	100%
Number of discharges against medical advice (AMA)	16 ●	10 ●	4
Number of complete referrals to number of actual patient admissions		80% ●	90%
Training Compliance	99.5% ●	88% ●	100%



## Montana Veterans Home: Columbia Falls, Southwestern, and Eastern

There are three veterans' homes in the state of Montana. One, in Columbia Falls, is state-run, while the other two in Butte and Glendive are run by contracted state partners. Notably, the waitlist at Columbia Falls is significantly higher than the other two veterans' homes.

### Columbia Falls

- Opened in 1896, with construction of the current facility began in 1970 with additions in 1974, 1984, 2002, and a remodel in 2009.
- Today, CFMVH has 105 intermediate/skilled-care beds and 12 domiciliary beds. The facility also includes a 15-bed Alzheimer's unit.
- Operational challenges include high cost of living and difficulty recruiting and retaining competent staff.

### Butte

- Opened in 2021 and managed by a third-party contractor.
- Today, SWMVH has 60 beds across five cottages. Construction is still ongoing and should be finished in calendar year 2023. Construction is preventing admissions at one of the cottages; the other cottages are full.

### Glendive

- Opened in 1995 and managed by the local medical center.
- Today, EMVH has 80 beds, which includes a 16-bed special care unit that provides memory care services for those living with advanced dementia and is the most needed service among the applications for admission.

# CFMVH | Scorecard – November 30, 2022

Waitlist numbers remain high at CFMVH, though progress to reduce the number and admit new residents has been made. CFMVH is also on track with budget to expenses for the fiscal year thus far.

## Census & Staffing

Status: ●

Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	52.1% <span style="color: red;">●</span>	52.1% <span style="color: red;">●</span>	> 89.7%
Admissions	1	3	
Discharges	3	2	
Waitlist	197 <span style="color: red;">●</span>	162 <span style="color: red;">●</span>	< 15
Employee Vacancy Rate	22.0% <span style="color: yellow;">●</span>	21.5% <span style="color: yellow;">●</span>	< 15%
Employee Turnover Rate	1.7% <span style="color: yellow;">●</span>	1.2% <span style="color: yellow;">●</span>	< 1.0%
Net Employee Hires	+1 <span style="color: red;">●</span>	+1 <span style="color: red;">●</span>	> +4

## Budget – SFY23

Status: ●

Indicator	October 2022	November 2022	Goal
Starting Budget	\$14,997,323	\$14,997,323	
Actuals to Date	\$3,421,644	\$4,223,154	
Projected Expenses		\$13,906,246	
Variance – Budget to Projected Expenses		+ \$1,091,077 <span style="color: green;">●</span>	> \$0
Cost per Bed Day		\$625	
Revenue to Date	\$889,406	\$1,347,046	
Monthly Traveler Spend	\$94,264	\$287,097	
Percent change in Traveler Spend	+263% <span style="color: red;">●</span>	+205% <span style="color: red;">●</span>	< -10%

## Quality & Training Metrics

Status: ●

Indicator	October 2022	November 2022	Goal
All patients that have a risk of falls are identified and risk interventions are put in place	100% <span style="color: green;">●</span>	100% <span style="color: green;">●</span>	100%
Number of UTIs per month	0 <span style="color: green;">●</span>	0 <span style="color: green;">●</span>	0
Use of antianxiety medications	37% <span style="color: red;">●</span>	36% <span style="color: red;">●</span>	25%
Training Compliance	78% <span style="color: red;">●</span>	74% <span style="color: red;">●</span>	100%

# SWMVH & EMVH | Scorecard – November 30, 2022

Waitlist numbers increased between October and November for SWMVH, and budget remains a concern for the facility. Budget remains on track for EMVH, though census continued to decrease.

Because SWMVH and EMVH are run by state contractors, we do not track data on staffing, quality measures, or training compliance. We also do not track certain budget components including traveler spend, cost per bed day, and revenue to date.

SWMVH Scorecard			
<b>Census</b> Status: ●			
Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	71.7% ●	66.7% ●	> 90%
Admissions	4	0	
Discharges	4	1	
Waitlist	20 ●	27 ●	< 15
<b>Budget – SFY23</b> Status: ●			
Indicator	October 2022	November 2022	Goal
Starting Budget	\$2,995,743	\$2,995,743	
Actuals to Date	\$599,508	\$960,360	
Projected Expenses		\$4,257,932	
Variance – Budget to Projected Expenses		-\$1,262,189 ●	

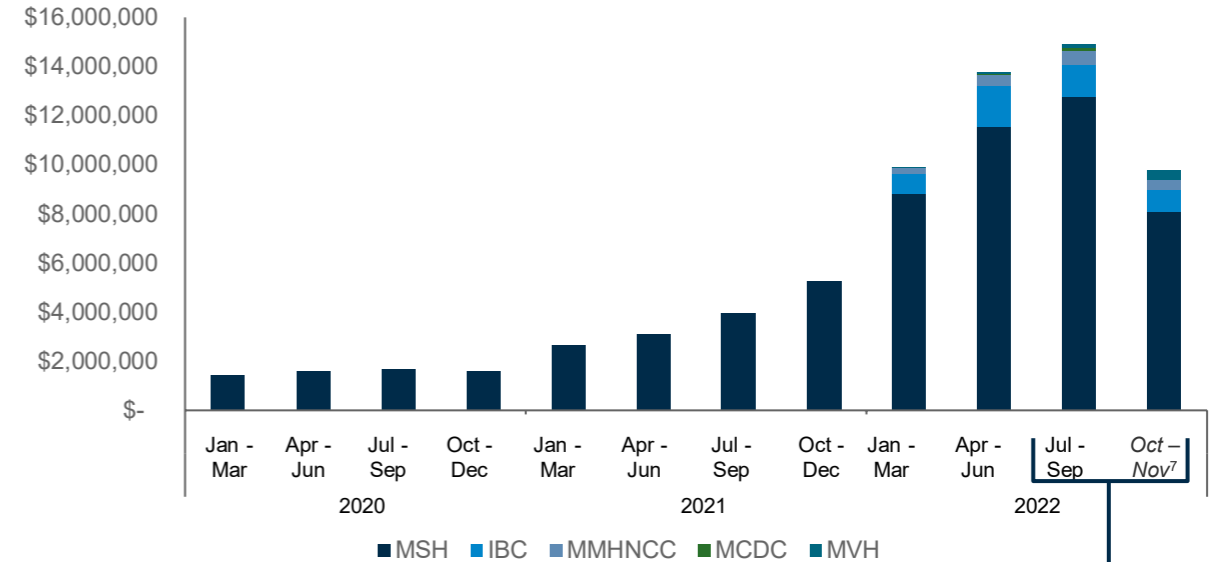
EMVH Scorecard			
<b>Census</b> Status: ●			
Indicator	October 2022	November 2022	Goal
Average Daily Census (%)	70.0% ●	67.5% ●	> 90%
Admissions	1	3	
Discharges	3	4	
Waitlist	0 ●	0 ●	< 15
<b>Budget – SFY23</b> Status: ●			
Indicator	October 2022	November 2022	Goal
Starting Budget	\$4,511,074	\$4,511,074	
Actuals to Date	\$1,296,045	\$1,646,074	
Projected Expenses		\$3,983,471	
Variance – Budget to Projected Expenses		+\$527,603 ●	

