

Mental Hygiene

General Summary

Department of Justice—Continued

funds for informer evidence grow out of a special \$183,935 augmentation of the 1961 Budget Act for increased narcotic enforcement activity, particularly in the Mexican border and Southern California areas. This program is continued into and is proposed to be maintained in the budget for fiscal year 1962-1963.

The in-service training program is proposed for inauguration in the 1962-1963 fiscal year and is designed to be a 10-day resident course for all agents and is to be held at the Highway Patrol Academy. The bureau states in its justification material that while each agent is now required to have two years of law enforcement experience prior to his appointment, existing in-service training is inadequate and lacks uniformity. The bureau states that the complexity of the subject matter, changing law and changing methods of operation by narcotic violators now require formal, in-service training uniform for all narcotic agents.

We recommend approval of the out-of-state, informer evidence and in-service training items as budgeted.

DEPARTMENT OF MENTAL HYGIENE

Budget page 382

FOR SUPPORT OF THE DEPARTMENT OF MENTAL HYGIENE FROM THE GENERAL FUND

Amount requested	\$137,741,252
State employees' retirement	7,746,956
State employees' health and welfare	1,015,680
Total	\$146,503,888
Estimated to be expended in 1961-62 fiscal year	139,232,050
Increase (5.2 percent)	\$7,271,838

TOTAL RECOMMENDED REDUCTION \$5,902,212

Summary of Recommended Reductions

Recommended reductions—existing programs	Amount	Budget Page Line	
Departmental Administration			
1 Diagnostic clinic for the mentally retarded	\$56,667	392	60
Research program	400,000	396	34
Outpatient clinics—reduce support by one-half	412,077	400	40
Langley Porter Neuropsychiatric Institute			
1 Surgical Nurse	5,772	405	63
Camarillo			
1 Barber shop manager	4,296	416	33
Napa			
2 Senior psychiatrists	29,112	429	63
Patton			
1 Chief of professional education	16,056	432	59
Porterville			
1 Chief of professional education	16,056	443	54
Convalescent Leave Program			
5 Staff psychiatrists	66,000	*	--
Operating expense—hospitals for the mentally ill			
Adjustment for day treatment population	47,919	*	--
Adjustment for family care placements	30,483	*	--

General Summary

Mental Hygiene

Department of Mental Hygiene—Continued

Summary of Recommended Reductions—Continued

<i>Recommended reduction—existing programs—continued</i>		<i>Budget</i>	
	<i>Amount</i>	<i>Page</i>	<i>Line</i>
State hospitals			
18 Medical positions	215,568	—*	—
5 Elementary teachers	35,000	—*	—
Assistance to local agencies for mental health services (Short-Doyle)	500,000	—*	—
<i>Recommended reductions—proposed program augmentations</i>			
I. Administrative strengthening			
2 Positions	20,568	387	36
Operating expenses and equipment	2,040	387	36
II. Training			
12 Positions	8,520	387	36
III. Post-hospital services			
24 Positions	185,148	388	57
Operating expenses and equipment	20,546	388	57
IV. Hospital services			
Operating expense	35,000	389	11
V. Special services for mentally retarded			
30 Positions	108,860	389	59
Operating expenses and equipment	7,580	389	59
<i>Recommended revisions in reimbursements and revenues</i>			
Increase in employee meal charge	195,000	—	—
Increase in charge to counties for hospitalizing mentally retarded	3,500,000	—	—
Total recommended reduction	\$5,902,212		

* The specific point of these reductions to be determined by the Department of Mental Hygiene with the approval of the Department of Finance.

Our analysis of the Department of Mental Hygiene's 1962-63 budget request is presented under the following four major section headings:

1. Recommended Reductions in Existing Programs (pages 385-404).
2. Summary of Proposed Program Augmentations (pages 404-420).
3. Recommended Revisions in Reimbursements and Revenues (pages 420-424).
4. General Summary (page 424).

RECOMMENDED REDUCTIONS IN EXISTING PROGRAMS

A careful review of the department's ongoing programs has disclosed that there are several areas in which budgetary adjustments can be realistically effected. Approval of our recommendations in these areas should both improve overall agency efficiency and budgeting procedures.

1 *Surgical nurse I (budget page 405, line 63)*----- \$5,772

We recommend the deletion of one surgical nurse I at the Langley Porter Neuropsychiatric Institute, a savings in salaries and wages of \$5,772.

In an interim letter dated December 1, 1960, from the Audits Division, Department of Finance, to the Langley Porter Neuropsychiatric Institute, it was pointed out that there appeared to be an excess of surgical nurses in relation to surgical facilities workload. The following table illustrates the program's substantial decrease since 1953-54:

Department of Mental Hygiene—Continued

Langley Porter Neuropsychiatric Institute Operative Procedures

<i>Fiscal year</i>	<i>Type of surgical procedure performed</i>			<i>Total</i>	<i>Percent decrease over 1953-54</i>
	<i>Major</i>	<i>Minor and diagnostic</i>	<i>Cerebral blood flow studies</i>		
1961-62*	5	3	0	8	96.6%
1960-61	3	4	0	7	96.8
1959-60	1	6	0	7	96.8
1958-59	4	24	26	54	76.0
1957-58	6	20	27	53	76.0
1956-57	15	42	29	86	61.1
1955-56	10	35	34	79	64.3
1954-55	32	41	60	133	39.8
1953-54	103	62	56	221	00.0

* July 1, 1961-December 31, 1961.

It is apparent that usage of the surgical facilities at Langley Porter has greatly decreased since 1953-54. Division of Audits has indicated that one surgical nurse is working as a psychiatric nurse and the other two staff members assist in administering shock treatment three days a week. It appears that the current surgical workload is much too small to warrant a staff of three surgical nurses. In 1953-54 the surgical facilities performed a total of 221 operative procedures as compared to seven such procedures during 1960-61, a decline of 96 percent. During this period there was a continual decrease in usage of the surgical facilities, but no commensurate reduction in personnel. Instead, the institute elected to use these surgical nurses for other purposes.

We have correspondence from the agency dated December 14, 1961, stating that "... about three years ago there was a change in the organization of the Neurosurgery Department within the University and ... during this interim period in view of this reorganizing and the changes in emphasis in psychiatric treatment, there was a reduction in the number of surgical procedures performed in our operating room. However, in the past several months, a series of discussions have been held by the members of the staff of the Langley Porter Neuropsychiatric Institute and the Division of Neurosurgery in which plans are being outlined to carry out new and complicated stereotax neurosurgery. ... While the number of surgical procedures done in our operating room has been at a low ebb this past few years, there is every indication and likelihood that they will increase markedly in the near future."

It appears that reducing the current surgical nursing staff by one position would in no way hamper the proposed increase in operating procedures. Such a reduction would still leave the institute with two surgical nurse positions, which should be more than adequate to handle any impending increases in workload. Even before the previously cited reorganization took place, there had been a 76 percent reduction in operative procedures since 1953-54.

Therefore, we recommend the deletion of one surgical nurse position and that any further increase in this staff be justified on an actual work-load basis.

Department of Mental Hygiene—Continued

State Supported Outpatient Clinics

We recommend that the department's proposed budget of \$824,153 for the six state-supported mental hygiene outpatient clinics be reduced by one-half (\$412,077); this reduced amount to provide for six months operation during the 1962-63 fiscal year. Any further continuation of community outpatient services should then be effected through utilization of funds under the Short-Doyle Act.

On September 11, 1957, the Short-Doyle Act became law. A few months later, in our 1958-59 Analysis, we stated as follows:

"A policy question arises as to what will be the status of the State's presently operating outpatient mental hygiene clinics in view of the Short-Doyle Act. These clinics are already providing services in the communities of the kind contemplated in the act. If local community mental health programs were to be set up in these communities where state clinics already exist, it would provide unnecessary duplication at increased cost. If these communities already having state clinics do not set up local mental health programs, the State would be left in the position of continuing to pay the full costs of the local services—a position unfair to the State and to the other local jurisdictions which would finance one-half the costs themselves under the Short-Doyle Act.

We believe that the department should take immediate steps to resolve this problem by initiating procedures for integrating the clinics into the community services program."

Four years have elapsed since the above statement was made and the Department of Mental Hygiene has not resolved the problem. The six state-supported outpatient clinics that were administered by the Department of Mental Hygiene in 1958-59 are still fully state-supported and at an increasingly greater annual expense to the General Fund. Furthermore, these clinics provide the same types of care and treatment that are also being offered by the 17 outpatient clinics operated through the Short-Doyle Plan. One of the few basic differences is in financing; the agency's clinics being fully state-supported while Short-Doyle facilities are jointly supported on a matching basis by the local community and the State.

The present dual system results in the State subsidizing certain communities in which state clinics are located, to the disadvantage of other communities which must furnish one-half of the support cost through a Short-Doyle program. Also, in the instance where a community may have two outpatient clinics, one operated by the State and the other administered through Short-Doyle, duplications of functions can exist that result in greater costs to the State.

We feel that the Legislature should direct the agency to establish a uniform policy in this area. Sound administrative procedures dictate the implementation of a standard approach for providing mental health outpatient services within the communities. The State-local participation formula, as represented by Short-Doyle, appears to be a more equitable and logical way of operating community clinics. This procedure

Department of Mental Hygiene—Continued

can be accomplished if the Legislature directs the Department of Mental Hygiene to begin, immediately, an orderly integration of state-supported outpatient clinics into the Short-Doyle plan. The existing state clinics have had sufficient time in which to demonstrate their value to the communities' mental health requirements. If the need is justified, communities should be willing to share in the support costs of their local clinics. The fact that 17 Short-Doyle facilities are currently operating outpatient clinics is proof that, where the need is present, the communities are ready to assume joint responsibility.

Vacant Positions

We have carefully reviewed the agency positions which have been continually vacant for a prolonged period of time. For the purposes of this analysis, we have separated these vacancies into the following two groups:

- Group I. Those positions for which recruitment appears possible during the coming fiscal year. The majority of these are in specialized classifications and represent situations that appear to warrant additional recruitment time.
- Group II. Those positions for which recruitment appears improbable during the coming fiscal year and are in classifications that, in most instances, already have excessive vacancy rates. Positions in this latter group should be abolished.

The following table enumerates those positions in Group I:

Number	Agency and position title	Continually vacant since	Annual cost
	Neuropsychiatric Institute, U.C.L.A.		
1	Administrative assistant I	9- 1-60	\$7,008
1	Chief of clinical services	6- 1-60	15,288
1	Senior psychiatrist	6- 1-60	14,862
	Camarillo State Hospital		
1	Librarian III	7- 1-60	5,916
	Metropolitan State Hospital		
1	Chief of research, mental hospital	7- 1-60	15,288
1	Research psychologist	7- 1-60	10,344
	Modesto State Hospital		
1	Clinical laboratory technologist	8-18-60	6,041
	Napa State Hospital		
1	Senior psychiatric technician II	7- 1-60	4,797
6	Senior psychiatric technician I	7- 1-60	26,424
	Pacific State Hospital		
1	Psychiatric resident II	12-31-60	5,916
	Departmental Administration		
1	Training officer II	9-18-60	10,334
1	Assistant comptroller	3-31-60	9,384
1	Junior research technician	9-25-60	5,916
18 positions	Totals		\$137,518

We concur with the continuation of the above vacant positions for the coming fiscal year. However, if the vacancies persist, conclusive justification should be submitted before budgeting these positions in any ensuing fiscal period.

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Mental Hygiene

Department of Mental Hygiene—Continued

The ensuing table presents those vacant positions that fall into Group II and are recommended for abolishment:

<i>Number to be abolished</i>	<i>Agency and position title</i>	<i>Continually vacant since</i>	<i>Annual cost</i>
	Camarillo State Hospital		
1	Barber shop manager -----	1-14-59	\$4,296
	Napa State Hospital		
2	Senior psychiatrists -----	8- 2-60	29,112
	Patton State Hospital		
1	Chief of professional education -----	4-30-59	16,056
	Porterville State Hospital		
1	Chief of professional education -----	8- 8-58	16,056
	Departmental Administration		
1	Senior psychiatrist * -----	7- 1-61	13,200
1	Clinical psychologist II * -----	7- 1-61	7,728
2	Senior psychiatric social workers * -----	7- 1-61	12,720
1	Intermediate stenographer clerk * -----	7- 1-61	4,194
	Equipment and operating expense * -----	7- 1-61	18,825
5	Staff psychiatrists † -----		66,000
15 positions, equipment and operating expenses -----			\$188,187

* These positions, equipment and operating expenses of \$56,667 comprise the annual expenditure for one diagnostic and evaluation clinic for the mentally retarded.

† Assigned to the Convalescent Leave Program.

Factors supporting the above recommended deletions are as follows:

We recommend the abolishment of one barber shop manager position at Camarillo State Hospital, a savings in salaries and wages of \$4,296 (budget page 416, line 33).

This position has been continuously vacant since January 14, 1959, or more than three years. There appears to be little justification for the continued extended authorization of this position in view of the abnormal vacancy experience. Continued budgeting under these circumstances is, in our opinion, contrary to the control policy over vacancies intended by the Legislature.

We recommend the abolishment of two senior psychiatrist positions at Napa State Hospital, a savings in salaries and wages of \$29,112 (budget page 429, line 63).

These two positions have been vacant continuously for one and a half years. In view of this adverse experience, they should now be abolished. Even in the event that recruitment might be achieved during the coming fiscal year, it should be pointed out that, out of a total of 61 senior psychiatrist positions already currently authorized for the department's 14 institutions, 19 are currently vacant. This constitutes a sizeable vacancy factor of 31.9 percent.

The abolishment of these two senior psychiatrist positions, which have been continuously vacant for a year and a half, could in no way adversely affect the agency's treatment program. Such action would still leave 17 unfilled positions in this classification and a resulting vacancy rate for the senior psychiatrist class of 27.9 percent. This compares to the overall department vacancy rate of 6.4 percent.

Assuming that Napa State Hospital were to find it possible during the coming year to recruit for these deleted positions, the agency may

Department of Mental Hygiene—Continued

obtain approval from the Department of Finance to transfer existing vacant positions in this classification from other institutions to Napa. The net effect of our recommendation to delete two senior psychiatrist positions will merely be to reduce slightly the excessive overall vacancy rate for this classification. This will still provide the agency with more than ample opportunity to materially improve the level of its psychiatric services.

We recommend the abolishment of two chief of professional education positions, a savings in salaries and wages of \$32,112 (budget pages 432 and 443, lines 59 and 54).

One of these positions has been vacant at Porterville State Hospital since August 8, 1958 (3½ years) and the other vacant at Patton State Hospital since April 30, 1959 (2¾ years). Patton states that they are "unable to recruit." Each of the department's 14 institutions is authorized one chief of professional education position. Of these 14 positions, five are currently vacant, a vacancy factor of over 35 percent. Thus, abolishing two of these positions would still leave three unfilled and provide the agency with the opportunity to improve the level of actual service in this field by 25 percent.

If the department subsequently finds itself in the situation where it can recruit in this classification, past experience dictates that there will be more than enough vacancies remaining in this classification among the remaining institutions to permit a vacant position transfer to the recruiting hospital.

We recommend the deletion of five staff psychiatrist positions, a savings in salaries and wages of \$66,000.

