

Other Current Expenses—Continued

division of water available to the lower basin of the Colorado River. These funds administered by the Attorney General will be used to retain the services of three legal firms at an estimated contract cost of \$55,000, \$18,000 and \$17,500 during the 1954-55 Fiscal Year. The need for such services should be critically reviewed by the Attorney General.

We recommend approval of the amount requested.

**DEPARTMENT OF MENTAL HYGIENE
MENTAL HYGIENE SUMMARY**

The total budget request for the Department of Mental Hygiene is \$64,394,931, an increase over the Fiscal Year 1953-54 of \$6,110,696, or 10.5 percent, which is accounted for by:

- (1) An increase in operating and other expenses due to an anticipated increase of approximately 4,000 patients during Fiscal Year 1954-55,
- (2) A net increase of 691.3 positions,
- (3) Salary increases and a decrease in salary savings, and
- (4) A decrease of \$34,850 in federal grant-in-aid funds.

We have reviewed work load information and have made a statistical analysis of levels of service, both by functions, and types of positions. We find that the request for new positions is based upon work load due to:

- (1) Increase in patient population,
- (2) Activation of new facilities, and
- (3) Work load changes in existing facilities.

The request provides for a continuation of the levels of service authorized for previous years, with adjustment for the above factors.

As a matter of fact, the 1953-54 level of care was realized only as an authorization. The level realized was somewhat lower for certain functions, due to the underestimation of increase in patient population for the year as well as to recruitment difficulties. We anticipate that re-establishment of the 1953-54 levels will provide an increase in *actual* level of service in certain areas such as medical care.

Except for a portion of the request for equipment, we recommend approval of the budget as requested.

Our recommendation is directly based upon the gravity of the problem of attempting to care for and restore the large and rapidly growing number of citizens requiring treatment in mental institutions. It is, without question, one of the major problems facing State Government today. It is anticipated that the total population of the mental hospitals will approach the 50,000 mark by the end of the next fiscal year. The increase has become sufficient to require the building of a new institution each year; and the rate of this increase is rising more rapidly than the rate of increase in state population.

The attempt to meet the problem has been based chiefly upon opinion of professional personnel in the mental hygiene field, as there is still relatively little evidence in the pioneering field of treating mental ill-

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ness, of specific and concrete program results. The budget has been based on professional proposals to staff the state hospitals with various types of specialists at certain ratios of specialists to patient populations and admissions.

For a number of years, the Legislature has consistently increased appropriations permitting advances toward these goals. The over-all level of service for all state hospitals rose from 328 man-hours per patient in Fiscal Year 1947-48 to 414 man-hours per patient in Fiscal Year 1952-53, an increase of 26 percent.

During these same four fiscal years, 1947-48 to 1952-53, total mental hygiene expenditures rose 96 percent from \$26,115,858 to \$51,215,071. The estimated expenditure of \$58,284,235 for the current fiscal year for the Department of Mental Hygiene is the largest support expenditure from the General Fund for any state agency. It represents approximately 23 percent of the total General Fund cost of the state operations portion of the budget. The staffing increases noted above have contributed greatly to these enormous and sharply rising costs.

We have recommended continuation of the levels of service authorized for the previous fiscal year. But we believe that the point has been reached at which the Department of Mental Hygiene must produce proof of progress to justify both the increases in level of service which have been made to date and any further increases toward the goals which it has set.

It is our opinion that future budget requests should be based on results which the department expects to obtain with the personnel or facilities requested, supported by evidence that such results may be expected to be achieved if the requests are granted. It will be necessary for the department to devote a greater effort to developing clearly defined controls so that it will be possible to evaluate existing programs and the results obtained from them.

We recognize the difficulty of developing clearly defined and valid measures of results in a program of this type. However, we believe that the department has already made progress in this direction in developing the "Index of Hospital Releases," which we will discuss further at a later point in this analysis. Such tools, if valid, can be used to determine definite areas in which new methods or services have proved worthwhile as well as indicating areas where these increases may have had little effect and where other measures should be sought.

If the department is unable to produce information based on factual evidence of expected results to support budget requests, we suggest that it would be advisable that further increases toward the goals which the department has set should be made in one or two hospitals only, as proving grounds, with provision for adequate controls to evaluate progress.

Measuring Accomplishment

Our office has suggested during the last few years that the Department of Mental Hygiene should develop objective means of measuring results achieved in the programs carried on by the department. The State has invested heavily not only to maintain humanely the rising

Mental Hygiene Summary—Continued

number of mental patients but to raise the quantity and quality of service and treatment provided for them. It has invested heavily to provide modern, well-equipped treatment facilities such as the new receiving and treatment units, Porterville State Hospital, the juvenile unit at Camarillo, the tuberculosis hospital at Patton, and many other facilities.

What progress has there been with the improved service and facilities?

Are more patients being successfully treated?

Are there more discharges?

Is the improvement that is achieved with the treatment methods in use permanent, or only temporary?

Does the decreasing average length of hospitalization for new patients mean that treatment is really better, or only that the department has an improved realization of what kind of mental condition actually necessitates hospitalization?

These and many similar questions must be answered objectively if the Legislature is to evaluate what results are being accomplished from the State's increasingly heavy investment in the mental hygiene program.

There is evidence that the department is becoming more aware of the need for answering such questions as these. However, we do not feel that it is yet doing an adequate job of providing the answers.

A worthwhile measure of one aspect of operations that the Department of Mental Hygiene has developed is its Index of Efficiency. An alternative and more accurate title sometimes used is Index of Release Rates.

<i>Fiscal year</i>	<i>Index of release rates</i>
1946-47	100.0
1947-48	100.6
1948-49	111.0
1949-50	110.9
1950-51	114.7
1951-52	119.7
1952-53	117.8

This represents a comparison of annual release rates for the different diagnostic classes of patients (e.g. alcoholics, schizophrenics, etc.). The procedure used in computing the index can be described briefly. Annual release rates for each diagnostic class are multiplied against the average number of patients in that class over a five-year period. The figures obtained for each year through this process are added. Each year's sum is the total weighted releases. This is the number of patients that would have been released, had actual population conformed to the average—that is, that would have been released under the actual level of service given in the particular year. The department constructed an index based on weighted releases by giving the figure for 1947 the value of 100. The weighted releases for other years are given their index value on the basis of their percentage relationship to the figure for 1947.

The actual release figures used in computing weighted releases include both discharges and the net balance between indefinite leaves

Mental Hygiene Summary—Continued

granted and returns from indefinite leave. Annual release rates are ratios of number of patients released during a year, by diagnostic class, to the number of such patients resident at the beginning of the year plus all admissions of such patients within the year, including readmissions of former patients. The average patient population used in developing the index was the average for the period 1947-51.

The index enables comparison of release rates for different years, and eliminates the distortion that might occur because of changes in composition of patient population from year to year. The department has developed indexes of release rates not only for total patient population but also for important diagnostic classes.

The index for total patient population given in the above tables shows a spasmodic increase in release rates from 1946-47 through 1951-52, but a drop in value from 1951-52 to 1952-53. There were definite gains in 1949, 1951, and 1952, and negligible ones in all the other years, except 1952-53.

The index would appear to show that the improved program, improved facilities, and more intensive staffing of the department are producing desirable results. However, we feel that this conclusion is acceptable only in a tentative and general sense. No single measure such as this index can provide an over-all evaluation of the efficiency of such a varied and involved operation as that carried on in the mental hospitals. What the index offers is an apparently reasonably valid measure of progress in getting patients out of the hospitals and enabling them to live satisfactorily in a noninstitutional environment. It does not necessarily measure success in curing people of mental diseases or even improving their mental health to some certain standard. In respect to the objective of making it possible for patients to resume their lives away from the hospitals, and to live away from institutional care without violating the law or becoming intolerable in the group or society to which they belong, the index seems to measure the progress being made, with some reliability.

The index of release rates is a measure of one kind of accomplishment, or output. The input factor is the level of services provided. What investment has the State had to put into the department's program, to get the increase in output that is shown? The following table shows level of service, in terms of employee hours provided annually per patient, for the hospitals for the mentally ill, excluding DeWitt and Modesto, for the period 1947-48—1952-53, inclusive.

Mental Hygiene Summary—Continued

LEVEL OF SERVICE, DEPARTMENT OF MENTAL HYGIENE
(Employee Hours Provided Annually Per Patient)

Hospitals for the Mentally Ill

	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
Administration -----	21	22	25	22	25	26
Percent change from 1947-48		4.8%	19.0%	4.8%	19.0%	23.8%
Support and subsistence---	26	26	27	29	31	33
Percent change from 1947-48		0. %	3.8%	11.5%	19.2%	26.9%
Care and welfare-----	248	268	292	299	304	305
Percent change from 1947-48		8.1%	17.7%	20.6%	22.6%	23.0%
Maintenance and operation	17	17	17	23	25	25
Percent change from 1947-48		0. %	0. %	35.3%	47.1%	47.1%
ALL FUNCTIONS *-----	312	333	361	373	384	388
Percent change from 1947-48		6.7%	15.7%	19.6%	23.1%	24.4%

* Exclusive of employees in farming and processing.

A comparison of this table with the Index of Release Rates shows that level of service, or input, has increased faster and more regularly than releases, or output. The full disparity is actually not given by this comparison, because the increase in level of service provided has not only consisted of giving the department more employee service per patient, but also greatly improving the quality of the service. We do not have a mathematical measure of the improvement in quality of employee help provided. But it is evident that there has been a great improvement, as a result of reclassifications, in-service training, upgrading, hiring of highly trained specialists, and other reasons.

From this comparison it appears that although there has been a rise in accomplishment, there has been a comparatively greater increase in the investment involved.

The index of release rates for some of the more important classifications of patient are shown in the following table:

Classification	Fiscal year index						
	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53
<i>Recent first admissions only</i> *	47	48	49	50	51	52	53
Senile psychosis and arteriosclerosis -----	100	78	101	93	91	105	90
Nonpsychotic alcoholic-----	100	107	109	115	112	113	112
Schizophrenic and manic-depressive -----	100	102	112	109	115	125	118
All recent first admissions-----	100	102	110	110	114	115	113
<i>Recent readmissions only</i> †							
Nonpsychotic alcoholics-----	100	104	112	124	120	126	122

* Admitted anytime during the fiscal year or the two prior years.

† Readmitted anytime during the fiscal year or the two prior years.

Mental Hygiene Summary—Continued

Population Trends, Department of Mental Hygiene, 1947-48 to 1954-55

	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	<i>Estimated</i>	
							1953-54	1954-55
Mentally Ill:								
Resident population (year end)-----	29,048	30,305	31,544	32,268	33,260	34,845	36,630	38,367
Percent change from 1947-48-----	---	4.3	8.6	11.1	14.5	20	26.1	32.1
Admissions and readmissions-----	10,429	11,967	12,967	12,358	14,007	15,856	17,455	18,730
Percent change from 1947-48-----	---	14.7	14.7	18.5	34.3	52	67.4	79.6
Releases From Hospitalization:								
* Direct discharges-----	2,588	3,258	3,756	3,847	4,379	5,029	5,507	6,041
† Net leaves-----	3,248	4,254	4,461	4,671	5,323	5,521	6,024	6,510
Totals-----	5,836	7,512	8,217	8,518	9,702	10,550	11,531	12,551
Percent change from 1947-48-----	---	28.7	40.8	46	66.2	80.8	97.6	115.1
Deaths during hospitalization-----	2,649	2,602	2,194	2,316	2,653	2,856	3,123	3,352
Deaths as a percent of resident population-----	9.1	8.6	7	7.2	8	8.2	8.5	8.7
Mentally Deficient:								
Resident population (year end)-----	6,043	6,337	6,528	6,479	6,599	6,592	7,680	9,955
Percent change from 1947-48-----	---	4.8	8	7.2	9.2	9.1	27.1	64.7
Net leaves-----	---	---	263	269	245	308	365	440
Percent change from 1947-48-----	---	---	---	2.3	-6.8	17.1	38.8	67.3

* Does not include deaths, transfers, unauthorized absence, or discharge from observation status.

† Difference between indefinite leaves granted and returns from indefinite leave.

Mental Hygiene Summary—Continued

Population Trends

Since 1947-48 direct discharges and net indefinite leaves of mentally ill patients of the state hospitals have increased about $1\frac{1}{2}$ times as fast as first admissions plus readmissions. This trend has produced an increase in the ratio of patient releases to patient entries. In 1947-48 this ratio stood at 55.8 percent. In 1952-53 the figure had gone up to 66.5 percent, still far, unfortunately, from the 100 percent level, at which hospital resident population would stop growing. Despite the improvement in release rates, large increments are added to patient population each year. Average increase in resident population from 1947-48 through 1952-53 was 1,159; the average annual increase forecast for the two fiscal years 1954 and 1955, is 1,761.

The following table shows the trend in the prevalence rate for persons mentally ill in state hospitals, or the number of patients for each 100,000 residents of California.

	<i>California civilian population (000)</i>	<i>Resident population state hospitals for mentally ill</i>	<i>Prevalence rate</i>
June 30, 1950	10,467	31,544	301
June 30, 1951	10,738	32,268	300
June 30, 1952	11,168	33,260	298
June 30, 1953	11,675	34,845	298
June 30, 1954 (est.)	12,125	36,630	302
June 30, 1955 (est.)	12,550	38,367	306

Prevalence has remained steadily close to 300 and is expected to rise in 1953-54 and the following year. In other words, considering the problem of mental illness in terms of prevalence, California has only managed to hold its own during the last five years. What accounts for this is that even though release rates have been rising, admissions per hundred thousand civilian population, or the incidence rate, has risen more sharply. From a figure of 95.6 in 1947-48 it rose to 139 in 1952-53, or 45 percent. Of the components of admissions, the two classifications which account for a major portion of the rise in the incidence rate are patients over 65 years of age and alcoholics. Sexual psychopath admissions have also increased sharply.

It is possible that if the influx of nonpsychotic alcoholic patients and nonpsychotic senile patients were reduced, the incidence rate could be stabilized. Then improvement in rate of releases would be reflected in a declining prevalence rate.

The difference in resident population resulting from an increase of the prevalence rate from 298 to 302 between 1952-53 and 1953-54 is quite significant. At the higher rate, resident patient population in 1953-54 would be 430 greater. Using a ratio of one to three and a half as a rough measure of employee requirements relative to patients, the department would use 123 employees to take care of this added number of patients. An increase in the prevalence rate from 302 to 306, projected for Fiscal Year 1954-55 by the department, would require another increment of 134 employees.

There will be a large increase in resident population in the hospitals for the mentally deficient for the years 1953-54 and 1954-55. This, of course, reflects the State's large expansion of facilities for care of the mentally deficient.

Mental Hygiene Summary—Continued

Effect on Resident Population of the New Policy on Care and Treatment of Nonpsychotic Senile Persons

In September, 1953, the Department of Mental Hygiene established a new policy on care and treatment of nonpsychotic senile persons in the state hospitals for the mentally ill. These were defined as persons suffering mainly from the physical infirmities of old age rather than real mental deterioration. In the nonpsychotic senile classification, the department placed "persons bedridden by the infirmities of age, who become troublesome nursing problems because of soiling, difficulty in feeding, mild delirium, and the like." This type was contrasted with the elderly persons who become "markedly delirious, depressed, agitated, destructive, or paranoid and threatening." It is the latter type of person, in the department's definition, that is considered psychotic.

The new policy of the department, in effect since September, 1953, is to discharge nonpsychotic senile persons committed to the hospitals and to return them either to their families, or the counties from which they were committed. This applies only to such persons committed after establishment of the new policy, not to those who were in the hospitals at the time.

The laws upon which the department based its decision are Section 5102 of the Welfare and Institutions Code which provides that: "No case of harmless chronic mental unsoundness * * * shall be committed to the Department of Mental Hygiene for placement in any state hospital for care and treatment of the mentally ill," and Section 6733, which provides for the discharge of any such person who is committed.

We believe this decision to refuse henceforth to take care of the nonpsychotic seniles in the hospitals for the mentally ill will have a marked effect on resident population of the hospitals. Since the department has not made any adjustment in its estimated population figures for 1954-55 to allow for the change in policy, we believe that the estimates may be somewhat high.

Approximately 20 percent of all admissions in 1952-53 were persons aged 65 or over; 18.6 percent of male first admissions and 24.1 percent of female first admissions, 8.5 percent of male readmissions and 9.2 percent of female readmissions were in this age group. The proportion of elderly persons admitted or readmitted who could be classified as nonpsychotic cannot be accurately determined, but some rough estimates have been made on this. The department has estimated that 35.5 percent of mentally ill patients over 60 years of age are nonpsychotic. Approximately an additional 20 percent of aged patients in the mental hospitals are borderline psychotic cases.

Total admissions forecast for 1954-55, including readmissions, are 18,730. This is without any adjustments for decrease in rate of nonpsychotic aged admissions. If 20 percent of the total of this group were 65 years old or more, and one-third of the latter group were nonpsychotic, the nonpsychotic aged admissions would be over 1,800. Considering over-all growth in state population and in mental hospital patients, this figure appears to be consistent with the department's statement in the 1950-52 biennial report that 1,350 aged patients admitted to state hospitals during 1950 "might more properly have been

Mental Hygiene Summary—Continued

cared for in their own communities." (We interpret this statement to mean that these patients were nonpsychotic.)

A decrease of 1,800 in estimated admissions and readmissions (including in that total any nonpsychotic senile persons actually committed but immediately discharged in accordance with the new policy) would not mean that the net anticipated increase in resident population would be reduced by the same figure. Because of the deaths, discharges and indefinite leaves granted, which would occur among that number if they were admitted for care and treatment, the net effect on year-end resident population would be considerably less.

The net anticipated increase in year-end population for 1953-54 is 1,785, and for 1954-55, 1,737. It is our belief that if the department effectively enforces its new policy on nonpsychotic senile persons, the increases for each year will be 300 or 400 less than the above figures. If we are correct, there will be a resulting enrichment in staffing at the state hospitals. The number of positions* authorized to provide staffing at the level followed in the 1953-54 budget will actually provide a higher level because patient population will be less than anticipated.

We believe the department's policy regarding admission of nonpsychotic senile persons is sound and should be carefully administered.

Use of Mental Hospitals for Care of Alcoholics

Care of alcoholics has become a major burden of the state mental hospitals. In view of the relatively unsatisfactory record of the department in achieving permanent rehabilitation of alcoholics, and the skeptical attitude that exists among many authorities regarding the value of the therapy program for nonpsychotic alcoholics in mental hospitals, we suggest that some changes in existing policy on committing or admitting alcoholics to the mental hospitals may be desirable.

Under present law nonpsychotic alcoholics must be accepted for hospitalization.

In 1952-53 there were 2,884 first admissions on which the diagnosis was alcoholism, either with or without psychosis. This was 24 percent of total first admissions. Seventy-eight percent of alcoholic first admissions, or 2,255, were classified as nonpsychotic. This was 18.7 percent of all first admissions. Readmissions to the mental hospitals in 1952-53 of persons diagnosed as alcoholic totaled 1,171, of which 241 were psychotic, and 930 were nonpsychotic. The latter was 22.7 percent of all readmissions. Approximately 27 percent of all entries of nonpsychotic alcoholics were readmissions. In other words, more than one-fourth of the nonpsychotic alcoholics entering the hospitals were entering for the second time, or more.

Resident patients on June 30, 1953, diagnosed as alcoholic totaled 2,427, of which 1,069, or 44 percent, were nonpsychotic. Median period of hospitalization of nonpsychotic alcoholics in 1952-53 was 3.2 months.

The Department of Mental Hygiene appears to be having little success in developing a treatment program for the permanent rehabilitation of alcoholics. Although a psychotic alcoholic is a proper subject for care and treatment in a mental hospital, whether or not there are effective means known for rehabilitating him, the same is not necessarily the case with

Mental Hygiene Summary—Continued

nonpsychotic patients. If hospitalization does not offer promise of solving the problem of addiction to alcohol for the person who is not suffering from psychosis, there may be no justification for putting him in a mental hospital.

The lack of progress of the department in finding more effective ways of dealing with nonpsychotic alcoholics is demonstrated by the recent preliminary report on the Alcohol Research Project at Agnews State Hospital. This project was undertaken to determine the value of use of the drug ACTH in treatment of chronic alcoholism. The preliminary report dated October 29, 1953, presents the tentative conclusions that ACTH treatment does not help patients to control the extent of their drinking, does not reduce the likelihood of readmission, and does not seem to benefit a patient's social adjustment after being released from hospitalization. (We have seen no evidence that this project was properly coordinated with other research conducted in this field.)

There is strong support among specialists in the field for the opinion that mental hospital treatment for the majority of nonpsychotic alcoholics is inappropriate and ineffective. The following excerpts are illustrative of this:

The *World Health Organization Technical Report, Series No. 42*, by the Expert Committee on Mental Health, reported on the first session of the Alcoholism Subcommittee, September, 1951, at Geneva, Switzerland:

“B. Alcoholism with apparent irreversible deterioration.

“The first level, namely the treatment of early alcoholism and of alcoholism without serious psychiatric involvement requires an out-patient clinic attached to a general hospital rather than to a mental institution. Alcoholics in the early phases of the disease, as well as alcoholics without grave neurotic incumbrances, are unwilling to go as out-patients to mental institutions in countries where this involves a certain stigma of mental abnormality * * *.

“As the out-patient clinic of a general hospital should deal with the early and uncomplicated cases only, which constitute the majority of the alcoholic population, the psycho-therapeutic requirements at such a clinic may be at the minimum * * *.

“In view of the large proportion of alcoholics who can be treated at this level, it would seem that the general necessity for hospital beds and special in-patient facilities for the treatment of chronic alcoholism has been much overemphasized * * *.”

“*Use of a Hospital Facility in Conjunction With Out-Patient Clinics in the Treatment of Alcoholics*,” *From Quarterly Journal on Studies of Alcohol*, Volume 13, No. 1, pages 60-77, March, 1952, by Esther P. Walcott, Assistant Professor of Social Work, West Virginia University, and Robert Strause, Research Associate in Applied Physiology (Sociology) Yale University:

“* * * An exploratory study has been made of the Connecticut Commission on Alcoholism during its first year of operation (April 17, 1950, through April 15, 1951).

“The Blue Hills facilities, located in Hartford, is the first publicly supported hospital facility designed and constructed specifi-

Mental Hygiene Summary—Continued

cally for the care and treatment of alcoholism * * * Accommodations are provided for 42 men and 8 women patients. The hospital is operated in conjunction with five community out-patient clinics maintained by the commission in the cities of Bridgeport, Hartford, New Haven, Stamford, and Waterbury.

“The committee, since its inception, has maintained that the out-patient facility should be considered the basic unit of rehabilitation service for alcoholics. Because of the dominant psycho-social aspects of alcoholism, rehabilitation requires the adjustment of an individual in the environment where he once lived. The temporary suspension of drinking in the artificial environment of a hospital or other institution can serve only as an adjunctive function * * *.”

Report of the Symposium on Rehabilitation of Alcoholics sponsored by Division of Alcohol Studies and Rehabilitation, pages 46, 47, Department of Health, Virginia. “The organization of an alcoholic clinic in the out-patient department of a general hospital,” by Dr. Robert Fleming, Director of Alcoholic Clinic, Peter Bent Brigham Hospital, Boston, Massachusetts:

“A number of interesting impressions stand out as a result of our experience so far. For one thing, it is surprising that successful ambulatory handling is possible in so many chronic alcoholic cases. Certainly in the vast majority of instances no questions of institutionalization or hospitalization for sobering up purposes ever arises * * *.”

“It is my impression that the necessity for hospital beds in the treatment of chronic alcoholism has been somewhat overemphasized. It is true, of course, that in the occasional case of an alcoholic psychosis or acute alcoholism hospitalization is a matter of urgent necessity but such cases are the exception rather than the rule, and are considered acceptable candidates for admission to existing institutions anyhow * * *.”

“I am convinced that it is unwise as well as unnecessary to organize for the treatment of large numbers of alcoholics around an in-patient setup. Although it is desirable to have such facilities available for the occasional case where they are needed.”