# Assessment of Spending on Temporary Contractor Staff (Travel Nursing)

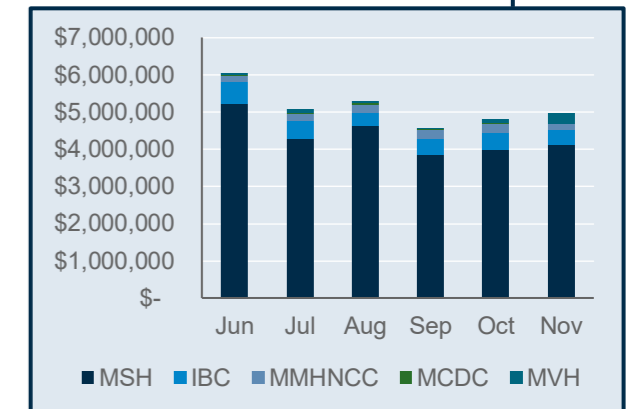
A&M has been working with facilities to analyze travel nursing spend and average traveler hourly wages. Overall traveler spend in calendar year 2022 is higher than in 2021. Facilities continue to face high vacancy rates and are using travel nursing to cover gaps in care. DPHHS released an RFP in October to consolidate traveler contracts, with a goal to reduce administrative burden and obtain better pricing.

	Traveler Hourly Wage <sup>2</sup>			Employee Base Wage + Benefits <sup>3</sup>		
	RN	LPN	CNA	RN	LPN	CNA
<b>MSH</b>	\$ 121.61	\$ 74.96	\$ 71.67	\$ 51.10	\$ 33.75	\$ 27.46
<b>IBC</b>	\$ 131.92		\$ 80.36	\$ 47.91		\$ 27.49
<b>MCDC</b>	\$ 121.00			\$ 47.03		\$ 25.68
<b>MMHNCC</b>	\$ 79.66	\$ 68.62	\$ 45.74	\$ 46.89		\$ 27.27
<b>MVH</b>	\$ 91.75	\$ 74.46	\$ 56.12	\$ 47.12	\$ 33.58	\$ 27.14
<b>Facility Average</b>	<b>\$ 111.61</b>	<b>\$ 73.28</b>	<b>\$ 63.03</b>	<b>\$ 47.92</b>	<b>\$ 33.66</b>	<b>\$ 27.20</b>
Behavioral Health Facility Benchmark <sup>4</sup>				\$ 50.74	\$ 35.03	\$ 20.42
Nursing Home Facility Benchmark <sup>5</sup>				\$ 44.41	\$ 33.68	\$ 21.01
State of Montana 2022 Market Analysis <sup>6</sup>				\$ 47.27	\$ 33.45	\$ 26.69

Wages at MMHNCC and MVH are lower because free housing is provided to travelers.



Facility	CY22 Traveler Spend	Vacancy Rate (Dec 2022)
<b>MSH</b>	\$ 41,231,357	45%
<b>IBC</b>	\$ 4,688,537	67%
<b>MMHNCC</b>	\$ 1,607,540	31%
<b>MCDC</b>	\$ 246,138	5%
<b>MVH</b>	\$ 582,752	24%



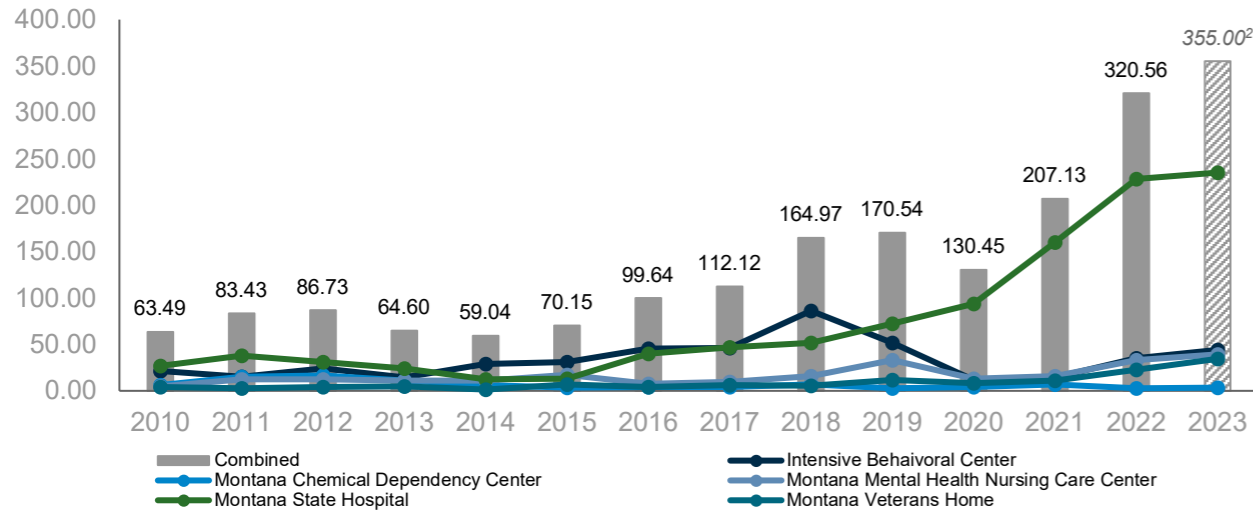
<sup>1</sup> We are working to improve data quality; date is either invoice date or month worked; in the future this will reflect month worked.  
<sup>2</sup> Average traveler hourly wage for the time period January 2022 to October 2022  
<sup>3</sup> Average state employee base wage based on SABHRS report obtained July 27, 2022, plus benefit packages value.  
<sup>4</sup> Hospital & Healthcare Compensation Service, Behavioral Health Salary & Benefits Report, 2022.  
<sup>5</sup> Hospital & Healthcare Compensation Service, Nursing Home Salary & Benefits Report, 2022.  
<sup>6</sup> State Human Resources (State HR) salary survey data, May 31, 2022.  
<sup>7</sup> Q4 for 2022 is only data from October and November 2022



# Vacancies by Facilities: 10-Year Snapshot

There has been an upward trend in vacancies among the facilities since 2015, with the greatest increase being seen in 2021 when vacancies increased by **58.8%**, partially fueled by the COVID-19 pandemic. Concurrently, there has been a **120% increase** in Montana's average home value over the last decade, which poses challenges for recruiting and attracting talent to fill these vacancies. For more detailed data, see [Appendix A](#).