We further recommend that the agency submit a full report to the Legislature at its next session, evaluating the progress and efficacy of the Convalescent Leave Program in terms of costs, savings and results.

The purpose of a convalescent leave program is to provide psychiatric and medical assistance for those leave patients not residing near enough a state hospital to receive such services. The program is staffed with psychiatrists, each of whom is assigned to a particular mental institution and headquartered in a Bureau of Social Work field office.

Two years ago the Department of Mental Hygiene requested 19 staff psychiatrist positions to initiate a convalescent leave program. Five such positions were authorized by the Legislature. These positions were approved on a pilot basis, with the understanding that the agency would submit a thorough program evaluation and justification the following year. However, due to recruitment difficulties, the department was unable to present the 1961 Legislature with a thorough evaluation of this pilot program.

Nevertheless, the agency requested that the 1961 Legislature approve an additional 15 staff psychiatrist positions for this pilot convalescent leave program. A compromise was agreed upon and the authorization was granted for eight additional staff psychiatrists for the program. Of the 13 positions currently authorized, 8.9 were vacant as of January 1, 1962.

Department of Mental Hygiene—Continued

It is obvious that the agency has experienced difficulty in filling the convalescent leave program's authorized positions. This fact was apparent last year, yet at that time the department requested that the program be expanded without having to submit the previously requested justification.

Accordingly, it is our recommendation that five of the positions authorized for the convalescent leave program be deleted from the agency's budget. This would still leave 3.9 unfilled positions and could in no way jeopardize the program during the coming fiscal year. Furthermore, future augmentation requests in this area should be postponed until the department has permanently assigned staff psychiatrists to at least 80 percent of the authorized positions and submitted an acceptable evaluation of the efficacy of the convalescent leave program.

We recommend the deletion of one diagnostic center for the mentally retarded, a savings in salaries, wages, equipment and operating expense of \$56,667 (budget pages 392 and 393, lines 61-66 and 57-61).

Just before the close of the 1961 Legislative Session, the Department of Mental Hygiene submitted an augmentation request for three community diagnostic evaluation and placement centers for the mentally retarded.

The agency claimed that this was an emergency proposal necessary to help reduce the large waiting list for admission to state institutions for the retarded. The department stated that the purpose of these centers would be to "... assist the family in providing competent care for the child either in lieu of hospitalization or during the extended waiting period. The team would also make appropriate referrals to private and local agencies as alternatives to hospitalization. Where such facilities are not available, this team would assist their local development."

The Legislature approved the department's request for this new program and authorized the three centers, each to be staffed as follows:

- 1 Senior psychiatrist
- 1 Clinical psychologist II
- 2 Senior psychiatric social workers
- 1 Intermediate stenographer-clerk

The funds for these three clinics became available on July 1, 1961. However, none of the three centers has yet become operational and there is some doubt whether the program will get under way during the 1961-62 fiscal year.

It now appears that establishment of these centers has been postponed by an administrative decision assigning a higher priority to other programs. In view of this, plus the fact that these centers are the beginning of a new and unproven program, we recommend that the Legislature delete one of the three currently authorized diagnostic clinics. Such action would still leave the department with two authorized centers and, if past experience is any criterion, the agency will do well to establish these remaining two clinics during the coming fiscal year.

Mental Hygiene

General Summary

Department of Mental Hygiene—Continued

A review of the detail of expenditures proposed for the three diagnostic clinics indicates the probability of an error in the budget in that there is the possibility of an overstatement of the amounts required or proposed for expenditure during the current 1961-62 fiscal period.

The detail is set forth below:

	1961-62 <i>Estimated expenditures</i>	1962-63 <i>Proposed expenditures</i>	Budget <i>Page</i>	<i>Line</i>
3 Psychiatrists -----	\$39,600	\$41,580	392	63
3 Psychologists -----	23,184	24,336	392	64
6 Social workers -----	38,160	40,032	392	65
3 Clerks -----	12,582	13,212	392	66
General expense -----	10,000	15,000	393	58
Communications -----	4,000	6,000	393	59
Traveling—in-state -----	4,000	6,000	393	60
Rent -----	12,000	18,000	393	61
Total -----	\$143,526	\$154,160		

A recapitulation of the above indicates the following:

Support Costs for Three Diagnostic Clinics

	1961-62 <i>Estimated</i>	1962-63 <i>Proposed</i>
Salaries -----	\$113,526	\$118,160
Operating expense -----	30,000	45,000
Total -----	\$143,526	\$154,160

If the budget is correct in proposing an expenditure total of \$154,160 for the full fiscal year of 1962-63, it becomes obvious that, since none of these clinics has as yet become operative, the same level of positions and service cannot reasonably require or expend more than one-half of this total in the six months remaining in 1961-62.

Thus, not more than 50 percent of the 1962-63 amount of \$154,160 should be shown for the revised estimated expenditure for 1961-62. This figure would be \$77,080 rather than the 1961-62 total of \$143,526 that is shown in the budget.

It would appear, therefore, that the current expenditure program should be revised downward by the difference between the \$77,080 needed and the \$143,000 budgeted.

This difference of \$66,000, in our opinion, represents a "float" in the budget and should be explained by the agency and the Department of Finance.

Research

We recommend that the department's request of \$1,107,000 for support of the research program be reduced to \$707,000; a savings of \$400,000. (budget page 396, line 64)

We further recommend that only the most urgent and justifiable requests for specific research projects be approved until the agency is able to substantiate the merits of past and present projects and indicate the practical applications that have been, or will be, derived from its research program.

Department of Mental Hygiene—Continued

Over the past six years the Department of Mental Hygiene has conducted research studies which have cost, in total, approximately \$12 million. Furthermore, it is estimated that the research activities carried on by the department during the coming fiscal year will require more than \$4 million. Six years ago the comparable research expenditure was approximately \$500,000. It is apparent that the agency's research activities have increased at an exceedingly rapid rate which, in principle, we support. However, there has not been a constructive evaluation of the program to date. Unfortunately, it appears that certain deficiencies have developed. These are undoubtedly related to the program's swift expansion. As a matter of necessity and sound administrative policy, we feel it is essential that the department's research program be subjected to a thorough evaluation and reappraisal before state support is continued at the current level.

At the present time, the Department of Mental Hygiene has the following three primary sources of research funds:

1. *Neuropsychiatric Institutes.* The two neuropsychiatric institutes are the major training and research facilities for the Department of Mental Hygiene. These institutes, one in Los Angeles and the other in San Francisco, are both closely affiliated with the University of California medical schools in their respective cities. The agency estimates that at least one-third of their support budgets are spent in the area of research. The following table indicates the total state support funds allocated to research by the two neuropsychiatric institutes since 1956-57:

Research Expenditures * Neuropsychiatric Institutes 1956-57 through 1962-63		
<i>Fiscal year</i>	<i>Research expenditures</i>	<i>Increase over prior year</i>
1956-57	\$455,490	—
1957-58	577,704	\$122,214
1958-59	632,808	55,104
1959-60	713,547	80,739
1960-61	1,061,632	348,085
1961-62†	1,827,778*	766,146
1962-63‡	2,093,580	265,802
Total 1956-57—1961-62	\$5,268,959	
Total 1956-57—1962-63	\$7,362,539	

* This represents one-third of the support budget of both neuropsychiatric institutes.

† Estimated.

‡ Proposed.

2. *Outside Grants.* A second source of research funds is from non-state agencies. The primary source of such moneys is the federal government. Federal research grants are approved on an individual project basis. Federally financed studies invariably require more than one year to complete. When this is the case, a project's total proposed cost is approved by the federal government. However, allocations are on a year-to-year basis and long-range commitments are contingent upon congressional authorization of funds and satisfactory project progress

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General Summary

Department of Mental Hygiene—Continued

in subsequent years. The following table indicates the federal research moneys granted to the Department of Mental Hygiene since 1956-57:

Federal Research Funds Granted to the Department of Mental Hygiene 1956-57 through 1963-64

<i>Fiscal year</i>	<i>Total federal commitment</i>	<i>Federal moneys received or to be received</i>
1956-57 -----	\$255,008	\$45,576
1957-58 -----	1,672,643	376,621
1958-59 -----	230,385	450,755
1959-60 -----	445,907	557,551
1960-61 -----	199,625	684,253
1961-62* -----	86,295	668,887
1962-63† -----	---	77,677†
1963-64† -----	---	28,543†
Totals as of 9-30-61 -----	\$2,889,863	\$2,783,643
Totals through 1963-64 -----	\$2,889,863	\$2,889,863

* As of September 30, 1961.

† Recommended by federal government for financing in original grant, but subject to formal application in the year designated and the availability of funds for allocation.

3. *Department Research Program.* The 1957 Legislature authorized the Department of Mental Hygiene to develop a formalized, state-supported research program. Prior to 1957-58, the only projects of consequence carried on by the agency were autonomous studies at various facilities of the department and a few federally-supported projects. The moneys appropriated to the research program initiated by the 1957 Legislature are to be expended only on allocations to agencies of the Department of Mental Hygiene authorized by the Department of Finance. The following table indicates the annual amounts approved by the Legislature for this phase of the department's research program:

Department of Mental Hygiene—Research Program Annual Allocations * Since 1957-58

<i>Fiscal year</i>	<i>Amount requested</i>	<i>Legislature approved</i>	<i>Increase over prior year</i>
1957-58 -----	\$200,000	\$200,000	---
1958-59 -----	500,000	500,000	\$300,000
1959-60 -----	802,000	802,000	302,000
1960-61 -----	1,002,000	1,002,000	200,000
1961-62 -----	1,107,000	1,107,000	105,000
1962-63† -----	1,283,000	---	176,000

Total 1957-58—1961-62 ----- \$3,611,000

* Each annual allocation is available for allocation, reallocation, and expenditure for three years.

† Proposed.

The funds approved for this program have been used primarily for two purposes. First, the support of specific projects and, second, the creation of eight full-time research teams that are assigned to state hospitals. In addition to carrying on state-supported research studies, these teams also conduct federally-financed projects.

General Summary

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Department of Mental Hygiene—Continued

The following table summarizes the total research expenditures in these areas since 1956-57.

Department of Mental Hygiene Total Research Expenditures
1956-57—1961-62

<i>Fiscal year</i>	<i>Neuropsychiatric institutes *</i>	<i>Federal money received</i>	<i>Research Funds approved by Legislature †</i>	<i>Total</i>
1956-57 -----	\$455,490	\$45,576	—	\$501,066
1957-58 -----	577,704	376,621	\$200,000	1,154,325
1958-59 -----	632,808	450,755	500,000	1,583,563
1959-60 -----	713,547	557,551	802,000	2,073,098
1960-61 -----	1,061,632	684,253	1,002,000	2,747,885
1961-62 -----	1,827,778	‡ 688,887	1,107,000	3,623,665
Total -----	\$5,268,959	\$2,803,643	\$3,611,000	\$11,683,602

* This represents one-third of the support budget of both institutes as of September 30, 1961.

† Each annual allocation is available for allocation, reallocation and expenditure for three years.

‡ As of September 30, 1961.

In addition, the agency had pending federal applications totaling \$2,783,260 in November of this year, for which approval is anticipated. Furthermore, there were other applications totaling \$788,566 awaiting submission.

Our evaluation of the department's over-all research program indicates that there are several problem areas in which corrective measures should be taken.

1. *Negligible dissemination of research results.* There has been a failure on the agency's part to distribute research results. We believe that one of the essential requisites of a soundly administered research program of this kind is a continual dissemination of results. In 1960-61, the Department of Mental Hygiene was authorized \$30,000 to establish a research journal and disseminate research results throughout the agency. This appropriation was authorized for continuation again last year. However, as of December, 1961, this journal had not yet become operational. As a result, there is a backlog of research manuscripts and findings that have never been distributed. The department has indicated that it is currently in the process of attempting to set up the research publication and dissemination section. Until this is fully accomplished, it will be difficult for the agency to effect the distribution of information that is essential for an efficiently administered research program. Without the dissemination of research information the program has not reflected practical application of its research findings.

2. *Questionable Use of Federal Indirect Cost Funds.* We recommend that the Department of Mental Hygiene's 1962-63 allocation for operating expenses be reduced by the amount of federal indirect cost funds received during the course of the 1962-63 fiscal year. Based upon the average pattern of the past two fiscal years' experience this could result in savings totaling approximately \$84,000 in 1962-63.

Furthermore, we recommend that this policy be immediately applied for the remainder of the current fiscal year.

When applying for federal research funds, the agency is permitted to add an additional 15 percent above the requested direct cost moneys

Department of Mental Hygiene—Continued

necessary to conduct a project. This additional 15 percent is to cover indirect costs, i.e., the administrative expenses involved in conducting the project. In contrast to the detailed accounting figures that must be submitted to justify a project's direct costs, the indirect cost figure is a blanket request for which no itemized accounting is required. However, it is assumed that the money allocated for these indirect costs will be used to cover such expenses. Nevertheless, it is the department's policy to absorb these indirect cost expenses with the state funds allocated by the Legislature to cover the agency's normal operating expenses. This additional money (currently amounting to 15 percent of a project's proposed cost) is invariably turned over to the project's principal investigator for use in additional direct support of the study. The following table indicates the federal moneys appropriated for indirect cost support that have, instead, been diverted in order to enable a project to operate at a level higher than originally approved.

Federal Indirect Cost Appropriations Used to Augment Research Projects

<i>Fiscal year</i>	<i>Amount added</i>
1956-57 -----	\$1,160
1957-58 -----	39,340
1958-59 -----	50,472
1959-60 -----	66,705
1960-61 -----	85,247
1961-62 * -----	83,623
Total 1956-57—1961-62 -----	\$326,547

* As of December 1, 1961.

The above table shows that since 1956-57 the Department of Mental Hygiene has received \$326,547 from the Federal Government to cover the administrative costs of federally-financed research projects. Instead of using these funds for that purpose, the agency has instead elected to augment these projects by the amount of indirect cost funds received. It appears that this diversion of indirect cost appropriations is not consistent with the understanding or basis on which these moneys were allocated.

3. *Lack of Central Direction and Control.* On page 384, line 38, of the 1962-63 budget, the following statement is made:

"A research team at each of the hospitals is the ultimate goal with eight teams having been formed thus far. All research teams carry out their own research projects in the hospital. . . ."

This scattering of small research teams would appear to make it more difficult for the department to exercise the leadership and controls that are necessary in a well administered program. It would seem more appropriate to delete some of the existing research positions and consolidate the remaining personnel.

As the situation now exists, each research team is practically an autonomous unit and able to determine the type of research it will conduct. It is true that central office screens project requests. However, based upon a perusal of some of the research reports, this screening process could apparently stand improvement in setting more definitive lines to control the avenues and kinds of projects that would qualify

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for approval. It would seem more realistic if central office were to assume greater responsibility and enumerate particular areas of research on a priority basis. The establishment of specific agency-wide research objectives would undoubtedly improve over-all program efficiency. Concurrent consolidation of the presently scattered personnel would aid in effecting the co-ordination and direction that is essential to any well organized program.

It also appears that there should be a centralization of data processing equipment. At the present time, this equipment, which is essential in any large-scale research program, is dispersed throughout the agency. It would be both more efficient and less expensive if all data processing for the research program were accomplished at a central location.