This office was requested by the Ways and Means Committee in the 1953 Session to prepare a report on alcoholism for the 1955 General Session. Our study of the extensive materials and experience accumulated in recent years has indicated to us the need for careful legislative review of the present law and policy with respect to hospitalization of alcoholics. We believe that the financial and social implications are sufficiently great that special subcommittees of the Senate Finance Committee and Assembly Ways and Means Committee should study the problem prior to the 1955 Session. The research materials secured from California experience and other authoritative sources should be in such form by the fall of 1954, that fruitful study could be undertaken at that time.

Mental Hygiene Summary—Continued

Proposed Increases in Expenditures

The components of the proposed increase of \$6,110,696 in total expenditures for 1954-55 over 1953-54 are:

Salary increases for positions now authorized.....	\$2,107,570
732.1 proposed new positions.....	2,246,191
Decrease in salary savings.....	469,725
Increase in operating expense.....	1,187,181
Increase in contributions for employee retirement.....	373,624
Partial financing of Berkeley State Mental Hygiene Clinic.....	34,850
	<u>\$6,419,141</u>
Less:	
Decrease in current expenses other than support.....	15,090
Decrease in equipment expenditures.....	225,340
Increase in reimbursements.....	68,015
	<u>\$6,110,696</u>

There are 12,193.3 authorized positions in the department in the current fiscal year. Of these, 12,152.5 will be retained in 1954-55. The remainder of 40.8 positions will be abolished. The department proposes the establishment of 732.1 new positions, of which five would replace similar positions being abolished at other locations. This would leave an adjusted total of 727.1 new positions. The net proposed increase in positions is 732.1 less the 40.8 scheduled for abolition, or 691.3. Total positions in the proposed budget is 12,884.6.

Deducting from the 12,193.3 positions authorized in 1953-54, the 83 positions in the mental hygiene clinics, 206.9 at Langley Porter, and 1.8 at the Psychiatric Hospital Clinic, Los Angeles, we find 11,901.6 are serving the state hospitals directly or indirectly. This provides a ratio of one position for each 3.56 patients, with an average population of 42,712. A similar comparison for 1954-55 shows that with 12,596.9 positions for 46,316 patients, there will be one position for each 3.68 patients.

The 727.1 proposed new positions, omitting the five replacing similar positions at other locations, can be summarized as follows:

HOSPITALS	
Nursing positions.....	599
Physicians and surgeons.....	24
Dentists.....	3
Dental assistant.....	1
Clinical psychologists.....	7
Rehabilitation therapists and teachers.....	16
Social workers.....	25
Positions in feeding, housekeeping and laundry.....	10
Building maintenance positions.....	5
Automotive equipment operators.....	3
Clerical positions.....	19
	<u>712</u>
Subtotal.....	
Bureau of Patients Accounts:	
Clerical positions.....	3
Agent.....	1
	<u>4</u>
Subtotal.....	

Mental Hygiene Summary—Continued

HOSPITALS—Continued

Other Administration:	
Tabulating machine operator -----	1
Agent -----	0.1
Subtotal -----	1.1
Extramural Care:	
Social workers -----	6
Clerical positions -----	3
Subtotal -----	9
Mental Hygiene Clinics:	
Psychiatrist -----	1
Positions, total -----	727.1

We find that the additional positions requested may be classified as follows relative to justification:

For work load consisting of increase in patient population	674
For restoration of levels of staffing authorized in the 1953-54 Budget but not attained because of population increases in excess of estimate	38
For work load other than increase in patient population	14.1
Restoration after abolishment because of inability to recruit	1
Total -----	727.1

A large decrease in salary savings is anticipated for 1954-55. The amount is expected to drop from \$3,425,158 to \$2,955,433. The decrease of \$469,725 is the estimated equivalent of 154 positions. In other words, the Department of Mental Hygiene expects to have an actual increase in average working force of 154 employees, aside from any of the new positions that have been requested. This improvement could result from improved recruitment, greater competition for employment in the labor market, and other factors.

The anticipated increase in operating expenses for the department and all its facilities is \$1,187,181, or 7.7 percent, comparing with an 8.4 percent increase in patient population.

The budget proposes that the State pay a portion of the costs of operating the Berkeley State Mental Hygiene Clinic in the next year. Operations of this clinic have previously been financed entirely by federal aid funds. This matter is explained more fully in the section of this analysis on the Outpatient Mental Hygiene Clinics.

A decrease in equipment expenditures in 1954-55 of \$225,340 is anticipated; this is 18 percent less than the 1953-54 estimated expenditure. Likewise, expenses other than support will be less in 1954-55 than 1953-54. Although a \$53,800 increase in the family care program has been requested, reductions in some items of expense and elimination of others more than offset the increase.

Mental Hygiene Summary—Continued

Proposed Increases in Hospital Staffing

Nursing and Personal Care:

We have grouped below positions which have been requested for 1954-55 on the basis of common standards for all hospitals:

25 Senior psychiatric nurses (Budget page 536, line 8)-----	\$99,218
60 Psychiatric nurses (Budget page 536, line 9)-----	220,520
13 Senior psychiatric technicians II (Budget page 536, line 10)-----	36,724
40 Senior psychiatric technicians I (Budget page 536, line 11)-----	101,301
461 Psychiatric technician trainees (Budget page 536, line 12)-----	1,113,150
<hr/>	
599 (Budget page 536, line 14)	\$1,547,783

The 599 additional positions shown are requested in order to maintain the previously authorized level of service, with adjustments for work load changes in existing facilities, plus activation of new receiving and treatment buildings at Mendocino and Patton, a new juvenile unit at Camarillo, and new ward buildings at Mendocino, Napa, Stockton, Pacific, and Sonoma. An adjustment was made in staffing at Porterville due to the class of patients to be received from the waiting list and by transfer from Sonoma and Pacific.

The level of service authorized for the 1953-54 Fiscal Year is compared with the proposed level for 1954-55 in the following table:

LEVEL OF SERVICE
(Employee Hours Provided Annually per Patient)

Hospital *	1953-54 †	1954-55 ‡	Increase	
			Amount	Percent
Agnews -----	268	268	---	---
Camarillo -----	277	275	-2	-0.7
DeWitt -----	283	286	3	1.1
Mendocino -----	285	316	31	10.9
Metropolitan -----	308	320	12	3.9
Modesto -----	294	292	-2	-0.7
Napa -----	318	299	-19	-6.0
Patton -----	269	301	32	11.9
Stockton -----	316	300	-16	-5.1
Pacific -----	347	387	40	11.5
Sonoma -----	442	452	10	2.3

* Atascadero and Porterville State Hospitals omitted.

† Based on total authorized positions.

‡ Based on total proposed positions.

The increased level of service is due primarily to the following factors:

(1) Activation of the new Receiving and Treatment Buildings at Mendocino and Patton. These units have a higher staffing standard than other classes of wards. We have previously recommended establishment of these units on the basis that they will provide an accelerated treatment program to those patients most likely to benefit from it and permit the early release from the institutions of a greater number of patients.

Mental Hygiene Summary—Continued

(2) Activation of 12 new ward buildings to permit an increase in resident population from 2,000 to 3,000 patients at Pacific State Hospital, during the fiscal year. Nursing positions are filled 60 days before the employees begin ward duties, for training purposes, resulting in a temporary fluctuation of the ratio of patients to employees at this hospital.

Nursing Personnel Staffing Survey

At the 1952-53 budget hearings the Senate Finance Committee requested the Department of Mental Hygiene to make a study concerning the ratio of nursing personnel to total patient population in the mental institutions to assist in determining the appropriateness of the 1947 goals that are currently in use. The department has completed this study and a Report to the Legislature on Nursing Personnel Staffing Survey has recently been transmitted to this office and to the Members of the Legislature. The Department of Finance and the Legislative Auditor followed closely the progress of the study and made suggestions relative to it.

We believe that the survey was a careful study of the problem, and that the report is an accurate summary of the findings of the committee which conducted it. The report indicates changes which should be made in the 1947 standard to reflect changes in treatment methods, character and condition of patients and physical plant. Most of these changes have been incorporated in previous budget requests for facilities of the various hospitals and have received authorization by the Legislature. The only significant change from prevailing practice is a recommendation for revision of the standard for overcrowding allowance. We wish to reserve the right to study this recommendation further but otherwise concur in the recommendations to bring the 1947 standard up to date.

As noted in our analysis last year, it was found early in the ward staffing study that the system of post assignments was not as firmly established as had been presumed, and that a great many ward personnel were being used on off-ward assignments.

It has finally been determined that there were a total of 489 of these full time off-ward assignments. A departmental committee reviewed these positions and concluded that 315 of them should be continued as off-ward assignments. Of this number 239 had previously received budgetary approval by the Department of Finance.

We believe that the Department of Finance and the Department of Mental Hygiene, in authorizing full-time off-ward assignments of nursing personnel, except in emergency situations, has deviated materially from the budget approved by the Legislature.

In recent months, it appears that the department has been making an effort to correct this situation. On October 16, 1953, the director issued the following directive:

“No additional full-time off-ward assignments may be made from this date without specific written approval of the director’s office. Future needs will have to be met through regular budgetary requests. Temporary situations in which the operation of a vital hospital function is endangered would be the only exception to this general policy.”

Mental Hygiene Summary—Continued

We have been advised that the department has practically completed a thorough review of the 489 positions and that approximately 200 of these have been returned to the wards. Most of the remainder, which are assigned to functions believed to be essential to hospital operation, will be presented to the Department of Finance with complete work load data. Those positions obtaining Finance approval will then be reclassified by the State Personnel Board.

*Medical Care**

The following table shows the level of service provided by positions in medical care requested for 1954-55 compared with 1953-54.

LEVEL OF SERVICE
(Employee Hours Provided Annually per Patient)

Hospital †	1953-54 ‡	1954-55 §	Increase	
			Amount	Percent
Agnews -----	23.7	25.6	1.9	8.0
Camarillo -----	23	23	---	---
DeWitt -----	16	16	---	---
Mendocino -----	25	22	-3	-12.0
Metropolitan -----	35	34	-1	-2.9
Modesto -----	14	15	1	7.1
Napa -----	26	24	-2	-7.7
Patton -----	26	29	3	11.5
Stockton -----	21	22	1	4.8
Pacific -----	29	26	-3	10.3
Sonoma -----	29	24	-5	-17.2

* Includes physicians and surgeons, psychiatrists, psychologists, dentists, surgical nurses, and various medical technical personnel.

† Atascadero and Porterville State Hospitals omitted.

‡ Based on total authorized positions.

§ Based on total proposed positions.

24 Physicians and surgeons (Budget page 537, line 53)----- \$236,448

The staffing goal of the department for physicians and surgeons (including psychiatrists) is 1 per 100 annual patient admissions and 1 per 200 resident patient population. On the basis of population and admission forecasts made by the department, staffing at 63 percent of goal was appropriated for in the current fiscal year. The positions were not distributed evenly relative to forecasted resident population and admissions. Relatively more of the positions were allocated to those hospitals considered to be in a more favorable position from a recruitment and hiring standpoint.

The budget recommends continuation of 63 percent staffing for physicians and surgeons and retention of the principle of allocation of new positions to make allowance for recruitment conditions. On the basis of 1954-55 admission and population forecasts, this would justify an over-all increase of 24 positions.

The department's current revised forecasts of patient admissions and population for 1953-54 are considerably higher than the ones on which the 1953-54 budget was based. If the revised forecasts are accurate, physician and surgeon staffing at the end of the current fiscal year will be three or four percent below the formerly anticipated 63 percent figure.

Mental Hygiene Summary—Continued

On the basis of forecasted admissions and resident population for 1954-55, the following increases in physician and surgeon positions would be justified solely for continuance of existing level of service for anticipated increases in admissions and patient population:

Agnews -----	1	
Camarillo -----	1.7	{ 1 effective July 1, 1954
		{ 1 effective March, 1955
Modesto -----	.6	{ 1 effective January 1, 1955
Patton -----	2.1	{ 2 effective July 1, 1955
		{ 1 effective May 15, 1955
Stockton -----	.7	{ 1 effective March, 1955
Atascadero -----	2	
Pacific Colony -----	2	
Porterville -----	1	

The established goal of one doctor to 100 admissions and one to 200 resident population (at approximately a 60 percent level) will justify 11.1 positions to continue service at the *actual* level prevailing in 1953-54.

The remaining 12.9 positions will restore the over-all level of service at the standard authorized in the 1953-54 budget, that is 63 percent of the goal of one doctor for each 100 admissions, plus one for each 200 resident population.

As indicated in our general summary, we concur in the recommendation for establishment of all the new positions.

It is our opinion that a considerable increase in level of service can be made by more effective use of the physicians now assigned to the state hospitals. Observation, and information which we have received, indicate that the best use is not being made of the time of these highly trained and relatively costly positions.

We recommend that the Department of Mental Hygiene review the use which is being made of physician time and that wherever it is determined that they are being used for nonmedical duties that an attempt be made to relieve them of these assignments. We further recommend that the department give consideration to developing a uniform system for recording and reporting the use of the time of physicians.

7 Senior clinical psychologists (Budget page 537, line 53) ---- \$40,404

On the basis of previously accepted work load factors, an increase of three clinical psychologist positions is justified at the hospitals for the mentally ill. Most of the work load increase will occur at Atascadero, for which no additional positions have been requested. However, the Department of Finance has followed its established policy of allowing the Department of Mental Hygiene some leeway in deciding where to allocate new positions justified by total population increase for all hospitals.

The remaining four positions have been requested for the hospitals for the mentally deficient. They are justified for continuation of the current level of service with the large increases in population anticipated at all of these hospitals.

Mental Hygiene Summary—Continued

3 Senior dentists (Budget page 537, line 60)-----	\$24,336
1 Dental assistant (Budget page 537, line 61)-----	\$2,844

The standard that has been used in allowing dentist positions is one for each 1,250 resident patients. Dental assistants have been allowed at the ratio of three for each four dentists. The requested increase for 1954-55 is in accord with these standards.

Rehabilitation Therapy:

The following table shows the level of service provided by rehabilitation therapy for 1954-55 compared with 1953-54:

Hospital *	LEVEL OF SERVICE (Employee Hours Provided Annually per Patient)		Increase	
	1953-54 †	1954-55 ‡	Amount	Percent
Agnews -----	6.2	6.6	0.4	6.5
Camarillo -----	7	7	---	---
DeWitt -----	7	7	---	---
Mendocino -----	9	8	-1	-11.1
Metropolitan -----	8	8	---	---
Modesto -----	7	7	---	---
Napa -----	7	6	-1	-14.3
Patton -----	6	6	---	---
Stockton -----	6	6	---	---
Pacific -----	8	9	1	12.5
Sonoma -----	9	7	-2	-22.2

* Atascadero and Porterville State Hospitals omitted.

† Based on total authorized positions.

‡ Based on total proposed positions.

1 Supervisor of rehabilitation therapies (Budget page 537, line 71)-----	\$5,496
4 Occupational therapists (Budget page 537, line 72)-----	15,240
6 Recreation therapists (Budget page 537, line 73)-----	23,976
Total -----	\$44,712

The Department of Mental Hygiene has established a goal of one rehabilitation therapist (occupational, recreation, music, or industrial) per 100 resident patients. Both the Department of Finance and the Legislative Auditor have questioned the validity of this goal in the past and the department has been relatively less successful in obtaining additional positions in rehabilitation therapy than other areas of patient care and treatment.

Requirements could be more meaningfully stated if they were put into relationship with staffing of doctors, nurses, and psychiatric technicians. Therapists work in close conjunction with these personnel and their usefulness is partially dependent on the direction they receive from the doctors, and the ability and inclination of nursing personnel to follow their guidance in use of rehabilitative measures and techniques. It is also generally recognized that, as in the case of nursing and medical personnel, the need and possibility for useful employment

Mental Hygiene Summary—Continued

of rehabilitation therapists varies markedly depending upon the type of patient being treated or cared for.

From a review of material on staffing in mental hospitals in other states, and professional publications in the field of psychiatry, there appears to be a possible lack of balance in our state hospitals between rehabilitation therapy, and other professional groups.

We have concurred in the proposal for establishment of these additional positions.

Social Service

The following table shows the level of service provided by social service for 1954-55 compared with 1953-54:

LEVEL OF SERVICE
(Employee Hours Provided Annually per Patient)

Hospital *	1953-54 †	1954-55 ‡	Increase	
			Amount	Percent
Agnews -----	6.4	6.8	0.4	6.3
Camarillo -----	5	5	--	--
DeWitt -----	2	2	--	--
Mendocino -----	5	4	-1	-20.0
Metropolitan -----	7	8	1	--
Modesto -----	2	2	--	--
Napa -----	7	6	-1	-14.3
Patton -----	7	8	1	14.3
Stockton -----	5	5	--	--
Pacific -----	5	8	3	60.0
Sonoma -----	7	7	--	--

* Atascadero and Porterville State Hospitals omitted.

† Based on total authorized positions.

‡ Based on total proposed positions.

5 Supervising psychiatric social workers (Budget page 537, line 79) -----	\$26,160
20 Senior psychiatric social workers (Budget page 538, line 6) -----	94,800

The staffing goal for psychiatric social workers, junior and senior, that the Department of Mental Hygiene has established for the hospitals for the mentally ill is one for each 100 annual admissions. For the hospitals for the mentally deficient, it is one for each 500 resident patients, plus one for each 100 admissions during the year. The staffing level authorized in 1953-54 was 48 percent of the goal for the hospitals for the mentally ill and 96 percent for the hospitals for the mentally deficient. The additional 20 positions are justified for continuation of these 1953-54 authorized levels of service for estimated 1954-55 population and admissions. As we have pointed out in connection with other classes of positions, these 20 proposed positions will provide an increase in level of service over that actually realized in 1953-54, because population and admissions this year are greater than were forecast.

The five proposed positions for supervising psychiatric social worker will continue the currently authorized staffing level.

Mental Hygiene Summary—Continued

Administrative and Medical Clerical

18 Intermediate typist-clerks, Range B (Budget page 538, line 47) ----- \$53,784

The new positions for intermediate typist-clerk have been requested for work load increase. They will be placed in the clerical-stenographic pools at the hospitals. These pools handle the stenographic and clerical work of the professional medical personnel. The ratio which has been used in allowing positions for these pools is one to each three professional medical personnel served. The department has requested 56 positions which would require clerical-stenographic help from the pool: 24 physicians and surgeons, 25 social workers, and seven psychologists. On a one-to-three standard the hospitals would need 18 $\frac{2}{3}$ additional typist-clerks.

In our analysis last year we referred to a study that was being made on the use of centralized dictating equipment at the hospitals. We pointed out that use of such equipment might enable the hospitals to reduce clerical-stenographic staffing. Although we recommended that the Department of Finance withhold approval for filling new positions requested at that time until this study had been completed, the Department of Finance subsequently decided, after the positions had been approved, that the hospitals' need for the new positions was urgent and accordingly allowed them to be filled.

We now find that the study has still not been completed and there has been no report on the possibilities for reducing clerical-stenographic needs through use of centralized dictating equipment. We suggest completion of the study should be expedited.

We have recommended approval of the proposed new positions since they are in accord with the accepted work load factor.

1 Intermediate clerk (Budget page 538, line 56) ----- \$2,844

Two positions for intermediate clerk have been requested, one at Patton and one at Sonoma. A similar position is being abolished at Camarillo, so the net increase will be one position. The two new positions will be assigned to the personnel units at the hospitals. The work load standard for clerical positions in personnel work is 1 to 250 authorized positions.

We have recommended approval of the request. Both of these hospitals, Patton and Sonoma, will have sufficient authorized positions, counting the new ones proposed for 1954-55, to justify these two new positions on a work load basis.

2 Stationary engineers (Budget page 538, line 32) ----- \$8,388

1 Carpenter (Budget page 538, line 29) ----- 4,194

1 Plumber (Budget page 538, line 29) ----- 4,194

1 Building maintenance man (Budget page 538, line 31) ----- 3,456

These additional positions are requested for new facilities at Mendocino, Patton, Pacific, and Sonoma. The Department of Finance has examined building maintenance requirements and has found that these positions are necessary for efficient upkeep of the new facilities at the hospitals named. We have recommended approval.

Mental Hygiene Summary—Continued

3 Janitors (Budget page 538, line 17) ----- \$17,064

These three new positions are proposed for Mendocino, Patton, and Pacific. The new receiving and treatment unit at Mendocino and extensive new facilities for 1,000 additional patients at Pacific provide clear justification for additional janitorial staff. Patton State Hospital will put a receiving and treatment unit into operation in the Fiscal Year 1954-55 and it has a large hospital for tubercular patients which requires intensive janitorial care. We have recommended approval of the proposed positions.

Equipment

In attempting to review and analyze requests for both replacement and additional items of equipment as submitted by this agency, this office found that detailed information required to properly evaluate the necessity or desirability of the requests was almost entirely lacking.

Not only was necessary detail lacking, but even basic documents, such as the Schedule 9, were incomplete.

Under the circumstances, a logical, equitable desk audit of the requests was practically impossible, unless an arbitrary position were to be taken to delete practically all requests on the basis of a substantial lack of justification.

We strongly recommend that the agency and the Department of Finance collaborate to develop a comprehensive and adequate check sheet to be completed with each equipment request and that such check sheets be submitted simultaneously with future budget requests.

As far as possible, spot checks will be made in the field to attempt to develop additional significant data on specific items of equipment and the results of such checks will be used to arrive at recommendations at each of the individual institutions.

Until this is accomplished, we are not in a position to make any recommendations in connection with funds budgeted for equipment in 1954-55, except as indicated under the specific hospitals.

**Department of Mental Hygiene
DEPARTMENTAL ADMINISTRATION**

ITEM 157 of the Budget Bill

Budget page 539
Budget line No. 9

For Support of Departmental Administration From the General Fund

Amount requested	\$2,217,013
Estimated to be expended in 1953-54 Fiscal Year	2,069,727
Increase (7.1 percent)	\$147,286

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$155,678	\$146,858	\$8,820	544	38
Operating expense	23,628	23,628	—	544	39
Equipment	—32,020	—52,712	20,692	544	40
Total increase	\$147,286	\$117,774	\$29,512	544	42

Departmental Administration—Continued

RECOMMENDATIONS

Amount budgeted	\$2,217,013
Legislative Auditor's recommendation	2,217,013
Reduction	None

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$1,735,759. This represents an increase of \$155,678, or 9.9 percent, over the total of \$1,580,081 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Net salary change due to reduction from 367 to 365.7 established positions, plus salary increases	\$64,509
A total of 14.1 proposed new positions costing	53,420
A change in estimated salary savings of	37,749
<i>Total</i> increase in salaries and wages	\$155,678

The agency is requesting an additional 14.1 new positions. This represents an increase of 3.9 percent in staff, as compared to a 8.4 percent increase in population at all state hospitals.

1 *Tabulating machine operator (Budget page 542, line 37)*..... \$1,608

The trend of work load increase in the statistical section due to increased hospital admissions and releases indicates the additional position will be required effective January 1, 1955. *We recommend approval.*

1 *Agent I (Budget page 542, line 40)*..... \$4,740
 1 *Intermediate stenographer-clerk (Budget page 542, line 41)*... 2,988
 1 *Intermediate file clerk (Budget page 542, line 42)*..... 2,844
 1 *Intermediate account clerk (Budget page 542, line 43)*..... 2,844

These proposed new positions are requested for the Bureau of Patients' Accounts. This bureau is responsible for collecting board charges for patients in the mental hospitals. Several types of activity are involved in this operation: determination of the identity and whereabouts of persons having a legal liability for paying for cost of care of patients in the hospitals for the mentally ill, determining the financial status of such persons, establishing board charges against such persons based on ability to pay, receiving and accounting for revenues, and collection of delinquent accounts.