Vacancies at Montana State-Run Facilities: FY10 – FY23<sup>1,2</sup>

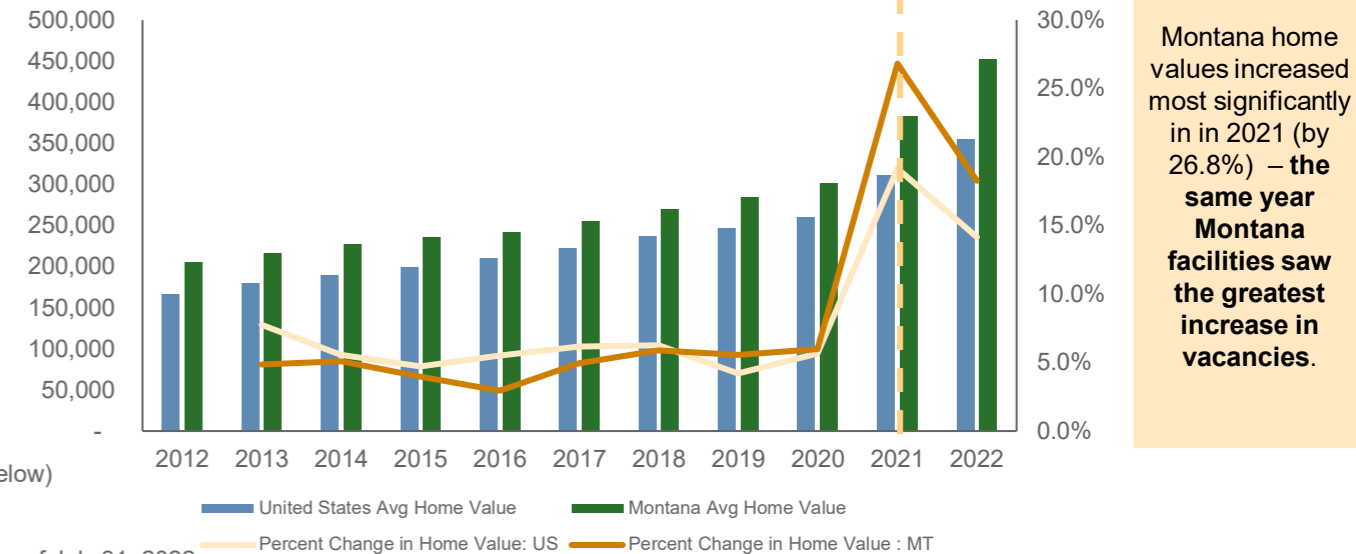


Years	FY11	FY12	FY13	FY14	FY15	FY16	FY17
% change in vacancies over time	+31.4%	+4.0%	-25.5%	-8.6%	+18.8%	+42.0%	+12.5%
Years	FY18	FY19	FY20	FY21	FY22	FY23 <sup>2</sup>	
% change in vacancies over time	+47.1%	+3.4%	-23.5%	+58.8%	+54.8%	+10.7%	

Top 5 Vacant Positions across Facilities: December 2022

Registered Nurse (RN)	52	42%
Certified Nurse Aide (CNA)	46	36%
Direct Support Professional	34	79%
Psychiatric Technician FMHT	23	46%

Home Value Trends: US vs. Montana, 2012 – 2022<sup>3,4</sup>



Montana home values increased most significantly in 2021 (by 26.8%) – the same year Montana facilities saw the greatest increase in vacancies.

<sup>1</sup> Vacancies for each fiscal year are a point-in-time count from June of each year, with the exception of FY23 (see note below)

<sup>2</sup> FY23 counts are as of December 12, 2022

<sup>3</sup> Source: [Zillow Home Value Index](#), last retrieved September 9, 2022

<sup>4</sup> Home values are pulled from September of each respective year, with the exception of 2022, where the home value is as of July 31, 2022

# Noted Improvement Across Facilities

We have seen noted improvements across all facilities with some common across as a result of new initiatives (e.g., training, quality improvement) and others specific to select facilities (e.g., new person-centered planning process).

Facility	Select and Noted Improvement
MSH	<ul style="list-style-type: none"> <li>• <b>Fall Reductions on Spratt Unit: Q1 to Q3 (21.1% reduction in falls)</b></li> <li>• <b>Pilot for new seclusion/restraints documentation successful and implementation facility wide initiated</b></li> <li>• <b>Created new interdisciplinary Seclusion/Restraints Task Force that reports to Quality Improvement Council (QIC)</b></li> <li>• <b>New employee orientation survey (+) Responses and over 75% completion rate (Actual = 77%); includes 332 surveys (from April to November 2022)</b></li> <li>• <b>Increase in patient attendance in groups up to the current attendance of 71%</b></li> <li>• Training compliance increased from 77% in August to 94% in November due to improved recordkeeping and training efforts</li> <li>• Resolution of COVID outbreak, allowing for visitations and additional on and off-campus activities to resume with appropriate precautions</li> </ul>
IBC	<ul style="list-style-type: none"> <li>• <b>Implemented components of Charting the LifeCourse (CtLC), to enhance the service plan and discharge planning process</b></li> <li>• <b>Travel staff spend reduced by 21% in November</b></li> <li>• Increase in community outings and events</li> </ul>
MMHNCC	<ul style="list-style-type: none"> <li>• <b>New Facility Administrator started in November</b></li> <li>• Increase in community and other offsite activities</li> <li>• Travel staff spend decreased by 28% in October and by an additional 28% in November.</li> <li>• Updated training policy to include all required orientation and refresher training</li> </ul>
MCDC	<ul style="list-style-type: none"> <li>• <b>Facility is fully staffed across direct patient care positions – travel staff spend was \$0 in November 2022</b></li> <li>• Increased engagement with community providers to increase referrals</li> <li>• Further progress is being made to reduce discharges against medical advice (AMAs)</li> </ul>
CFMVH	<ul style="list-style-type: none"> <li>• <b>Met goals associated with both quality indicators (falls and UTIs), and added a third quality indicator on the use of antianxiety medications with patients</b></li> <li>• Training policy updated to include all required orientation and refresher training</li> <li>• Increased training compliance from 68% to 78%</li> </ul>
SWMVH	<ul style="list-style-type: none"> <li>• Five of five 12-bed cottages are now licensed by the state, with three of five licensed by the Veterans' Administration (VA)</li> <li>• <b>To increase census and reduce wait, VA qualified residents are being admitted to additional open beds</b></li> <li>• Activities are increasing both on and off grounds with strong resident participation</li> <li>• <b>Cottage connectors currently under construction to facilitate interaction and movement among cottages</b></li> </ul>
EMVH	<ul style="list-style-type: none"> <li>• <b>Contract negotiations have begun so that DPHHS can transition operations from GMC to another vendor in calendar year 2023.</b></li> </ul>

# A&M Assessment & Recommendations

# Assessment Status

DPHHS has engaged Alvarez & Marsal to conduct a comprehensive assessment and establish long-term sustainable operation plans for Montana's seven state-run health care facilities. **The full A&M report is published on the [DPHHS website](#).**