Cohort Study

In the 1961-62 Analysis, pages 461-473, we reviewed in detail the department's Cohort Study. Briefly, the cohort study follows groups of patients through time, and enables one to compare directly the patterns of movement (admission, discharge, readmission, etc.) which one cohort exhibits against the patterns exhibited by other cohorts. We pointed out that such data is an especially valuable aid to the medical research program in identifying research problems and in aiding in their solution.

Information developed through an appropriate cohort analysis can also be utilized in determining the adequacy of staffing requirements. In this way, it can contribute toward a more effective allocation of funds for specific kinds of treatment staff and assist in making a more realistic determination of the actual numbers of positions required for optimum results.

We recommend that every effort be made to secure maximum information and benefit from the cohort study.

If additional personnel are necessary to accomplish this, then the agency should make known its needs. This would not necessarily entail added expenditures, since there is ample evidence that other presently available research funds could be redirected into more profitable and productive avenues. The cohort study should receive the benefit of any added impetus that will produce earlier and more complete evaluations.

On the basis of information made available from this research study last year, we indicated that the department was to be commended. During the past year, the agency has said that this study is one of their most important projects. Referring to the data we analyzed last year, the department stated in a recent report dated December 28, 1961, that "Data of this conclusive nature regarding the effectiveness of the department's treatment programs had never previously been available to the department or the Legislature." We feel that this statement by the agency clearly points up the importance of this study to both the Legislature and the department.

However, very little additional progress has been made on the cohort study since our last Analysis. We have been informed that the factors

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contributing to this delay have recently been reconciled and it is expected that progress will resume in the coming fiscal year. Accordingly, the department has enumerated for us specific objectives that will be accomplished by the cohort project in the near future. Some of these are:

1. The basic cohort data will be updated to June 30, 1960, by March 1962, and to June 30, 1961, by May 1962.
2. During the last six months of 1962, the data will be updated through June 30, 1962.

During the period July 1962-June 1963, the department states that the following special studies will be conducted, based on the 1958-1961 data:

1. An analysis of readmission rates with reference particularly to the relationship between length of time from discharge to readmission, frequency of readmission, and total net days of hospitalization over a fixed period.
2. A comparable analysis of leave placements and returns from leave.
3. The determination and analysis of trends in hospital rates and release rates for homogeneous cohorts of first admissions.
4. The determination and analysis of the relationship between admission rate and likelihood of release, with reference especially to admissions from Los Angeles (very low) and San Francisco (very high).
5. The extension of our 1948-1957 data on likelihood of release through 1961, as a primary measure of departmental effectiveness.

In addition to the aforementioned studies, the agency indicates that other investigations will concurrently be conducted as the cohort study is brought up to date.

It is our opinion that the cohort study represents research that will have a direct effect on many areas of the department's treatment program. It affords the opportunity to measure hospital performances both on an overall year-to-year basis and in virtually all treatment areas. Such information will enable the department to pinpoint both effective and ineffective program areas. This knowledge should permit the agency to allocate its resources in a more efficient manner than now possible.

In regard to the total research program, it appears that if the agency is able to resume progress with the cohort study and bring it up to date in the next year, definite benefits will result. Updated cohort data should place the department in a much better position to determine specific program areas where research monies could best be concentrated. At any rate, we feel that the agency should be directed to give this study its full support in order to assure the accomplishment of stated objectives.

Conclusion

In prior years, this office has generally recommended approval of all state-supported mental hygiene research requests. However, in view of the deficiencies that have developed in the agency's overall research

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program, it is more appropriate that certain corrective measures be initiated. Until the major deficiencies of the total program are remedied, it would seem advisable to reduce the agency's current request for state funds.

The following table presents the 1962-63 proposed allocation detail, along with our recommended reduction, for the research program:

8 Hospital research teams.....	\$371,956
Departmental research unit.....	68,948
Research journal	30,000
Funds carried over from prior year.....	300,837
Funds available to initiate new research projects.....	636,096
 Total proposed allocation, 1962-63.....	 \$1,407,837
Recommended reduction	400,000
 Net funds available.....	 \$1,007,837

The above table indicates that the 1962-63 research request for \$1,107,000 will be increased by an additional \$300,833, which is estimated to be carried over from the prior year.

Thus, our recommended reduction of \$400,000 would still leave the agency over one million dollars with which to continue the research program. This amount would be more than enough to permit the research program to both continue at a satisfactory level and initiate new state-supported projects.

The following table indicates the state research monies which, according to the 1962-63 Budget, have been carried over from prior years for each fiscal year since 1959-60:

Unexpended Research Moneys Carried Over From Prior Fiscal Years	
<i>Fiscal year</i>	<i>Unexpended funds carried over</i>
1959-60.....	\$491,748
1960-61.....	664,765
1961-62.....	786,016
1962-63.....	300,837

A cut-back in all but the most essential state-supported research activities will enable the department to conduct the extensive re-evaluation of its research program that is so desirable at this time. It will permit the agency to effect the corrective measures that are now so urgently necessary to ensure a more effective use of research funds in future years.

We would like to emphasize that our recommended reduction of \$400,000 only reduces *one* source of agency research funds. As a matter of fact, the total 1962-63 research program would still have more funds for expenditure than were available during the 1961-62 fiscal year. The reason for this is that the increases in neuropsychiatric institute and federal government research moneys will more than offset our recommended reduction of only \$400,000.

Day Treatment

We recommend that the proposed 1962-63 operating expense budget for the department's hospitals for the mentally ill be reduced by \$47,919.

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The 1960 Legislature appropriated \$150,000 to the Department of Mental Hygiene to establish a pilot day treatment center. The agency agreed that it would conduct a thorough evaluation of this pilot facility, measuring the efficacy of treatment and costs of operation, and submit a report to the 1961 Legislature.

The department selected San Diego as the site for its experimental day treatment center. However, there were many delays and the San Diego Center did not admit its first patient until December 1, 1960. As a result, the agency was unable to provide the 1961 Legislature with the comprehensive report that had been expected. Nevertheless, the Department of Mental Hygiene requested two additional day treatment centers for the 1961-62 fiscal year. Because the San Diego pilot day treatment center had not been operational long enough to demonstrate program results, the Legislature reduced the agency's request of \$300,000 for support of two additional centers to \$150,000 to provide for only six months operation in the 1961-62 fiscal year, with the further provision detailed in the final report of legislative changes as follows:

"None of the funds provided for the support of additional day treatment centers shall be available for expenditure unless a complete report indicating the effectiveness of the San Diego Day Treatment Center is submitted, by the Department of Mental Hygiene, to the Joint Legislative Budget Committee on or before December 1, 1961."

The 1961-62 Budget also continued the San Diego Center at the same level of operation as provided for in the 1960 Act.

On November 14, 1961, the Department of Mental Hygiene presented its report to the Joint Legislative Budget Committee. While the data in this report indicated that day treatment should be continued on a pilot basis in San Diego, it did not, in our opinion, appear conclusive enough to warrant further program expansion during the coming year. However, the funds were released by the Department of Finance to the Department of Mental Hygiene in January 1962.

In comparing day treatment with hospital care, the agency used 43 patients who were admitted to the San Diego Center from December 1, 1960, through April 30, 1961, and matched each of these patients with one to four hospital patients who were institutionalized during the same period. Thus, there were a total of 43 matched groups (each group consisting of one day treatment patient and one to four hospital patients). The careers of these two groups of patients were followed until August 31, 1961, the cut-off date for the study. Although the department felt that its early findings demonstrated the superiority of day treatment over hospitalization, we felt that further study was required before day treatment expansion was authorized. Some of our reasons were:

1. The sample size consisting of only 43 day treatment patients seemed much too small to fully support the agency's conclusions and to justify major program decisions.
2. The period under study (December 1, 1960, to August 31, 1961) was far too short to fully develop comparisons which would sup-

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port long-run program conclusions. This point indicated to our office the need for continuing the San Diego Center on a pilot basis.

3. All day treatment patients are voluntary. However, of the hospital patients selected to be matched with the 43-day treatment patients, the majority were court commitments. A voluntary commitment is probably more amenable to treatment than the patient who is committed by a court. The fact that a mentally ill individual volunteers for treatment would seem to indicate both a knowledge of sickness and a desire for recovery. Most professional people would undoubtedly agree that this desire to help oneself in the event of mental illness is highly important in effecting the quickest possible cure. Therefore, it is quite likely that the court-committed hospital patient is often quite different from the voluntary day treatment patient.

As far as treatment efficacy is concerned, the agency's day care report evaluated little more than half the problem. Due to San Diego's limited operational experience, the department was unable to compile any readmission statistics. The problem of the continual annual increase in readmissions to the state hospitals has become an area of concern and any comparison between hospital treatment and alternative care must consider this readmission factor. The department will not have prepared a complete and valid evaluation of day treatment until it is able to present the figures necessary to establish the day treatment readmission rate, coupled with a comparison of the number of days treated until final cure, or in the event of no final cure, the number of days not under treatment.

It should be mentioned that, in addition to the San Diego Center, the Department of Mental Hygiene is currently operating day treatment facilities at some of the state hospitals. Camarillo, Metropolitan and Napa have day treatment centers whose total caseload exceeds that at the San Diego facility. The personnel used to staff these hospital day treatment centers were originally requested by the agency to fill positions for other programs. The Legislature approved these positions with the understanding that they would perform the duties for which they were requested. It should be pointed out that the San Diego pilot facility is the only currently operating day treatment center authorized by the Legislature.

As far as we know, the department has not subjected its hospital day treatment centers to any extensive evaluative examination, such as is being attempted at San Diego. Ostensibly, the San Diego Day Center was the agency's pilot facility and any program expansion was to be justified on its experience. The centers currently operating at Metropolitan and Napa both have larger physical facilities than does the San Diego Center and, to date, Metropolitan alone has admitted more patients than San Diego, which was authorized by the Legislature on a *pilot* basis. This appears to be contrary to legislative intent.

In April 1961, the Department of Mental Hygiene stated that one of the reasons day treatment centers were necessary for the mentally ill

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was because "... it is inevitable that hospital beds will have to be constructed to meet the increasing demand. To the extent that these can be delayed by providing alternatives to hospitalization, the State will benefit through vast financial savings." The agency's current projections of mentally ill hospital population for the next five years would seem to contradict this statement. The following table points up this fact:

Population Data—Hospitals for the Mentally Ill
Last Wednesday of Fiscal Year—1958-1965

Year	Resident population	Rated capacity *
1958	36,421	33,700
1959	36,771	34,577
1960	36,084	36,498
1961	35,381	36,393
1962†	35,500	36,138
1963†	35,500	35,817
1964†	35,700	35,899
1965†	35,900	35,590

* Rated capacity is based on one bed per 50, 60, or 70 square feet, depending upon ward classification. In practice, the number of hospital beds set up for usage exceeds this rated capacity figure.

† Estimated.

The above table shows that in 1958 the hospitals for the mentally ill had a resident population of 36,421. The department's current projection for 1965 places the resident population at 35,900, a decrease over the seven-year period of 521 patients. Furthermore, the department has been able to increase bed space through improved administrative procedures, as indicated by the following statement contained in an agency report dated October 16, 1961, and titled "A Decade of Progress":

"Our objective was 'More Beds and Less Paper and Better Treatment for the Patient'; results of this have been pointed out in our report to the Governor, September 1960. The Camarillo Hospital administration estimates that the new procedure has freed 350 beds which can now be used for research or for treatment of patients."

At any rate, it is obvious that the State appears in little danger of having to build additional beds for the mentally ill within the next 5-10 years, as indicated by both agency experience and forecasts. The fact that the agency plans to *reduce* the rated capacity of hospital beds available by 309 for the mentally ill during 1964-65 further substantiates this.

The possibility of incorporating the department's proposed day treatment program into Short-Doyle should be thoroughly explored by the agency. The basic philosophy of Short-Doyle and day treatment are identical, i.e., treatment of the patient in his community, except that the agency's day treatment centers are fully state-supported while Short-Doyle is jointly supported. San Mateo has already incorporated day treatment into its Short-Doyle program and the San Francisco Short-Doyle facility is currently operating a day care program on a contract basis with a private group. Los Angeles has plans for a day center in its Short-Doyle plan which are contingent upon approval of federal funds.

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It appears that several counties are aware of their responsibilities in this area. A completely state-financed day treatment program might very well have the effect of curtailing any further expansion of day treatment within the Short-Doyle program. The Department of Mental Hygiene has asserted that there is a public demand for the type of services provided by day treatment facilities. It would seem that this public interest should manifest itself in the form of financial support from the interested communities. Short-Doyle was created for this specific purpose and should be used accordingly.

We recommend that the proposed 1962-63 operating expense budget for the hospitals for the mentally ill be reduced by \$47,919, based on the contemplated expansion of the day treatment centers.

The Department of Mental Hygiene has stated that, without exception, patients admitted into the agency's day treatment program have only one other alternative, i.e., institutionalization at a state hospital for the mentally ill. However, the estimated 1962-63 average daily population of 35,500 for these hospitals has not been adjusted downward to reflect the fact that some patients, who would otherwise have been admitted to state hospitals, will instead be cared for in day treatment centers. In other words, the estimated 1962-63 average daily hospital population of 35,500 for the hospital for the mentally ill should be reduced by the estimated average daily population of the three-day treatment centers, i.e., San Diego, Los Angeles, and San Francisco.

On page 398, line 25, of the 1962-63 Budget, the statement is made that during the 1962-63 fiscal year, the San Diego Day Treatment Center will have "... an average daily attendance capacity of 60 patients." In reference to the Los Angeles and San Francisco centers, the budget says that "It is expected, however, that the performance of these centers will parallel that of the San Diego Center." Based on the experience at San Diego, we compute an average daily population of 48.6 patients for each of the two new day treatment centers during 1962-63. The following table summarizes these population figures:

Average Estimated Daily Population—1962-63	
San Diego Day Treatment Center.....	60
Los Angeles Day Treatment Center	48.6
San Francisco Day Treatment Center.....	48.6
Total	157.2

Thus, the 1962-63 average daily population at the hospitals for the mentally ill will be 157.2 patients less than the currently estimated 35,500.

Inasmuch as the proposed hospital support budgets for 1962-63 are computed on the basis of estimated population, it now becomes necessary to reduce these proposed expenditures by an amount that is equivalent to what would be expended for these estimated 157.2 patients who will, instead, be cared for in day treatment.

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There are certain costs that are directly affected by even small population changes. These costs are in the area of operating expenses, i.e., food, drugs, clothing, laundry, etc. Even small changes in patient population will generally directly affect these kinds of costs.

In order to shade costs in favor of the agency, we selected Camarillo State Hospital, whose proposed per capita cost of \$2,344 is the lowest of any state hospital. The following table presents the proposed 1962-63 per capita operating costs that will be directly affected by any changes in estimated population.

**Camarillo State Hospital—Proposed 1962-63 Per Capita Operating Expenses
Based on Estimated 1962-63 Average Daily Populations of 6,100**

<i>Operating expense</i>	<i>Proposed expenditure 1962-63</i>	<i>Per capita cost</i>
Feeding -----	\$1,217,066	\$199.52
Clothing -----	170,117	27.89
Laundry -----	18,300	3.00
Housekeeping -----	115,900	19.00
Medical care -----	235,725	38.64
Nursing and personal care -----	36,295	5.95
Rehabilitation therapy and education -----	30,060	4.92
Burials and cremations -----	6,500	1.07
Leave and discharge allowances -----	14,500	2.38
Cancer treatment supplies -----	15,000	2.46
Total -----	\$1,859,463	\$304.83

It is realistic to assume that any decrease in the 1962-63 hospital population will result in a *minimum* identifiable reduced average expenditure of \$304.83 per patient. We would like to point out that this \$304.83 does not include any of the additional operating expense funds which are being requested by the agency for 1962-63. Legislative approval of these moneys will commensurately increase the aforementioned costs.