In setting rates for patient care and treatment, the objective of the bureau is to set them at a reasonable level relative to the financial resources of the persons with legal responsibility for payment. But the maximum rate that may be charged, regardless of financial condition of payors, is based on the average cost of care and treatment for all patients. This so-called maximum rate was raised from \$100 to \$111 January 1, 1954.

Departmental Administration—Continued

Total revenues from board charges for the period 1950-51 to 1954-55 are shown in the following table:

<i>Year</i>	<i>Revenue</i>
1950-51 -----	\$3,345,147
1951-52 -----	4,030,158
1952-53 -----	4,045,596
1953-54 (est.) -----	5,032,535
1954-55 (est.) -----	5,558,710

The small increase from 1951-52 to 1952-53 is accounted for by the fact that rate-setting, accounting, and collection work, which previously had been carried on at the hospitals, were centralized in Sacramento during 1952-53. There was admittedly a drop in efficiency of operations during the period of transition from one type of operation to the other. Some of this was probably unavoidable. However, there is also evidence of inadequate planning for the changes that were made. For instance, the physical movement of accounts from the hospitals to the bureau office in Sacramento was done too hastily, with the result that the bureau fell far behind in sending out monthly statements. However, it appears that satisfactory progress has been made in correcting these initial mistakes.

Referring back to the above table on revenues from board charges, when the amounts collected are divided by average patient population, the following figures on per capita collections are obtained:

<i>Years</i>	<i>Per capita collections</i>		<i>Average annual cost of care and treatment</i>
	<i>Annually</i>	<i>Monthly</i>	
1950-51 -----	\$105	\$8.75	\$887
1951-52 -----	123	10.20	1,007
1952-53 -----	119	9.80	1,073
1953-54 (est.) -----	141	11.70	1,134
1954-55 (est.) -----	148	12.30	1,217

Per capita collections are not impressive when compared to average costs incurred by the State in providing the treatment.

We are not in a position to state definitely that per capita collections should be higher than they are, but there are indications that they might be increased. Some of these may be briefly described here:

(1) In October, 1953, approximately 54 percent of the accounts for patient care and treatment were over 90 days delinquent. In any ordinary type of credit-collection operation, this would be considered an excessively high percentage of delinquencies.

(2) During the period of June 1, 1953, to December 31, 1953, cash collections on delinquent accounts by five experienced field agents of the bureau totaled \$113,829. (In addition, their activities involved the renegotiation of agreements to increase payments to offset accrued delinquencies, collection of funds in behalf of patients, which in many instances accrue to the State in payment of board charges, or offset the necessity for state funds to purchase personal items for the patient, and other related activities.) Yet there were many overdue or delinquent accounts during this period on which no field collection effort was spent.

Departmental Administration—Continued

(3) In a trial test that was made at Napa State Hospital the bureau found that one out of every seven patients over 65 years of age was entitled to Old Age Survivor's Insurance. For the six months' period, July 1 through December 31, 1953, \$28,157 in benefits was collected for these patients. Although this money was initially placed in the personal accounts of the individual patients, most of it will eventually be used either to pay for such items as clothing, glasses, dentures, or other items, which otherwise would have to be paid for from state funds, or in direct payment of board charges. This was the first time any systematic attempt has been made to obtain old age insurance for the State's elderly hospital patients. The results indicate the possibility of obtaining large additional sums from this source.

All of this points up the likelihood that average collections for board charges can be raised. We suggest that the Department of Mental Hygiene and the Department of Finance should together make a careful and complete study of the subject. They should determine the extent of investigation that should be conducted to ascertain financial condition and resources of patients and their relatives. They should determine staff requirements for maximum efficiency in collection work. The objective should be to find out what activities and procedures are needed to obtain the maximum revenue for the State from board charges without getting into unprofitable marginal activities and without interfering with the medical treatment program in the hospitals.

We have two other recommendations to make regarding the activities of the Bureau of Patients' Accounts.

(1) The completeness and accuracy of financial information received from the persons responsible for maintenance of patients should be more fully verified.

(2) The procedure and standards used in determining equitable charges for maintenance of patients, relative to ability to pay, should be more explicitly defined. The report of the clinic fee committee on fees for treatment in state mental hygiene clinics shows an approach that might be helpful to the Bureau of Patients' Accounts.

We recommend approval of the new positions requested. They are justified on the basis of anticipated 1954-55 work load in the Bureau of Patients' Accounts.

0.1 Agent I (Budget page 542, line 45)----- \$500

The addition of one part-time position for an Agent I in the northern part of the State is proposed. The incumbent would examine patients' property and determine its proper disposition. A saving in storage costs can be achieved thereby. A similar position has been established to serve the hospitals in the southern part of the State. Approval is recommended.

There has been some indication that, with a greater degree of decentralization, certain types of positions in the departmental headquarters can be eliminated. Pending further study and decision on this matter by the management of the department, we recommend approval of the proposed budget for departmental administration.

Departmental Administration—Continued

Extramural Care

1 Supervising social worker I (Budget page 543, line 75)-----	\$5,232
5 Senior social workers (Budget page 543, line 76)-----	23,700
3 Intermediate stenographer-clerks (Budget page 543, line 77)-----	8,964

The department bases its request on an estimated increase of 670 in average number of patients on leave of absence. The request represents an extension of the authorized 1953-54 level of service to this added case load.

We recommend approval of the request.

Equipment

Equipment expenditures are scheduled at \$29,501 for 1954-55. This is a decrease of \$32,020, or —52 percent under the amount of \$61,521 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$29,501 requested for equipment, the sum of \$3,900 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 1.2 percent of an equipment investment of \$315,900 on June 30, 1953.

Operating Expenses

Operating expenses are scheduled at \$451,753 for 1954-55. This is an increase of \$23,628, or 5.5 percent over the amount of \$428,125 estimated to be expended in the 1953-54 Fiscal Year. The increase is due primarily to increases in cost of rent and utilities because of full-year cost of additional space, to increases in travel expense to provide for additional positions, and to increased cost of postage because of increases in the work load of the Bureau of Patients' Accounts.

Department of Mental Hygiene
TRANSPORTATION OF PATIENTS

ITEM 158 of the Budget Bill

Budget page 539
Budget line No. 42

For the Transportation of Patients Committed to State Institutions in the Department of Mental Hygiene From the General Fund

Amount requested -----	\$122,164
Estimated to be expended in 1953-54 Fiscal Year-----	114,543
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Increase (6.6 percent)-----	\$7,621

RECOMMENDATIONS

Amount budgeted -----	\$122,164
Legislative Auditor's recommendation-----	122,164
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Reduction -----	None

ANALYSIS

The amount requested covers transportation costs, sheriffs' fees, and traveling expenses incurred in connection with the delivering of patients from the counties to the mental institutions. The increase of \$7,621 is due to expected increase in work load.

The board of control has adopted a revised schedule of fees and allowances made to the sheriffs following a study and recommendations

Transportation of Patients—Continued

by the Department of Finance. It appears that there may be a slight decrease in cost per patient transferred. If such a decrease occurs, the amounts accruing will revert to the General Fund.

We recommend approval of the amount budgeted.

**Department of Mental Hygiene
DEPORTATION AND INSTITUTION TRANSFERS**

ITEM 159 of the Budget Bill

Budget page 539
Budget line No. 50

For Deportation and Institution Transfers of Patients From the State Institutions of the Department of Mental Hygiene From the General Fund

Amount requested	\$87,350
Estimated to be expended in 1953-54 Fiscal Year	89,250
	<hr/>
Decrease (2.1 percent)	\$1,900

RECOMMENDATIONS

Amount budgeted	\$87,350
Legislative Auditor's recommendation	87,350
	<hr/>
Reduction	None

ANALYSIS

The Department of Mental Hygiene estimates that approximately 375 patients will be deported to their own state of legal residence at a per capita cost of \$180 each. It is estimated that 450 patients will be transferred from Mendocino and Metropolitan to Atascadero and an additional 300 from Pacific and Sonoma to Porterville. Miscellaneous transfers between institutions will be mostly to institutions with the new receiving and treatment units.

We recommend approval of the amount as budgeted.

**Department of Mental Hygiene
FAMILY CARE**

ITEM 160 of the Budget Bill

Budget page 539
Budget line No. 58

For Family Care of Patients Paroled or on Leave of Absence From State Institutions of the Department of Mental Hygiene From the General Fund

Amount requested	\$547,200
Estimated to be expended in 1953-54 Fiscal Year	493,400
	<hr/>
Increase (10.9 percent)	\$53,800

RECOMMENDATIONS

Amount budgeted	\$547,200
Legislative Auditor's recommendation	547,200
	<hr/>
Reduction	None

ANALYSIS

The 1954-55 estimates indicate a continuation in the trend of rapid increase in the family care leave program of the Department of Mental Hygiene.

Family Care—Continued

It is more economical to maintain patients in a family care home than in state institutions, and in many cases the environment offered by these homes contributes to a more rapid recovery.

We recommend approval of the amount budgeted.

Department of Mental Hygiene
OUTPATIENT MENTAL HYGIENE CLINICS

ITEM 161 of the Budget Bill

Budget page 546

Budget line No. 14

For Support of the Outpatient Mental Hygiene Clinics From the General Fund

Amount requested	\$535,125
Estimated to be expended in 1953-54 Fiscal Year.....	451,487
Increase (18.5 percent)	\$83,638

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$34,279	\$34,279	---	551	73
Operating expense	13,962	13,962	---	551	74
Equipment	1,178	1,178	---	551	75
Plus:					
Decreased Federal Funds	34,219	34,219	---	---	---
Total increase	\$83,638	\$83,638	---	---	---

RECOMMENDATIONS

Amount budgeted	\$535,125
Legislative Auditor's recommendation.....	535,125
Reduction	None

ANALYSIS

Of the total increase of \$83,638 in the proposed budget for the Mental Hygiene clinics, \$42,130 represents the cost of switching the Berkeley State Clinic to partial state financing. In 1953-54 the activities of the Berkeley clinic are being financed entirely through federal funds. Estimated federal expenditures for the clinic in 1953-54 are \$53,040. Proposed expenditures, federal and state, in 1954-55 for the clinic are \$72,922, composed of the \$42,130 from the General Fund and \$30,792 from federal aid funds.

In the preceding table summarizing increases in the 1954-55 budget, the entire amount of proposed state expenditures for the Berkeley Clinic is included as increase due to work load or salary adjustments. The reason for this is that there is no increase in the budget for new positions or new services here. *However, the entire proposed state expenditure for the clinic represents a new service from a state budgetary standpoint.* The \$19,822 increase in the clinic budget for 1954-55 is accounted for mainly by a decrease in anticipated salary savings of \$17,659.

Partial support of the Berkeley Clinic has been requested because the amount of federal aid funds provided for mental hygiene activities in the State has declined and is expected to decline further in 1954-55. In 1952-53 the total amount of federal aid funds was \$183,714, and in

Outpatient Mental Hygiene Clinics—Continued

1954-55, \$133,892. The amount of state support requested for the Berkeley Clinic in 1954-55 is predicated upon a further decrease to \$99,673 in total federal aid funds available for support of mental hygiene activities. The budget contains a proviso that if the federal aid funds are actually larger than the anticipated amount, state support of the Berkeley Clinic will be correspondingly reduced.

It seems quite likely that state assumption of partial financial responsibility for the clinic will lead to a proposal that the State assume entire financial responsibility. This could result either from further reduction in federal aid funds or increasing demands upon the federal aid funds from other eligible agencies and organizations. At least the proposal is likely to be made eventually, unless the Legislature adopts a new policy in regard to partial local financing of state mental hygiene clinics. In the latter event the Berkeley Clinic would logically come under the provisions of the new policy, along with the other existing state mental hygiene clinics.

In the regular session of the Legislature in 1953, a bill was introduced requiring joint financing of new mental hygiene clinics by the State and the counties concerned, and providing means whereby local governments could be encouraged to assume a portion of the financial responsibility for state clinics already in existence. This was Senate Bill No. 1617, which was referred to the Committee on Social Welfare. The bill was tabled by the committee. Subsequently the Senate Committee on Finance adopted a resolution relating to local government assumption of a portion of the costs of operating clinics and concluding as follows: "Resolved that the Department of Mental Hygiene, the Department of Finance, and the Legislative Auditor are requested to undertake jointly a study of a proper basis for partial local financing of state mental hygiene clinics and render a report thereon to the Senate Committee on Finance not later than January 1, 1955."

The three agencies have had a number of meetings and considered a number of reports on the subject and will present some preliminary observations and conclusions to the present budget session of the Legislature. At present it is the consensus that there is some local interest involved, with no agreement as to the extent of local responsibility for financing.

This session of the Legislature must decide whether to help support the Berkeley Clinic until the joint study of partial local financing is completed and a legislative decision is made on future financing policy.

Although the State has not previously supported the Berkeley Clinic financially, this clinic is an integral unit of the state mental hygiene programs. It is not the most expendable of the clinics. Because of certain factors related to its location in the San Francisco-Oakland metropolitan area and its proximity to the University of California, it may be valuable in more ways than some of the other state clinics. Considering the matter from the standpoint that state funds should be used to get the most benefit for the most people, it would probably be preferable to reduce the budgets of all the clinics in order to hold over-all expenditures at the 1953-54 level, rather than accomplish that by withholding any financial support for the Berkeley Clinic, and thereby possibly force the clinic to close.

Outpatient Mental Hygiene Clinics—Continued

It is our recommendation that the Berkeley Clinic be supported at the level requested pending the determination of legislative policy regarding joint state-county financing of mental hygiene clinics. We believe it is desirable to help support this clinic at least temporarily, in the expectation that arrangements will be made under which the communities served by it will be able to show their willingness to bear a reasonable portion of the cost of operation.

We recommend approval of the budgets for the other state mental hygiene clinics as presented. Other than the Sacramento clinic, these budgets contain no additional positions for 1954-55. There is one new position for Psychiatrist II at the Sacramento Clinic. This restores a position the clinic previously had. The authorization was withdrawn because the clinic was unable to find any qualified person to take the position. The clinic now believes it will be able to fill the position.

A disappointing picture of actual and estimated increases in patient fees from the mental hygiene clinics is given in the budget, page 552. We believe the revenue from fees as reported there is extremely low considering the value of the services rendered by the clinics. A total of \$33,100 in fee revenue is anticipated for 1954-55. The number of hours of treatment to be provided by all the clinics in 1954-55 has been estimated at 31,103. This is approximately only \$1.07 per hour of treatment. A systematic approach to establishing reasonable fees for clinic treatment has been worked out in the report of the clinic fee committee, which accompanies the Department of Mental Hygiene's Six-year Plan for Outpatient Clinics. However, the revenue picture does not give any sign that the procedure recommended there is being put into practice. We believe that revenues from fees can be raised considerably without hampering the treatment program of the clinics.

**Department of Mental Hygiene
LANGLEY PORTER CLINIC**

ITEM 162 of the Budget Bill

Budget page 553
Budget line No. 16

For Support of the Langley Porter Clinic From the General Fund

Amount requested	\$983,262
Estimated to be expended in 1953-54 Fiscal Year	967,098
Increase (1.7 percent)	\$16,164

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$29,566	\$29,566	---	556	58
Operating expense	3,084	3,084	---	556	59
Equipment	—16,486	—24,915	\$8,429	556	60
Total increase	\$16,164	\$7,735	\$8,429	556	62

RECOMMENDATIONS

Amount budgeted	\$983,262
Legislative Auditor's recommendation	983,262
Reduction	None

Langley Porter Clinic—Continued

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$824,571. This represents an increase of \$29,566 or 3.7 percent over the total of \$795,005 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on 206.9 established positions.....	\$29,738
A change in estimated salary savings of.....	—172
Total decrease in salaries and wages.....	\$29,566

ANALYSIS

It has been the consistent policy of this office to recommend almost without exception the amount requested by the Langley Porter Clinic, on the basis that the high level of expenditures for state mental hygiene institutions in California demands an adequate research and training program. Newspaper accounts recently quoted the medical superintendent of this institution to the effect that the profession "knows nothing" about the largest class of mental patients, the schizophrenic. Approximately half of all beds in mental hospitals are occupied by this type of patient. Other types of patients, such as alcoholics, represent almost equally deficient areas of professional knowledge. While it would appear that comparatively little has been discovered from our research to date, it is still in the State's interest to finance research and university training on a reasonable basis, as carried out in this type of institution.

We recommend approval as budgeted.

Operating Expenses

Operating expenses are scheduled at \$152,296 for 1954-55. This is an increase of \$3,084 or 2.1 percent over the amount of \$149,212 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

<i>Function</i>	<i>1953-54</i>	<i>1954-55</i>	<i>Increase</i>	
			<i>Amount</i>	<i>Percent</i>
Administration	\$17,902	\$18,802	\$900	5.0
Support and subsistence.....	65,978	68,000	2,022	3.1
Care and welfare.....	46,164	46,326	162	0.4
Maintenance and operation of plant	19,168	19,168	---	---
Farming and processing.....	---	---	---	---
Totals	\$149,212	\$152,296	\$3,084	2.1

Equipment

Equipment expenditures are scheduled at \$16,655 for 1954-55. This is a decrease of \$16,486 or 49.7 percent under the amount of \$33,141 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$16,655 requested for equipment, the sum of \$8,226 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 3.6 percent of an equipment investment of \$227,339 on June 30, 1953.

The equipment investment on a per capita basis is \$2,772 per patient.

Langley Porter Clinic—Continued

The request by function for replacement equipment is as follows:

Function	Replacement equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$1,139	\$336	—\$803	—70.5
Support and subsistence	5,675	4,060	—1,615	—28.5
Care and welfare	12,773	3,730	—9,043	—70.8
Maintenance and operation of plant	1,400	100	—1,300	—92.9
Totals	\$20,987	\$8,226	—\$12,761	—60.8

The sum of \$8,429 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	Additional equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$2,486	\$962	—\$1,524	—61.3
Support and subsistence	692	2,834	2,142	309.5
Care and welfare	8,776	4,433	—4,343	—49.5
Maintenance and operation of plant	200	200	---	---
Farming and processing	---	---	---	---
Totals	\$12,154	\$8,429	—\$3,725	—30.6

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

We recommend approval of the budget as requested.

Department of Mental Hygiene
PSYCHIATRIC HOSPITAL CLINIC, LOS ANGELES

ITEM 163 of the Budget Bill

Budget page 557
Budget line No. 7

For Support of Psychiatric Hospital Clinic, Los Angeles, From the General Fund

Amount requested	\$15,077
Estimated to be expended in 1953-54 Fiscal Year	12,830
Increase (17.5 percent)	\$2,247

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$2,247	\$2,247	---	557	43
Operating expense	---	---	---	557	49
Totals	\$2,247	\$2,247	---	557	51

RECOMMENDATIONS

Amount budgeted	\$15,077
Legislative Auditor's recommendation	15,077
Reduction	None

Psychiatric Hospital Clinic, Los Angeles—Continued

ANALYSIS

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$14,127. This represents an increase of \$2,247 or 17.5 percent over the total of \$11,880 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to salary increases on 1.8 established positions totaling \$2,247.

We recommend approval as requested.

Department of Mental Hygiene
AGNEWS STATE HOSPITAL

ITEM 164 of the Budget Bill

Budget page 558
Budget line No. 7

For Support of Agnews State Hospital From the General Fund

Amount requested.....	\$5,170,740
Estimated to be expended in 1953-54 Fiscal Year.....	5,004,515
Increase (3.3 percent).....	\$166,225

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$204,749	\$155,369	\$49,380	563	70
Operating expense.....	9,818	---	9,818	563	71
Equipment.....	47,828	84,130	36,302	563	72
Less:					
Increased reimbursements	514	514	---	563	76
Total increase.....	\$166,225	\$70,725	\$95,500	563	83

RECOMMENDATIONS

Amount budgeted.....	\$5,170,740
Legislative Auditor's recommendation.....	5,170,740
Reduction.....	None

Per Capita Costs—Agnews State Hospital

Fiscal year	Average institution population	Per capita cost	Increase over prior year	
			Amount	Percent
1943-44.....	3,622	\$346	---	---
1944-45.....	3,664	371	\$25	7.2
1945-46.....	3,659	393	22	5.9
1946-47.....	3,547	504	111	28.2
1947-48.....	3,478	688	184	36.5
1948-49.....	3,498	797	109	15.8
1949-50.....	3,534	842	45	5.6
1950-51.....	3,719	948	106	12.6
1951-52.....	4,260	1,005	57	6.0
1952-53.....	4,442	1,124	119	11.8
1953-54.....	4,437	1,189	65	5.8
1954-55.....	4,445	1,228	39	3.3

The total expenditure of this facility is scheduled to increase \$182,482 or 3.5 percent.

Agnews State Hospital—Continued

Population at the institution is anticipated to average 4,445 patients, an increase of eight, or 0.2 percent.

This results in the per capita cost going from \$1,189 to \$1,228, an increase of \$39 or 3.3 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$4,974,063 for an average population of 4,292 patients which would have resulted in a per capita cost of \$1,159.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's budget, the per capita costs for 1953-54 are now expected to be \$1,189, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a variance of \$30, or 2.6 percent, from the original Governor's budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$4,974,063 by the sum of \$152,654 as an allocation from the Salary Increase Fund. This would have accounted for a \$36 increase in per capita costs but was partially offset by other factors which resulted in a smaller increase in per capita costs. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

These variances, though sometimes not overly large on an individual institutional basis, nevertheless in the aggregate, on a state-wide basis, may represent substantial sums and are pointed out to emphasize the desirability and necessity of maintaining expenditures within authorized budgetary limitations.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$3,788,327. This represents an increase of \$204,749 or 5.7 percent over the total of \$3,583,578 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on 953 established positions.....	\$91,503
A total of 10 proposed new positions costing.....	66,960
A decrease in estimated salary savings of	46,286
	\$204,749

A total of 997.4 positions are presently authorized. The agency is requesting an additional 10 proposed new positions. This represents an increase of 1 percent in staff, as compared to a 0.2 percent increase in average population at this facility.

Of the 10 new positions that have been requested, three are primarily for anticipated work load increase. The standards upon which work load increase is based are an increase in population from June 30, 1954, to June 30, 1955, of 74, and an increase in annual admissions, including readmissions and a specified portion of admissions for a brief period for observation purposes, of 128. The remaining seven proposed new

Agnews State Hospital—Continued

positions have been requested in order to bring the staffing at this hospital up to levels at which the Department of Mental Hygiene was budgeted in the 1953-54 budget.

The fact that this hospital actually did not have staffing at the levels upon which the 1953-54 budget was based is explained by a number of circumstances. The main ones are (1) that in preparing its 1953-54 budget request, the department underestimated patient population growth for 1953-54, and (2) that the department in applying over-all staffing standards has allocated new positions, based either on work load or provision of new services, variably depending on the various factors involved rather than strictly on a patient-employee ratio. The department has not attempted to keep all hospitals at the same level with respect to the standard. Some have been allowed to lag behind the over-all departmental level and others to exceed it, because of (1) varying recruitment conditions; (2) the differences between programs being pursued at different hospitals, which produce unlike staff requirements, and (3) other reasons.

It should be emphasized that granting of the seven positions requested to raise staffing at this hospital to the 1953-54 level at which the department was budgeted on an over-all basis would constitute an increase in actual prevailing level of service, for the particular services involved, at this hospital.

The annual cost of these seven positions will be \$49,380.

The following table reflects a comparative measure of the total level of service extended at this facility.

Total Level of Service-Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Average population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	472	1,034,624	3,622	286	---	---
1944-45	474	1,039,008	3,664	284	-2	-0.7
1945-46	513	1,124,496	3,659	307	23	8.1
1946-47	488	1,069,696	3,547	302	-5	-1.6
1947-48*	615	1,177,725	3,478	339	37	12.3
1948-49	647	1,149,072	3,498	328	-11	-3.2
1949-50	711	1,262,736	3,534	357	29	8.8
1950-51	898	1,594,848	3,719	429	72	20.2
1951-52	937	1,664,112	4,260	391	-38	-8.9
1952-53	915	1,625,040	4,442	366	-25	-6.4
1953-54†	997	1,770,672	4,437	399	33	9.0
1954-55‡	1,007	1,788,432	4,445	402	3	0.8

* 40-hour week became effective.