## Assessment

## Strategic Plans for Improvement

### **Key Activities**

- Assess compliance with regulations, quality standards, workers comp, and patient incidents
- Evaluate climate and culture
- Assess staffing structure, ratios, job descriptions, and scheduling
- Review organizational structure and back-office support functions
- Review key patient data, outcomes, and information on admissions and discharges
- Assess facility finances and rate structure
- Benchmark performance to peers
- Update facility missions and visions
- Develop strategic plans to optimize utility of facilities and outcomes for patient populations
- Improve quality measures for safe delivery of care
- Build division leadership structure and improve back-office functions

### **Operational Support**

- Report financial status, condition, and operation of facilities
- Support oversight of day-to-day operations
- Support communications and change management
- Support quality initiatives

# A&M Recommendations (1 of 3)

	ID	OBSERVATIONS	RECOMMENDATIONS
Healthcare Facilities Division	1.1	<i>Significant changes are needed to implement recommendations.</i>	Stand up Transformation Management Office.
	1.2	<i>There is a lack of accountability and clinical oversight at the facilities.</i>	Hire clinical and operational leadership to improve safety and quality, to include: Deputy Chief Healthcare Officer, Chief Medical Officer, Chief Nursing Officer, Chief Clinical Officer, and Quality Managers.
	1.3	<i>There is an overreliance on certain treatment modalities.</i>	Implement Medical Staff function for ongoing and focused professional practice evaluation, peer review, credentialing, and privileging.
	1.4	<i>Paper charting makes data collection difficult and creates patient safety risks.</i>	Implement a modern electronic health records system to improve patient outcomes and data sharing with providers.
	1.5	<i>Competency at performing job duties is not evaluated before placing new staff in patient care areas.</i>	Develop competency-based job descriptions and review processes for direct care staff.
	1.6	<i>Staff are not receiving adequate professional development opportunities and facilities are not meeting mandatory training requirements.</i>	Establish a governance system to oversee training programs and implement a learning management system to improve training compliance, career tracking, and professional development.
	1.7	<i>There are significant vacancies for direct patient care positions, and the applicant pool is further limited due to the geographic location of the facilities.</i>	Update recruitment strategies and conduct a hiring blitz for nursing and direct service professional positions. Assess the feasibility of staff recruitment and retention strategies, including: hiring, retention, and referral bonuses; apprenticeship programs; high school / college student career pipelines; and academic hospital designations.
	1.8	<i>Per diem rates and spend on travel nursing has significantly increased.</i>	Consolidate temporary contracted services spend and recompetete staffing contracts to reduce costs and complexity of administration.
	1.9	<i>Facilities are not actively managing expenses, and the division was overall significantly over budget in FY22.</i>	Implement active budget, contract, and revenue management processes to control costs.
	1.10	<i>Facilities are not staffed to benchmark.</i>	Update staffing plans so that facilities are staffed to acuity and need, as appropriate.
	1.11	<i>Facilities “feel” institutional and are not home-like.</i>	Purchase furnishings and other physical assets to improve therapeutic environment.
	1.12	<i>Recent wage increases are not competitive enough to attract new employees.</i>	Increase wages to market rates to help recruit and retain employees.

## A&M Recommendations (2 of 3)

	ID	OBSERVATIONS	RECOMMENDATIONS
Montana State Hospital	2.1	<i>Patients in the Spratt unit are not being prepared for discharge and there are opportunities to improve delivery of care.</i>	Close Spratt (geriatric psychiatric unit) and transfer patients to Montana Mental Health Nursing Care Center and community providers. Repurpose these beds for hospital use.
	2.2	<i>Average lengths of stay in units E and Spratt are too long and there is limited active planning for discharge.</i>	Implement case management model to prepare patients for discharge on admission and based on their projected length of stay and acuity.
	2.3	<i>High acuity patients are intermixed with lower acuity patients.</i>	Restructure patient placement by acuity and their individual needs so that highest levels of care are provided in A and Galen, with step down units through B, D, E, Spratt, and group homes to improve care delivery.
	2.4	<i>There is limited active treatment and treatment areas, gym, etc. are not fully operational.</i>	Develop appropriate policy for delivery of active treatment. Restart therapeutic programming impacted by the pandemic.
	2.5	<i>MSH cannot refuse inappropriate forensic admissions due to statutory criteria.</i>	Change forensic statutory criteria for admission and discharge to mirror civil statutory criteria so that MSH is not required to accept patients that do not meet admission criteria.
	2.6	<i>MSH has lost revenue with CMS de-certification.</i>	Seek CMS re-certification and then CARF or Joint Commission accreditation to improve quality oversight.
	2.7	<i>MSH is a safety net for gaps in the behavioral health continuum of care and there is a significant wait for admission within the jail system.</i>	Improve Montana's long-term delivery of care by building two new, regional, private behavioral healthcare settings that complement and support MSH and the other state-run facilities in large population areas.
Montana Mental Health Nursing Care Center	3.1	<i>MMHNCC has licensed beds that cannot be filled because they were repurposed during COVID.</i>	Build out infirmary as secured memory unit to place patients from Spratt.
	3.2	<i>There is an overreliance on certain treatment modalities and out-of-date practice guidelines (e.g., psychotropics).</i>	Update standards of practice and ordering protocols to meet each patient's needs.
	3.3	<i>Patients were observed without appropriate end-of-life care.</i>	Contract with licensed hospice organization and develop end-of-life care policies aligned to modern practices.
	3.4	<i>Facility administrator has 13 direct reports.</i>	Restructure operations to improve communications and patient outcomes.
	3.5	<i>There are not clear policies &amp; procedures surrounding admissions and discharges at MMHNCC.</i>	Develop person-centered admissions and discharge policies based on acuity and need.

## A&M Recommendations (3 of 3)

	ID	OBSERVATIONS	RECOMMENDATIONS
Intensive Behavior Center	4.1	<i>There is limited active treatment and community readiness. The state lacks the ability to implement and manage a short-term intensive treatment facility, licensed as an ICF/IID.</i>	Take immediate action to improve quality of care and align practices with federal ICF regulations, which may include having a private vendor run the facility. Additional actions to improve quality of care include more active treatment, modernized treatment plans, enhanced treatment areas, and improve integration within the local community. Update policies and procedures based on National Association for the Dually Diagnosed standards.
	4.2	<i>Individuals are not transitioning back into the community.</i>	Update the discharge planning process to include person-centered practices (e.g., Charting the LifeCourse) and active transition planning with the provider community.
	4.3	<i>IBC is not fulfilling intended purpose in continuum of care. The state lacks the infrastructure to provide intensive treatment services to people with intellectual and developmental disabilities at IBC. The existing facility also prevents the state from obtaining certification as an ICF/IID which would allow it to bring in a federal match for services.</i>	Implement a true short-term, intensive, private treatment facility certified as an intermediate care facility for individuals with intellectual and developmental disabilities (ICF/IID) as an alternative to IBC, to ensure enhanced quality of service and oversight and secure a federal match to operate the new program. This new program would replace the need for the current services provided at IBC, allowing for closure of the facility over the next 2-3 years.
Montana Chemical Dependency Center	5.1	<i>There is not enough demand based on prior years census. Occupancy rate is below 50% and there is no waiting list.</i>	Re-evaluate need for state-run acute care substance use disorder (SUD) beds given the broader SUD network capacity and demand trends. Engage with provider and community partners to increase referrals, improve census, and increase revenue.
	5.2	<i>Barriers to admission deter some patients from seeking treatment.</i>	Receive patients in facility double rooms and update criteria for admission and discharge to allow for comorbidities and admissions within 48 hours.