Inasmuch as the department has failed to reduce the previously cited identifiable expenditures by an amount equivalent to that which would be expended for the 157.2 patients if confined in a hospital, but who will now be cared for in day treatment, we feel that the budget should be adjusted downward in the amount of \$47,919 to reflect the agency's overstated operating costs. The revision is based upon a per capita annual saving of \$304.83 times the patient load of 157.2 average daily day treatment population for one year.

SUMMARY OF PROPOSED PROGRAM AUGMENTATIONS

The Department of Mental Hygiene's 1962-63 Budget request contains proposed program augmentations totaling \$1,326,448. The following table indicates how this augmentation would be allocated within the agency.

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Allocations of Increased Cost by Facility, Function and Object Category—1962-63

<i>Departmental unit</i>	<i>Number of positions</i>	<i>Salaries and wages</i>	<i>Operating expense</i>	<i>Equipment</i>	<i>Other current expense</i>	<i>Total</i>
Outpatient clinics	4	\$28,481	\$5,900	\$2,000	---	\$36,381
Departmental administration	16	89,286	68,600	5,460	---	163,296
Agnews	6	14,683	37,094	350	---	52,127
Atascadero	3	2,130	12,257	---	---	10,127
Camarillo	4	13,238	55,984	350	---	69,572
DeWitt	8	63,670	23,934	3,353	---	90,957
Mendocino	4	13,340	20,369	350	---	34,059
Metropolitan	1	11,362	48,459	350	---	60,171
Modesto	---	---	21,308	---	---	21,308
Napa	9	75,032	47,517	3,703	---	126,252
Patton	7	15,393	63,243	350	---	78,986
Stockton	1	11,362	33,899	350	---	45,611
Fairview	12	39,152	22,956	---	---	62,108
Pacific	4	21,144	37,357	350	---	58,851
Porterville	5	21,345	29,029	---	---	50,374
Sonoma	1	11,362	43,150	350	---	---
Other current expense	---	---	---	---	\$276,000 *	276,000
Total	79	\$426,620	\$571,056	\$17,316	\$276,000	\$1,290,992
State employees' retirement	---	---	---	---	---	30,716
State employees' health and welfare	---	---	---	---	---	4,740
Total expenditures	---	---	---	---	---	\$1,326,448

* Breakdown:

1. Posthospital services \$138,000.
2. Special services for mentally retarded \$133,000.

These proposed program augmentations are itemized under the following five separate section headings:

	<i>Increased amount requested</i>	<i>Budget Page</i>	<i>Line</i>
I. Administrative Strengthening	\$22,608	387	35
II. Training	194,186	387	35
III. Posthospital Services	380,338	388	56
IV. Hospital Services	325,000	389	11
V. Special Services for Mentally Retarded	394,360	389	59
Total	\$1,316,492	---	---
Estimated salary savings	25,500	---	---
State employees' retirement	30,716	---	---
State employees' health and welfare	4,740	---	---
Total expenditures	\$1,326,448	---	---

Program elements contained in each of the several sections involve, to a varying extent, proposed positions and expenses to be located in different hospitals, headquarters, outpatient clinics, or communities. Whenever possible, the location of specific positions, and the program unit within which it is located, is indicated in the Analysis relative to that request. However, the proposed program augmentations are approached essentially as five different functional package proposals

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which cut through the various organizational lines of the department. Our analysis and recommendations relative to the major program proposals, requested new positions and other expenditures follow the form of the proposed program augmentation as outlined under these five sections.

I. Administrative Strengthening

A total of \$22,608 is requested for strengthening administrative services in departmental headquarters. The request is composed of two positions plus related expenses as outlined below (Budget page 387, lines 39-46):

* 1 Chief of children's services -----	\$16,056
* 1 Senior stenographer -----	4,512
† 1 Intermediate clerk -----	(4,194)
Operating expense -----	1,200
Equipment -----	840
2 Positions, plus expense and equipment -----	\$22,608

* Recommended for deletion.

† Supported by federal grant that is not included in overall budget totals.

1 Chief of children's services (budget page 387, line 51) -----	\$16,056
1 Senior stenographer (budget page 387, line 52) -----	4,626
Operating expense and equipment (budget page 387, lines 43 and 44) -----	2,040

The agency is requesting a chief of children's services to "serve to integrate and co-ordinate all services for children and adolescents including inpatient, outpatient, day hospital, after care and research activities." The department also indicates that this position would ensure collaboration of its activities relating to those juveniles under 18 years of age with the programs of other state agencies and private agencies and for other medical or social groups that are concerned with children and youth problems.

Last year the Legislature approved the agency's request for two similar positions, i.e., assistant superintendents, children's services, which were assigned to Camarillo and Napa. At that time, an agency representative stated that these positions were essential and the only way by which qualified personnel in this field could be obtained was through recruitment outside the department. It was emphasized that the agency did not have personnel who qualified for these positions. However, the department has, as yet, been unable to fill these positions on a full time basis. It is our understanding that one of the positions will be filled in the near future by upgrading a current departmental employee. We should point out that it was clearly stated by the agency that legislative approval of these positions would assist in the recruitment of non-departmental men who were nationally recognized as experienced child psychiatrists. The other such position approved by the 1961 Legislature is presently filled on a temporary, half-time basis, and the department is currently attempting to recruit a full-time employee.

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We indicated last year our reservations concerning the agency's ability to fill these positions. Therefore, it would appear unwise to create another unfilled position in this difficult recruitment classification. Furthermore, we have not received any detailed justification warranting this newly requested chief of children's services position. If, in the future, such justification presents itself, we would suggest that the agency transfer one of the currently vacant child psychiatrist positions to the departmental headquarters, and then attempt recruitment.

We, therefore, recommend that the positions of Chief of Children's Services and senior stenographer be disallowed, a savings in salaries and wages, equipment and operating expenses of \$22,608 (budget page 387, lines 51-52).

1 Intermediate clerk (budget page 387, line 67)----- \$4,194

This position is part of the agency's information program that has been financed by federal grant-in-aid funds since December 1955. The position was administratively authorized during 1960-61 and the department is now requesting legislative approval. While not opposing the support of this position with federal funds, we believe the Legislature should indicate that its authorization for continued federal support should not be construed as future approval for state financing.

It is only with this understanding that we recommend continued federal support for the position.

II. Training

The following positions and other items are requested for the department's training program. (Budget page 387, lines 39-44.)

* 12 Psychiatric residents -----	\$8,520
9 Career residents -----	108,000
2 Scholarships and internships -----	74,516
3 Training center for community psychiatry † -----	(67,500)
Equipment -----	3,150
26 Positions, plus equipment -----	\$194,186

* Recommended for deletion.

† Supported by federal grant that is not included in overall budget totals.

12 Psychiatric resident II (effective June 1, 1962) (budget page 387, line 53)----- \$8,520

Full year costs for these positions would total \$104,112 or \$8,676 per position. The department indicates that the positions should be established in June, 1962, for recruitment this summer and fall, as it is necessary to receive a commitment almost a year in advance.

Last year the agency requested 24 psychiatric resident II positions. At that time, we recommended approval. However, we expressed certain reservations with respect to the department's policy of scattering its psychiatric training programs among many institutions. We felt that this was an inefficient approach and suggested that it would be more effective to conduct training in larger programs at one or two of the major hospitals. This suggestion was not adopted by the department.

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As a result, the agency has found itself in the position where it is now forced to curtail the psychiatric residency programs at two of the more inaccessible hospitals, i.e., Atascadero and Porterville. Furthermore, the department is planning to discontinue three psychiatric resident positions at Atascadero and two at Porterville because of the inability to recruit the necessary personnel and receive program accreditation. It is apparent that the agency is encountering difficulties in filling the resident positions previously authorized. At the present time, there are 36 unfilled positions in this program. The agency says that some of these positions are tentatively committed for recruitment this summer. However, it should be pointed out that a denial of this request for 12 additional psychiatric resident positions could in no way adversely affect the program. Such action would only serve to reduce the current number of unfilled positions, as it is highly improbable that the department will be able to fill the existing vacancies during the coming fiscal year.

Accordingly, we recommend that these 12 psychiatric resident II positions be disallowed, reducing salaries and wages \$8,520 (budget page 387, line 53).

9 Career psychiatric resident positions (budget page 387, line 68) ----- \$108,000

Last year the Legislature authorized the Department of Mental Hygiene to initiate a career psychiatric residency program of training physicians who were employed in state hospitals, but had no previous training in psychiatry. Nine positions were approved for this three-year program. The department now states that an additional nine positions will be needed in both 1962-63 and 1963-64 to permit a normal development of the program.

Career resident positions are classified as physician and surgeon II and recruited from three job categories at the state hospitals, i.e., physician and surgeon I, physician and surgeon II, and staff psychiatrist (A range). When a hospital employee is accepted into this career residency program, his former position is vacated and he is transferred into the physician and surgeon II position which is authorized for the program.

We would like to point out that the classifications from which career residents are recruited have excessively high vacancy rates. Furthermore, each time a doctor is accepted into the training program, his former position must be vacated and the vacancy factor for this classification is commensurately increased. Even more alarming is the fact that the gross number of vacancies in the classifications from which career residents are recruited has increased by more than 30 percent since the program was initiated last year. The following table illustrates this fact:

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Number of Vacant Physician Positions *

Month	1960	1961
	Number vacant	Number vacant
January	46.4	51.1
February	39.0	40.2
March	37.1	38.9
April	39.3	41.6
May	46.1	44.6
June	47.4	53.4
July	38.2	53.0
August	44.1	68.2
September	39.7	69.4
October	40.8	64.6
November	37.4	63.7
December	40.2	57.5
Average monthly vacancy	41.3 positions	53.9 positions
Percent increase over prior year		30.5 percent

* Positions not filled in authorized classifications of physician and surgeon I, physician and surgeon II, and staff psychiatrist.

If the Legislature authorizes nine more career residency positions, the net result will most likely be another increase in the number of vacancies in the physician classifications from which the training program draws. However, there is a way in which the Legislature can permit this program to continue and, at the same time, reduce the aforementioned vacancy factor which would otherwise increase as additional career residents are authorized and accepted into the program.

The logical solution is to delete the position which is vacated when a physician enters the career psychiatric resident program. Such action would permit the agency to finance new career resident positions from classifications having excessive vacancy rates.

On this basis, and this basis only, we recommend the approval of nine career psychiatric resident positions and a concomitant deletion of 18 professional positions in the classifications from which these career residents are, and have been, drawn; a savings in salaries and wages of \$215,568 (budget page 387, line 68).

Based on 1961 experience, this will still leave the agency with a probable average vacancy factor of 36 positions which they will undoubtedly find difficult to maintain in a filled basis.

2 Supervising psychiatric social worker I (budget page 388, line 10)	\$14,016
Social work scholarships (10) (budget page 388, line 12)	35,000
Psychology scholarships (6) (budget page 388, line 13)	21,000
Physical therapy scholarships (3) (budget page 388, line 14)	4,500

2 Positions and scholarships ----- \$74,516

According to the agency, these positions and funds are "... to provide an important addition to our program for recruitment of social work, clinical psychology and physical therapy staff. In each of these professions, great difficulty exists in recruiting full staffs, particularly in our hospitals, and relatively high numbers of vacancies have persisted for several years, reducing the effectiveness of planned and

Department of Mental Hygiene—Continued

approved treatment programs. Available recruitment measures are not adequate to meet the entire problem, and need to be supplemented by the means proposed."

We concur with the department that its high vacancy rates in the aforementioned classifications present many serious problems. This proposed scholarship program, which is aimed at improving recruitment possibilities, appears to possess enough merit to initiate it on a trial basis. But it should be emphasized that any future increases in the program must be supported by actual results, and not on stated eventualities. Inasmuch as this program is aimed at reducing vacancies, it is expected that the program itself will at least be successful in the area of filling its proposed scholarships.

We recommend approval of this new program on a pilot basis.

We further recommend that the department be directed to provide the Legislature with a progress report of the program next year.

1 Director (budget page 388, line 31)-----	\$20,488
1 Assistant director (budget page 388, line 32)-----	13,860
1 Senior stenographer (budget page 388, line 33)-----	5,299
Training consultant (30) (budget page 388, line 36)-----	13,200
Operating expenses (budget page 388, line 37)-----	9,500
Equipment (budget page 388, line 38)-----	500
Retirement (budget page 388, line 39)-----	4,723

3 Positions, plus consulting fees, expenses and equipment---- \$67,500

The above items constitute annual support costs of the Berkeley Training Center for Community Psychiatry. The program is fully financed from federal grant-in-aid funds and was temporarily authorized in 1960-61 and 1961-62.

This proposal is being submitted by the Department of Mental Hygiene for the purpose of obtaining legislative approval to continue the program under federal financing.

We recommend that this program be continued under federal financing.

III. Post-Hospital Services

A total of \$380,338 is requested to expand services in this area. The proposal is outlined as follows: (budget page 388, lines 60-69).

* 4 positions for addition to the staff of the Chico State Mental Hygiene Clinic as follows:

1 Staff psychiatrist -----	\$13,200
2 Senior psychiatric social worker -----	12,720
1 Intermediate stenographer -----	4,194

4 Total, salaries and wages -----	\$30,114
Operating expenses -----	5,900
Equipment -----	2,000

\$38,014

* Recommended for deletion.

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Department of Mental Hygiene—Continued

III. Post-Hospital Services—Continued

* 16 positions for 2 after-care facilities (one at Napa, the other at DeWitt) as follows:

2 Senior psychiatrist	\$28,800
4 Staff psychiatrist	52,800
2 Clerical psychologist II	15,456
2 Senior psychiatric social worker	12,720
6 Intermediate stenographer-clerk	25,164

16 Total, salaries and wages	\$134,940
Operating expense	2,000
Equipment	6,706

		\$143,646
Additional family care home placement	-	138,000
Additional family care leave allowances	-	5,400

* 4 positions and related expenses for additional family care placements as follows:

3 Senior psychiatric social worker	\$15,900
1 Intermediate stenographer	4,194

4 Total, salaries and wages	\$20,094
Operating expense	2,400
Equipment	1,540

Increased special drugs for leave patients	-	\$24,034
		31,244

24 positions, plus expenses and equipment	-	\$380,338
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* Recommended for deletion.

1 Staff psychiatrist (budget page 388, line 73)	\$13,200
2 Senior psychiatric social worker (budget page 388, line 74)	12,720
1 Intermediate stenographer (budget page 388, line 75)	4,194
Expenses and equipment (budget page 388, lines 78-79)	7,900

4 Positions, plus expenses and equipment	\$38,014
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The agency is requesting that additional staff be added to the State Outpatient Mental Hygiene Clinic in Chico.

We recommend that this request for additional staff be denied; a savings in salaries and wages, operating expense and equipment of \$38,014 (budget page 388, lines 73-80).