† Estimate as shown in 1954-55 Budget.

‡ Budget request.

Under the proposed budget request for 1954-55 the level of service will average 402 hours per patient.

This is three hours, or 0.8 percent above the level now scheduled for 1953-54.

It is 118 hours, or 41.5 percent above the minimum level of service of 284 hours, experienced in 1944-45.

It should be noted that the above table reports actual number of employees for years prior to 1953-54 and total authorized employees for 1953-54 and 1954-55.

Agnews State Hospital—Continued

The estimated average number of positions unfilled for 1953-54 is 57.8 and for 1954-55, 44.3. The anticipated actual level of service, as contrasted with the authorized level of service, in 1953-54 will be 376 and in 1954-55, 385.

This table does not reflect the fact that proportionately more of the positions authorized in 1953-54 are for highly trained and high-salaried specialists such as doctors and psychologists than was the case in earlier years. For instance, in the three-year period 1950-51 to 1953-54, inclusive, the level of service for doctor and psychologist positions, as measured by the ratio between employee hours of service provided and patient population, increased from 13.3 to 14.4 hours, an improvement of 8.3 percent.

For all medical care personnel except psychiatric technicians, it increased from 49.0 hours per patient in 1950-51 to 55.0 in 1953-54, a gain of 12.2 percent. As noted above, a decline of 13.5 in the average number of unfilled positions is anticipated for 1954-55, with a decrease in salary savings of \$174,358. This means that the hospital expects to have an actual working force that is 13.5 employees greater than in 1953-54 on the basis of presently authorized positions without counting any of the new positions that have been requested.

The 10 proposed new positions are shown by function as follows:

Functions and Positions		Amount	Budget	
			Page	Line
Administration				
General Office:				
3 Intermediate typist-clerks, Range B-----	\$8,964	559	35	
Care and welfare				
Medical Care:				
5 Physicians and surgeons II-----	49,260	561	61	
1 Recreation therapist-----	3,996	561	63	
1 Senior psychiatric social worker-----	4,740	561	65	
Totals (10 positions)-----	\$66,960			

Operating Expenses

Operating expenses are scheduled at \$1,372,830 for 1954-55. This is an increase of \$9,818 or 0.7 percent over the amount of \$1,363,012 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration-----	\$41,421	\$41,421	---	--
Support and subsistence-----	958,321	959,055	\$734	0.08
Care and welfare-----	96,521	96,683	162	0.2
Maintenance and operation of plant-----	204,399	214,821	10,422	5.1
Farming and processing-----	62,350	60,850	-1,500	-2.4
Totals-----	\$1,363,012	\$1,372,830	\$9,818	0.7

Operating expenses have been held at 1953-54 levels for all functions except maintenance and operation. The increase in maintenance and operation will result from a \$1,000 standby charge to purchase water from the San Francisco Metropolitan Water System during periods

Agnews State Hospital—Continued

when the Agnews supply is depleted because of drought or lowering of the ground water table, plus \$9,000 for the volume of water it is estimated the hospital will need to purchase during the year. There has been a capital outlay expenditure of approximately \$75,000 to construct the connection facilities with the San Francisco system.

Equipment

Equipment expenditures are scheduled at \$97,065 for 1954-55. This is a decrease of \$47,828 or 33 percent under the amount of \$144,893 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$97,065 requested for equipment, the sum of \$60,763 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 3.3 percent of an equipment investment of \$1,835,394 on June 30, 1953.

The equipment investment on a per capital basis at that time was \$413 per patient.

The request by function for replacement equipment is as follows:

Function	Replacement equipment			
	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$840	\$200	—\$640	—76.2
Support and subsistence	52,639	31,306	—21,333	—40.5
Care and welfare	5,056	12,830	7,774	153.8
Maintenance and operation of plant	11,521	14,205	2,684	23.3
Farming and processing	4,100	2,222	—1,878	—45.8
Totals	\$74,156	\$60,763	—\$13,393	—18.1

Out of the total of \$97,065 for equipment, the sum of \$36,302 is for items of *additional* equipment. Out of the latter amount only \$2,430 is required for office equipment for proposed new positions.

Since there is no material increase in population at this facility necessitating the purchase of additional equipment on a work load basis, it appears that \$33,872 of the additional equipment is primarily for an improvement in the level of service from an equipment standpoint.

This office is undertaking a spot check field review of the equipment requests. Pending completion of this review we have no recommendations to make regarding the proposed equipment expenditures, other than the broad comment that we believe that equipment requests by the Department of Mental Hygiene carried, as a general rule, insufficient justifying data to permit a sound decision as to the necessity of the individual items.

The request, by function, for additional equipment is as follows:

Function	Additional equipment			
	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$6,363	\$2,630	—\$3,733	—58.7
Support and subsistence	13,621	6,081	—7,540	—55.4
Care and welfare	28,302	22,560	—5,742	—20.3
Maintenance and operation of plant	10,688	2,581	—8,107	—75.9
Farming and processing	11,763	2,450	—9,313	—79.2
Totals	\$70,737	\$36,302	—\$34,435	—48.7

Agnews State Hospital—Continued

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

Farming and Processing—Production and Expenditures

	1951-52	1952-53	1953-54	1954-55
Local production consumed.....	\$222,725	\$238,510	\$202,355	\$203,573
Surplus products sales	11,656	6,015	9,500	9,500
Total Value of Production.....	\$234,381	\$244,515	\$211,855	\$213,073
Salaries and wages	49,765	50,870	51,255	53,180
Operating expenses	59,934	57,058	62,350	60,850
Total Operating Costs	\$109,699	\$107,928	\$113,605	\$114,030
Gross operating profit	124,682	136,587	98,250	99,043
Equipment costs	6,093	5,512	15,863	4,672
Annual Profit	\$118,589	\$131,075	\$82,387	\$94,371

Department of Mental Hygiene
ATASCADERO STATE HOSPITAL

ITEM 165 of the Budget Bill

Budget page 565
Budget line No. 7

For Support of the Atascadero State Hospital From the General Fund

Amount requested	\$1,447,818
Estimated to be expended in 1953-54 Fiscal Year.....	382,590
Increase (278.4 percent)	\$1,065,228

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$837,210	\$837,210	---	570	48
Operating expense	249,878	249,878	---	570	49
Equipment	3,000	---	\$3,000	570	50
Less:					
Increased reimbursement	—24,860	—24,860	---	570	54
Total increase.....	\$1,065,228	\$1,062,228	\$3,000	570	56

RECOMMENDATIONS

Amount budgeted	\$1,447,818
Legislative Auditor's recommendation.....	1,447,818
Reduction	None

ANALYSIS

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$1,157,893. This represents an increase of \$837,210 or 261.1 percent

Atascadero State Hospital—Continued

over the total of \$320,683 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on 384 established positions.....	\$985,282
A total of seven proposed new positions costing.....	42,900
A change in estimated salary savings of.....	190,972
Total increase in salaries and wages.....	\$837,210

Atascadero State Hospital is a new institution. The first patients will not be received until late in Fiscal Year 1953-54. Estimated year end population will be 250. By June 30, 1955, the department expects Atascadero to have 1,100 patients. Initial staffing is being accomplished in 1953-54. Most positions authorized in 1953-54 will be filled during the latter part of the fiscal year. Total authorized positions at the end of the year will be 384.

Seven additional positions have been requested for this hospital in 1954-55. All of the proposed additional positions are related to work load increase.

The proposed new positions are shown by function as follows:

Functions and Positions		Budget	
	Amount	Page	Line
Administration			
General office:			
1 Intermediate typist-clerk, range B.....	\$2,988	566	52
Care and welfare			
Medical care:			
2 Physician and surgeon, range C.....	19,704	569	7
Rehabilitation therapy:			
1 Supervisor of rehabilitation therapy.....	5,496	569	10
Social service:			
1 Supervising psychiatrist social worker I.....	5,232	569	13
2 Senior psychiatric social workers.....	9,480	569	14
Total	\$42,900		

Operating Expenses

Operating expenses are scheduled at \$325,535 for 1954-55. This is an increase of \$249,878 or 330.3 percent over the amount of \$75,657 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$16,040	\$22,840	\$6,800	42.4
Support and subsistence	25,940	190,097	164,157	632.8
Care and welfare	3,077	16,498	13,421	436.2
Maintenance and operation of plant	30,600	96,100	65,500	214.1
Farming and processing	---	---	---	---
Totals	\$75,657	\$325,535	\$249,878	330.3

Department of Mental Hygiene
CAMARILLO STATE HOSPITAL

ITEM 166 of the Budget Bill

Budget page 571
Budget line No. 7

For Support of Camarillo State Hospital From the General Fund

Amount requested	\$7,266,533
Estimated to be expended in 1953-54 Fiscal Year	6,784,931
Increase (7.1 percent)	\$481,602

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$366,309	\$320,915	\$45,394	577	36
Operating expense	104,554	104,554	---	577	37
Equipment	9,485	5,288	4,197	577	38
Plus:					
Decrease in reimbursements	1,254	1,254	---	577	43
Total increase	\$481,602	\$432,011	\$49,591	577	48

RECOMMENDATIONS

Amount budgeted	\$7,266,533
Legislative Auditor's recommendation	7,266,533
Reduction	None

Per Capita Costs—Camarillo State Hospital

Fiscal Year	Average institution population	Per capita cost	Increase over prior year	
			Amount	Percent
1943-44	3,869	\$330	---	---
1944-45	4,123	344	\$14	4.2
1945-46	4,365	380	36	10.5
1946-47	4,534	485	105	27.6
1947-48	4,826	608	123	25.4
1948-49	4,803	735	127	20.9
1949-50	4,960	766	31	4.2
1950-51	5,136	825	59	7.7
1951-52	5,564	945	120	14.5
1952-53	6,397	1,015	70	7.4
1953-54	6,821	1,044	29	2.9
1954-55	7,173	1,063	19	1.8

The total expenditure of this facility including retirement payments is scheduled to increase \$507,112, or 7.1 percent.

Population at the institution is anticipated to average 7,173 patients, an increase of 352, or 5.6 percent.

This results in the per capita cost going from \$1,044 to \$1,063, an increase of \$19, or 1.8 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$7,007,607, for an average population of 6,783 patients, which would have resulted in a per capita cost of \$1,033.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,044, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is

Camarillo State Hospital—Continued

a variance of \$11, or 1.1 percent from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$7,007,607 by the sum of \$190,341 as an allocation from the Salary Increase Fund. This would have accounted for a \$28 increase in per capita costs, but was partially offset by other factors which resulted in a smaller increase in per capita costs. This factor is not present in the 1954-55 Governor's budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$5,278,922. This represents an increase of \$366,309 or 7.5 percent over the total of \$4,912,613 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on 1,426 established positions.....	\$138,406
A total of 60 proposed new positions costing.....	138,889
A decrease in estimated salary savings of.....	89,014

Total increase in salaries and wages.....	\$366,309
---	-----------

A total of 1,530.5 positions are presently authorized. The agency is requesting an additional 60 proposed new positions. This represents an increase of 3.9 percent in staff, as compared to a 5.2 percent increase in average population at this facility.

The large proposed increase for 1954-55 in staffing at this hospital, as indicated by an increase of \$366,309 for salaries and wages alone, is related not only to a 5.2 percent increase in average patient population but also to the scheduled activation of a new juvenile unit for care and treatment of children. This unit, which will accommodate 154 patients, will have the same high staffing ratio of one nursing employee to each 2.7 patients that is authorized for the new receiving and treatment units located at several of the hospitals.

Of the 60 proposed new positions, 54 are related to the anticipated work load increase. Forty-seven of these 54 positions are for psychiatric nurses and technicians.

With these additional nursing positions, Camarillo will have a total of 1,110 positions in nursing and personal care, as compared with 1,063 in 1953-54. The additional positions will provide a ratio of one position in nursing and personal care for each 6.45 patients, as against a ratio of one to 6.41 patients in 1953-54.

The remaining seven proposed new positions needed to continue service at the 1953-54 level with the added population and expanded facilities, consist of two physicians and surgeons, two intermediate typist-clerks, two social workers, and one recreation therapist.

The six proposed new positions not directly related to the anticipated work load will provide an increase over prevailing level of service for the functions involved. They consist of three physicians and surgeons,

Camarillo State Hospital—Continued

one senior psychiatric social worker, one intermediate typist-clerk, and one senior dentist. Granting of these positions would raise service closer to the level at which the department was budgeted on an over-all basis in 1953-54.

The fact that the actual 1953-54 level of service at Camarillo is not as high as that which was authorized on an over-all departmental basis in the budget is accounted for by a number of circumstances. Three of the chief ones are: (1) the department underestimated patient population growth in the 1953-54 Budget (2) although requests for staffing have been based on over-all ratios between patients and employees, actual allocation of positions has not necessarily followed these ratios but has varied depending on the specific needs of the individual institutions relating to the type of treatment program being followed, the possibilities for successful recruitment to fill vacancies, and other factors (3) fractional requirements for new positions not sufficient individually to justify the addition of whole positions at each hospital concerned have been combined to provide the necessary basis for requesting additional positions at hospitals considered to have the greatest need.

An example of the type of increase in service that would be provided can be furnished by the proposed position for senior dentist. The 1953-54 budget standard for dentists was one for each 1,250 patients. Camarillo in 1953-54 had five dentist positions. Population increase for 1954-55 over 1953-54 will only be 296, an increase that in itself would be far from enough to justify an additional position. However, with a total patient population of 7,321 anticipated, the staffing ratio would justify 0.8 of one position in addition to the five already authorized. Granting of the requests for one more position would give Camarillo a ratio of one dentist to 1,220 patients.

It should be emphasized that granting of these six positions that have been requested to raise staffing to 1953-54 departmental budget levels will actually provide an increase over 1953-54 *actual* level of service for this hospital. The annual cost of these six positions in 1954-55 would be \$45,394.

The following table reflects a comparative measure of the total level of service extended at this facility.

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Average population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	519	1,137,648	3,869	294	--	--
1944-45	520	1,139,840	4,123	276	-18	-6.1
1945-46	614	1,345,888	4,365	308	32	11.6
1946-47	529	1,159,568	4,534	256	-52	-16.9
1947-48 *	741	1,419,015	4,826	294	38	14.8
1948-49	839	1,490,064	4,803	310	16	5.4
1949-50	951	1,688,976	4,960	341	31	10.0
1950-51	912	1,619,712	5,136	315	-26	-7.6
1951-52	1,158	2,056,608	5,564	370	55	17.5
1952-53	1,378	2,447,328	6,397	383	13	3.5
1953-54 ‡	1,532	2,720,832	6,821	399	16	4.2
1954-55 †	1,591	2,825,616	7,173	394	-5	1.3

* 40-hour week became effective.

† Budget request.

‡ Estimate as shown in 1954-55 Budget.

Camarillo State Hospital—Continued

Under the proposed budget request for 1954-55 the level of service will average 394 hours per patient.

This is five hours, or 1.3 percent below the level now scheduled for 1953-54.

It is 138 hours, or 54 percent above the minimum level of service of 256 hours, experienced in 1946-47.

It should be noted that the above table reports actual number of employees for years prior to 1953-54 and total authorized employees for 1953-54 and 1954-55.

The estimated average number of positions unfilled for 1953-54 is 131.6, and for 1954-55, 104.8. So the anticipated actual level of service, as contrasted with the authorized level of service, in 1953-54 will be 365, and in 1954-55, 368.

This table does not reflect the fact that proportionately more of the positions authorized in 1953-54 are for high salaried specialists such as doctors and psychologists than was the case in earlier years. For instance, in the three-year period 1950-51 to 1953-54, inclusive, the level of service for positions in the function of medical care as measured by ratio between employee hours of service provided and patient population increased from 17.3 to 23 hours, an improvement of 35 percent.

As noted above, a decline of 26.8 in the average number of unfilled positions is anticipated for 1954-55, with a decrease in salary savings of \$89,014. This means that the hospital expects to have an actual working force that is 26.8 employees greater than in 1953-54, on the basis of presently authorized positions without counting any of the new positions that have been requested.

The 60 proposed new positions are shown by function as follows:

Functions and Positions		Amount	Budget	
			Page	Line
Administration				
General office				
3	Intermediate typist-clerks, Range B.....	\$8,964	572	40
Care and welfare				
Nursing and personal care				
3	Psychiatric nurses (effective Feb. 1, 1955).....	4,650	575	8
4	Senior psychiatric technicians II (effective Feb. 1, 1955).....	5,620	575	10
13	Senior psychiatric technicians I (effective Feb. 1, 1955).....	16,575	575	12
27	Psychiatric technician Trainees (effective Feb. 1, 1955).....	27,000	575	14
Medical care				
5	Physicians and surgeons II (delete 1).....	49,260	575	17
1	Senior dentist.....	8,112	575	18
Rehabilitation therapy				
1	Recreation therapist.....	3,996	575	20
Social service				
1	Supervising psychiatric social worker.....	5,232	575	23
2	Senior psychiatric social workers.....	9,480	575	24
Totals (60 positions).....		\$138,889		

Operating Expenses

Operating expenses are scheduled at \$2,046,371 for 1954-55. This is an increase of \$104,554 or 5.4 percent over the amount of \$1,941,817 estimated to be expended in the 1953-54 Fiscal Year.

Camarillo State Hospital—Continued

The request by function for operating expenses is indicated below:

Function	Operating Expenses		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$59,637	\$59,967	\$330	0.6
Support and subsistence.....	1,391,250	1,481,519	90,269	6.5
Care and welfare.....	158,060	165,416	7,356	4.7
Maintenance and operation of plant	249,970	257,069	7,099	2.8
Farming and processing.....	82,900	82,400	—500	—0.6
Totals	\$1,941,817	\$2,046,371	\$104,554	5.4

Of the proposed increase, \$74,978, or 72 percent, is accounted for by the cost of the ration for the increase in daily average population of 352. Most of the remainder of the estimated increase in expenditures is also associated with the population increase. Approximately \$6,000 is accounted for by maintenance and utility costs for new plant.

Equipment

Equipment expenditures are scheduled at \$98,975 for 1954-55. This is an increase of \$9,485 or 10.6 percent over the amount of \$89,490 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$98,975 requested for equipment, the sum of \$51,802 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 2.3 percent of an equipment investment of \$2,258,071 on June 30, 1953.

The equipment investment on a per capita basis as of that date was \$340 per patient.

The request by function for replacement equipment is as follows:

Function	Replacement equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$1,738	\$1,029	—\$709	—40.8
Support and subsistence.....	23,006	32,116	9,110	39.6
Care and welfare.....	2,069	7,955	5,886	284.5
Maintenance and operation of plant	19,013	5,540	—13,473	—70.9
Farming and processing.....	4,941	5,162	221	4.5
Totals	\$50,767	\$51,802	\$1,035	2.0

The sum of \$47,173 is requested for *additional* items of equipment. The request, by function, for additional equipment is as follows:

Function	Additional equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$5,345	\$4,853	—\$492	—9.2
Support and subsistence.....	11,374	19,714	8,340	73.3
Care and welfare.....	6,131	14,001	7,870	128.4
Maintenance and operation of plant	8,798	7,115	—1,683	—19.1
Farming and processing.....	7,075	1,490	—5,585	—78.9
Totals	\$38,723	\$47,173	\$8,450	21.8

It is to be noted that where items of additional equipment are not directly related to population increases or other workload changes, the acquisition of such items represents an improvement in the level of

Camarillo State Hospital—Continued

service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

This office is undertaking a spot field check of the equipment requests. Pending completion of this review we have no specific recommendations to make regarding the proposed equipment expenditures at this institution, other than the general comment that we believe that equipment requests by the Department of Mental Hygiene, as a general rule, carried insufficient justifying data to permit a sound decision as to the necessity of the individual items requested.

Farming and Processing—Production and Expenditures				
	1951-52	1952-53	1953-54	1954-55
Local production consumed.....	\$398,870	\$435,117	\$397,358	\$392,460
Surplus products sales.....	5,360	10,985	7,500	6,000
Total value of production.....	\$404,230	\$446,102	\$404,858	\$398,460
Salaries and wages.....	\$119,070	\$124,954	\$114,657	\$117,305
Operating expenses.....	86,682	102,655	82,900	82,400
Total operating costs.....	\$205,752	\$227,609	\$197,557	\$199,705
Gross operating profit.....	\$198,478	\$218,493	\$207,301	\$198,755
Equipment costs.....	16,311	9,079	12,016	6,652
Annual profit.....	\$182,167	\$209,414	\$195,285	\$192,103

A slight adverse trend is noted in relation to the total value of production between 1953-54 and 1954-55.

**Department of Mental Hygiene
DeWITT STATE HOSPITAL**

ITEM 167 of the Budget Bill

Budget page 578
Budget line No. 7**For Support of DeWitt State Hospital From the General Fund**

Amount requested	\$3,726,435
Estimated to be expended in 1953-54 Fiscal Year.....	3,601,271
Increase (3.5 percent).....	\$125,164

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$122,120	\$117,380	\$4,740	582	65
Operating expense	—6,450	—6,450	—	582	66
Equipment	9,613	—16,463	26,076	582	67
Less:					
Increased reimbursements	—119	—119	—	582	71
Total increase	\$125,164	\$94,348	\$30,816	582	76

RECOMMENDATIONS

Amount budgeted	\$3,726,435
Legislative Auditor's recommendation.....	3,707,978
Reduction	\$18,457

DeWitt State Hospital—Continued

ANALYSIS

The recommended reduction of \$18,457 consists of the following amounts in the categories indicated:

<i>Equipment</i>	<i>Amount</i>	<i>Budget</i>	
		<i>Page</i>	<i>Line</i>
Administration			
General office			
Replacement -----	\$4,330	579	48
Additional -----	350	579	49
Support and subsistence			
Feeding			
Replacement -----	6,177	580	29
Additional -----	2,058	580	30
Housekeeping			
Additional -----	180	580	34
Care and welfare			
Medical care			
Additional -----	130	581	56
Rehabilitation therapy			
Additional -----	662	581	58
Maintenance and operation			
Light, heat, and power			
Additional -----	140	582	44
Motor vehicles			
Additional -----	4,430	582	50
Reduction in equipment -----	<u>\$18,457</u>		
Total recommended reduction -----	<u>\$18,457</u>		

Per Capita Costs, DeWitt State Hospital

<i>Fiscal year</i>	<i>Average institution population</i>	<i>Per capita cost</i>	<i>Increase over prior year</i>	
			<i>Amount</i>	<i>Percent</i>
1946-47 -----	723	\$1,150	---	---
1947-48 -----	2,199	868	-\$282	-24.5
1948-49 -----	2,529	930	62	7.1
1949-50 -----	2,875	869	-61	-6.6
1950-51 -----	2,965	933	64	7.4
1951-52 -----	2,989	1,027	94	10.1
1952-53 -----	3,051	1,166	139	13.5
1953-54 -----	3,089	1,228	62	5.3
1954-55 -----	3,060	1,284	56	4.6

The total expenditure of this facility is scheduled to increase \$135,658 or 3.6 percent.

Population at the institution is anticipated to average 3,060 patients, a decrease of 29, or 0.9 percent.

This results in the per capita cost going from \$1,228 to \$1,284, an increase of \$56 or 4.6 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$3,638,974 for an average population of 3,138 patients which would have resulted in a per capita cost of \$1,160.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,228, including contributions to the State Employees Retire-

DeWitt State Hospital—Continued

ment Fund, which are included in such costs for the first time. This is a variance of \$68, or 5.9 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$3,638,974 by the sum of \$104,108 as an allocation from the Salary Increase Fund. This accounted for \$33, or 48.5 percent, of the increase in per capita costs as finally revised for 1953-54. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$2,614,704. This represents an increase of \$122,120 or 4.9 percent over the total of \$2,492,584 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Merit salary increases on 696 established positions.....	\$67,272
One proposed new position costing.....	4,740
A decrease in estimated salary savings of.....	50,108
	<hr/>
Total increase in salaries and wages.....	\$122,120

A total of 726.9 positions are presently authorized. The agency is requesting an additional one proposed new position. This represents an increase of 0.1 percent in staff, as compared to a 0.9 percent decrease in average population at this facility.