<sup>1</sup> Because our observations and ultimate recommendations regarding the three Montana Veterans Homes are covered in the recommendations for the overall Healthcare Facilities Division, we have not included separate recommendations for CFMVH, SWMVH, or EMVH.

# HFD Budget Requests



# 2024/2025 Budget Requests

The budget requests in HB2, HB5 and HB10 requested for the Healthcare Facilities Division are a combination of standard adjustments, efforts to obtain recertification at the Montana State Hospital and supplemental funding required to meet the objectives of projects initiated and approved in previous biennia. In addition, two bills introduced for the 2023 legislative session round out requests to stabilize and reform the delivery of services in state run health care facilities.

## HB2

Budget Section	DP	Campus	Effort	Title	2024	2025	Total
HB2	33005	MVH	Reform	Montana Veterans Home Infection Control Nurse FTE	\$ 101,097	\$ 96,802	\$ 197,899
HB2	33013	All	Reform	HFD Training Programs	\$ 500,000	\$ 500,000	\$ 1,000,000
HB2	33333	MSH/IBC	Rightsize	Transfer of Existing FTE from HFD	\$ (2,524,064)	\$ (2,531,119)	\$ (5,055,182)
HB2	33001	MSH	Rightsize	Fund Overtime MSH	\$ 565,552	\$ 565,552	\$ 1,131,104
HB2	33002	MVH	Rightsize	MVH Per Diem Request HFD	\$ 8,521	\$ 47,914	\$ 56,435
HB2	33003	EMVH	Rightsize	EMVH Per Diem Request HFD	\$ 276,890	\$ 450,256	\$ 727,146
HB2	33004	MVH	Rightsize	Fund Overtime-MVH HFD	\$ 395,894	\$ 409,310	\$ 805,204
HB2	33014	SWMVH	Rightsize	SWMVH Per Diem Request HFD	\$ 5,102,631	\$ 5,396,306	\$ 10,498,937
HB2	33015	IBC	Rightsize	Intensive Behavioral Center Budget Restoration	\$ 352,130	\$ 352,130	\$ 704,260
HB2	1	All	SWPL	Personal Services	\$ 3,900,323	\$ 4,210,425	\$ 8,110,748
HB2	2	All	SWPL	Fixed Costs	\$ (1,059,498)	\$ (1,059,498)	\$ (2,118,996)
HB2	3	All	SWPL	Inflation Deflation	\$ 1,959,948	\$ 2,333,613	\$ 4,293,561
					<b>\$ 9,579,424</b>	<b>\$10,771,691</b>	<b>\$ 20,351,116</b>

## LRBP / LRIT

Budget Section	Category	Camp	Effort	Title	Total
Section F - LRBP	Supplemental Repair	MSH	Recertification	Supplemental MSH Wastewater Treatment	\$ 1,400,000
Section F - LRBP	Supplemental Repair	MSH	Recertification	Supplemental MSH Hospital Roof	\$ 800,000
Section F - LRBP	Supplemental Repair	MMHNCC	Spratt Closure	Supplemental MMHNCC Roof Replacement	\$ 1,500,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH Roof Replacement	\$ 1,600,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH Courtyard	\$ 517,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH Floor	\$ 307,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH ARPA/HVAC	\$ 423,039
Section F - LRBP	New Repair and Maintenance	MMHNCC	Spratt Closure	Site Improvements Increase Parking	\$ 300,000
Section F - LRBP	New Repair and Maintenance	MMHNCC	New	Keycard Entry System	\$ 125,000
Section F - LRBP	New Repair and Maintenance	MMHNCC	Spratt Closure	Backup Waterwell	\$ 200,000
Section F - LRBP	Supplemental Capital Development	MVH	Supplemental	Supplemental Cottage Connectors	\$ 5,250,000
Section F - LRBP	New Capital Development	MSH	Recertification	MSH Compliance Upgrades for Recertification	\$ 15,903,000
Section F - LRBP	New Capital Development	State	New	DPHHS Behavioral Health Initiative	\$ 113,000,000
Section F - LRBP	New Capital Development	MMHNCC	New	Heated Storage Unit	\$ 720,000
Section F - LRIT	New LRIT	State	Recertification	Electronic Health Records and Billing	\$ 27,607,304
<b>TOTAL</b>					<b>\$ 169,652,343</b>

# HB2 | Statewide Present Law Adjustments

HFD's budget request includes statewide present law adjustments (SWPL) as summarized below.

Budget Section	DP	Campus	Effort	Title	2024	2025	Total
HB2	1	All	SWPL	Personal Services	\$3,900,323	\$4,210,425	\$8,110,748
HB2	2	All	SWPL	Fixed Costs	(\$1,059,498)	(\$1,059,498)	(\$2,118,996)
HB2	3	All	SWPL	Inflation Deflation	\$1,959,948	\$2,333,613	\$4,293,561
<b>TOTAL</b>					<b>\$ 4,802,797</b>	<b>\$ 5,486,565</b>	<b>\$ 10,285,313</b>

## PERSONAL SERVICES

Personal Services request is due largely to pay adjustments made during 2022 to reduce dependence on contracted staffing and align with the market. Additionally, the personal services adjustment includes a portion of the budget reduced during the 2021 Legislative Session at the IBC.

## FIXED COSTS

Fixed cost reduction primarily in insurance costs.

## INFLATION/DEFLATION

Inflation/Deflation adjustment is made to increase budget due to inflationary factors. Contains the following adjustments:

<u>Acct</u>	<u>Name</u>	<u>FY 2024</u>	<u>FY 2025</u>
62100	Other Services	5.30%	7.06%
62200	Supplies & Materials	14.36%	14.24%
62300	Communications	5.90%	6.57%
62700	Repair & Maintenance	12.87%	16.06%
**	Motor Pool	9.45%	14.50%

*Note.* HFD spent more than twice the amount budgeted in the account categories inflation factors were applied, consequently the adjustment is significantly less than expenses realized.

# HB2 | Present Law Adjustments

HFD’s budget request includes present law adjustments to fund the difference between overtime in the base budget and actual utilization, per diem adjustments at the Vets homes and a restoration of the portion of the IBC budget not restored in the SWPL adjustment.