The department states that the purpose of this proposed team would be "... to provide an emergency psychiatric intervention service available on a 24-hour basis."

Further expansion of the state-supported outpatient clinic program should not be permitted until the Legislature has made a policy determination concerning this area of community services. We have discussed this policy matter on page 387 of our Analysis and recommended that the state-supported outpatient clinics be incorporated into the Short-Doyle program.

Inasmuch as the agency indicates that the primary reason for this increased level of service is to alleviate a community problem, we would point out that the Short-Doyle program was created for this specific purpose. Approval of these positions would appear to be a direct repudiation of Short-Doyle's stated purpose. This request merely emphasizes the current conflicts and duplications of functions that have

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evolved because of the department's reluctance and/or inability to establish a uniform policy in the area of community services. Since the agency appears unable to reconcile this situation, we have recommended that the Legislature make the necessary policy determination that will result in a uniform approach to community-oriented mental health services.

Proposed after-care facilities for DeWitt and Napa (budget page 388, line 5)----- \$143,646

This request is designed to bring the agency's authorized number of after-care facilities to 10. The after-care program provides a clinic type treatment primarily for former hospital patients who, it is claimed, might otherwise have to be returned to full-time hospital care.

The department is currently authorized after-care clinics at eight of its hospitals, and the ultimate goal appears to be the establishment of a clinic at each of the 14 institutions.

We recommend that the proposed after-care facilities for DeWitt and Napa be disallowed; a saving in salaries and wages, equipment and operating expenses of \$143,646 (budget page 388, line 5).

On page 438 of last year's Analysis, we made the following statement:

"The department, during the last few years, has indicated that a definitive evaluation would be prepared outlining in an objective manner the accomplishments of the after-care program as a guide for the Legislature in considering the expansion of the program. In spite of specific legislative requests for such material, the agency has not provided such an evaluation."

Despite this lack of supportive justification, the agency was successful in receiving authorization for two additional after-care facilities last year. Our position has not changed during the past year, i.e., any further expansion of this program should be predicated on the frequently requested, but never submitted, comprehensive after-care evaluation.

In reference to this evaluation, we have recently been informed that the study has just received authorization from the department. The evaluation is to begin on February 1, 1962 and will not be completed until 1964. The agency indicates that by March 1962 it hopes to have enough data to provide "... a preliminary estimate of the effectiveness of the Psychiatric After-care Program in the Department of Mental Hygiene." However, this statement was predicated on the study being initiated on November 1, 1961, not February 1, 1962. The department also states that the recently approved, but yet to start, study should "... arrive at an adequate and effective evaluation of the Psychiatric After-care Program." Inasmuch as this study will take over two years, further expansion of the after-care program at this time appears premature. Future enlargement of this program should be contingent upon the submission of an extensive and accurate evaluation of accomplishments within the structure of presently authorized facilities.

Department of Mental Hygiene—Continued

On page 388, line 21, of the 1962-63 Budget, the following statement is made in reference to after-care:

"As an adjunct to the regular hospital treatment program, a substantial number of patients can be placed in this program. They would then be able to receive the necessary psychiatric, medical, and other types of treatment during the day and return home at night. Such programs permit the utilization of existing bed space and facilities by patients who are in need of more intensive care and treatment rather than by those who can benefit from treatment at an after-care facility."

The second sentence in the above quoted statement would seem to imply that after-care is quite comparable to day treatment. As a matter of fact, Napa State Hospital is presently operating a day treatment center that has failed to receive legislative approval. In addition to a day treatment center, Napa also has had an ongoing after-care program for a considerable period of time. The 1961-62 Budget, as finally approved, specifically authorized an after-care facility for either Agnews or Napa, but not both. However, it appears that each hospital is currently operating an after-care clinic. If this is true, we suggest that the agency explain to the Legislature what authorization it has to conduct these programs at both institutions when the Legislature clearly stated that only one of the hospitals was to have such a facility during 1961-62.

The department also indicates that after-care programs will serve to free more beds, and thereby enable hospitals to utilize additional bed space. In view of the agency's current population projections and plans to decrease rated bed capacity in the future, we would question the importance of this factor. A more detailed explanation of this point is presented on page 403 of our Analysis.

*Additional family care home placements (budget page 388,
line 38) ----- \$138,000*

The State provides funds for the placement of patients in family care homes as a step toward their rehabilitation and return to society. Current estimates indicate that a total 200 additional mentally ill patients can be placed in this program by June 30, 1963. This represents an average increase of 100 fully financed cases over the estimated 1961-62 year-end number of 2,020. In order to finance this increase, it is necessary to augment available funds by \$138,000. This is based on an average of 100 cases financed for the full year at a rate of \$115 per month.

We recommend approval as budgeted

We are in accord with this program which should reduce hospital population. With respect to the latter point, we understand that this reduction to be expected in total hospital population for the mentally ill by this additional increase in family home care placements has not been taken into consideration in projecting hospital operating costs.

In line with our discussion of this point on page 403 of this Analysis, it is therefore appropriate that operating expenses for the department be reduced by \$30,483, as otherwise there will result a duplication in

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appropriations since these 100 patients obviously cannot be in both a hospital and under home care simultaneously.

We therefore recommend a reduction of \$30,483 in hospital operating expenses. This amount should be prorated among the various hospitals for the mentally ill in proportion to their contribution to the numbers placed in the family care program from such hospitals.

Additional family care leave allowances (budget page 388, line 55) ----- \$5,400

The aforementioned increase in family care home placements will necessitate an allowance in leave allowance funds. This request is based on standard allowances for the estimated increase in mentally ill family care cases.

We recommend approval as budgeted.

Additional social workers and related expenses for expanded family care services (budget page 388, line 73) ----- \$24,034

This request is composed of the following items:

3 Senior psychiatric social worker (2 effective July 1, 1962, and 1 effective January 1, 1963) -----	\$15,900
1 Intermediate stenographer -----	4,194
Operating expense -----	2,400
Equipment -----	1,540

4 positions, operating expense and equipment ----- \$24,034

The department claims that approval of the previously discussed additional family care home placement funds necessitates authorization for an increase in the personnel responsible for effecting these placements, i.e., three senior psychiatric social workers and one intermediate stenographer.

We recommend that this request be disallowed; a savings in salaries and wages, operating expenses and equipment of \$24,034.

It appears to us that this proposal represents an attempt by the agency to move simultaneously in opposite directions. On page 410 of our Analysis, we have recommended approval of the department's proposed scholarship and internship program. A primary objective of this program is to alleviate the current recruitment difficulties in the senior psychiatric social worker classification. On page 388, line 20 of the 1962-63 Budget, the following statement is made:

"Due to the difficulty in recruiting full staffs in each of these professions, high vacancies have persisted for a number of years, reducing the effectiveness of planned and authorized treatment programs."*

Thus, the Department of Mental Hygiene is unable to recruit a full staff of senior psychiatric social workers. Accordingly, it was our recommendation that the scholarship program be approved. However, requesting additional social workers at this time is a direct contradiction. It seems illogical to propose a program aimed at reducing an excessive vacancy factor in a particular category and concurrently ask

* Senior psychiatric social worker is one of these professions.

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Department of Mental Hygiene—Continued

necessary, as otherwise five additional teaching positions would be created with no increase in the agency's workload.

Therefore, we recommend the allowance of \$35,000 in operating expenses and collaterally that five elementary teaching positions be abolished from the department's budget, effecting a saving of \$35,000 in salaries and wages (budget page 389, line 42).

V. Special Services for Mentally Retarded

A total of \$394,360 is requested to provide additional special services for the mentally retarded. The proposal is outlined as follows (budget page 389, lines 63-79):

A. Inpatient Services

Increase in medical and hospital supplies -----	\$56,325	
Increase in special (tranquilizing) drugs -----	34,000	
Increase in miscellaneous feeding supplies -----	23,656	
Increase in rehabilitation supplies -----	8,275	
*22 Psychiatric technician -----	76,032	
Total, Inpatient Services -----		\$198,288

B. Outpatient Services

Increase in special (tranquilizing) drugs -----	\$5,256	
Additional family care home placements -----	138,000	
Additional family care leave allowances -----	5,400	
1 Supervising psychiatric social worker -----	7,008	
*5 Senior psychiatric social worker -----	24,440	
*2 Intermediate stenographer -----	8,388	
Operating expense -----	4,500	
Equipment -----	3,080	
Total, Outpatient Services -----		\$196,072

Grand Total, 30 positions, equipment and operating expense -----	\$394,360
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* Recommended for deletion.

Increase in medical supplies (budget page 389, line 5)----- \$56,325

This proposal is to increase the present medical and hospital supply allotment for the mentally retarded from the \$25 per patient per year to \$30 per year. A comparable request involving the mentally ill has already been discussed on page 415 of our Analysis. The primary difference between these two proposals is that the agency estimates an additional cost of \$5 per year to provide these same medical and hospital supplies for the mentally retarded. The reason for this \$5 difference is that the retarded more often have accompanying physical afflictions than do the mentally ill.

We recommend approval.

Increase in special (tranquilizing) drugs (budget page 389, line 15) ----- \$34,000

The department indicates that this request will enable it to increase, from 25 percent to 30 percent, the number of resident mentally retarded patients who are currently receiving tranquilizing drugs.

On page 415 of our Analysis, we have discussed a similar request that proposes the same percentage increase; the difference being that

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the former request affects the mentally ill whereas this one is for the mentally retarded.

In regard to the mentally ill, it was our recommendation that the request be held in abeyance until the agency is able to provide the Legislature with more recent research findings that would justify approval.

At the present time, we have not received any data warranting an increase in the tranquilizing drug funds provided for the mentally retarded hospital population. Generally, any increase in such monies should be related primarily to the efficacy of these drugs as a means of either increasing hospital release rates or reducing the cost of care. If these drugs do not contribute materially to either of these results, then there would appear to be little reason for increasing the tranquilizing drug allocation.

Increase in miscellaneous feeding supplies (budget page 389, line 25) ----- \$23,656

This proposal would increase the allotment for miscellaneous feeding supplies for the mentally retarded from \$5.40 per patient per year to \$7.50 per year.

The basic purpose of this increase in feeding supplies is to improve the sanitary conditions at the hospitals for the mentally retarded. The agency claims that a lack of funds prolongs the use of many feeding supply items beyond a normal, safe, replacement period and restricts the purchase of other items. As examples, the following deficiencies are cited.

1. Inability to provide paper napkins three times daily.
2. Cups cannot be destained as often as desirable.
3. Chipped dishes cannot be replaced.
4. Sufficient cleaning supplies are not available.

The agency indicates that the ultimate goal, based on present day cost factors, is a per patient feeding supply allotment of \$11.71. This goal is expected to be attained by yearly increments. In other words, this is the first increment and will be followed by similar requested increases in subsequent years.

We recommend approval of this request for the initial increment.

Increase in rehabilitation supplies (budget page 389, line 32) -- \$8,275

The last increase in the rehabilitation supplies allotment was in 1953-54. With this lapse in time and the change in economic purchasing power, the agency claims that the current allotment is no longer sufficient. This proposal provides for a sixty cents annual per capita increase or 15.8 percent over the present \$3.80 per capita.

We recommend approval.

22 Psychiatric technician (budget page 389, line 37) ----- \$76,032

We recommend that this request be disallowed, a savings in salaries and wages of \$76,032.

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As justification for these positions, the following statement is made on budget page 389, line 43:

“The positions constitute one-half the number that were deleted from the 1961-62 request, which if approved, would have raised the authorized nursing levels to 91.5 percent of the departmental staffing standards.”

After a detailed review, the Legislature deleted these positions last year. At that time, it was determined that there was not sufficient justification to warrant these psychiatric technician positions. Inasmuch as the agency is not presenting any new data to support this proposal, we see no reason why it should be considered for approval.

There is another factor that argues strongly against granting this request. The following figures, as published in the department's monthly report of vacancies, indicate the extent to which the vacancy rate for psychiatric technicians increased during the past year:

Vacancies—Psychiatric Technicians *

	Number vacant	Percent vacant	Increased vacancies over prior year
December 1960 -----	155	1.7	--
December 1961 -----	337	3.6	182

* Comprised of psychiatric technicians and trainees.

The above table shows that in December 1961 there was a total of 337 vacancies in the psychiatric technician classification, or 182 more unfilled positions than at the same time a year earlier. It would appear inappropriate to authorize additional personnel for a classification in which over 300 positions are vacant; these vacancies being more than double the number that were vacant the prior year at the same time.

Increase in special tranquilizing drugs (budget page 389, line

52) ----- \$5,256

These funds would increase from 1/16 to 1/9 the number of mentally retarded convalescent leave patients under treatment with special tranquilizing drugs. Approximately 87 additional leave patients would benefit from this appropriation.

We recommend that the same policy considerations be applied here by the Legislature as was applied to the recommendation for increased tranquilizers for the mentally ill hospital patients.

Additional family care home placements (budget page 389, line 62) -----

\$138,000

This request provides for the placement of an estimated 200 additional hospital patients in family care homes by the end of 1962-63. This would be an average of 100 patients at a per capita annual cost of \$1,380 or at the rate of \$115 per month.

We recommend approval.

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Additional family care leave allowances (budget page 390, line 6) ----- \$5,400

This request provides incidental personal allowances for those patients lacking such funds who will be placed on leave as a result of the previously discussed proposal.

We recommend approval.

Psychiatric social workers and related expenses for additional family care placements (budget page 390, line 13) ----- \$47,416

This proposal is comprised of the following positions and expenses:

1 Supervising psychiatric social worker -----	\$7,008
5 Senior psychiatric social worker (3 effective July 1, 1962 and 2 effective January 1, 1963) -----	24,440
2 Intermediate stenographer -----	8,888
Operating expense -----	4,500
Equipment -----	3,080
8 positions, operating expenses and equipment -----	\$47,416

We recommend that the one supervising psychiatric social worker position be approved and the remaining positions and operating expenses disallowed; a savings in salaries and wages, expenses and equipment of \$40,408 (budget page 390, line 13).

Because practically all of the department's authorized supervising psychiatric social worker positions are currently filled in contrast to the excessive vacancy factor in the nonsupervisory category, it is our recommendation that the request for one additional position be approved. Reasons for recommending that the remaining positions comprising this request be denied are presented in the review of a similar proposal on page 414 of our Analysis.

RECOMMENDED REVISIONS IN REIMBURSEMENTS AND REVENUES

In this section, we are recommending that the agency revise reimbursement and revenue policies in the following two areas:

1. Employee meal charges
2. Charges for care and treatment of the mentally retarded.

Reimbursements for Employee Meals

We recommend that the charge for employee meals be immediately increased from 50 cents to 65 cents per meal. Furthermore, it is recommended that a study be conducted to determine the actual cost of these meals, including all factors, and that charges thereafter be based upon these findings.

Department of Mental Hygiene employees are currently permitted to purchase meals at the various institutions for only 50 cents per meal. In February 1961, the Department of Finance, Organization and Cost Control Division, published the results of their study of meal charges to employees at state institutions. They recommended "... that Board of Control Rule 713 be amended to increase the employee meal ticket rate at institutions from \$15 to \$18 for a book of 30 meal tickets (i.e., 50 cents to 60 cents per ticket). Proportionate adjustments are

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recommended for members of the families of state employees." Subsequently, the Board of Control considered this recommendation in May, July and October of 1961; each time the proposal being held over with no action taken.