1 Senior psychiatric social worker (Budget page 581, line 38) — \$4,740

The one new position proposed at this institution for 1954-55 is a senior psychiatric social worker. Considering that year-end population will be 40 patients lower for 1954-55 than 1953-54 and that estimated admissions in the later year, including re-admissions and a specified portion of admissions for a brief period for observation purposes, will also decline slightly, this additional position would obviously raise the level of existing services.

The Department of Mental Hygiene has suggested establishment of this position at DeWitt in order to raise the staffing level for social workers closer to the level at which the department as a whole was budgeted in 1953-54. Even with approval of the proposed new position, DeWitt will have a somewhat lower level of staffing than the departmental average.

The annual cost in 1954-55 of this one additional position will be \$4,740. We recommend approval of the request.

The following table reflects a comparative measure of the total level of service extended at this facility.

DeWitt State Hospital—Continued

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Average population	Level of service	Increase over prior year	
					Amount	Percent
1946-47 -----	232	508,544	723	703	703	---
1947-48* -----	525	1,005,375	2,199	457	-246	-35.0
1948-49 -----	611	1,085,136	2,529	429	-28	-6.1
1949-50 -----	656	1,165,056	2,875	405	-24	-5.6
1950-51 -----	676	1,200,576	2,965	405	0	0
1951-52 -----	688	1,221,888	2,989	409	4	1.0
1952-53 -----	711	1,262,736	3,051	414	5	1.2
1953-54† -----	727	1,291,152	3,089	418	4	1.0
1954-55† -----	728	1,292,928	3,060	423	5	1.2

* 40-hour week became effective.

† Estimate as shown in 1954-55 Budget.

† Budget request.

Under the proposed budget request for 1954-55 the level of service will average 423 hours per patient.

This is five hours, or 1.2 percent above the level now scheduled for 1953-54.

It is 18 hours, or 4.4 percent above the minimum level of service of 405 hours, experienced in 1949-50.

It should be noted that the above table reports actual number of employees for years prior to 1953-54, total authorized positions for 1953-54, and total proposed positions for 1954-55.

The estimated average number of positions unfilled for 1953-54 is 45.8, and for 1954-55, 31.3. The anticipated actual level of service, as contrasted with the authorized level of service in 1953-54 will, therefore, be 392 hours and in 1954-55, 405 hours.

This table does not reflect the fact that proportionately more of the positions authorized in 1953-54 are for highly trained and high-salaried specialists such as doctors and psychologists than was the case in earlier years. For instance, in the three-year period 1950-51 to 1953-54, inclusive, the level of service for medical care positions exclusive of nursing and custodial care, as measured by the ratio between employee hours of service provided and patient population increased from 14 to 16 hours, an improvement of 11 percent.

As noted above, a decline of 14.5 in the average number of unfilled positions is anticipated for 1954-55, with a decrease in salary savings of \$50,108. This means that the hospital expects to have an average actual working force that is 14.5 employees greater than in 1953-54, on the basis of presently authorized positions without counting any of the new positions that have been requested.

Operating Expenses

Operating expenses are scheduled at \$1,107,333 for 1954-55. This is a decrease of \$6,450 or 0.6 percent under the amount of \$1,113,783 estimated to be expended in the 1953-54 Fiscal Year.

DeWitt State Hospital—Continued

The request by function for operating expenses is indicated below:

Operating Expenses—DeWitt State Hospital

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$30,536	\$31,234	\$698	2.3
Support and subsistence.....	820,639	813,645	—6,994	—0.9
Care and welfare.....	91,985	91,946	—39	—0.04
Maintenance and operation of plant	170,623	170,508	—115	—0.08
Totals	\$1,113,783	\$1,107,333	\$—6,450	0.6

Equipment

Equipment expenditures are scheduled at \$86,496 for 1954-55. This is an increase of \$9,613 or 12.5 percent over the amount of \$76,883 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$86,496 requested for equipment, the sum of \$60,201 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 6.3 percent of an equipment investment of \$962,307 on June 30, 1953.

The equipment investment on a per capita basis on June 30, 1953 was approximately \$309 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Amount	Percent
Administration	\$2,974	\$5,139	\$2,165	72.8
Support and subsistence.....	33,747	39,053	5,306	15.7
Care and welfare.....	4,028	2,949	—1,079	—26.8
Maintenance and operation of plant	2,945	13,060	10,115	343.5
Totals	\$43,694	\$60,201	\$16,507	35.7

The sum of \$26,295 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	1953-54	1954-55	Additional equipment	
			Amount	Percent
Administration	\$2,708	\$1,419	—\$1,289	—47.6
Support and subsistence.....	10,263	7,903	—2,360	—23.0
Care and welfare.....	5,854	10,411	4,557	77.8
Maintenance and operation of plant.....	14,364	6,562	—7,802	—54.3
Totals	\$33,189	\$26,295	—\$6,894	—20.7

It is to be noted that where items of additional equipment are not directly related to population increases or other workload changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

Joint conferences concerning proposed equipment expenditures have been held with the agency and Department of Finance staff members, and a careful review of equipment requests made. This review was

DeWitt State Hospital—Continued

supplemented by personal inspection and appraisal at the hospital by a representative of our staff.

As a result of this field survey, we are recommending deletion of a number of equipment items that have been requested. The total value of our suggested deletions is \$18,457, of which \$10,507 represents replacement items, and \$7,950, additional items. The specific items which we suggest be deleted are as follows:

<i>Item</i>	<i>Amount</i>	<i>Item</i>	<i>Amount</i>
Dictating and transcribing equipment	\$4,330	Portable sander	\$95
Adding machine	350	Newcomb Transcription Player and Public Address System	120
Dough mixer	6,975	16 mm. splicer	18
Sink, stainless steel	710	Accordion style 603	265
Meat blocks	130	Electric bench grinder (reduce amount from \$220 to \$80)	140
Heavy duty food truck	320	Tow motor fork-lift truck	4,430
Offal trees	100		
Mitchel Fold-o-leg tables	180	Total	\$18,457
Tomoc powdering cabinet	130		
Tennis net	55		
Pool goals	109		

The factual information upon which our recommendation for deletion of the above items is based has been summarized in written form and will be available for consideration by Members of the Legislature.

**Department of Mental Hygiene
MENDOCINO STATE HOSPITAL**

ITEM 168 of the Budget Bill

Budget page 583
Budget line No. 7

For Support of Mendocino State Hospital From the General Fund

Amount requested	\$3,200,180
Estimated to be expended in 1953-54 Fiscal Year	3,021,215
Increase (5.9 percent)	\$178,965

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$174,657	\$170,847	\$3,810	589	9
Operating expense	19,597	19,597	---	589	10
Equipment	-9,007	-31,086	22,079	589	11
Less:					
Increased reimbursements	-6,282	-6,282	---	589	16
Total increase	\$178,965	\$153,076	\$25,889	589	22

RECOMMENDATIONS

Amount budgeted	\$3,200,180
Legislative Auditor's recommendation	3,200,180
Reduction	None

Mendocino State Hospital—Continued

ANALYSIS

Fiscal year	Per Capita Costs			
	Daily average institution population	Per capita cost	Increase over prior year Amount	Percent
1943-44	2,908	\$365	—	—
1944-45	2,921	373	\$8	2.2
1945-46	2,977	402	29	7.8
1946-47	2,910	504	102	25.4
1947-48	2,841	641	137	27.2
1948-49	2,784	767	126	19.7
1949-50	2,727	816	49	6.4
1950-51	2,717	877	61	7.5
1951-52	2,693	929	52	5.9
1952-53	2,604	1,102	173	18.6
1953-54	2,645	1,204	102	9.3
1954-55	2,677	1,262	58	4.8

The total expenditure of this facility is scheduled to increase \$192,163 or 6 percent.

Population at the institution is anticipated to average 2,677 patients, an increase of 32, or 1.2 percent.

This results in the per capita cost going from \$1,204 to \$1,262, an increase of \$58, or 4.8 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$3,024,595 for an average population of 2,671 patients which would have resulted in a per capita cost of \$1,132.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,204, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a variance of \$72, or 6.4 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$3,024,595 by the sum of \$90,375 as an allocation from the Salary Increase Fund. This accounted for \$34, or 47.2 percent, of the increase in per capita costs as finally revised for 1953-54. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$2,382,217. This represents an increase of \$174,657, or 7.9 percent, over the total of \$2,207,560 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Net salary change due to reduction from 658.8 to 644.8 in established positions and salary increases	—\$1,539
A total of 55 proposed new positions costing	164,370
A change in estimated salary savings of	11,826
Total increase in salaries and wages	\$174,657

Mendocino State Hospital—Continued

A total of 658.8 positions are presently authorized. Ten of these will be abolished in 1954-55 as a result of the movement of the sex psychopaths to Atascadero on October 1, 1954, leaving a balance of 648.8 positions. This agency is requesting an additional 55 proposed new positions. This represents an increase of 6.9 percent in staff for 1954-55 over 1953-54, as compared to a 1.2 percent increase in population at this facility.

Of the 55 proposed new positions 54 are primarily for increase in work load and one is for raising service above the actual level being provided in 1953-54. The latter addition would raise service for the function involved closer to the level provided on an over-all basis for the department in the 1953-54 Budget.

The 54 positions requested for work load increase consist of 52 nursing and two maintenance positions needed for the 234-bed receiving and treatment unit that will open July 1, 1954. The average patient population in 1954-55 at this hospital will total only 32 patients above the 1953-54 figure. However, the intensive staffing standards of one nursing employee for each 2.7 patients for the receiving and treatment unit, as compared to an over-all departmental level of approximately one to 6.3 for all types of patient-ward, imposes the requirement for the large number of additional nursing personnel proposed. In terms of the over-all ratio of patients to nursing personnel, approval of the proposed positions will give this hospital an authorized ratio of 5.6 in 1954-55 compared with 6.2 in 1953-54.

The granting of the one proposed new position that is not related to the work load for the new receiving and treatment unit will constitute an increase in actual prevailing level of service for the particular function involved. The annual cost of this one position, for an occupational therapist, will be \$3,810.

The following table reflects a comparative measure of the total level of service extended at this facility:

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Daily average population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	374	819,808	2,903	282	—	—
1944-45	375	822,000	2,921	281	-1	-0.4
1945-46	403	883,376	2,977	297	6	2.1
1946-47	379	830,768	2,910	285	-12	-4.0
1947-48*	422	808,130	2,841	284	-1	-0.4
1948-49	515	914,640	2,734	329	45	15.8
1949-50	564	1,001,664	2,727	367	38	11.6
1950-51	560	994,560	2,717	366	-1	-0.3
1951-52	553	982,128	2,693	365	-1	-0.3
1952-53	579	1,028,304	2,604	395	30	8.2
1953-54†	659	1,170,384	2,645	442	47	11.9
1954-55‡	700	1,243,200	2,677	464	22	5.0

* 40-hour week became effective.

† Budget request.

‡ Estimate as shown in 1954-55 Budget.

Under the proposed budget request for 1954-55 the level of service will average 464 hours per patient.

Mendocino State Hospital—Continued

This is 22 hours or 5 percent above the level now scheduled for 1953-54.

It is 183 hours or 65 percent above the minimum level of service of 281 hours, experienced in 1944-45.

It should be noted that the above table reports actual number of employees for years prior to 1953-54 and total authorized employees for 1953-54 and 1954-55.

The estimated average number of positions unfilled for 1953-54 is 69.1 and for 1954-55, 65.6. So the anticipated actual level of service in 1953-54, as contrasted with the authorized level of service, will be 396 and in 1954-55, 421 employee hours per patient.

This table does not reflect the fact that proportionately more of the positions authorized in 1953-54 are for highly trained and high-salaried specialists such as doctors and psychologists than was the case in earlier years. For instance, in the three-year period 1950-51 to 1953-54 inclusive the level of service for doctor and psychologist positions, as measured by the ratio between authorized employee hours of service provided and patient population increased from 11.9 to 14.5 hours, an improvement of 13.4 percent.

For all medical care personnel it increased from 58.2 hours per patient in 1950-51 to 59.5 in 1953-54, a gain of 2.2 percent.

As noted above, a decline of 3.5 in the average number of unfilled positions is anticipated for 1954-55, with a decrease in salary savings of \$11,826. This means that the hospital expects to have an actual working force that is 3.5 positions greater than in 1953-54, on the basis of presently authorized positions without counting any of the new positions that have been requested.

The 55 proposed new positions are shown by function as follows:

Functions and Positions		<i>Amount</i>	<i>Budget Page Line</i>	
Support and subsistence				
Housekeeping				
1 Janitor	-----	\$2,844	585	13
Care and welfare				
Nursing and personal care				
7 Senior psychiatric nurses	-----	27,972	586	62
11 Psychiatric nurses	-----	41,910	586	63
34 Psychiatric technician trainees	-----	83,640	586	64
Rehabilitation therapy				
1 Occupational therapist I	-----	3,810	586	66
Maintenance and operation				
Light, heat and power				
1 Stationary engineer	-----	4,194	587	53
Totals (55 positions)	-----	\$164,370		

Operating Expenses

Operating expenses are scheduled at \$838,556 for 1954-55. This is an increase of \$19,597 or 2.4 percent over the amount of \$818,959 estimated to be expended in the 1953-54 Fiscal Year.

Mendocino State Hospital—Continued

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$30,106	\$31,303	\$1,197	4.0
Support and subsistence	455,722	456,750	1,028	0.2
Care and welfare	64,246	65,058	812	1.3
Maintenance and operation of plant	168,445	185,005	16,560	9.8
Farming and processing	100,440	100,440	---	---
Totals	\$818,959	\$838,556	\$19,597	2.4

Equipment

Equipment expenditures are scheduled at \$64,544 for 1954-55. This is a decrease of \$9,007 or 12.2 percent under the amount of \$73,551 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$64,544 requested for equipment, the sum of \$42,465 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 4.0 percent of an equipment investment of \$1,068,546 on June 30, 1953.

The equipment investment on a per capita basis was \$388 per patient at that time.

ANALYSIS

This office is undertaking a spot field check of the equipment requests. Pending completion of this review we have no specific recommendations to make regarding the proposed equipment expenditures at this institution, other than the general comment that we believe that equipment requests by the Department of Mental Hygiene carried, as a general rule, insufficient justifying data to permit a sound decision as to the necessity of the individual items requested.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Amount	Percent
Administration	\$931	\$450	—\$481	—51.7
Support and subsistence	27,155	29,220	2,065	7.6
Care and welfare	5,200	3,495	—1,705	—32.8
Maintenance and operation of plant	3,350	4,450	1,100	32.8
Farming and processing	10,070	4,850	—5,220	—51.8
Totals	\$46,706	\$42,465	—\$4,241	—9.1

The sum of \$22,079 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	1953-54	1954-55	Additional equipment	
			Amount	Percent
Administration	\$2,542	\$1,144	—\$1,398	—55.0
Support and subsistence	8,475	3,270	—5,205	—61.4
Care and welfare	9,479	6,980	—2,499	—26.4
Maintenance and operation of plant	1,714	8,185	6,471	377.5
Farming and processing	4,635	2,500	—2,135	—46.1
Totals	\$26,845	\$22,079	—\$4,766	—17.8

Mendocino State Hospital—Continued

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

Farming and Processing—Production and Expenditures				
	<i>1951-52</i>	<i>1952-53</i>	<i>1953-54</i>	<i>1954-55</i>
Local production consumed.....	\$280,548	\$288,480	\$242,945	\$252,628
Surplus products sales.....	32,120	21,209	10,000	10,000
Total value of production.....	\$312,668	\$309,689	\$252,945	\$262,628
Salaries and wages.....	80,040	85,618	96,797	99,361
Operating expenses.....	103,328	106,635	100,440	100,440
Total operating costs.....	\$183,368	\$192,253	\$197,237	\$199,801
Gross operating profit.....	129,300	117,436	55,708	62,827
Equipment costs.....	8,635	9,187	14,705	7,350
Annual profit.....	\$120,665	\$108,249	\$41,003	\$55,477

**Department of Mental Hygiene
METROPOLITAN STATE HOSPITAL**

ITEM 169 of the Budget Bill

Budget page 590
Budget line No. 7

For Support of Metropolitan State Hospital From the General Fund

Amount requested.....	\$3,273,837
Estimated to be expended in 1953-54 Fiscal Year.....	3,277,590
Decrease (0.11 percent).....	\$3,753

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$65,620	\$51,112	\$14,508	595	57
Operating expense.....	—18,478	—18,478	---	595	58
Equipment.....	—49,603	—32,509	32,906	595	59
Less:					
Increased reimbursements.....	—1,292	—1,292	---	595	63
Total increase.....	—\$3,753	—\$51,167	47,414	595	69

RECOMMENDATIONS

Amount budgeted.....	\$3,273,837
Legislative Auditor's recommendation.....	3,273,837
Reduction.....	None

Metropolitan State Hospital—Continued

Fiscal year	Per Capita Costs			
	Average institution population	Per capita cost	Increase over prior year Amount	Percent
1943-44 -----	2,344	\$405	---	---
1944-45 -----	2,396	424	\$19	4.7
1945-46 -----	2,476	462	38	9.0
1946-47 -----	2,608	565	103	22.3
1947-48 -----	2,434	768	203	35.9
1948-49 -----	2,449	882	114	14.8
1949-50 -----	2,430	917	35	4.0
1950-51 -----	2,508	983	66	7.2
1951-52 -----	2,456	1,135	152	15.5
1952-53 -----	2,407	1,302	167	14.7
1953-54 -----	2,416	1,433	131	9.9
1954-55 -----	2,324	1,491	58	4.0

The total expenditure of this facility, including retirement payments, is scheduled to increase \$1,705 or 0.05 percent.

Population at the institution is anticipated to average 2,324 patients, a decrease of 92, or 3.8 percent.

This results in the per capita cost going from \$1,433 to \$1,491, an increase of \$58, or 4 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$3,247,293 for an average population of 2,109 patients, which would have resulted in a per capita cost of \$1,540.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,433, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a decrease of \$107, or 6.9 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$3,247,293 by the sum of \$107,525 as an allocation from the Salary Increase Fund. This would have accounted for a \$51 increase in per capita costs but was more than offset by other factors including increased population, which resulted in an actual decrease in per capita costs. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget may be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$2,515,598. This represents an increase of \$65,620, or 2.7 percent, over the total of \$2,449,978 scheduled for expenditure in this category during 1953-54.

Metropolitan State Hospital—Continued

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Net salary change due to reduction in number of authorized positions from 673.2 to 661.2 and salary increases.....	\$7,604
A total of three proposed new positions costing.....	14,508
A decrease in estimated salary savings of.....	43,508
Total increase in salaries and wages.....	\$85,620

A total of 673.2 positions are presently authorized. Twelve of those will be abolished October 1, 1954, as a result of the movement of the sex psychopaths at this hospital to Atascadero. The agency is requesting an additional three positions. This represents a net decrease of 1.5 percent in staff for 1954-55 below 1953-54 as compared to a 3.8 percent decrease in average population at this facility.

The three additional positions that have been proposed would raise service above the actual prevailing level for 1953-54 and bring Metropolitan State Hospital closer to the over-all levels at which the Department of Mental Hygiene was budgeted for 1953-54. The three proposed new positions are for a senior clinical psychologist, a recreation therapist, and a senior psychiatric social worker. Approval of these three positions would place Metropolitan in the following position with respect to the average staffing level allowed in the 1953-54 Budget:

Rehabilitation therapy	3 percent over standard, or 0.2 of a position
Clinical psychologists	5 percent over standard, or 0.2 of a position
Social service	4 percent over standard, or 0.4 of a position

The annual cost in 1954-55 of these three proposed new positions will be \$14,508.

The following table reflects a comparative measure of the total level of service extended at this facility.

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Average population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	368	806,656	2,344	344	---	---
1944-45	369	808,848	2,396	338	-\$6	-1.7
1945-46	407	892,144	2,476	360	22	6.5
1946-47	401	878,992	2,608	337	-23	-6.4
1947-48*	521	997,715	2,434	410	73	21.7
1948-49	541	960,816	2,449	392	-18	-4.4
1949-50	574	1,019,424	2,430	420	28	7.1
1950-51	598	1,062,048	2,508	423	3	0.7
1951-52	630	1,118,880	2,456	456	33	7.8
1952-53	630	1,118,880	2,407	465	9	2.0
1953-54‡	673	1,195,248	2,416	495	30	6.5
1954-55†	664	1,179,264	2,324	507	12	2.4

* 40-hour week became effective.

† Budget request.

‡ Estimate as shown in 1954-55 Budget.

Under the proposed budget request for 1954-55 the level of service will average 507 hours per patient.

Metropolitan State Hospital—Continued

This is 12 hours, or 2.4 percent above the level now scheduled for 1953-54.

It is 170 hours, or 50.4 percent, above the minimum level of service of 337 hours experienced in 1946-47.

It should be noted that the above table reports actual number of employees for years prior to 1953-54, total authorized positions for 1953-54, and total proposed positions for 1954-55.

The estimated average number of positions unfilled for 1953-54 is 44.5 and for 1954-55, 32.7. The anticipated actual level of service, as contrasted with the authorized level of service, in 1953-54 will be 462 and in 1954-55, 483.

The decline of 11.8 in the average number of unfilled positions anticipated for 1954-55, resulting in a decrease in salary savings of \$43,508, means that the hospital expects to have an actual working force that is 11.8 employees greater than in 1953-54 on the basis of presently authorized positions without counting any of the proposed new positions that have been requested.

The three proposed new positions are shown by function as follows:

Functions and Positions		<i>Budget</i>	
	<i>Amount</i>	<i>Page</i>	<i>Line</i>
Care and Welfare			
Medical care:			
1 Senior clinical psychologist-----	\$5,772	593	54
Rehabilitation therapy:			
1 Recreation therapist-----	3,996	593	56
Social service:			
1 Senior psychiatric social worker-----	4,740	593	58
Totals-----	\$14,508		

Operating Expenses

Operating expenses are scheduled at \$736,394 for 1954-55. This is a decrease of \$18,478 or 2.4 percent under the amount of \$754,872 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Operating Expenses		<i>Increase</i>	
<i>Function</i>	<i>1953-54</i>	<i>1954-55</i>	<i>Amount</i> <i>Percent</i>
Administration-----	\$36,006	\$35,921	—\$85 —0.2
Support and subsistence-----	488,257	476,293	—11,964 —2.5
Care and welfare-----	56,151	54,332	—1,819 —3.2
Maintenance and operation			
of plant-----	110,006	113,006	3,000 2.7
Farming and processing-----	64,452	56,842	—7,610 —11.8
Totals-----	\$754,872	\$736,394	—\$18,478 —2.4

Equipment

Equipment expenditures are scheduled at \$99,021 for 1954-55. This is a decrease of \$49,603 or 33.4 percent under the amount of \$148,624 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$99,021 requested for equipment, the sum of \$66,115 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 5.7 percent of an equipment investment of \$1,159,912 on June 30, 1953.

Metropolitan State Hospital—Continued

The equipment investment on per capita basis on that date was \$462 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Amount	Increase Percent
Administration	\$1,671	\$3,612	\$1,941	116.2
Support and subsistence	58,147	36,603	-21,544	-37.1
Care and welfare	5,911	4,711	-1,200	-20.3
Maintenance and operation of plant	12,535	18,850	6,315	50.4
Farming and processing	7,850	2,339	-5,511	-70.2
Totals	\$86,114	\$66,115	-\$19,999	-23.2

The sum of \$32,906 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	1953-54	1954-55	Additional equipment	
			Amount	Increase Percent
Administration	\$16,057	\$3,001	-\$13,056	-81.3
Support and subsistence	13,489	11,250	-2,239	-16.6
Care and welfare	22,648	12,940	-9,708	-42.8
Maintenance and operation of plant	6,365	5,255	-1,110	-17.4
Farming and processing	3,951	460	-3,491	-88.4
Totals	\$62,510	\$32,906	-\$29,604	-47.4

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

This office is undertaking a spot field check of the equipment requests. Pending completion of this review we have no specific recommendations to make regarding the proposed equipment expenditures at this institution, other than the general comment that we believe that equipment requests by the Department of Mental Hygiene, as a general rule, carried insufficient justifying data to permit a sound decision as to the necessity of the individual items requested.