Budget Section	DP	Campus	Effort	Title	2024	2025	Total
HB2	33001	MSH	Rightsize	Fund Overtime MSH	\$ 565,552	\$ 565,552	\$ 1,131,104
HB2	33002	MVH	Rightsize	MVH Per Diem Request HFD	\$ 8,521	\$ 47,914	\$ 56,435
HB2	33003	EMVH	Rightsize	EMVH Per Diem Request HFD	\$ 276,890	\$ 450,256	\$ 727,146
HB2	33004	MVH	Rightsize	Fund Overtime-MVH HFD	\$ 395,894	\$ 409,310	\$ 805,204
HB2	33014	SWMVH	Rightsize	SWMVH Per Diem Request HFD	\$ 5,102,631	\$ 5,396,306	\$ 10,498,937
HB2	33015	IBC	Rightsize	Intensive Behavioral Center Budget Restoration	\$ 352,130	\$ 352,130	\$ 704,260
					<b>\$ 6,701,618</b>	<b>\$ 7,221,468</b>	<b>\$ 13,923,086</b>

## OVERTIME

Overtime change packages are calculated from the amount budgeted for overtime in the FY 2023 starting point. The calculations are informed by FY 2022 actual expenses projected to FY 2024 and FY 2025 and then adjusted for the amount budgeted in the base.

## PER DIEM REQUESTS

These packages request changes to the authority for the federal Veterans Administration (VA) per diem rates. These rates are adjusted effective October 1st of each year. The change packages request the difference between budgeted facility days at base level per diem rates to anticipated days and rates.

## IBC BUDGET RESTORATION

The executive requests restoration of the amount remaining after SWPL personal service adjustments that was removed during the 2023 Legislative session.

# HB2 | Requests for Facilities Reform

HFD’s budget request includes investment to support facilities reform and business practices at the healthcare facilities.

Budget Section	DP	Campus	Effort	Title	2024	2025	Total
HB2	33005	MVH	Reform	Montana Veterans Home Infection Control Nurse FTE	\$ 101,097	\$ 96,802	\$ 197,899
HB2	33013	All	Reform	HFD Training Programs	\$ 500,000	\$ 500,000	\$ 1,000,000
HB2	33333	MSH/IBC	Rightsize	Transfer of Existing FTE from HFD	\$ (2,524,064)	\$ (2,531,119)	\$ (5,055,182)
					<b>\$(1,922,967)</b>	<b>\$(1,934,317)</b>	<b>\$ (3,857,283)</b>

### MVH INFECTION CONTROL NURSE

The responsibilities of this position have historically been added duties for RN supervisor. Recent increases in training, monitoring, and reporting requirements by the CDC and CMS, especially in the wake of COVID-19, have elevated the workload significantly. This increased workload requires an RN with dedicated responsibilities to full-time infection control.

### HFD TRAINING PROGRAMS

The request is to establish a training program for all state-run healthcare facilities. Funding will be used to implement and operate a Learning Management System to track training compliance of all licensed and non-licensed staff.

### TRANSFER OF EXISTING FTE

The transfer of vacant FTE from HFD is an attempt to right size staffing of facilities with long term vacancies. While these staffing requirements have been met with contracted staffing the department recognizes that maintaining vacant positions to fund operational costs is misleading. Additional support will be provided through contingency requests while the department continues to respond to variables related to post-pandemic nursing shortages and recruitment and retention issues for state personnel.

# LRBP/LRIT | Requests for Montana State Hospital Recertification

HFD’s budget request includes investment in the Montana State Hospital to remediate physical plant deficiencies and clinical operations to bring the facility back into CMS compliance. Below are requests contained in both long-range bills for building and IT.

Budget Sectid	Category	Campu	Effort	Title	Total
Section F - LRBP	Supplemental Repair	MSH	Recertification	Supplemental MSH Wastewater Treatment	\$ 1,400,000
Section F - LRBP	Supplemental Repair	MSH	Recertification	Supplemental MSH Hospital Roof	\$ 800,000
Section F - LRBP	New Capital Development	MSH	Recertification	MSH Compliance Upgrades for Recertification	\$ 15,903,000
Section F - LRIT	New LRIT	State	Recertification	Electronic Health Records and Billing	\$ 27,607,304
<b>TOTAL</b>					<b>\$ 45,710,304</b>

With the loss of CMS certification in March of 2022, the federal revenue that reimbursed the state of Montana’s general fund was decreased by an average of \$8 million dollars.

**Investing in MSH to comply with CMS regulations is a critical first step to achieving a strong behavioral health system in the state by improving the financial standing of the facility as well as the level and quality of care provided.**

### MSH Compliance Upgrades

The request is to remediate physical plan deficiencies that would prevent CMS recertification, including restoration of the nurse call system; baseline statement of conditions; life safety (ligature) risk abatement; emergency water supply for fire protection back up; and other deferred maintenance projects. Request would also support clinical improvements required to meet CMS conditions of participation.

### Electronic Health Records & Billing

The facilities do not have a true health records system and they are still using paper charts. Paper charting makes data collection difficult and creates patient safety risks.

Deloitte completed a requirements gathering study for a system-wide Electronic Health Records & Billing system. This request is to purchase licenses and implementation support.

# LRBP/LRIT | Requests for Facilities Reform

HFD’s budget request includes investment to transfer Spratt Unit patients at the state hospital to clinically appropriate care settings, including MMHNCC, and to establish a DPHHS Behavioral Health Initiative that would build new facilities to close the gaps in today’s continuum of care.

Budget Sectk	Category	Compl	Effort	Title	Total
Section F - LRBP	Supplemental Repair	MMHNCC	Spratt Closure	Supplemental MMHNCC Roof Replacement	\$ 1,500,000
Section F - LRBP	New Repair and Maintenance	MMHNCC	Spratt Closure	Site Improvements Increase Parking	\$ 300,000
Section F - LRBP	New Repair and Maintenance	MMHNCC	New	Keycard Entry System	\$ 125,000
Section F - LRBP	New Repair and Maintenance	MMHNCC	Spratt Closure	Backup Waterwell	\$ 200,000
Section F - LRBP	New Capital Development	State	New	DPHHS Behavioral Health Initiative	\$ 113,000,000
Section F - LRBP	New Capital Development	MMHNCC	New	Heated Storage Unit	\$ 720,000
<b>TOTAL</b>					<b>\$ 115,845,000</b>

## SPRATT CLOSURE

Close the Spratt geropsychiatry unit at the State hospital and transition those patients to clinically appropriate care settings including the MMHNCC.

The LRBP request includes several new and supplemental packages at the MMHNCC for incremental renovations to accept most patients from Spratt.

## DPHHS BEHAVIORAL HEALTH INITIATIVE

*We envision a regionalized state-run healthcare system that will improve how Montana supports treatment for individuals with serious mental illness and expand the capacity of the behavioral health care continuum.*

### #1: Transition IBC to a new and less-restrictive private facility (ICF/IID)

Moving from a publicly-run intermediate care facility (ICF/DD) to a privately-managed ICF/IID will result in increased accountability, increased quality of services being delivered and improved access for individuals with complex needs. Our vision is to create a small, effective, and alternate and more home-like care setting for individuals with I/DD that need a higher level of support, as well as leverage federal match.

### #2: Expand network capacity by building two new regional facilities

Building two new behavioral health care settings in large population areas will improve MSH's long-term delivery of care, reduce MSH reliance on contract staff, increase access to behavioral health services, and increase access to inpatient beds across the state.

# LRBP/LRIT | Supplemental Requests

The department has a number of supplemental funding requests for the Montana Veteran’s homes. These requests are primarily due to inflationary impact on supply chain and delays.