According to the report by the Organization and Cost Control Division of the Department of Finance, the Department of Mental Hygiene spends .667 cents in food and labor alone in order to prepare an employee meal. Besides these direct costs, there are many other additional expenses involved, i.e., overhead, depreciation, maintenance, equipment, etc. Nevertheless, department employees are permitted to purchase these meals for only 50 cents, which is considerably below actual cost.

We submit that the Department of Mental Hygiene should provide meals to state employees at an *actual cost* price. By furnishing meals at a price lower than cost, the department is, in effect, providing a fringe benefit to a preferred class of employees at taxpayer expense.

An increase in the current employee meal charge from 50 cents to 65 cents by the Department of Mental Hygiene would reduce the agency's annual loss incurred in its employee food program by approximately \$195,000. However, we must emphasize that even this increase in the charges for employee meals would not serve to recover actual costs, but, would substantially do so.

Reimbursement Charges for Care and Treatment of Patients

We recommend that the appropriate legislative committees consider legislation establishing a uniform reimbursement schedule for all patients treated by the Department of Mental Hygiene and that such reimbursements be generally a charge against the responsible relative in lieu of the county.

There is no uniform approach taken by the State when charging for the care and treatment of patients under the jurisdiction of the Department of Mental Hygiene. The following table illustrates the variations in charges, and sources of payments, for the different types of patients treated and cared for by the department:

Reimbursement Rates in Effect for Department of Mental Hygiene Hospital Patients October 1, 1961			
W. & I. Code		Type of commitment or class of patient	Agency or source of payment
Section	Charge		
740.5	\$40 mo.	Juvenile observation	County of commitment
5050	\$7.90 day	Mentally ill observation	County of commitment
5050.3	up to \$237 mo.	Emergency observation	Patient, responsible relatives, or their estates
5100	up to \$237 mo.	Mentally ill	Patient, responsible relatives, or their estates
5100	\$7.90 day	Service connected veteran	Veterans Administration
5100	\$7.90 day	Approved aliens	Immigration—Naturalization
5100	\$7.90 day	Merchant seamen	U.S. Public Health Service
5100	\$7.90 day	Mentally ill beneficiaries	Insurance agencies
5100	\$7.90 day	Female Navy personnel (Napa State Hosp. only)	U. S. Navy
5258	\$20 mo.	Mentally deficient	County of commitment

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Reimbursement Rates in Effect for Department of Mental Hygiene Hospital Patients October 1, 1961—Continued

<i>W. & I. Code Section</i>	<i>Charge</i>	<i>Type of commitment or class of patient</i>	<i>Agency or source of payment</i>
5300	up to \$237 mo.	Epileptics	Patient, responsible relatives, or their estates
5355	\$40 mo.	Narcotic addict	County of commitment
5404	up to \$237 mo.	Inebriate	Patient, responsible relatives, or their estates
5512	up to \$237 mo.	Sex psychopath	Patient, responsible relatives, or their estates
5518	up to \$237 mo.	Sex psychopath	Patient, responsible relatives, or their estates
5604	up to \$237 mo.	Abnormal sex offender	Patient, responsible relatives, or their estates
6602	up to \$237 mo.	Mentally ill—voluntary	Patient, responsible relatives, or their estates
6602	\$7.90 day	Voluntary	Department of Employment beneficiary
6605	up to \$237 mo.	Mentally ill—90-day obser- vation	Patient, responsible relatives, or their estates
6610.1	up to \$237 mo.	Health officer application	Patient, responsible relatives, or their estates
7007	\$40 mo.	Mentally deficient— observation	County of commitment
7058	\$40 mo.	Psychopathic delinquent	County of commitment
<i>Penal Code Section</i>			
1026	up to \$237 mo.	Mentally ill (criminal)	Patient, responsible relatives, or their estates
1368	up to \$237 mo.	Mentally ill (criminal)	Patient, responsible relatives, or their estates

Section 6650 of the Welfare and Institutions Code sets forth state policy as to responsibility for support of mentally ill and inebriate patients as follows:

“6650. The husband, wife, father, mother, or children of a mentally ill person or inebriate, the estates of such persons, and the guardian and administrator of the estate of such mentally ill person or inebriate, shall cause him to be properly and suitably cared for and maintained, and shall pay the costs and charges of his transportation to a state institution for the mentally ill or inebriates. The husband, wife, father, mother, or children of a mentally ill person or inebriate, and the administrators of their estates, and the estate of such mentally ill person or inebriate, shall be liable for his care, support, and maintenance in a state institution of which he is an inmate. . . .”

Under this authority, the Department of Mental Hygiene currently sets charges for care and treatment of these patients at rates varying from nothing to \$237 per month. These rates are reviewed regularly and the maximum has been steadily increased as the program has expanded and become more costly. The following table shows how the monthly rate charged for mentally ill and inebriate patients has increased since 1953:

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Department of Mental Hygiene Maximum Monthly Reimbursement Charge for Mentally Ill and Inebriate Patients

<i>Year</i>	<i>Date Effective</i>	<i>Maximum Monthly Charge</i>	<i>Increase Over 1953 Charge</i>
1953	January 1	\$100	—
1954	January 1	111	\$11
1955	January 1	118	18
1956	January 1	122	22
1957	January 1	134	34
1958	January 1	156	56
1959	January 1	178	78
1960	January 1	183	83
1960	September 1	200	100
1961	October 1	237	137

Reimbursement for the care and treatment of these mentally ill and inebriate patients is made in accordance with the ability of the patient's estate or relatives to pay, under the provisions of Section 6651-55 of the Welfare and Institutions Code. The current maximum rate of \$237 per month reflects the actual per capita cost of hospitalization for these patients.

However, there is an entirely different philosophy applied to those patients admitted in the following categories:

<i>Type</i>	<i>Number of Patients 9-30-61</i>	<i>Monthly Charge</i>	<i>Source of Reimbursement</i>
Mentally deficient	11,600*	\$20	County of commitment
Juvenile Court observation	34	40	County of commitment
Narcotic addict	10	40	County of commitment
Mentally deficient observation	—	40	County of commitment
Psychopathic delinquent observation	1	40	County of commitment
Total patients	11,645		

* Excludes 789 patients in family care homes for whose placement cost is borne by the department. State is partially reimbursed \$20 per month from each patient's county of commitment.

There are obvious inconsistencies as far as the financial responsibility for the care of different types of patients is concerned. These inconsistencies have developed over the years as some laws have been changed and added, while other laws have never been revised to reflect changing conditions and price levels.

The present rate (\$20) charged counties for mentally deficient patients has been in effect since 1927, at which time per capita costs were \$20.35 per month. As in the past, per capita costs at the hospitals for the mentally retarded are again expected to increase during the coming fiscal year. Furthermore, it costs the State more to hospitalize the mentally retarded than it does to hospitalize the mentally ill. Despite these facts, the State can only collect \$20 per retarded patient as compared with the \$237 it is permitted to charge for mentally ill and inebriate patients.

The mentally deficient category is the only sizable group for which a flat charge is made to the counties and the only one which is increasing significantly each year. Many of these mentally deficient patients, or

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their responsible relatives, have the means and ability to pay a larger proportion of their care and treatment costs. A number of the patients have personal trust account balances at the hospitals which total thousands of dollars each. Frequently, a regular income is received by the patient from social security, railroad retirement, veterans administration, or other sources. This is credited to the patient's account each month and, under present law, none is available to the State to help defray the cost of caring for the patient. Upon the patient's death, the moneys in these accounts may frequently go to relatives who in no way helped support the patient.

It is our belief that there should be only one standard or philosophy with regard to responsibility for the care and treatment of all patients under the Department of Mental Hygiene's jurisdiction. The most uniform and equitable approach appears to be the formula which is currently applied to arrive at reimbursement charges for the mentally ill and inebriate patient, i.e., a monthly charge made in accordance with the ability of a patient's estate or relatives to pay, and such charge not to exceed the actual cost of care and treatment.

Until the necessary legislation, establishing a uniform approach for all reimbursement charges, is passed, we recommend that the monthly rate charged by the State to a county for hospitalizing a mentally retarded patient be increased from \$20 to \$40 per month.

The department, under Sections 7009 and 7010 of the Welfare and Institutions Code, is authorized to increase this charge from the present \$20 per month up to \$40 per month for mentally deficient patients. These sections of the code are quoted below:

"Section 7009. The county from which each person is committed to or for placement in a home for the mentally deficient shall pay the State the cost of the care of such person, for the time the person committed remains an inmate of the home or on parole or on leave of absence to a licensed boarding home for the care of such persons, at the monthly rate therefor fixed as provided in Section 7010.

"Section 7010. The cost of such care shall be determined by the Department of Institutions from time to time, subject to the approval of the Department of Finance, but in no case shall it exceed the rate of forty dollars (\$40) per month."

Raising this rate from \$20 to \$40 per month would provide the General Fund with approximately \$3.5 million in additional revenue during 1962-63. It should be pointed out that this higher rate need not necessarily entail an increase in moneys to be obtained through taxation by the counties equivalent to the full additional \$20 per month. For those patients whose care the counties reimburse the State, the counties in turn are entitled to collect all, or a portion, of the charge from the responsible relative or estates of the patients, according to ability to pay.

GENERAL SUMMARY

The following are observations and comments concerning a few phases of agency operations and procedures.

General Summary

Mental Hygiene

Department of Mental Hygiene—Continued

Agency Administrator

As a result of the Governor's recent reorganization plan, a single administrator has been placed in charge of the departments of Mental Hygiene, Public Health and Social Welfare. The 1962-63 support costs of this newly created office are being prorated among the three agencies, as detailed in the following table:

Health and Welfare Agency Office of the Agency Administrator—1962-63				
Department	Salaries and wages	Operating expense	Equipment	Totals
Mental hygiene -----	\$27,510	\$10,950	\$3,370	\$41,830
Public health -----	2,070	820	250	3,140
Social welfare -----	1,336	530	164	2,030
Total -----	\$30,916	\$12,300	\$3,784	\$47,000

The Department of Mental Hygiene, as indicated in the above table, is providing most of the funds required to operate this new office. In its 1962-63 budget proposal, the department states that these expenditures will be defrayed ". . . through savings effected under Agency Plan of Organization." However, nothing has been submitted to indicate the specific areas in which these savings will be effected.

Therefore, we recommend that the Department of Mental Hygiene be requested to provide additional detail that will delineate the specific manner in which these funds will be accumulated.

Forms Control and Administrative Procedures

In 1956 this office conducted a survey of forms and procedures for processing patients in the state hospitals for the mentally ill. We presented some of our important findings in the 1957 Analysis, pointing out, among other things, that:

1. There was a lack of central office direction in establishing admission and administrative procedures at the hospitals.
2. Some of the hospitals required a number of different forms to record a function, while other hospitals covered the subject with one form.
3. Hundreds, and in some cases thousands, of times during a patient's treatment stay, the essential information on the patient was hand-copied and typewritten instead of being duplicated to save time and reduce possibility for error.
4. When a patient was transferred from one hospital to another, the lack of standardization of forms and the lack of a standard indexing method within the folder made it necessary for the many documents in the patient's folder to be completely reorganized when received by the new hospital. Often the same old data was recopied on forms used by the new hospitals.

The 1959 Legislature authorized a Management Analysis Unit for the agency and specifically indicated that forms control and procedures were to be its primary function until existing deficiencies were corrected. In 1960 the Management Analysis Section selected two state

Department of Mental Hygiene—Continued

hospitals, Camarillo and Stockton, as pilot institutions for the purpose of determining the best approach to implement agency-wide standardization in this area.

As a result of the experience derived from these two pilot hospitals, the Management Analysis Unit was able to develop a mechanized forms procedure that could be implemented on a standardized basis by all of the department's institutions. The agency has just recently completed installation of the necessary equipment in all of the state hospitals.

Prior to these installations, the department conducted a time analysis of treatment record activity at institutions, with the exceptions of Camarillo and Stockton. In recent correspondence, the agency has stated that:

"In 1962 when the hospitals have had an opportunity to work fully into mechanization with plate making machines, their large imprinters, and ward imprinters, we will conduct a second analysis of time spent on treatment records. This will be done on the same basis as the one conducted in May of 1961 so that a comparison can be made."

In this way the agency will be able to ascertain exactly what savings have been effected by the standardization and mechanization of basic medical records' procedures. Preliminary indications are that these savings will be substantial. Camarillo, which was one of the pilot facilities selected to test the new equipment and procedures, indicates that its vastly increased efficiency in processing medical records already leads them to believe that a newly admitted patient's hospital stay can be shortened by about three weeks.

During 1961, the Management Analysis Unit began distributing a series of Procedure Letters throughout the agency. Each letter has as its purpose the standardization of common hospital administrative procedures on an agency-wide basis. Since March, 1961, over 40 such procedure letters have been devised.

We feel that, to date, the Management Analysis Unit has demonstrably proven its effectiveness and should be commended for its accomplishments.

Sick Leave

We recommend that the Department of Mental Hygiene conduct a full-scale examination of its excessive sick leave rate and submit a report to the Legislature next year indicating the nature, scope and results of any measures undertaken to improve it.

In last year's analysis, we pointed out that the sick leave rate for the Department of Mental Hygiene had become an area of grave concern. The latest available figures show that once again the agency's annual sick leave rate has increased over the prior year. More significant is the fact that, while the Department of Mental Hygiene's rate increased during the past fiscal year, the statewide employee sick leave rate (including Mental Hygiene) declined during the same period. The following table compares the statewide sick leave rate with the Department of Mental Hygiene's rate for the past five fiscal years:

General Summary

Mental Hygiene

Department of Mental Hygiene—Continued

Average Number of Days of Sick Leave Taken per Year per Employee

<i>Fiscal year</i>	<i>State average *</i>	<i>Mental hygiene average</i>	<i>Percent above state average</i>
1956-57 -----	6.1	8.0	31.1%
1957-58 -----	6.6	8.2	24.2
1958-59 -----	6.7	8.8	31.3
1959-60 -----	7.0	9.0	28.6
1960-61 -----	6.7	9.1	35.8

* These rates include Mental Hygiene which employs more than 20 percent of the State's full-time employees.

Based on 222 working days per year for authorized positions, the following table indicates the equivalent of the number of positions lost annually by the Department of Mental Hygiene due to sick leave days during the past four fiscal years:

Department of Mental Hygiene Equivalent Positions Lost Due to Sick Leave

<i>Fiscal year</i>	<i>Sick leave days taken</i>	<i>Equivalent positions lost *</i>
1957-58 -----	131,848	594
1958-59 -----	147,611	665
1959-60 -----	153,720	692
1960-61 -----	157,976	712

* Based on 222 working days per position.

It is noted that, during 1960-61, Mental Hygiene employees took a total of 157,976 days of sick leave, or the equivalent of 712 full-time positions. This, for example, is more than the total number of positions authorized for a mental hospital the size of Atascadero State Hospital. If the department had been in conformity with the statewide average sick leave rate, it would have been able to utilize the equivalent man-hours equal to an additional 187.7 positions during 1960-61.