Farming and Processing—Production and Expenditures

	1951-52	1952-53	1953-54	1954-55
Local production consumed	\$208,096	\$196,967	\$170,543	\$160,237
Surplus products sales	35,333	26,604	13,500	13,500
Total value of production	\$243,429	\$223,571	\$184,043	\$173,737
Salaries and wages	85,619	91,312	88,122	89,792
Operating expenses	84,802	85,106	64,452	56,842
Total operating costs	\$170,421	\$176,418	\$152,574	\$146,634
Gross operating profit	73,008	47,153	31,469	27,103
Equipment costs	4,666	5,331	11,801	2,799
Annual profit	\$68,342	\$41,822	\$19,668	\$24,304

Metropolitan State Hospital—Continued

The above table reflects a substantial decline in the margin between the total value of production and the cost of production, although some improvement is noted in the comparison between 1953-54 and 1954-55.

Department of Mental Hygiene
MODESTO STATE HOSPITAL

ITEM 170 of the Budget Bill

Budget page 596
Budget line No. 7

For Support of the Modesto State Hospital From the General Fund

Amount requested	\$4,289,761
Estimated to be expended in 1953-54 Fiscal Year	4,151,387
Increase (3.3 percent)	\$138,374

Summary of Increase

	Total Increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$153,519	\$131,745	\$21,774	600	65
Operating expense	13,494	13,494	—	600	67
Equipment	28,931	33,542	4,611	600	68
Plus:					
Decreased reimbursements	292	292	—	600	71
Total increase	\$138,374	\$111,989	\$26,385	600	74

RECOMMENDATIONS

Amount budgeted	\$4,289,761
Legislative Auditor's recommendation	4,279,918
Reduction	\$9,843

ANALYSIS

The recommended reduction of \$9,843 consists of the following amounts in the categories indicated:

	Equipment	Amount of reduction
Support and subsistence		
Feeding		
Additional		\$5,078
Replacement		755
Housekeeping		
Additional		3,725
Care and welfare		
Medical care		
Additional		170
Maintenance and operation		
Maintenance of structures		
Additional		115
Reduction in equipment		\$9,843
Total recommended reduction		\$9,843

Modesto State Hospital—Continued

Per Capita Costs

Fiscal year	Average institution population	Per capita cost	Increase over prior year	
			Amount	Percent
1947-48	\$1,051	\$1,358	---	---
1948-49	2,538	927	-\$431	-31.7
1949-50	2,890	906	-21	-2.3
1950-51	2,983	988	82	9.1
1951-52	2,953	1,125	137	13.9
1952-53	3,068	1,260	135	12.0
1953-54	3,536	1,237	-23	-1.8
1954-55	3,590	1,260	23	1.9

The total expenditure of this facility is scheduled to increase \$150,656 or 3.4 percent.

Population at the institution is anticipated to average 3,590 patients, an increase of 54, or 1.5 percent.

This results in the per capita cost going from \$1,237 to \$1,260, an increase of \$23, or 1.9 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$4,038,138 for an average population of 3,280 patients which would have resulted in a per capita cost of \$1,231.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,237, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a variance of \$6, or 0.5 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$1,231 by the sum of \$125,277 as an allocation from the Salary Increase Fund. This accounted for \$36, or 580 percent, of the increase in per capita costs as finally revised for 1953-54. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$3,072,949. This represents an increase of \$153,159, or 5.3 percent, over the total of \$2,919,430 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on established positions	\$76,367
A total of 10 proposed new positions costing	41,802
A change in estimated salary savings of	35,350

Total increase in salaries and wages \$153,519

A total of 851.8 positions are presently authorized. The agency is requesting an additional 10 proposed new positions. This represents

Modesto State Hospital—Continued

an increase of 1.2 percent in staff, as compared to a 1.5 percent increase in population at this facility.

Seven of the new positions have been requested in order to maintain current level of service: five psychiatric technician trainees, one psychiatric social worker, and one intermediate typist-clerk, range B. The work load basis for the proposed psychiatric technician trainees is related to increase of 54 in average population.

For the psychiatric social worker position, the work load basis is an anticipated increase of 99 in 1954-55 in the number of patients admitted to the hospital; and for the position of intermediate typist-clerk, the work load basis is the proposed increase of three in professional medical personnel requiring clerical-stenographic service.

The remaining three of the proposed 10 new positions would, on the basis of employee-hours provided per patient, produce an increase in actual level of service over the prevailing level for 1953-54. They are: one physician and surgeon II, one senior dentist, and one occupational therapist. These positions would raise staffing at Modesto closer to the over-all departmental work load level upon which staffing in the 1953-54 Budget was based. For reasons similar to those which have been related in the discussion of the proposed budgets for Agnews and Camarillo, Modesto Hospital is not actually realizing that level in 1953-54.

The cost of these three positions in 1954-55 will be \$21,774.

The following table reflects a comparative measure of the total level of service extended at this facility.

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Average population	Level of service	Increase over prior year	
					Amount	Percent
1947-48 *	391	748,765	1,051	712	\$712	---
1948-49	641	1,138,416	2,538	449	-263	-36.9
1949-50	719	1,276,944	2,890	442	-7	-1.6
1950-51	733	1,301,808	2,983	436	-6	-1.4
1951-52	761	1,351,536	2,953	458	22	5.0
1952-53	794	1,410,144	3,068	460	2	0.4
1953-54 †	852	1,513,152	3,536	428	-32	-7.0
1954-55 ‡	862	1,530,912	3,590	426	-2	-0.5

* 40-hour week became effective.

† Budget request.

‡ Estimate as shown in 1954-55 Budget.

Under the proposed budget request for 1954-55 the level of service will average 426 hours per patient.

This is two hours, or -0.5 percent below the level now scheduled for 1953-54.

It should be noted that the above table reports actual number of employees for years prior to 1953-54, total authorized positions for 1953-54, and total proposed positions for 1954-55. The estimated average number of positions unfilled in 1953-54 is 45, and in 1954-55, 34.5. As a result the anticipated actual level of service in 1953-54 will be 405, and in 1954-55, 409 employee-hours provided annually per patient.

The decline in average number of unfilled positions from 45 to 34.5, a difference of 10.5, means in effect that Modesto Hospital expects to have an average working force that is 10.5 employees greater in 1954-55 than in 1953-54 without counting any of the proposed new

Modesto State Hospital—Continued

positions that have been requested. The estimated salary cost in 1954-55 of the 10.5 positions is \$35,350.

The 10 proposed new positions are shown by function as follows:

Functions and Positions		Amount	Budget	
			Page	Line
Administration				
General office:				
1	Intermediate typist-clerk, Range B.....	\$2,988	597	28
Care and welfare				
Nursing and personal care:				
5	Psychiatric technician trainees.....	12,300	599	39
Medical care:				
1	Physician and surgeon II, Range C.....	9,852	599	42
1	Senior dentist.....	8,112	599	43
Rehabilitation therapy:				
1	Occupational therapist I.....	3,810	599	45
Social service:				
1	Senior psychiatric social worker.....	4,740	599	47
Total		\$41,802		

Operating Expenses

Operating expenses are scheduled at \$1,221,059 for 1954-55. This is an increase of \$13,494 or 1.1 percent over the amount of \$1,207,565 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration.....	\$30,933	\$31,233	\$300	1.0
Support and subsistence.....	902,566	915,395	12,829	1.4
Care and welfare.....	86,032	86,868	836	1.0
Maintenance and operation of plant.....	188,034	187,563	-471	-0.3
Farming and processing.....	---	---	---	---
Totals	\$1,207,565	\$1,221,059	\$13,494	1.1

Equipment

Equipment expenditures are scheduled at \$67,235 for 1954-55. This is a decrease of \$28,931 or 30.1 percent under the amount of \$96,166 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$67,235 requested for equipment, the sum of \$26,874 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 3 percent of an equipment investment of \$885,360 on June 30, 1953.

The equipment investment on a per capita basis is \$250 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration.....	\$200	\$1,159	\$959	479.5
Support and subsistence.....	29,036	17,040	-11,996	-41.3
Care and welfare.....	12,226	3,638	-8,588	-70.2
Maintenance and operation of plant.....	3,545	5,037	1,492	42.1
Farming and processing.....	---	---	---	---
Totals	\$45,007	\$26,874	-\$18,133	-40.0

Modesto State Hospital—Continued

The sum of \$40,361 is requested for *additional* items of equipment. The request, by function, for additional equipment is as follows:

Function	Additional equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$4,711	\$2,607	—\$2,104	—44.7
Support and subsistence	27,879	17,990	—9,889	—35.5
Care and welfare	13,055	16,754	3,699	28.3
Maintenance and operation of plant	5,514	3,010	—2,504	—45.4
Farming and processing	—	—	—	—
Totals	\$51,159	\$40,361	—\$10,798	—21.0

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

ANALYSIS

Joint conferences concerning proposed equipment expenditures have been held with the Department of Mental Hygiene and Department of Finance staff members, and a careful review of equipment requests made. This review was supplemented by personal inspection and appraisal at the hospital by a representative of our staff.

As a result of this field survey, we are recommending deletion of a number of equipment items that have been requested. The total value of our suggested deletions is \$9,843, of which \$9,088 represents additional items, and \$755, replacement items. The specific items that we recommend for deletion are as follows:

Item	Amount of proposed reduction
Meat saw	\$755
Cake mixer	4,178
2 Steam kettles	900
290 Bedspreads	1,060
100 Chairs	2,665
Photographic enlarger	170
Power plane	115
Reduction in equipment	\$9,843
Total recommended reduction	\$9,843

Department of Mental Hygiene
NAPA STATE HOSPITAL

ITEM 171 of the Budget Bill

Budget page 601
Budget line No. 7

For Support of Napa State Hospital From the General Fund

Amount requested	\$6,061,647
Estimated to be expended in 1953-54 Fiscal Year	5,488,497
Increase (10.4 percent)	\$573,150

Napa State Hospital—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages-----	\$452,229	\$452,229	---	607	9
Operating expense -----	123,146	123,146	---	607	10
Equipment -----	10,195	-32,364	\$42,559	607	11
Less:					
Increased reimbursements	-12,420	-12,420	---	607	14
Total increase -----	\$573,150	\$530,591	\$42,559	607	21

RECOMMENDATIONS

Amount budgeted -----	\$6,061,647
Legislative Auditor's recommendation-----	6,058,083
Reduction -----	\$3,564

ANALYSIS

The recommended reduction of \$3,564 consists of the following amounts in the categories indicated:

<i>Equipment</i>	<i>Amount</i>
Support and subsistence	
Feeding	
Replacement -----	\$546
Care and welfare	
Rehabilitation therapy	
Replacement -----	3,018
Reduction in equipment-----	\$3,564
Total recommended reduction-----	\$3,564

Per Capita Costs

<i>Fiscal year</i>	<i>Average institution population</i>	<i>Per capita cost</i>	<i>Increase over prior year Amount</i>	<i>Percent</i>
1943-44-----	3,893	\$352	---	---
1944-45-----	3,945	363	\$11	3.1
1945-46-----	4,054	395	32	8.8
1946-47-----	4,052	506	111	28.1
1947-48-----	3,999	660	154	30.4
1948-49-----	3,906	775	115	17.4
1949-50-----	4,093	812	37	4.8
1950-51-----	4,392	836	24	3.0
1951-52-----	4,470	934	98	11.7
1952-53-----	4,620	1,025	91	9.7
1953-54-----	5,154	1,122	97	9.5
1954-55-----	5,620	1,137	15	1.3

The expenditure budget of this facility is scheduled to increase \$606,924 or 10.5 percent.

Population at the institution is anticipated to average 5,620 patients, an increase of 466 or 9.0 percent.

This results in the per capita cost going from \$1,122 to \$1,137, an increase of \$15 or 1.3 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$5,574,444 for an average population of 5,001 patients, which would have resulted in a per capita cost of \$1,115.

Napa State Hospital—Continued

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,122, including contributions to the State Employees Retirement Fund, which are included in such costs for the first time. This is a variance of \$7 or 0.6 percent from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$1,115 by the sum of \$166,392 as an allocation from the Salary Increase Fund. This would have accounted for a \$32 increase in per capita costs but this increase was more than offset by other factors. As a result the total increase in per capita cost is now expected to be \$7 as stated above. This salary increase factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget may be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$4,447,789. This represents an increase of \$452,229 or 11.3 percent over the total of \$3,995,560 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on established positions.....	\$134,077
A total of 24 proposed new positions costing.....	62,598
A change in estimated salary savings of.....	255,554
	<hr/>
Total increase in salaries and wages.....	\$452,229

A total of 1,287.4 positions are presently authorized. The agency is requesting an additional 24 proposed new positions. This represents an increase of 1.9 percent in staff, as compared to a 9.0 percent increase in average population at this facility.

The following table reflects a comparative measure of the total level of service extended at this facility.

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Average population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	517	1,133,264	3,893	291	---	---
1944-45	518	1,135,456	3,945	288	-\$3	-1.0
1945-46	534	1,170,528	4,054	289	1	0.3
1946-47	548	1,201,216	4,052	296	7	2.4
1947-48 *	677	1,296,455	3,999	324	28	9.5
1948-49	774	1,374,624	3,906	352	28	8.6
1949-50	847	1,504,272	4,093	368	16	4.5
1950-51	860	1,527,360	4,392	348	-20	-5.4
1951-52	883	1,568,208	4,470	351	3	0.9
1952-53	920	1,633,920	4,620	354	3	0.9
1953-54 †	1,287	2,285,712	5,154	443	89	25.1
1954-55 †	1,311	2,328,336	5,620	414	-29	-6.5

* 40-hour week became effective.

† Budget request.

‡ Estimate as shown in 1954-55 Budget.

Napa State Hospital—Continued

Under the proposed budget request for 1954-55 the level of service will average 414 hours per patient.

This is 29 hours, or 6.5 percent, below the level now scheduled for 1953-54.

It is 126 hours, or 43.8 percent, above the minimum level of service of 288 hours experienced in 1944-45.

It should be noted that the above table reports actual number of employees for years prior to 1953-54, total authorized employees for 1953-54, and total proposed positions for 1954-55. The estimated average number of positions unfilled for 1953-54 is 150.4, and for 1954-55, 76. So the anticipated actual, as contrasted with the authorized level of service, will be 392 in 1953-54 and 390 in 1954-55.

The preceding table does not reflect the fact that relatively more of the positions authorized in 1953-54 are for highly trained and high salaried specialists such as doctors and psychologists than was the case in earlier years. For instance, in the three-year period 1950-51 to 1953-54 inclusive, the level of service for medical care positions, not including positions in nursing and personal care, increased from 19.3 to 26.2 hours provided annually per patient. This was a 35.7 percent increase.

As noted above a decline of 74.4 in the average number of unfilled positions is anticipated for 1954-55, with a corresponding decrease in salary savings of \$255,554. This means the hospital expects to have an actual working force that is 74.4 employees greater than in 1953-54 on the basis of presently authorized positions without counting any of the new positions that have been requested.

The 24 proposed new positions are shown by function as follows:

Functions and Positions		<i>Amount</i>	<i>Budget</i>	
			<i>Page</i>	<i>Line</i>
Administration				
General office:				
1 Intermediate typist-clerk, Range B	-----	\$2,988	602	37
Care and welfare				
Nursing and personal care:				
1 Senior psychiatric technician II	-----	3,456	604	74
3 Senior psychiatric technicians I	-----	9,414	604	75
19 Psychiatric technician trainees	-----	46,740	604	76
Total	-----	\$62,598		

The 23 nursing positions have been requested for the large increase in patient population that this hospital anticipates. In 1953-54 Napa has 923.2 positions in nursing and personal care for an average population of 5,154, or a ratio of one position for each 5.6 patients. Addition of 23 positions will provide a total of 946.2 for an average population of 5,620, or a ratio of one position for each 5.9 patients.

The additional position of intermediate typist-clerk has been requested to provide one such position for each three professional medical positions. The one-to-three ratio between clerical-stenographic personnel and professional medical personnel is used as a staffing standard by the department. In 1953-54 Napa State Hospital has 22 clerical-stenographic employees serving 69 professional medical personnel.

Napa State Hospital—Continued

Operating Expenses

Operating expenses are scheduled at \$1,644,548 for 1954-55. This is an increase of \$123,146, or 8.1 percent, over the amount of \$1,521,402 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$41,963	\$43,019	\$1,056	2.5
Support and subsistence.....	901,785	991,581	89,796	10.0
Care and welfare.....	130,601	140,267	9,666	7.4
Maintenance and operation of plant.....	268,899	287,152	18,253	6.8
Farming and processing.....	178,154	182,529	4,375	2.5
Totals	\$1,521,402	\$1,644,548	\$123,146	8.6

Equipment

Equipment expenditures are scheduled at \$92,134 for 1954-55. This is an increase of \$10,195 or 12.4 percent over the amount of \$81,939 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$92,134 requested for equipment, the sum of \$49,575 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 3.6 percent of an equipment investment of \$1,385,969 on June 30, 1953.

The equipment investment on a per capita basis is \$291 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Amount	Percent
Administration	\$1,662	\$2,361	\$699	42.1
Support and subsistence.....	13,159	18,254	5,095	38.7
Care and welfare.....	5,569	14,858	9,289	166.8
Maintenance and operation of plant	19,077	6,911	12,166	63.8
Farming and processing.....	4,173	7,191	3,018	72.3
Totals	\$43,640	\$49,575	\$5,935	13.6

The sum of \$42,559 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	1953-54	1954-55	Additional equipment	
			Amount	Percent
Administration	\$8,547	\$6,043	\$2,504	29.3
Support and subsistence.....	13,737	22,513	8,776	63.9
Care and welfare.....	11,419	9,549	1,870	16.4
Maintenance and operation of plant	3,296	4,254	958	29.1
Farming and processing.....	1,300	200	1,100	84.6
Totals	\$38,299	\$42,559	\$4,260	11.1

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

Napa State Hospital—Continued

Joint conferences concerning proposed equipment expenditure have been held with the agency and Department of Finance staff members, and a careful review of equipment requests made. This review was supplemented by personal inspection and appraisal at the hospital by a representative of our staff.

As a result of this field survey, we are recommending deletion of a number of equipment items that have been requested. The total value of our suggested deletions is \$3,564. The entire amount represents replacement items. We are not recommending disapproval of any additional equipment for which funds have been requested in the budget. The specific items of replacement equipment which we suggest be deleted from the budget are as follows:

<i>Item</i>	<i>Amount of proposed savings</i>
Gas range (reduce to \$235)	\$100
Table top	46
Feeding scale	400
Two motion picture projectors (reduce to \$3,000)	3,018
Totals	\$3,564

Farming and Processing—Production and Expenditures

	<i>1951-52</i>	<i>1952-53</i>	<i>1953-54</i>	<i>1954-55</i>
Local production consumed	\$420,347	\$437,591	\$419,935	\$441,052
Surplus products sales	28,222	78,474	40,000	52,000
Total value of production	\$448,569	\$516,065	\$459,935	\$493,052
Salaries and wages	\$107,395	\$109,384	\$107,790	\$116,967
Operating expenses	174,990	174,019	178,154	182,529
Total operating costs	\$282,385	\$283,403	\$285,944	\$299,496
Gross operating profit	\$166,184	\$232,662	\$173,991	\$193,556
Equipment costs	7,917	8,247	5,473	7,391
Annual profit	\$158,267	\$224,415	\$168,518	\$186,165

**Department of Mental Hygiene
PATTON STATE HOSPITAL**

ITEM 172 of the Budget Bill

Budget page 608
Budget line No. 16

For Support of Patton State Hospital From the General Fund

Amount requested	\$5,434,846
Estimated to be expended in 1953-54 Fiscal Year	4,993,329
Increase (8.8 percent)	\$441,517

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$431,062	\$384,738	\$46,324	614	52
Operating expense	49,779	49,779	---	614	53
Equipment	34,214	63,295	29,081	614	54
Less:					
Increased reimbursements	—5,110	—5,110	---	614	58
Total increase	\$441,517	\$366,112	\$75,405	614	64

Patton State Hospital—Continued

RECOMMENDATIONS

Amount budgeted	\$5,434,846
Legislative Auditor's recommendation	5,434,846
Reduction	None

Fiscal year	Per Capita Costs		Increase over prior year	
	Institution population	Per capita cost	Amount	Percent
1943-44	3,718	\$371	---	---
1944-45	3,850	369	-\$2	-0.5
1945-46	4,175	386	17	4.6
1946-47	4,369	463	77	19.9
1947-48	4,196	614	151	32.6
1948-49	4,133	747	133	21.7
1949-50	4,000	823	76	10.2
1950-51	4,107	875	52	6.3
1951-52	4,295	989	114	13.0
1952-53	4,363	1,108	119	12.0
1953-54	4,418	1,193	85	7.7
1954-55	4,493	1,278	85	7.1

The total expenditure of this facility is scheduled to increase \$473,959, or 9 percent.

Population at the institution is anticipated to average 4,493 patients, an increase of 75, or 17 percent.

This results in the per capita cost going from \$1,193 to \$1,278, an increase of \$85, or 7.1 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$4,860,813 for an average population of 4,118 patients which would have resulted in a per capita cost of \$1,180.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,193, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a variance of \$13, or 1.1 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$4,860,813 by the sum of \$156,594 as an allocation from the Salary Increase Fund. This would have accounted for \$38 increase in per capita costs but was partially offset by other factors which resulted in a smaller increase in per capita costs. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the Budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$4,142,767. This represents an increase of \$431,062, or 11.6 percent, over the total of \$3,711,705 scheduled for expenditure in this category during 1953-54.

Patton State Hospital—Continued

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on established positions.....	\$92,993
A total of 111 proposed new positions costing.....	369,780
An increase in estimated salary savings of.....	—31,711
Total increase in salaries and wages.....	\$431,062

A total of 1,055.2 positions are presently authorized. The agency is requesting an additional 111 proposed new positions. This represents an increase of 10.5 percent in staff, as compared to a 17 percent increase in average population at this facility.

Of the 111 proposed new positions, 102 are primarily to meet increase in work load. The remaining nine would raise service above the actual level being provided in 1953-54, and closer to the level provided on an over-all basis for the department in the 1953-54 Budget.

The 102 positions requested for work load increase consist mainly of nursing staff needed for the 365-bed receiving and treatment unit that will open July 1, 1954. The total number of nursing positions requested is 94. This number will enable the hospital to staff the receiving and treatment unit at a ratio of one nursing employee to each 2.7 patients, the staffing ratio that is in effect at existing receiving and treatment units at the state hospitals. In terms of over-all ratio of patients to nursing personnel, approval of the proposed additional nursing positions will give the hospital an authorized ratio of 5.9 to 1 in 1954-55, against 6.6 to 1 in 1953-54.

The remaining eight positions that have been requested on the basis of anticipated work load increase are: two maintenance positions for the new receiving and treatment unit, four medical care positions, and two clerical positions. The anticipated work load increase accounting for the request for the proposed new medical care positions (two physician and surgeons, and two social workers), is an increase in year-end population, June 30, 1954, to June 30, 1955, of 257 and an increase in annual admissions of 198, including readmissions and a specified proportion of admissions of persons for a brief period for observation purposes. The work load increase accounting for the request for the two clerical positions, one for the personnel unit and one for the stenographic pool, is the anticipated increase in number of employees.