Budget Sectio	Category	Camp	Effort	Title	Total
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH Roof Replacement	\$ 1,600,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH Courtyard	\$ 517,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH Floor	\$ 307,000
Section F - LRBP	Supplemental Repair	MVH	Supplemental	Supplemental MVH ARPA/HVAC	\$ 423,039
Section F - LRBP	Supplemental Capital Development	MVH	Supplemental	Supplemental Cottage Connectors	\$ 5,250,000
<b>TOTAL</b>					<b>\$ 8,097,039</b>

# Appendix



# Appendix A: Detailed Vacancy and Housing Data, 10-Year Snapshot

There has been an upward trend with both vacancies at state-run facilities and home values in Montana over the last decade. **The greatest increase in both was seen in 2021**, where vacancies at state-run facilities increased by 58.8% and home values increased by 26.8%.

The tables below provide further detail into vacancies over time by facility, as well as the changes in Montana's home values compared to the national average. For graphs and a high-level summary of these findings, see the previous slide: [Vacancies by Facilities: 10-year snapshot](#).

Vacancy Rate by Facility	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 <sup>2</sup>
Intensive Behavioral Center	21.00	14.69	23.98	14.25	28.94	30.50	45.13	46.00	85.82	51.31	11.60	13.91	34.91	37.60
Montana Chemical Dependency Center	6.00	15.00	16.00	11.00	6.00	3.00	4.00	3.90	6.40	2.40	3.90	6.90	2.40	1.40
Montana Mental Health Nursing Care Center	4.89	11.99	12.00	10.55	11.10	17.00	7.20	9.67	15.70	32.93	12.70	15.87	32.90	34.40
Montana State Hospital	27.00	37.95	30.85	24.00	12.10	12.90	39.76	46.85	51.45	72.50	93.90	159.85	228.10	234.20
Montana Veterans Home	3.60	2.80	3.90	4.80	0.90	6.75	3.55	5.70	5.60	11.40	8.35	10.60	22.25	29.50
<b>Grand Total</b>	<b>63.49</b>	<b>83.43</b>	<b>86.73</b>	<b>64.60</b>	<b>59.04</b>	<b>70.15</b>	<b>99.64</b>	<b>112.12</b>	<b>164.97</b>	<b>170.54</b>	<b>130.45</b>	<b>207.13</b>	<b>320.56</b>	<b>337.10</b>
<b>Percent Change</b>	<i>n/a</i>	<b>31.4%</b>	<b>4.0%</b>	<b>-25.5%</b>	<b>-8.6%</b>	<b>18.8%</b>	<b>42.0%</b>	<b>12.5%</b>	<b>47.1%</b>	<b>3.4%</b>	<b>-23.5%</b>	<b>58.8%</b>	<b>54.8%</b>	<b>5.2%</b> <sup>2</sup>

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 <sup>4</sup>
<b>United States Avg Home Value<sup>3,4</sup></b>	\$167K	\$180K	\$190K	\$199K	\$210K	\$223K	\$237K	\$247K	\$261K	\$311K	\$355K
<b>Montana Avg Home Value<sup>3,4</sup></b>	\$206K	\$216K	\$227K	\$236K	\$243K	\$255K	\$270K	\$285K	\$302K	\$383K	\$453K
<b>Difference in Home Value – MT vs. US</b> <i>(Change in gap from previous year)</i>	\$39K	\$36K (-3K)	\$37K (+1K)	\$37K	\$33K (-4K)	\$32K (-1K)	\$33K (+1K)	\$38K (+5K)	\$41K (+3K)	\$72K (+31K)	\$98K (+26K)
<b>Percent Change in Home Value: US</b>	7.8%	5.6%	4.7%	5.5%	6.2%	6.3%	4.2%	5.7%	19.2%	14.1%	
<b>Percent Change in Home Value : MT</b>	4.9%	5.1%	4.0%	3.0%	4.9%	5.9%	5.6%	6.0%	26.8%	18.3%	

In addition to the average home value increasing in Montana over the last decade, **the gap between home values in Montana and the national average has increased as well**. In 2021, the gap between the Montana and US average value increased by \$31,000, and in 2022, the gap increased again by \$26,000.

The increased home value and subsequent increased cost of living in Montana presents challenges to recruitment and talent acquisition efforts.

<sup>1</sup> Vacancies for each fiscal year are a point-in-time count from June of each year, with the exception of FY23 (see note below)