We feel that the Department of Mental Hygiene's immediate goal should be to bring its sick leave rate in line with the statewide average. This would appear to be a completely realistic objective, especially in view of the fact that the State's next two largest institutional agencies (Corrections and Youth Authority) both have sick leave rates below the state average. It appears that good management practices could add hundreds of man-hours to the hospitals' program requirements. With this kind of a sick leave record, there may be equally poor practices in the use of time of employees on the job.

Merit Award Program

The following analysis pertains to the administration of the Employee Suggestion System within the Department of Mental Hygiene. Specific findings, recommendations, and conclusions are presented.

At nine of the agency's hospitals, approximately 80 percent of all employee suggestions receiving cash awards during a recent 17-month period were reviewed by this office. In addition to examining these merit award suggestions at their originating institution, the procedures involved were further cross-checked at each subsequent hospital visited.

Department of Mental Hygiene—Continued

Following are some of the improprieties that were found to exist at the nine Department of Mental Hygiene institutions whose merit award suggestions were examined and cross-checked:

1. Cash awards for suggestions *never* placed into effect. The Board of Control rules, Sections 825(f) and 828(b), specifically state that "... to be eligible for a money award, a suggestion must have been adopted and make possible an elimination or reduction of state expenditures or result in an improvement of the operation ..." and "... a suggestion is adopted when the new, or revised procedures it proposes, are put into effect."
e.g. At one of the hospitals, a cash award was given for a suggestion recommending that the institution place a postage vending machine in the main corridor and supply the canteen with stamps for patient purchases. The Department of Mental Hygiene estimated that this would enable the hospital to save \$200 annually in postage. This suggestion has never been effectuated and the hospital still continues to run practically all patient mail through the State's postage meter.
2. Cash awards for suggestions abandoned shortly thereafter.
e.g. A suggestion was submitted recommending that, instead of using an expensive yellow traffic lacquer, the hospital tint white traffic lacquer with a small amount of chrome yellow medium in oil. The hospital estimated that an annual savings of \$150 would result and granted an award. Shortly after the first mixture was applied, the procedure had to be abandoned since oil and lacquer would not mix properly.
3. Cash awards for suggestions that have already been in effect for many years at the hospital from which the suggestion originates. The Board of Control rules, Section 829(j), clearly state that "... to be considered for a money award, a suggestion which is first put into effect must be submitted for merit award consideration within six months of the date of adoption."
e.g. A cash award was granted for the suggestion that a certain personal article used by practically all patients be marked for identification in a certain manner. Examination of this procedure revealed that this method of identification has been employed by various wards of the hospital for many years.
4. Cash awards for suggestions that have been in effect for many years at other Department of Mental Hygiene hospitals.
e.g. An employee was granted a cash award for a suggestion recommending that, rather than have certain messages dictated, the hospital should establish a standard form for such communications. A review of this particular procedure at subsequent institutions revealed that several of them had been using form messages in this area for many years. In fact, one hospital has had these messages in standardized form for at least 30 years.
5. Cash awards for suggestions establishing a procedure which, at the time, was being performed more efficiently at other agency institutions.
e.g. A cash award was granted for a suggestion revising a particular service and supply procedure. A review of this procedure at subsequent institutions revealed that certain other hospitals were accomplishing this function even more efficiently.
6. Cash awards for suggestions that were within the normal responsibility of the position submitting the proposal.
e.g. A hospital employee received a cash award for suggesting that the institution purchase a certain product in a larger container—the larger container being more economical and thereby resulting in an annual saving. It was revealed that the purchase of this product is part of the position's assigned

Department of Mental Hygiene—Continued

responsibility. The mere fact that this person ordered a more economical size should not have resulted in a merit award.

7. Cash award for a suggestion that was originally contained in a Division of Audits interim letter to the hospital from which the merit award suggestion originated.

The State Administrative Manual, Section 4724, indicates the policy for suggestions resulting from audits, studies and surveys. Section 4724 clearly states that the Merit Award Board "... will not consider for award purposes suggestions that relate to specific recommendations, supported by reasons, which are contained in such reports, studies, or surveys, within five (5) years of the original date of completion or submission of such reports, studies, or surveys."

e.g. The Division of Audits sent an interim letter making a specific recommendation to a state hospital. Less than three months later, an employee of that institution submitted this same audit's recommendation as a merit award suggestion. With the approval of both the department and the Merit Award Board, a cash award was granted.

The preceding examples were only a few of the many that could have been cited to illustrate some of the shortcomings revealed by our examination of the Department of Mental Hygiene's employee suggestion program.

It is recommended that employee suggestions be evaluated on an agencywide basis.

At the present time, an employee suggestion is evaluated by the Hospital Merit Award Coordinator at the institution where the suggestion originated. An agency memorandum dated August 22, 1961, states that "... the responsibility for recommending an award or rejecting the suggestion is decentralized to the hospital coordinator ... the State Merit Award Board staff will decide which suggestions originating at hospitals have department-wide implications and will refer those suggestions to the Central Personnel Office."

Under this current evaluation system, the consideration is whether or not the employee's suggestion improves the procedure as it is currently being performed at the point of origination. By completely disregarding how its other institutions are carrying out a particular procedure that is being considered for a merit award at one hospital, it appears that the Department of Mental Hygiene may be in conflict with the State Administrative Manual regulations pertaining to employee suggestions. The State Administrative Manual, Section 4743, states that "... Whenever an agency adopts an employee suggestion, places it into effect, and the Merit Award Board authorizes an award, it then becomes incumbent upon top management to assure full and complete utilization of the idea on an agency-wide basis." It is only logical that, if merit award suggestions are to be implemented on an agency-wide basis, they would first have to be evaluated on an agency-wide basis in order to make certain that the newly proposed suggestion is the most efficient way of carrying out the procedure within the agency. If the department had done this in the past, they would have

Department of Mental Hygiene—Continued

found that some of the merit award suggestion procedures adopted at particular hospitals were already being performed in a more efficient manner at other institutions. In actual practice, the Department of Mental Hygiene neither evaluates nor implements merit award suggestions on an agencywide basis.

Under the current evaluation procedure, the agency's expanded transfer system enables employees to take advantage of prior state experience that should be passed on merely as a matter of routine. Also, from an employee point of view, agencywide evaluation and implementation would undoubtedly result in larger cash awards to a person submitting superior suggestions. At the same time, this would assist the agency in its continuing attempt to standardize and improve procedures. The current system of administering the employee suggestion system makes such standardization all the more difficult to attain.

It is recommended that responsibility for administering and coordinating the Department of Mental Hygiene's Employee Suggestion System be assigned to the Management Analysis Section.

As previously stated, the employee suggestion system is a decentralized function and each hospital operates independently. We have already pointed out many of the problems that have arisen due to the poor co-ordination and communication inherent in the agency's suggestion system.

Practically all employee suggestions pertain to operational procedures. A primary function of the Department of Mental Hygiene's Management Analysis Section is to effectuate procedural standardization, when practicable, throughout the agency. To accomplish this, it is necessary for the analysts assigned to this section to spend a great deal of their time at the various institutions evaluating and formulating hospital procedures at the actual point of performance. Both the Management Analysis Unit and the Employee Suggestion System have a common objective, i.e., the creation and implementation of the most efficient operating procedures possible on an agencywide basis.

Assigning responsibility for the Employee Suggestion System to this section should not only improve the program, but would have the attendant benefit of increasing the Management Analysis Unit's familiarity and knowledge of hospital procedures.

It is recommended that the criterion for cash awards be changed.

Employees are usually awarded 5 percent of the savings of adopted suggestions resulting in a one-time saving and 10 percent of the initial annual savings of suggestions resulting in a continuing annual savings. The problem that exists here is that practically all estimated savings are purely theoretical and it is virtually impossible to show what real savings, if any, are actually accrued. It is, therefore, recommended that merit award suggestions be separated into the following two categories:

1. Those award suggestions creating a dollar savings that result in an *actual* reduction of previously budgeted allocations. In such situations, where continuing annual savings would result, an actual dollar amount should invariably revert ultimately to the

Department of Mental Hygiene—Continued

General Fund and always should result in reduced future allocations for the budget area affected.

2. Those award suggestions that effect a theoretical savings but do not serve to reduce the agency's allocation. This type of suggestion should receive a lesser cash award (based on a percentage formula) than those awards creating tangible dollar savings.

It is recommended that all awards creating an estimated annual savings in excess of \$500 be subject to an automatic review one year after adoption.

At the present time, there is no established procedure for reviewing merit awards in the Department of Mental Hygiene. The enactment of such a procedure would serve to strengthen the effectiveness of the Employee Suggestion System within the agency.

CONCLUSION

It has been pointed out that there are many deficiencies in the Department of Mental Hygiene's Employee Suggestion Program. Most of the problems stem from the agency's lax administration of the program and its failure to follow clearly stated rules established by the State Administrative Manual and the Board of Control.

It is probably safe to assume that the Department of Mental Hygiene is not the only state agency that could benefit from improved techniques in this area. It is quite likely that similar situations may exist within other departments.

**Department of Mental Hygiene
DEPARTMENTAL ADMINISTRATION**

ITEM 143 of the Budget Bill

Budget page 391

**FOR SUPPORT OF DEPARTMENTAL ADMINISTRATION
FROM THE GENERAL FUND**

Amount requested	\$5,318,478
State employees' retirement	299,109
State employees' health and welfare	30,720

Total	\$5,648,307
Estimated to be expended in 1961-62 fiscal year	5,330,244

Increase (6.0 percent)	\$318,063
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TOTAL RECOMMENDED REDUCTION	\$56,667
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Summary of Recommended Reductions

	Amount	Page	Line
1 Diagnostic Clinic for the Retarded	\$56,667	392	61
1 Senior psychiatrist	\$13,200	392	63
1 Clinical psychologist II	7,728	392	64
2 Senior psychiatric social worker	12,720	392	65
1 Intermediate stenographer-clerk	4,194	392	66
Operating expenses and equipment	18,825	393	57-61

Departmental Administration—Continued

ANALYSIS

Justification for abolishing this currently authorized clinic is presented on page 391 of our Analysis, under the section titled "Recommended Reductions in Existing Programs."

Departmental Administration, located in Sacramento, has the responsibilities of providing central direction and co-ordination for all agency activities, including the hospital, state clinic and state-local participating (Short-Doyle) programs.

Some of the major departmental programs centralized in the headquarters sections are:

Research	Patients' accounts
Personnel	Community services
Accounting	Private institution inspection
Biostatistics	Deportation and transfer of patients
Social service	Administration of guardianship estates

We recommend that corrective steps be taken so that budget totals can be reduced and overinflation of the gross budget request eliminated.

At this point, we would like to point out what appears to be a fallacious presentation of estimated and proposed costs in the budget. To illustrate, we will use the position of Assistant Comptroller, which is authorized for the Accounting Section in Departmental Administration. The position of Assistant Comptroller was vacated on March 3, 1960, and has been continuously vacant since. This position is shown as follows in the 1961-62 and 1962-63 Budgets:

1961-62 Budget								
Assistant comptroller	<i>Number of Positions</i>			<i>Actual</i> 1959-60	<i>Estimated</i> 1960-61	<i>Proposed</i> 1961-62	<i>1961-62 Budget</i>	
	<i>59-60</i> <i>(Filled)</i>	<i>60-61</i> <i>(Auth.)</i>	<i>61-62</i> <i>(Auth.)</i>				<i>Page</i>	<i>Line</i>
-----	0.7	1	1	\$7,758	\$8,940	\$9,384	384	7
1962-63 Budget								
Assistant comptroller	<i>Number of Positions</i>			<i>Actual</i> 1960-61	<i>Estimated</i> 1961-62	<i>Proposed</i> 1962-63	<i>1962-63 Budget</i>	
	<i>60-61</i> <i>(Filled)</i>	<i>61-62</i> <i>(Auth.)</i>	<i>62-63</i> <i>(Auth.)</i>				<i>Page</i>	<i>Line</i>
-----	-	1	1	-	\$8,940	\$9,384	391	68

It should be noted that the 1961-62 Budget had a revised 1960-61 estimated expenditure of \$8,940 for the Assistant Comptroller position. At the time this estimate went to print, half of the 1960-61 fiscal year had already elapsed and the position was still unfilled. Despite this fact, the Governor's Budget estimated that the full-year position cost of \$8,940 would be expended during the remaining period! Furthermore the 1962-63 Budget shows no *actual* 1960-61 expenditure.

This year, the situation is again identical. The assistant comptroller position is still vacant, yet the 1962-63 Budget again has a revised estimated 1961-62 expenditure of \$8,940 for the position. This is an impossibility, as \$8,940 is the position's full year cost and more than half the year has passed without its being filled. This budgetary manipulation results in the presentation of high expenditure figures for the particular positions involved. Furthermore, by erroneously overstating the total amount necessary to finance positions, the salary savings figure is correspondingly inflated.

Departmental Administration—Continued

We suggest that the Departments of Finance and Mental Hygiene base all of their estimated and proposed expenditure figures on the latest data that is available to them prior to the time the budget is printed.

Program considerations, including analyses of and recommendations on new positions, increased operating expenses and equipment, to the extent applicable to Departmental Administration, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene	
ADDITIONAL SUPPORT FOR THE DEPARTMENT OF MENTAL HYGIENE	
ITEM 144 of the Budget Bill	Budget page 386
FOR ADDITIONAL SUPPORT FOR THE DEPARTMENT OF MENTAL HYGIENE FROM THE GENERAL FUND	
Amount requested	\$1,014,992
State employees' retirement	30,716
State employees' health and welfare	4,740
Total	\$1,050,448
TOTAL RECOMMENDED REDUCTION	\$386,222

Summary of Recommended Reductions

			Budget	
		Amount	Page	Line
I. Administrative Strengthening				
2 positions	\$20,568			
Operating and equipment expenses	2,040	\$22,608	387	36
II. Training				
12 positions	--	8,520	387	36
III. Post-Hospital Services				
24 positions	\$185,148			
Operating and equipment expenses	20,546	205,694	388	57
IV. Hospital Services				
Operating expense	--	35,000	389	57
V. Special Services for Mentally Retarded				
30 positions	\$108,860			
Operating and equipment expenses	7,580	116,440	389	59
68 positions plus equipment and expenses	--	\$386,222		

ANALYSIS

Our analysis relative to these recommended reductions is contained in the Summary of Proposed Program Augmentations, pages----- under the categories indicated in the above table.

Department of Mental Hygiene	
ADDITIONAL FAMILY CARE	
ITEM 145 of the Budget Bill	Budget pages 388 and 389
FOR SUPPORT OF ADDITIONAL FAMILY CARE OF PATIENTS FROM THE GENERAL FUND	
Amount requested	\$276,000
TOTAL RECOMMENDED REDUCTION	None

Additional Family Care—Continued

ANALYSIS

Our analysis relative to this proposal is contained in the Summary of Proposed Program Augmentations under the heading Additional Family Home Payments, page 413 and page 419.

**Department of Mental Hygiene
TRANSPORTATION OF PATIENTS AND OTHER PERSONS
COMMITTED TO STATE HOSPITALS**

ITEM 146 of the Budget Bill

Budget page 395

**FOR SUPPORT OF TRANSPORTATION OF PATIENTS AND OTHER
PERSONS COMMITTED TO STATE HOSPITALS**

From the General Fund:

Amount requested	\$90,000
Estimated to be expended in 1961-62 fiscal year	88,000
	\$2,000

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This request provides the necessary funds to pay the transportation costs, sheriffs' fees and other traveling expenses incurred in transporting patients from their counties of commitment to the state institutions. These costs are based on the number of anticipated admissions to the state hospitals, excluding observation and voluntary admissions.