The remaining nine requested positions which would raise the existing level of service closer to equality with the over-all departmental standard at which the department was budgeted in 1953-54, are positions in the care and welfare function: three more physician and surgeons, a dentist, a dental assistant, a clinical psychologist, and two rehabilitation therapists, and one clerical position in administration. The need for the latter is related directly to the number of professional personnel requiring clerical and stenographic help. The cost in 1954-55 of these nine positions that will provide a higher level of service will be \$54,290.

The following table reflects a comparative measure of the total level of service extended at this facility.

Patton State Hospital—Continued

Total Level of Service—Employee Hours Available per Patient

Fiscal year	Total employees	Total annual man-hours	Population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	531	1,163,952	3,718	313	---	---
1944-45	533	1,168,336	3,850	303	-\$10	-3.2
1945-46	581	1,273,552	4,175	305	2	0.7
1946-47	551	1,207,792	4,369	276	-29	-9.5
1947-48*	673	1,288,795	4,196	307	31	11.2
1948-49	770	1,367,520	4,133	331	24	7.8
1949-50	823	1,461,648	4,000	365	34	10.3
1950-51	868	1,541,568	4,107	375	10	2.7
1951-52	931	1,653,456	4,295	385	10	2.7
1952-53	987	1,752,912	4,363	402	17	4.4
1953-54†	1,055	1,873,680	4,418	424	22	5.5
1954-55†	1,166	2,070,816	4,493	461	37	8.7

* 40-hour week became effective.

† Estimate as shown in 1954-55 Budget.

† Budget request.

Under the proposed budget request for 1954-55 the level of service will average 461 hours per patient.

This is 37 hours, or 8.7 percent, above the level now scheduled for 1953-54.

It is 185 hours, or 67 percent above the minimum level of service of 276 hours experienced in 1946-47.

It should be noted that the above table reports actual number of employees for years prior to 1953-54 and total authorized employees for 1953-54 and 1954-55.

The estimated average number of positions unfilled for 1953-54 is 62.2 and for 1954-55, 69.9. The anticipated actual level of service, therefore, as contrasted with the authorized level of service, will be 399 in 1953-54, and in 1954-55, 433 employee hours per patient.

The 111 proposed new positions are shown by function as follows:

Functions and Positions

	Amount	Budget Page	Line
Administration			
General office:			
2 Intermediate typist-clerks, Range B	\$5,976	609	38
1 Intermediate clerk	2,844	609	39
Support and subsistence			
Housekeeping:			
1 Janitor	2,844	610	30
Care and welfare			
Nursing and personal care:			
6 Senior psychiatric nurses	23,976	612	6
22 Psychiatric nurses	83,820	612	7
66 Psychiatric technician trainees	162,360	612	8
Medical care:			
5 Physician and surgeon II, Range C	49,260	612	11
1 Senior dentist	8,112	612	12
1 Dental assistant	2,844	612	13
1 Senior clinical psychologist	5,772	612	14
Rehabilitation therapy:			
1 Occupational therapist I	3,810	612	16
1 Recreation therapist	3,996	612	17
Social service:			
1 Supervising psychiatric social worker I	5,232	612	20
Senior supervising psychiatric social worker	4,740	612	21

Patton State Hospital—Continued

Maintenance and operation	Amount	Budget	
Light, heat, and power:		Page	Line
1 Stationary engineer-----	\$4,194	613	13
Totals (111 positions)-----	\$369,780	608	36

Operating Expenses

Operating expenses are scheduled at \$1,297,853 for 1954-55. This is an increase of \$49,779 or 4.0 percent over the amount of \$1,248,074 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration-----	\$48,268	\$52,925	\$4,657	9.6
Support and subsistence-----	752,804	769,396	16,592	2.2
Care and welfare-----	120,511	122,079	1,568	1.3
Maintenance and operation of plant-----	193,724	219,356	25,632	13.2
Farming and processing-----	132,767	134,097	1,330	1.0
Totals-----	\$1,248,074	\$1,297,853	\$49,779	4.0

Equipment

Equipment expenditures are scheduled at \$69,919 for 1954-55. This is a decrease of \$34,214 or 12 percent under the amount of \$104,133 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$69,919 requested for equipment, the sum of \$40,838 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 2.5 percent of an equipment investment of \$1,632,098 on June 30, 1953.

The equipment investment on a per capita basis on June 30, 1953, was approximately \$365 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Amount	Percent
Administration-----	\$1,637	\$579	—\$1,058	—64.6
Support and subsistence-----	34,350	26,385	—7,965	—23.8
Care and welfare-----	10,150	3,974	—6,176	—60.8
Maintenance and operation of plant-----	4,800	4,900	100	2.1
Farming and processing-----	8,350	5,000	—3,350	—40.1
Totals-----	\$59,287	\$40,838	—\$18,449	—31.1

The sum of \$29,081 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	1953-54	1954-55	Additional equipment	
			Amount	Percent
Administration-----	\$2,886	\$5,888	\$3,002	104.0
Support and subsistence-----	23,725	8,911	—14,814	—62.4
Care and welfare-----	10,980	8,503	—2,477	—22.6
Maintenance and operation of plant-----	4,995	4,524	—471	—9.4
Farming and processing-----	2,260	1,255	—1,005	—44.5
Totals-----	\$44,846	\$29,081	—\$15,765	—35.2

Patton State Hospital—Continued

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

This office is undertaking a spot field check of the equipment requests. Pending completion of this review we have no specific recommendations to make regarding the proposed equipment expenditures at this institution, other than the general comment that we believe that equipment requests by the Department of Mental Hygiene carried, as a general rule, insufficient justifying data to permit a sound decision as to the necessity of the individual items requested.

Farming and Processing—Production and Expenditures

	1951-52	1952-53	1953-54	1954-55
Local production consumed.....	\$420,470	\$403,405	\$421,176	\$426,749
Surplus products sales.....	2,935	2,885	5,000	3,300
Total value of production.....	\$423,405	\$406,290	\$426,176	\$430,049
Salaries and wages.....	\$120,190	\$123,242	\$133,313	\$134,869
Operating expenses.....	131,059	133,464	132,767	134,097
Total operating costs.....	\$251,249	\$256,706	\$266,080	\$268,966
Gross operating profit.....	\$172,156	\$149,584	\$160,096	\$161,083
Equipment costs.....	9,410	7,629	10,610	6,255
Annual profit.....	\$162,746	\$141,955	\$149,486	\$154,828

Department of Mental Hygiene
STOCKTON STATE HOSPITAL

ITEM 173 of the Budget Bill

Budget page 615
Budget line No. 7

For Support of Stockton State Hospital From the General Fund

Amount requested	\$5,957,366
Estimated to be expended in 1953-54 Fiscal Year.....	5,648,738
Increase (5.5 percent).....	\$308,628

Summary of Increase

Total increase	INCREASE DUE TO			Budget page	Line No.
	Work load or salary adjustments	New services			
Salaries and wages.....	\$247,971	\$52,908		621	9
Operating expense.....	45,133			621	10
Equipment.....	—69,536	33,278		621	11
Less:					
Increased reimbursements.....	—1,126	—1,126		621	15
Total increase.....	\$308,628	\$222,442	\$86,186	621	21

RECOMMENDATIONS

Amount budgeted	\$5,957,366
Legislative Auditor's recommendation	5,946,478
Reduction	\$10,888

Stockton State Hospital—Continued

ANALYSIS

The recommended reduction of \$10,888 consists of the following amounts in the categories indicated:

		Equipment	<i>Budget</i>	
		<i>Amount</i>	<i>Page</i>	<i>Line</i>
Administration				
General office				
Replacement	-----	\$202	616	60
Support and subsistence				
Feeding				
Additional	-----	1,950	617	44
Replacement	-----	4,372	617	43
Housekeeping				
Additional	-----	746	617	48
Replacement	-----	1,070	617	47
Care and welfare				
Nursing and personal care				
Additional	-----	241	619	6
Replacement	-----	100	619	5
Medical care				
Replacement	-----	137	619	7
Rehabilitation therapy				
Replacement	-----	250	619	9
Maintenance and operation of plant				
Maintenance of structures				
Additional	-----	1,027	619	64
Replacement	-----	651	619	63
Maintenance of grounds				
Additional	-----	142	619	66
		<u>\$10,888</u>		
Reduction in equipment	-----	<u>\$10,888</u>		
Total recommended reduction	-----	<u>\$10,888</u>		

Per Capita Costs

<i>Fiscal year</i>	<i>Average institution population</i>	<i>Per capita cost-</i>	<i>Increase over prior year</i>	
		<i>cost-</i>	<i>Amount</i>	<i>Percent</i>
1943-44	4,224	\$360	---	---
1944-45	4,328	371	\$11	3.1
1945-46	4,395	399	28	7.5
1946-47	4,275	521	122	30.6
1947-48	4,232	653	132	25.3
1948-49	4,250	775	122	18.7
1949-50	4,620	782	7	0.9
1950-51	4,574	913	131	16.8
1951-52	4,535	1,014	101	11.1
1952-53	4,528	1,162	148	14.6
1953-54	4,876	1,225	63	5.4
1954-55	5,151	1,224	-1	-0.1

The total expenditure of this facility is including retirement payments scheduled to increase \$332,725, or 5.6 percent.

Population at the institution is anticipated to average 5,151 patients, an increase of 275, or 5.6 percent.

This results in the per capita cost going from \$1,225 to \$1,224, a decrease of \$1 or 0.1 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$5,619,207 for an

Stockton State Hospital—Continued

average population of 4,917 patients which would have resulted in a per capita cost of \$1,143.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,225, including contributions to the State Employees Retirement Fund, which are included in such costs for the first time. This is a variance of \$82, or 7.2 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$5,619,207 by the sum of \$171,031 as an allocation from the Salary Increase Fund. This accounted for \$35, or 42.7 percent, of the increase in per capita costs as finally revised for 1953-54. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$4,497,066. This represents an increase of \$300,879, or 7.2 percent, over the total of \$4,196,187 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on established positions.....	\$108,592
A total of 14 proposed new positions costing.....	78,576
A decrease in estimated salary savings of.....	113,711
Total increase in salaries and wages.....	\$300,879

A total of 1,245.7 positions are presently authorized. The agency is requesting an additional 14 proposed new positions. This represents an increase of 1.1 percent in staff, as compared to a 5.6 percent increase in average population at this facility.

ANALYSIS

A total of 14 proposed new positions have been requested for this hospital in 1954-55. Seven of these positions are related to increased work load. These are: two intermediate typist-clerks, one physician and surgeon II, Range C, and four psychiatric technician trainees.

Addition to the nursing and personal care staff of four psychiatric technician trainees would provide a total of 871 positions in that unit, as compared with 867 in 1953-54. In relation to average patient population, these positions provide a ratio of one nursing position to 5.6 patients in 1953-54 and one to 5.9 in 1954-55.

The remaining 7 of the 14 proposed new positions would actually raise service above the level prevailing in 1953-54. Four of these are for physicians and surgeons, one for a senior clinical psychologist, one for a senior psychiatric social worker, and one for an intermediate typist-clerk. Granting of these positions would raise staffing close to the level at which the department was budgeted on an over-all basis in 1953-54.

Stockton State Hospital—Continued

In respect to the standard of staffing for physicians and surgeons (63 percent of the departmental goal, which is one position for each hundred admissions plus one position for each two hundred resident population), Stockton State Hospital is at 48 percent of the goal in 1953-54. The additional five positions, including the one necessary to maintain the 48 percent figure, would provide staffing at 60 percent of the goal.

The other proposed new positions would provide staffing in comparison with the over-all 1953-54 budget levels as follows:

	<i>Standard (positions)</i>	<i>Stockton (Total proposed and existing positions)</i>
Senior clinical psychologist-----	6.5	7.0
Psychiatric social workers-----	13.2	13.0
Intertypist clerks for stenographic pool-----	17.7	18.0

The total cost in 1954-55 of these seven additional positions that will raise the level of service over that actually prevailing in 1953-54 will be \$52,908.

The following table reflects a comparative measure of the total level of service extended at this facility.

Total Level of Service—Employee Hours Available per Patient

<i>Fiscal year</i>	<i>Total employees</i>	<i>Total annual man-hours</i>	<i>Average population</i>	<i>Level of service</i>	<i>Increase over prior year</i>	
					<i>Amount</i>	<i>Percent</i>
1943-44 -----	590	1,293,280	4,224	306	---	---
1944-45 -----	591	1,295,472	4,328	299	-\$7	-2.3
1945-46 -----	639	1,400,688	4,395	319	20	6.7
1946-47 -----	616	1,350,272	4,275	316	-3	-0.9
1947-48 * -----	715	1,369,225	4,232	324	8	2.5
1948-49 -----	837	1,486,512	4,250	350	26	8.0
1949-50 -----	974	1,729,824	4,620	374	24	6.9
1950-51 -----	1,070	1,900,320	4,574	415	41	11.0
1951-52 -----	1,063	1,887,888	4,535	416	-1	0.2
1952-53 -----	1,064	1,889,664	4,528	417	1	0.2
1953-54 † -----	1,246	2,212,896	4,876	454	37	8.9
1954-55 ‡ -----	1,260	2,237,760	5,151	434	-20	-4.4

* 40-hour week became effective.

† Budget request.

‡ Estimate as shown in 1954-55 Budget.

Under the proposed budget request for 1954-55 the level of service will average 434 hours per patient.

This is 20 hours, or 4.4 percent below the level now scheduled for 1953-54.

It is 135 hours, or 45.2 percent above the minimum level of service of 299 hours, experienced in 1944-45.

ANALYSIS

It should be noted that the above table reports actual number of employees for years prior to 1953-54, total authorized positions for 1953-54 and total proposed positions for 1954-55.

The estimated average number of positions unfilled for 1953-54 is 88.4, and for 1954-55, 55.6. So the anticipated actual level of service, as contrasted with the authorized, will be 421 in 1953-54, and 415 in 1954-55.

Stockton State Hospital—Continued

The decline in average number of unfilled positions from 88.4 to 55.6 is 32.8. This means, in effect, that Stockton State Hospital expects to have an average working force that is 32.8 employees greater in 1954-55 than in 1953-54 without counting any of the proposed new positions that have been requested. The estimated salary cost for 1954-55 of the 32.8 positions is \$113,711.

The 14 proposed new positions are shown by function as follows:

Functions and Positions		<u>Budget</u>		
Administration		<u>Amount</u>	<u>Page</u>	<u>Line</u>
General office:				
3 Intermediate typist-clerks (Range B)-----		\$8,964	616	37
Care and welfare				
Nursing and personal care:				
4 Psychiatric technician trainees-----		9,840	618	59
Medical care:				
5 Physicians and surgeons II (Range C)-----		49,260	618	61
1 Senior clinical psychologist-----		5,772	618	62
Social work:				
1 Senior psychiatric social worker-----		4,740	618	64
Total (14 positions)-----		\$78,576		

Operating Expenses

Operating expenses are scheduled at \$1,455,308 for 1954-55. This is an increase of \$45,133 or 3.2 percent over the amount of \$1,410,175 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

<i>Function</i>	<i>1953-54</i>	<i>1954-55</i>	<u>Increase</u>	
			<u>Amount</u>	<u>Percent</u>
Administration -----	\$51,235	\$50,633	-\$602	-1.2
Support and subsistence-----	823,712	858,046	34,334	4.2
Care and welfare-----	114,557	120,657	6,100	5.3
Maintenance and operation				
of plant -----	213,926	220,854	6,928	3.2
Farming and processing -----	206,745	205,118	-1,627	-0.7
Totals -----	\$1,410,175	\$1,455,308	\$45,133	3.2

Equipment

Equipment expenditures are scheduled at \$106,811 for 1954-55. This is a decrease of \$36,258 or 25.3 percent under the amount of \$143,069 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$106,811 requested for equipment, the sum of \$70,884 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 4.3 percent of an equipment investment of \$1,633,837 on June 30, 1953.

The equipment investment on a per capita basis on June 30, 1953, was \$355 per patient.

Stockton State Hospital—Continued

The request by function for replacement equipment is as follows:

Function	Replacement equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$4,093	\$3,802	—\$291	—7.1
Support and subsistence	41,356	41,140	—216	—0.5
Care and welfare	18,380	12,392	—5,988	—32.6
Maintenance and operation of plant	9,389	6,895	—2,494	—26.6
Farming and processing	10,682	6,655	—4,027	—37.7
Totals	\$83,900	\$70,884	—\$13,016	—15.5

The sum of \$35,927 is requested for *additional* items of equipment. The request, by function, for additional equipment is as follows:

Function	Additional equipment		Increase	
	1953-54	1954-55	Amount	Percent
Administration	\$7,424	\$3,249	—\$4,175	—56.2
Support and subsistence	20,379	11,984	—8,395	—41.2
Care and welfare	25,051	14,077	—10,974	—43.8
Maintenance and operation of plant	5,260	4,037	—1,223	—23.3
Farming and processing	1,055	2,580	1,525	144.5
Totals	\$59,169	\$35,927	—\$23,242	—39.3

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

ANALYSIS

Joint conferences concerning proposed equipment expenditures have been held with the agency and Department of Finance staff members, and a careful review of equipment requests made. This review was supplemented by personal inspection and appraisal at the hospital by a representative of our staff.

As a result of this field survey, we are recommending deletion of a number of equipment items that have been requested. The total value of our suggested deletions is \$10,888, of which \$6,782 represents re-

Stockton State Hospital—Continued

placement items, and \$4,106 additional items. The specific items that we recommend be deleted are as follows:

<i>Item</i>	<i>Amount of proposed reduction</i>	<i>Item</i>	<i>Amount of proposed reduction</i>
Two adding machines, 10-key electric (reduce to one for \$205) -----	\$202	Six fans, electric -----	\$150
Mixer, 40-quart -----	850	Two floor polishers, electric --	646
Sink, butcher shop -----	500	Floor polisher, electric -----	100
Meat block -----	125	Two radios, console model (re-	
Five tables -----	470	duce to \$200) -----	100
Seventy-five chairs -----	525	Two radios (reduce to \$80) --	70
Forty-one chairs -----	308	Twenty-four card tables -----	171
Silverware -----	144	Desk -----	137
Seventy-five metal bread boxes (reduce to \$500) -----	250	Film reel rewinder -----	250
Meat chopper, electric -----	1,200	Hand truck -----	52
Lug box trucks (reduce to two for \$100) -----	50	Chain tongs -----	50
Refrigerator -----	500	Band saw, cut off -----	549
Refrigerator, back-bar -----	1,300	Leveling instrument and telescope -----	72
Knife sharpener -----	100	Thread-cutting machine -----	435
Dining set, chrome -----	150	Electric hacksaw -----	85
Dining set -----	225	Bar bender -----	79
Two kitchen stoves, gas -----	425	Tachometer -----	88
Six mattresses (reduce to two for \$60) -----	120	Drill, electric portable -----	52
		Power lawn edger -----	142
		Electric grinder -----	216
		Reduction in equipment -----	\$10,888

Farming and Processing—Production and Expenditures

	<i>1951-52</i>	<i>1952-53</i>	<i>1953-54</i>	<i>1954-55</i>
Local production consumed -----	\$479,801	\$476,501	\$430,699	\$462,000
Surplus products sales -----	38,502	32,909	38,500	38,500
Total value of production -----	\$518,303	\$509,410	\$469,199	\$500,500
Salaries and wages -----	\$139,494	\$143,069	\$145,954	\$152,580
Operating expenses -----	241,700	200,091	206,745	205,118
Total operating costs -----	\$381,194	\$343,160	\$352,699	\$357,698
Gross operating profit -----	\$137,109	\$166,250	\$116,500	\$142,802
Equipment costs -----	18,340	16,709	11,737	9,235
Annual profit -----	\$118,769	\$149,541	\$104,763	\$133,567

Department of Mental Hygiene
PACIFIC STATE HOSPITAL

ITEM 174 of the Budget Bill

Budget page 622
Budget line No. 8

For Support of Pacific State Hospital From the General Fund

Amount requested -----	\$3,609,682
Estimated to be expended in 1953-54 Fiscal Year -----	2,862,251
Increase (26.1 percent) -----	\$747,431

Pacific State Hospital—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$562,546	\$552,694	\$9,852	628	9
Operating expense	174,837	174,837	---	628	10
Equipment	15,794	—19,587	35,381	628	11
Less:					
Increased reimbursements	—5,746	—5,746	---	628	16
Total increase	\$747,431	\$702,198	\$45,233	628	21

RECOMMENDATIONS

Amount budgeted	\$3,609,682
Legislative Auditor's recommendation	3,609,682
Reduction	None

Per Capita Costs—Pacific State Hospital

Fiscal year	Daily average institution population	Per capita cost	Increase over prior year	
			Amount	Percent
1943-44	1,533	\$442	---	---
1944-45	1,600	468	\$26	5.9
1945-46	1,635	483	15	3.2
1946-47	1,788	601	118	24.4
1947-48	1,822	820	219	36.4
1948-49	1,864	932	112	13.7
1949-50	1,922	965	33	3.5
1950-51	2,012	1,058	93	9.6
1951-52	2,015	1,196	138	13
1952-53	1,999	1,402	206	17.2
1953-54	2,000	1,505	103	7.3
1954-55	2,500	1,519	14	0.9

The total expenditure of this facility is scheduled to increase \$786,909 or 26.1 percent.

Population at the institution is anticipated to average 2,500 patients, an increase of 500, or 20 percent.

This results in the per capita cost going from \$1,505 to \$1,519, an increase of \$14 or 0.9 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$2,899,944 for an average population of 2,000 patients which would have resulted in a per capita cost of \$1,450.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,505, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a variance of \$55, or 3.8 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison costs for 1953-54 were increased over the original budget figure of \$2,899,944 by the sum of \$85,235 as an allocation from the Salary Increase Fund. This accounted for \$43, or 78.2 percent, of the increase in per capita costs as finally revised for 1953-54. This factor is not present in the 1954-55 Governor's Budget. Nevertheless, to the extent

Pacific State Hospital—Continued

that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$2,682,849. This represents an increase of \$562,546 or 26.5 percent over the total of \$2,102,303 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on established positions	\$60,551
A total of 182 proposed new positions costing	543,174
An increase in estimated salary savings of	—41,179
<hr/>	
Total increase in salaries and wages	\$562,546

A total of 626.2 positions are presently authorized. The agency is requesting an additional 182 proposed new positions. This represents an increase of 29.1 percent in staff, as compared to a 20 percent increase in average population at this facility.

All of the 182 proposed new positions for this hospital are related to anticipated increase in work load. Population is expected to increase from 2,000 to 3,000 during the period of the next fiscal year. A total of 12 new ward buildings, increasing capacity 50 percent, will be put into use starting August 1, 1954.

Of the proposed new positions, 154 are nursing positions. On June 30, 1954, Pacific Hospital will have a total of 391 positions in the nursing and personal care function. This will provide a ratio of one position for each 5.1 patients. Adding the 154 proposed additional positions and comparing the figure with population a year later, we find the ratio will increase to one to 5.5.

Of the remaining 27 proposed new positions requested for added work load in 1954-55, 14 are in care and welfare, seven in support and subsistence, five in maintenance and operation, and two in administration.

The 14 proposed new positions for care and welfare include 3 kindergarten teachers. In 1953-54 Pacific had only one such position. Addition of three more would appear to constitute a definite rise in level of service. However, the department contends that the list of mentally deficient children awaiting admission to this hospital when the new wards are opened, has been screened and it has been determined the number who will require kindergarten instruction will justify the three new positions at the same teacher-student ratio now in effect for the one teacher.

It should be pointed out that all of the proposed new positions that are needed for work load increase do not necessarily need to be filled early in the year. *We recommend that the Department of Finance authorize the filling of new positions only as the necessity for so doing is demonstrated by population increase as the new facilities are put into use.*

The following table reflects a comparative measure of the total level of service extended at this facility.