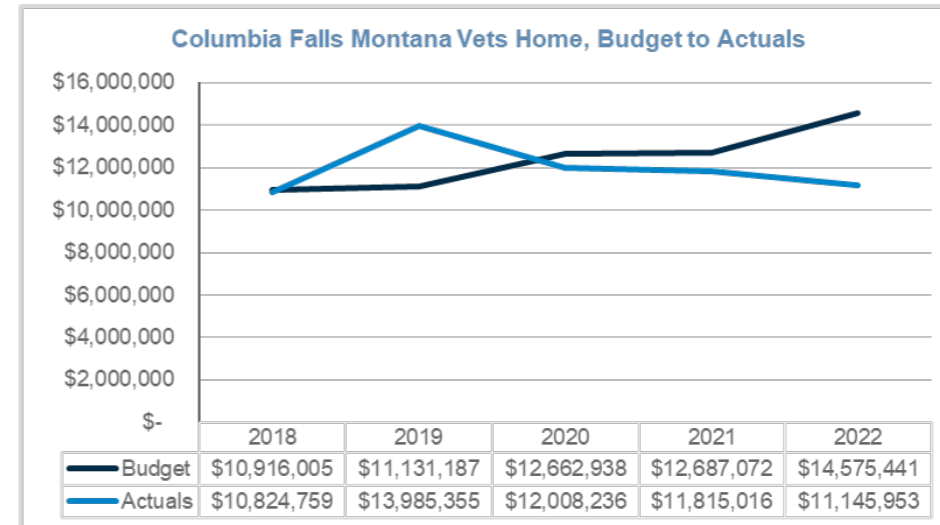
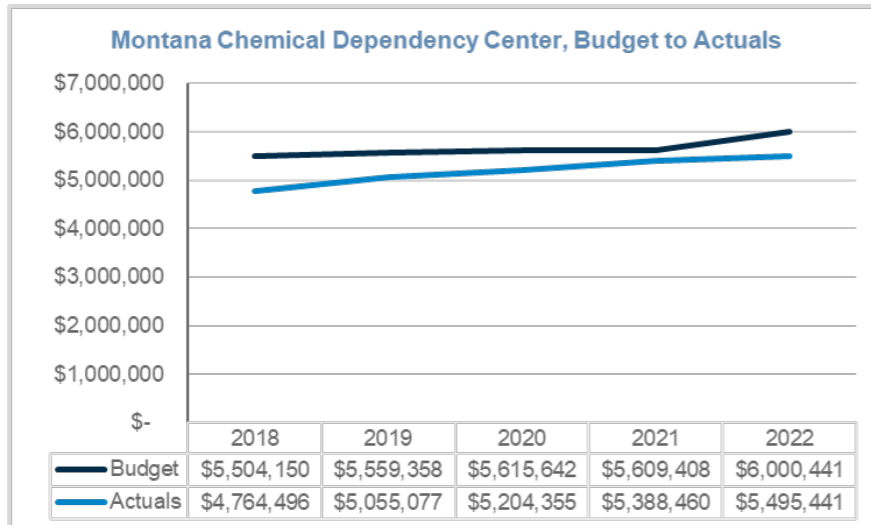
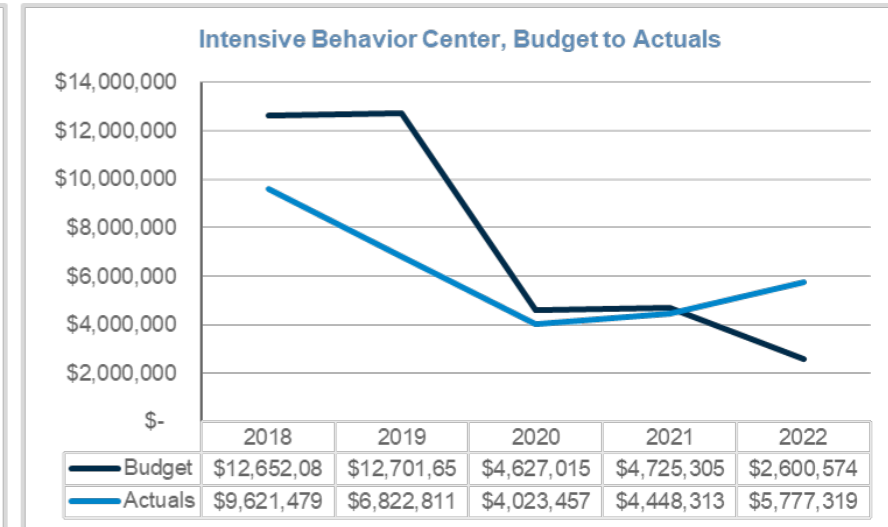
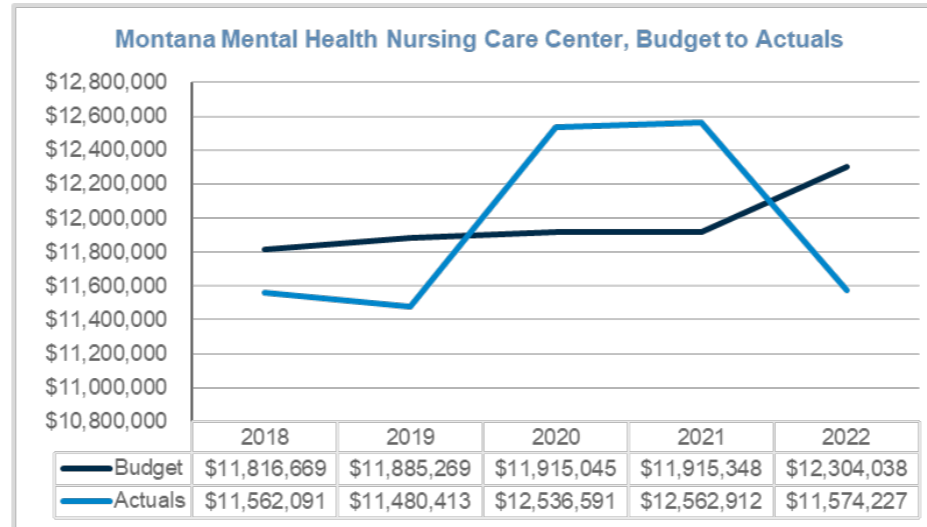
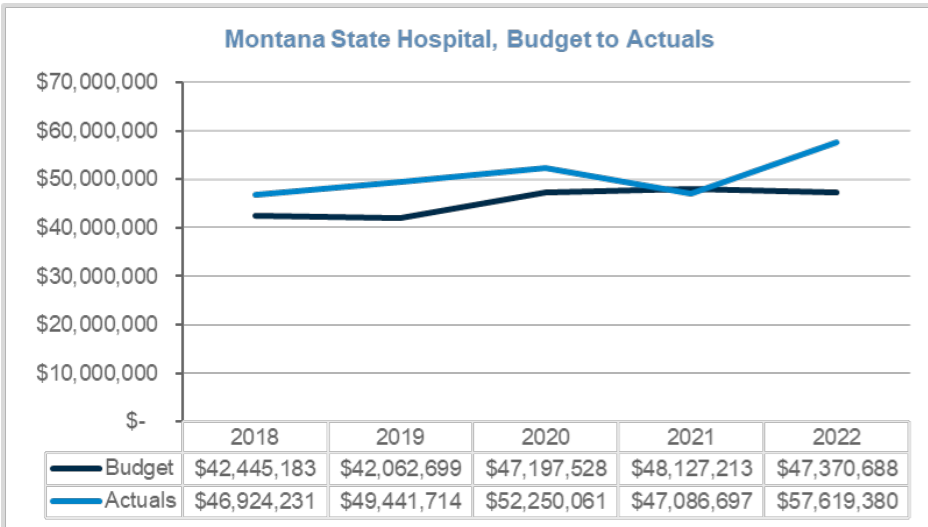
<sup>2</sup> FY23 counts are as of September 8, 2022

<sup>3</sup> Source: [Zillow Home Value Index](#), last retrieved September 9, 2022

<sup>4</sup> Home values are pulled from September of each respective year, with the exception of 2022, where the home value is as of July 31, 2022

# Appendix B: Historical Budget to Actuals

Facility budgets do not accurately reflect annual expenses. Over the past five years, MSH's expenses exceeded its beginning budget every year except for 2021. IBC's beginning budget was cut for 2022 yet expenses were higher compared to 2021.



## Appendix C: State-run Healthcare Facilities

There are seven state-run health care facilities across the behavioral health continuum in Montana. Five are directly run by the state, while two of the veterans' homes (Eastern Montana Veterans Home and Southwestern Montana Veterans Home) are contracted out to state partners.

Facility	Location	License Type	Licensed Beds	Average Daily Census (FY22)	Occupancy Rate	State Operated	Contractor Operated
Montana State Hospital	Warm Springs	Hospital & Mental Health Center	270	206	76%	X	
Montana Mental Health Nursing Care Center	Lewistown	Long Term Care	117	73	62%	X	
Intensive Behavior Center	Boulder	Intermediate Care Facility for the Developmentally Disabled	12	10	82%	X	
Montana Chemical Dependency Center	Butte	Inpatient Chemical Dependency Treatment	48	21	43%	X	
Montana Veterans Home – Columbia Falls	Columbia Falls	Long Term Care	117	72	62%	X	
Eastern Montana Veterans Home	Glendive	Long Term Care	80	53	66%		X
Southwestern Montana Veterans Home	Butte	Long Term Care	36	28	79%		X
<b>Total</b>			<b>680</b>	<b>463</b>	<b>68%</b>		