Pacific State Hospital—Continued

Fiscal year	Total Level of Service—Employee Hours Available per Patient					Increase over prior year	
	Total employees	Total annual man-hours	Daily average population	Level of service	Increase over prior year		
					Amount	Percent	
1943-44	255	558,960	1,533	365	---	---	
1944-45	256	561,152	1,600	351	-\$14	-3.8	
1945-46	278	609,376	1,635	373	22	6.3	
1946-47	260	569,920	1,788	319	-54	-14.5	
1947-48*	320	612,800	1,822	336	17	5.3	
1948-49	437	776,112	1,864	416	80	23.8	
1949-50	458	813,408	1,922	423	7	1.7	
1950-51	528	937,728	2,012	466	43	10.2	
1951-52	596	1,058,496	2,015	525	59	12.7	
1952-53	592	1,051,392	1,999	526	1	0.2	
1953-54†	626	1,111,776	2,000	556	30	5.7	
1954-55‡	808	1,435,008	2,500	574	18	3.2	

* 40-hour week became effective.

† Estimate as shown in 1954-55 Budget.

‡ Budget request.

Under the proposed budget request for 1954-55 the level of service will average 574 hours per patient.

This is 18 hours, or 3.2 percent above the level now scheduled for 1953-54.

It is 255 hours, or 80.0 percent above the minimum level of service of 319 hours, experienced in 1946-47.

The 182 proposed new positions are shown by function as follows:

Functions and Positions		Budget	
	Amount	Page	Line
Administration			
General office:			
2 Intermediate typist-clerks, B	\$5,976	623	30
Support and subsistence			
Feeding:			
2 Cooks	6,912	624	18
2 Assistant cooks	5,688	624	19
Housekeeping:			
1 Janitor	2,844	624	21
Laundry:			
1 Laundryman	2,988	624	23
2 Laundry helpers	5,160	624	24
Care and welfare			
Nursing and personal care:			
8 Senior psychiatric nurses	31,968	625	70
16 Psychiatric nurses	60,960	625	71
4 Senior psychiatric technicians II	13,824	625	72
12 Senior psychiatric technicians I	37,656	625	73
114 Psychiatric technician trainees	280,440	625	74
Medical care:			
2 Physician and surgeons II, Range C	19,704	625	76
1 Senior clinical psychologist	5,772	625	77
Rehabilitation therapy:			
1 Occupational therapist I	3,810	626	7
2 Recreational therapists	7,992	626	8
Education:			
3 Kindergarten teachers	11,988	626	10
Social service:			
1 Supervising psychiatric social worker I	5,232	626	12
4 Senior psychiatric social workers I	18,960	626	14

Pacific State Hospital—Continued

Maintenance and operation		<i>Amount</i>	<i>Budget</i>	
Maintenance of structures:			<i>Page</i>	<i>Line</i>
1 Carpenter		\$4,194	626	77
1 Plumber		4,194	626	78
Motor vehicles				
2 Automotive equipment operators.....		6,912	626	80
Totals		\$543,174		

Operating Expenses

Operating expenses are scheduled at \$893,935 for 1954-55. This is an increase of \$174,837 or 24.3 percent over the amount of \$719,098 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

<i>Function</i>	<i>1953-54</i>	<i>1954-55</i>	<i>Increase</i>	
			<i>Amount</i>	<i>Percent</i>
Administration	\$32,163	\$33,951	\$1,788	5.6
Support and subsistence.....	509,082	642,236	133,154	26.2
Care and welfare.....	57,380	70,210	12,830	22.4
Maintenance and operation of plant	109,223	137,488	28,265	25.9
Farming and processing.....	11,250	10,050	-1,200	-10.7
Totals	\$719,098	\$893,935	\$174,837	24.3

Equipment

Equipment expenditures are scheduled at \$103,053 for 1954-55. This is an increase of \$15,794 or 18.1 percent over the amount of \$87,259 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$103,053 requested for equipment, the sum of \$59,181 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 6.6 percent of an equipment investment of \$893,763 on June 30, 1953.

The equipment investment on a per capita basis is \$452 per patient.

The request by function for replacement equipment is as follows:

<i>Function</i>	<i>1953-54</i>	<i>1954-55</i>	<i>Replacement equipment</i>	
			<i>Amount</i>	<i>Percent</i>
Administration	\$1,436	\$1,290	-\$146	-10.2
Support and subsistence.....	21,460	33,122	11,662	54.3
Care and welfare.....	11,112	7,157	-3,955	-35.6
Maintenance and operation of plant	12,246	17,112	4,866	39.7
Farming and processing.....	1,255	500	-755	-60.2
Totals	\$47,509	\$59,181	\$11,672	24.6

The sum of \$43,872 is requested for *additional* items of equipment. The request, by function, for additional equipment is as follows:

<i>Function</i>	<i>1953-54</i>	<i>1954-55</i>	<i>Additional equipment</i>	
			<i>Amount</i>	<i>Percent</i>
Administration	\$5,605	\$7,332	\$1,727	30.8
Support and subsistence.....	12,403	6,187	-6,216	-50.1
Care and welfare.....	12,245	11,493	-752	-6.1
Maintenance and operation of plant	9,097	18,460	9,363	102.9
Farming and processing.....	400	400	---	---
Totals	\$39,750	\$43,872	\$4,122	10.4

Pacific State Hospital—Continued

It is to be noted that where items of additional equipment are not directly related to population increases or other workload changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

Farming and Processing—Production and Expenditures				
	1951-52	1952-53	1953-54	1954-55
Local production consumed.....	\$40,634	\$43,101	\$41,785	\$42,385
Surplus products sales.....	2,162	5,827	2,450	---
Total value of production.....	\$42,796	\$48,928	\$44,235	\$42,385
Salaries and wages.....	\$26,060	\$28,601	\$28,403	\$29,144
Operating Expenses.....	10,470	12,130	11,250	10,050
Total operating costs.....	\$36,530	\$40,731	\$39,653	\$39,194
Gross operating profit.....	\$6,266	\$8,197	\$4,582	\$3,191
Equipment costs.....	1,037	4,673	1,655	900
Annual profit.....	\$5,229	\$3,524	\$2,927	\$2,291

An adverse trend is noted in the relationship between the total value of production in 1954-55 when compared to 1953-54, and 1952-53.

Department of Mental Hygiene
PORTERVILLE STATE HOSPITAL

ITEM 175 of the Budget Bill

Budget page 629
Budget line No. 7

For Support of Porterville State Hospital From the General Fund

Amount requested.....	\$2,296,013
Estimated to be expended in 1953-54 Fiscal Year.....	1,501,020
Increase (53 percent).....	\$794,993

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$546,795	\$546,795	---	633	72
Operating expense.....	254,666	254,666	---	633	73
Equipment.....	7,137	---	\$7,650	633	74
Less:					
Increased reimbursements.....	13,605	13,605	---	633	78
Totals.....	\$794,993	\$787,343	\$7,650	633	83

RECOMMENDATIONS

Amount budgeted.....	\$2,296,013
Legislative Auditor's recommendation.....	2,296,013
Reduction.....	None

ANALYSIS

Porterville State Hospital is a new institution for care of the mentally deficient. The first patients, children between the ages of 5 and 14, were admitted in June, 1953. Patient population had grown to a

Porterville State Hospital—Continued

figure of 355 by December 31, 1953. A continuing increase will raise the figure to 1,100 by the end of the current fiscal year. The anticipated patient population for June 30, 1955, is 1,715. Average 1954-55 population is forecast at 1,408.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$1,780,565. This represents an increase of \$546,795 or 44.3 percent over the total of \$1,233,770 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on established positions.....	\$199,088
A total of 93 proposed new positions costing.....	258,060
A decrease in estimated salary savings of.....	89,652
<hr/>	<hr/>
Total increase in salaries and wages.....	\$546,795

A total of 504.7 positions are presently authorized. The agency is requesting an additional 93 proposed new positions. This represents an increase of 18.4 percent in staff, as compared to a 141.5 percent increase in population at this facility.

All the new positions have been requested for continuation of current authorized levels of service for the large anticipated increase in population.

Eighty-one of the proposed new positions are in nursing and personal care. On June 30, 1954, Porterville will have 299 positions in nursing and personal care, providing a ratio of one position for every 3.5 patients. As patient population rises and wards fill to capacity, this ratio will drop. Addition of 81 positions in 1954-55 would give the hospital a total of 380 positions, which would provide a ratio of one position for every 4.5 patients on June 30, 1955.

The remainder of the proposed new positions for Porterville are: three intermediate typist-clerks, one physician and surgeon, two senior clinical psychologists, and six psychiatric social workers. The staffing level these additional positions would provide in comparison with the staffing standards that were followed in the 1953-54 budget for the hospitals for the mentally deficient is given in the following table:

	<i>Total positions proposed, Por- terville, 1954-55</i>	<i>Number of positions that would be allowed under 1953-54 Budget standards</i>
Intermediate typist-clerks for clerical stenographic pool	8	8.2
Physician and surgeons	8.9	9.2
Senior clinical psychologist.....	4	4.3
Psychiatric social worker.....	9	9.1

We repeat the recommendation made in the case of both Pacific and Sonoma State Hospitals, that the Department of Finance should only approve the filling of new positions in the 1954-55 budget for Porterville as the need for them is clearly demonstrated by increase in patient population.

Porterville State Hospital—Continued

The 93 proposed new positions are shown by function as follows:

Functions and Positions		Amount	Budget	
			Page	Line
Administration				
General office				
3 Intermediate typist-clerks	-----	\$8,964	630	23
Care and welfare				
Nursing and personal care				
81 Psychiatric technician trainees	-----	199,260	632	37
Medical care				
1 Physician and surgeon II, Range C	-----	9,852	632	40
2 Senior clinical psychologists	-----	11,544	532	42
Social service				
6 Senior psychiatrist social workers	-----	28,440	632	44
93	Totals	-----		
		\$258,060		

Operating Expenses

Operating expenses are scheduled at \$583,806 for 1954-55. This is an increase of \$254,666 or 77.4 percent over the amount of \$329,140 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration	\$22,680	\$23,880	\$1,200	5.3
Support and subsistence	202,086	405,277	203,191	100.5
Care and welfare	18,284	40,049	21,765	119.0
Maintenance and operation of plant	86,090	114,600	28,510	33.1
Totals	\$329,140	\$583,806	\$254,666	77.4

Equipment

Equipment expenditures are scheduled at \$14,337 for 1954-55. This is an increase of \$7,137 or 99.1 percent over the amount of \$7,200 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$14,337 requested for equipment, the sum of \$3,600 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 0.9 percent of an equipment investment of \$389,715 on June 30, 1953.

The equipment investment on a per capita basis on that date was \$2,051 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Amount	Percent
Administration	---	---	---	---
Support and subsistence	---	\$900	\$900	---
Care and welfare	---	1,000	1,000	---
Maintenance and operation of plant	---	1,700	1,700	---
Farming and processing	---	---	---	---
Totals	---	\$3,600	\$3,600	---

Porterville State Hospital—Continued

The sum of \$10,737 is requested for *additional* items of equipment. The request, by function, for additional equipment is as follows:

Function	Additional equipment			
	1953-54	1954-55	Amount	Percent
Administration	\$1,300	\$3,887	\$2,587	199.0
Support and subsistence	2,100	1,900	—200	9.5
Care and welfare	2,800	3,650	850	30.4
Maintenance and operation of plant	1,000	1,300	300	30.0
Farming and processing	—	—	—	—
Totals	\$7,200	\$10,737	\$3,537	49.0

This office is undertaking a spot field check of the equipment requests. Pending completion of this review we have no specific recommendations to make regarding the proposed equipment expenditures at this institution, other than the general comment that we believe that equipment requests by the Department of Mental Hygiene carried, as a general rule, insufficient justifying data to permit a sound decision as to the necessity of the individual items requested.

**Department of Mental Hygiene
SONOMA STATE HOSPITAL**

ITEM 176 of the Budget Bill

Budget page 635
Budget line No. 7

For Support of Sonoma State Hospital From the General Fund

Amount requested	\$4,856,320
Estimated to be expended in 1953-54 Fiscal Year	4,371,648
Increase (11.1 percent)	\$484,672

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$384,021	\$376,029	\$7,992	642	9
Operating expense	126,533	126,533	—	642	10
Equipment	—27,395	—61,486	34,091	642	11
Plus:					
Decreased reimbursements	1,513	1,513	—	642	14
Total increase	\$484,672	\$442,589	\$42,083	642	22

RECOMMENDATIONS

Amount budgeted	\$4,856,320
Legislative Auditor's recommendation	4,856,320
Reduction	None

Sonoma State Hospital—Continued

Fiscal year	Per Capita Costs			
	Average institution population	Per capita cost	Increase over prior year Amount	Percent
1943-44	3,249	\$396	---	---
1944-45	3,350	399	\$3	0.8
1945-46	3,443	434	35	8.8
1946-47	3,385	543	109	25.1
1947-48	3,118	720	177	32.6
1948-49	3,188	823	103	14.3
1949-50	3,277	852	29	3.5
1950-51	3,286	995	143	16.8
1951-52	3,180	1,219	224	22.5
1952-53	3,102	1,441	222	18.2
1953-54	2,716	1,704	263	18.3
1954-55	3,200	1,607	—97	—5.7

The total expenditures of this facility are scheduled to increase \$483,159 or 10.9 percent.

Population at the institution is anticipated to average 3,200 patients, an increase of 484, or 17.8 percent.

This results in the per capita cost going from \$1,704 to \$1,607 a decrease of \$97 or 5.7 percent.

At the time the 1953-54 Governor's Support Budget for this facility was presented, it contemplated expenditures of \$4,578,537 for an average population of 3,200 patients which would have resulted in a per capita cost of \$1,431.

Based upon the current 1953-54 figures incorporated in the 1954-55 Governor's Budget, the per capita costs for 1953-54 are now expected to be \$1,704, including contributions to the State Employees' Retirement Fund, which are included in such costs for the first time. This is a variance of \$273, or 19.1 percent, from the original Governor's Budget estimate.

It should be pointed out, however, that in the above comparison, costs for 1953-54 were increased over the original budget figure of \$4,578,537 by the sum of \$139,114 as an allocation from the Salary Increase Fund. This accounted for \$43, or 15.8 percent, of the increase in per capita costs as finally revised for 1953-54. This factor is not present in 1954-55 on the basis of the present Governor's Budget. Nevertheless, to the extent that interim approval is given to additional items of expenditure not included in the proposed support costs, the per capita costs shown in the Budget will again be understated.

Salaries and Wages

The total amount requested for salaries and wages for 1954-55 is \$3,784,892. This represents an increase of \$384,021 or 11.3 percent over the total of \$3,400,871 scheduled for expenditure in this category during 1953-54.

The change in salary and wage costs is attributable to the following factors in the amounts indicated:

Salary increases on 920 established positions	\$55,521
A total of 147 proposed new positions costing	397,894
A change in estimated salary savings of	—69,394

Total increase in salaries and wages	\$384,021
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Sonoma State Hospital—Continued

A total of 983.3 positions are presently authorized. The agency is requesting an additional 147 positions. This represents an increase of 15 percent in staff, as compared to a 17.8 percent increase in population at this facility.

All 147 proposed new positions are for continuance of service at the 1953-54 level. These positions are needed for (1) an increase of 484 in average population between 1953-54 and 1954-55, with an anticipated total increase from June 30, 1954, to June 30, 1955, of 800 patients; and (2) a corresponding expansion of physical facilities. A total of 139 of the 147 positions requested for added work load are in nursing and personal care. The remainder consists of two kindergarten teachers, one senior psychiatric social worker, one building maintenance man, one automotive equipment operator, one intermediate clerk, one senior psychiatric social worker, and one senior clinical psychologist.

The total number of authorized positions in nursing and personal care in 1953-54 is 476, providing a ratio of one position for each 5.7 patients on the basis of average population. An increase of 139 would give the hospital a total of 615 positions in 1954-55. This total would provide a ratio of one position in nursing and personal care for each 5.2 patients in 1954-55.

The hospital is requesting two kindergarten teacher positions for 1954-55, although up until now it has had only one such position. The department claims that the waiting list of children who will be admitted to the hospital when the new wards are opened in July, 1954, contains sufficient kindergarten-age children to justify the request.

A comparison of the staffing at Sonoma, if the two positions of senior psychiatric social worker and senior clinical psychologist are granted, with the over-all departmental level authorized in the 1953-54 budget, is shown in the following table. This is based on the staffing goals of the department of one psychiatric social worker for each 500 residents plus one for each 100 admissions annually, and one senior clinical psychologist for each 300 resident patients.

	<i>Total proposed positions</i>	<i>Positions to meet 1953-54 budget standards</i>
Psychiatric social workers.....	11	12.7
Senior clinical psychologists.....	8	9

The following table reflects a comparative measure of the total level of service extended at this facility.

Sonoma State Hospital—Continued

Total Level of Service—Employee Hours Available Per Patient

Fiscal year	Total employees	Total annual man-hours	Population	Level of service	Increase over prior year	
					Amount	Percent
1943-44	449	984,208	3,249	303	---	---
1944-45	449	984,208	3,350	294	-\$9	-3.0
1945-46	506	1,109,152	3,443	322	28	9.5
1946-47	504	1,104,768	3,385	326	4	1.2
1947-48 *	565	1,081,975	3,118	347	21	6.4
1948-49	624	1,108,224	3,188	348	1	0.3
1949-50	676	1,200,576	3,277	366	18	5.2
1950-51	817	1,450,992	3,286	442	76	20.8
1951-52	821	1,458,096	3,180	459	17	3.8
1952-53	904	1,605,504	3,102	518	59	12.9
1953-54 †	991	1,760,016	2,716	648	130	25.1
1954-55 ‡	1,130	2,006,880	3,200	627	-\$21	-3.2

* 40-hour week became effective.

† Estimate as shown in 1954-55 Budget.

‡ Budget request.

Under the proposed budget request for 1954-55 the level of service will average 627 hours per patient.

This is 21 hours, or 3.2 percent, below the level now scheduled for 1953-54.

It is 333 hours, or 113.3 percent, above the minimum level of service of 294 hours experienced in 1944-45.

It should be noted that the above table reports actual number of employees for years prior to 1953-54, total authorized positions for 1953-54, and total proposed positions for 1954-55. The estimated average number of positions unfilled for 1953-54 is 62.5, and for 1954-55, 82.6. As a result, the anticipated actual, as contrasted with authorized level of service will be 607 in 1953-54, and 582 in 1954-55.

The preceding table does not reflect the fact that relatively more of the positions authorized in 1953-54 are for highly trained and high-salaried specialists, such as doctors and psychologists, than was the case in earlier years. For instance, in the three-year period 1950-51 to 1953-54, inclusive, the level of service for positions in medical care, not including any positions in nursing and personal care, increased from 17.05 to 28.1 hours of service provided annually per patient. This was a 65 percent improvement.

The 147 proposed new positions are shown by function as follows:

	Amount	Budget	
		Page	Line
Functions and Positions			
Administration			
General office:			
Intermediate clerk -----	\$2,844	636	42
Care and Welfare			
Nursing and personal care:			
4 Senior psychiatric nurses -----	15,302	639	20
8 Senior psychiatric nurses -----	29,180	639	23
4 Senior psychiatric technicians II -----	13,824	639	27
12 Senior psychiatric technicians I -----	37,656	639	29
111 Psychiatric technician trainees -----	268,440	639	32
Medical care:			
1 Senior clinical psychologist -----	5,772	639	33
Education:			
2 Kindergarten teachers -----	7,992	639	35
Social service:			
1 Supervising psychiatric social worker I -----	5,232	639	38
1 Senior psychiatric social worker I -----	4,740	639	39

Sonoma State Hospital—Continued

Maintenance and Operation	Amount	Budget	
		Page	Line
Maintenance of structures:			
1 Building maintenance man-----	\$3,456	640	47
1 Automotive equipment operator-----	3,456	640	49
Totals -----	\$397,894		

Operating Expenses

Operating expenses are scheduled at \$1,074,849 for 1954-55. This is an increase of \$126,533 or 13.3 percent over the amount of \$948,316 estimated to be expended in the 1953-54 Fiscal Year.

The request by function for operating expenses is indicated below:

Function	1953-54	1954-55	Increase	
			Amount	Percent
Administration -----	\$39,087	\$39,593	\$506	1.3
Support and subsistence -----	519,152	609,398	90,246	17.4
Care and welfare -----	82,603	93,930	11,327	13.7
Maintenance and operation of plant -----	192,084	215,838	23,754	12.4
Farming and processing -----	115,390	116,090	700	0.6
Totals -----	\$948,316	\$1,074,849	\$126,533	13.3

Equipment

Equipment expenditures are scheduled at \$63,205 for 1954-55. This is a decrease of —\$27,395 or 30.2 percent under the amount of \$90,600 estimated to be expended in the 1953-54 Fiscal Year.

Out of the total of \$63,205 requested for equipment, the sum of \$29,114 is for replacement of items deemed obsolete or no longer serviceable. This latter amount represents 1.8 percent of an equipment investment of \$1,632,815 on June 30, 1953.

The equipment investment on a per capita basis is \$614 per patient.

The request by function for replacement equipment is as follows:

Function	1953-54	1954-55	Replacement equipment	
			Increase Amount	Percent
Administration -----	\$1,400	\$3,747	\$2,347	167.6
Support and subsistence -----	22,752	8,606	—14,146	—62.2
Care and welfare -----	7,407	6,807	—600	—8.1
Maintenance and operation of plant -----	18,955	4,875	—14,080	—74.3
Farming and processing -----	4,082	5,079	997	24.4
Totals -----	\$54,596	\$29,114	—\$25,482	—46.7

The sum of \$34,091 is requested for additional items of equipment. The request, by function, for additional equipment is as follows:

Function	1953-54	1954-55	Additional equipment	
			Increase Amount	Percent
Administration -----	\$4,681	\$3,569	—\$1,112	—23.8
Support and subsistence -----	3,730	5,050	1,320	35.4
Care and welfare -----	17,835	15,126	—2,709	—15.2
Maintenance and operation of plant -----	9,075	8,936	—139	—1.5
Farming and processing -----	683	1,410	727	106.4
Totals -----	\$36,004	\$34,091	—\$1,913	—5.3

Sonoma State Hospital—Continued

It is to be noted that where items of additional equipment are not directly related to population increases or other work load changes, the acquisition of such items represents an improvement in the level of service. Since such items also tend to build up subsequent requirements for replacement items, a very careful evaluation of the requests for additional equipment should be made at all levels of the budget process.

This office is undertaking a spot field check of the equipment requests. Pending completion of this review we have no specific recommendations to make regarding the proposed equipment expenditures at this institution, other than the general comment that we believe that equipment requests by the Department of Mental Hygiene, as a general rule, carried insufficient justifying data to permit a sound decision as to the necessity of the individual items requested.

Farming and Processing—Production and Expenditures				
	1951-52	1952-53	1953-54	1954-55
Local production consumed.....	\$256,984	\$275,361	\$201,819	\$226,491
Surplus products sales.....	13,513	30,994	12,000	7,500
Total value of production.....	\$270,497	\$306,355	\$213,819	\$233,991
Salaries and wages.....	\$72,996	\$83,500	\$92,099	\$94,156
Operating expenses.....	124,452	131,846	115,390	116,090
Total operating costs.....	\$197,448	\$215,346	\$207,489	\$210,246
Gross operating profit.....	\$73,049	\$91,009	\$6,330	\$23,745
Equipment costs.....	3,792	6,663	4,765	6,489
Annual profit.....	\$69,257	\$84,346	\$1,565	\$17,256

MILITARY DEPARTMENT

ITEM 177 of the Budget Bill

Budget page 643
Budget line No. 36

For Support of Military Department From the General Fund

Amount requested.....	\$2,007,515
Estimated to be expended in 1953-54 Fiscal Year.....	1,984,344
Increase (1.2 percent).....	\$23,171

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages.....	\$39,343	\$39,343	---	652	9
Operating expense.....	3,889	3,889	---	652	12
Equipment.....	23,761	23,761	---	652	13
Decreased reimbursements.....	8,700	8,700	---	652	16
Total increase.....	\$23,171	\$23,171	---	652	22

RECOMMENDATIONS

Amount budgeted.....	\$2,007,515
Legislative Auditor's recommendation.....	2,007,515
Reduction.....	None