These transportation costs for 1962-63 are estimated at \$128,895. The difference between this amount and the requested allocation is anticipated to be recovered from patients or responsible relatives.

We recommend approval of this item as budgeted.

**Department of Mental Hygiene
OUT-OF-STATE DEPORTATIONS AND INSTITUTION TRANSFERS**

ITEM 147 of the Budget Bill

Budget page 395

**FOR SUPPORT OF OUT-OF-STATE DEPORTATIONS AND
INSTITUTION TRANSFERS FROM THE GENERAL FUND**

Amount requested	\$107,350
Estimated to be expended in 1961-62 fiscal year	107,350

TOTAL RECOMMENDED REDUCTION	None
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ANALYSIS

This request provides funds for the following two types of patient movements:

1. Transfer of patients who are not legal residents of California to their place of legal residence. Aliens are referred to the Federal Bureau of Immigration and are returned to their native country. It is within the discretion of the agency director to defer a deportation that might work a hardship on the patient.
2. Transfer of patients between state hospitals. This type of movement is usually undertaken to relieve overcrowding situations that arise at the various hospitals during the course of a year.

Out-of-state Deportations and Institution Transfers—Continued

The department estimates that, during fiscal year 1962-63, approximately 360 patients will be deported to their states of legal residence and about 500 patients will be transferred between hospitals.

We recommend approval of the amount requested.

**Department of Mental Hygiene
FAMILY CARE**

ITEM 148 of the Budget Bill

Budget page 396

**FOR SUPPORT OF FAMILY CARE
FROM THE GENERAL FUND**

Amount requested	\$2,997,000
Estimated to be expended in 1961-62 fiscal year	2,448,900
<hr/>	
Increase (22.4 percent)	\$548,100

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

The agency's family care program provides for the placement in privately licensed homes of patients who would otherwise have to remain hospitalized. The purpose of such placement is to enable the patient to make a gradual transition from an institution to community living.

The 1962-63 requested appropriation would provide for approximately 2,020 cases fully financed by the State and for 185 cases partially financed by the State to be placed on leave of absence to family care homes. The program provides for the payment of such placement at a monthly per patient rate of \$115. The department feels that family care placements incur a savings to the State to the extent that the cost of care in homes is lower than the cost of further hospitalization.

An analysis of, and recommendations on, increased operating expenses proposed for the family care program are contained in the Summary of Proposed Program Augmentations.

**Department of Mental Hygiene
CARE AND TREATMENT OF MENTALLY RETARDED PERSONS
IN PRIVATE MEDICAL FACILITIES**

ITEM 149 of the Budget Bill

Budget page 396

**FOR SUPPORT OF CARE AND TREATMENT OF MENTALLY
RETARDED PERSONS IN PRIVATE MEDICAL FACILITIES
FROM THE GENERAL FUND**

Amount requested	\$250,000
Estimated to be expended in 1961-62 fiscal year	160,000
<hr/>	
Increase (56.3 percent)	\$90,000

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

Last year the Legislature authorized an appropriation of \$250,000 to enable the Department of Mental Hygiene to place mentally retarded individuals on its waiting lists in private medical facilities. At

Care and Treatment of Mentally Retarded Persons in Private
Medical Facilities—Continued

that time, the agency indicated that it could place such patients at an annual cost of \$2,500 per patient. On this basis the department estimated it would be able to reduce its mentally retarded waiting lists by one hundred applicants.

The Department of Mental Hygiene had originally intended to make these placements direct from its admissions' waiting lists, but in a letter dated August 30, 1961, the agency stated that "in order to meet our medical responsibilities, the patients should have an adequate period of evaluation in a state hospital before placement in a private institution is made. Therefore, patients for placement should be taken from the hospital's inpatient population and not from its waiting list."

There were many delays and the agency was slow in getting this program under way. The first hospital patient was not placed in a private medical facility until October 20, 1961, and as of December 15, 1961, only thirty-three such placements had been made. However, the department has been able to place these patients at a lower annual rate than originally expected. It was anticipated that the initial appropriation of \$250,000 would provide for the annual care and treatment of 100 mentally retarded patients in private institutions. So far, such placements have been made at a monthly rate of \$165. Therefore, based on the current monthly charge of \$165, a yearly appropriation of \$250,000 should provide for the private placement of 126 state hospitalized patients.

We are not altogether certain that the agency will be able to utilize the entire appropriation that is currently being requested for placements in private medical facilities. However, it is still too early to adequately evaluate this new program's effectiveness, and it does appear that the amount requested is within reason.

We recommend approval of the item as budgeted.

Department of Mental Hygiene
RESEARCH PROGRAM

ITEM 150 of the Budget Bill

Budget page 396

FOR SUPPORT OF RESEARCH PROGRAM
FROM THE GENERAL FUND

Amount requested	\$1,107,000
Estimated to be expended in 1961-62 fiscal year	1,592,179
Decrease (30.5 percent)	\$485,179
TOTAL RECOMMENDED REDUCTION	\$400,000

ANALYSIS

Our analysis pertaining to this item is presented under the section titled Recommended Reductions in Existing Programs, pages 392-399.

**Department of Mental Hygiene
DAY TREATMENT CENTERS**

ITEM 151 of the Budget Bill

Budget page 398

**FOR SUPPORT OF DAY TREATMENT CENTERS
FROM THE GENERAL FUND**

Amount requested	\$489,988
State employees' retirement	25,631
State employees' health and welfare	2,460
Total	\$518,079
Estimated to be expended in 1961-62 fiscal year	317,769
Increase (63 percent)	\$200,310

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

A detailed analysis of the agency's day treatment program is presented under the section titled "Recommended Reductions in Existing Programs," pages 399-404.

**Department of Mental Hygiene
OUTPATIENT MENTAL HYGIENE CLINICS**

ITEM 152 of the Budget Bill

Budget page 400

**FOR SUPPORT OF OUTPATIENT MENTAL HYGIENE CLINICS
FROM THE GENERAL FUND**

Amount requested	\$772,138
State employees' retirement	48,175
State employees' health and welfare	3,840
Total	\$824,153
Estimated to be expended in 1961-62 fiscal year	806,524
Increase (2.2 percent)	\$17,629

TOTAL RECOMMENDED REDUCTION \$412,077

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Reduce Support Budget by one-half	\$412,077	400	40

ANALYSIS

Our analysis pertaining to this recommended reduction is presented under the section titled "Recommended Reductions in Existing Programs," pages 387-388.

The Department of Mental Hygiene operates seven outpatient clinics. Six of these are fully state-supported and are located at Chico, Fresno, Los Angeles, Riverside, Sacramento, and San Diego. The seventh facility in Berkeley is federally financed and state administered. These outpatient clinics were established to provide psychiatric assistance to citizens not requiring hospitalization. The clinics carry on a program of prevention, early diagnosis and treatment of mental illness and mental deficiency.

Outpatient Mental Hygiene Clinics—Continued

In the Summary of Proposed Program Augmentations, under the section titled Post-Hospital Services, we have recommended the deletion of additional staff, equipment and operating expenses totaling \$38,014. This augmentation is requested for the Chico outpatient clinic. Our analysis is presented on page 411.

Department of Mental Hygiene

LANGLEY PORTER NEUROPSYCHIATRIC INSTITUTE

ITEM 153 of the Budget Bill

Budget page 405

FOR SUPPORT OF LANGLEY PORTER NEUROPSYCHIATRIC
INSTITUTE FROM THE GENERAL FUND

Amount requested	\$2,031,253
State employees' retirement	132,729
State employees' health and welfare	14,400
Total	\$2,178,382
Estimated to be expended in 1961-62 fiscal year	2,121,102
Increase (2.6 percent)	\$57,280
TOTAL RECOMMENDED REDUCTION	\$5,772

Summary of Recommended Reduction

	Amount	Budget Page	Line
1 Surgical nurse I	\$5,772	405	63

ANALYSIS

Justification for abolishing this currently authorized position is presented on page 385 of our Analysis under the section titled Recommended Reductions in Existing Programs.

The Langley Porter Neuropsychiatric Institute was opened in April, 1943, and is located at the University of California Medical Center in San Francisco. The institute operates jointly with the University of California Medical School and many of the members of the staff are also on the university's teaching faculty.

The institute provides both outpatient and inpatient treatment, primarily for early curable types of mental illnesses. The psychiatric care provided by the institute is closely allied with the facility's teaching, training and research programs.

Langley Porter has an inpatient capacity of 105 beds and 13 day/night program beds which can accommodate 26 patients. An active outpatient caseload is also maintained.

Department of Mental Hygiene

NEUROPSYCHIATRIC INSTITUTE AT UNIVERSITY OF CALIFORNIA, LOS ANGELES

ITEM 154 of the Budget Bill

Budget page 407

FOR SUPPORT OF NEUROPSYCHIATRIC INSTITUTE AT UNIVERSITY OF CALIFORNIA, LOS ANGELES, FROM THE GENERAL FUND

Amount requested	\$3,875,407
State employees' retirement	201,152
State employees' health and welfare	25,800
Total	\$4,102,359
Estimated to be expended in 1961-62 fiscal year	3,362,232
Increase (22 percent)	\$740,127

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

This institute, built as a part of the UCLA Medical School and opened on December 1, 1960, has functions similar to those of the Langley Porter Institute. It is a center for teaching, research, training and provides care and treatment for patients with mental disorders as part of the overall program of teaching and research in collaboration with the University of California, Los Angeles.

Direct services are provided to the mentally ill by the Neuropsychiatric Institute's outpatient program, day hospital, somatotherapy room, and an 188-bed inpatient service.

Department of Mental Hygiene

AGNEWS STATE HOSPITAL

ITEM 155 of the Budget Bill

Budget page 410

FOR SUPPORT OF AGNEWS STATE HOSPITAL FROM THE GENERAL FUND

Amount requested	\$10,205,911
State employees' retirement	602,677
State employees' health and welfare	77,460
Total	\$10,886,048
Estimated to be expended in 1961-62 fiscal year	10,619,528
Increase (2.5 percent)	\$266,520

TOTAL RECOMMENDED REDUCTION..... None

ANALYSIS

Agnews State Hospital is located on the southern end of the San Francisco Peninsula and is adjacent to the city of San Jose. Care and treatment are provided for the mentally ill, alcoholics, narcotic addicts and epileptics. The counties of Santa Clara, San Mateo, Santa Cruz, San Francisco, Alameda, San Benito, and Monterey are the areas primarily served by this institution.

Average patient population for 1961-62 is estimated at 4,035 and is expected to decrease to 4,000 in 1962-63.

Agnews State Hospital—Continued

The following table indicates the magnitude of the increase in per capita patient costs since 1953-54:

Fiscal year	Per Capita Costs 1953-54 through 1962-63—Agnews State Hospital			
	Average population	Per capita cost	Increase over 1953-54	
			Amount	Percent
1953-54	4,493	\$1,160	--	--
1954-55	4,474	1,200	\$40	3.4
1955-56	4,285	1,414	254	21.9
1956-57	4,140	1,698	538	46.4
1957-58	4,155	1,931	771	66.5
1958-59	3,999	2,054	894	77.1
1959-60	4,012	2,255	1,095	94.4
1960-61	4,018	2,503	1,343	115.8
1961-62	4,035 *	2,632 *	1,472	126.9
1962-63	4,000 *	2,721 †	1,553	133.9

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Agnews State Hospital, are contained in the Summary of Proposed Program Augmentations.

**Department of Mental Hygiene
ATASCADERO STATE HOSPITAL**

ITEM 156 of the Budget Bill

Budget page 412

**FOR SUPPORT OF ATASCADERO STATE HOSPITAL
FROM THE GENERAL FUND**

Amount requested	\$4,276,617
State employees' retirement	254,417
State employees' health and welfare	33,960
Total	\$4,564,994
Estimated to be expended in 1961-62 fiscal year	4,317,472
Increase (5.7 percent)	\$247,522

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

Atascadero State Hospital is located approximately midway between San Francisco and Los Angeles.

The hospital was activated in 1954 as a maximum security institution for the treatment of sexual psychopaths, criminally insane, psychopathic delinquents, and other such cases of mental illness requiring community protection that cannot be guaranteed in the other state hospitals. Atascadero treats only male patients.

The average patient population for 1961-62 is estimated at 1,510, with an anticipated decrease to 1,500 in 1962-63.

The following table indicates the increases in per capita costs that have taken place since 1955-56:

Item 157

Mental Hygiene

Atascadero State Hospital—Continued

Per Capita Costs				
1955-56 through 1962-63—Atascadero State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1955-56 Amount</i>	<i>Percent</i>
1955-56	1,156	\$1,700	—	—
1956-57	1,161	1,941	\$241	14.2
1957-58	1,167	2,229	529	31.1
1958-59	1,219	2,224	524	30.8
1959-60	1,280	2,478	778	45.8
1960-61	1,474	2,594	894	52.6
1961-62	1,510 *	2,859 *	1,159	68.2
1962-63	1,500 *	3,043 †	1,343	79.0

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment to the extent applicable to Atascadero State Hospital, are contained in the summary of proposed program augmentations.

**Department of Mental Hygiene
CAMARILLO STATE HOSPITAL**

ITEM 157 of the Budget Bill

Budget page 415

**FOR SUPPORT OF CAMARILLO STATE HOSPITAL
FROM THE GENERAL FUND**

Amount requested	\$13,409,303
State employees' retirement	786,193
State employees' health and welfare	103,500
Total	\$14,298,996
Estimated to be expended in 1961-62 fiscal year	13,608,002
Increase (5.1 percent)	\$690,994
TOTAL RECOMMENDED REDUCTION	\$4,296

Summary of Recommended Reductions

	<i>Amount</i>	<i>Page</i>	<i>Budget Line</i>
1 Barbershop manager	\$4,296	416	33

ANALYSIS

Justification for abolishing this currently authorized position is presented on page 389 of our Analysis, under the section titled "Recommended Reductions in Existing Programs."

Camarillo State Hospital is located in the foothills near Camarillo, which is close to the coast and approximately 60 miles north of Los Angeles. The hospital, which first admitted patients in November 1936, is the agency's largest institution. It is a hospital for the mentally ill and is one of the two state institutions with a juvenile unit specializing in the separate care and treatment of mentally ill minors.

An average population of 6,189 is estimated for 1961-62 and this is anticipated to decrease to 6,100 for 1962-63.

Camarillo State Hospital—Continued

The following table traces, chronologically, the increases in per capita costs since 1953-54:

Per Capita Costs				
1953-54 through 1962-63—Camarillo State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	6,934	\$1,026	--	--
1954-55	6,938	1,091	\$65	6.3
1955-56	6,939	1,224	198	19.3
1956-57	6,839	1,448	422	41.1
1957-58	6,673	1,637	661	64.2
1958-59	6,348	1,740	714	69.6
1959-60	6,361	1,872	846	82.5
1960-61	6,199	2,058	1,032	100.6
1961-62	6,189 *	2,199 *	1,173	114.3
1962-63	6,100 *	2,344 †	1,318	128.5

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Camarillo State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene

DeWITT STATE HOSPITAL

ITEM 158 of the Budget Bill

Budget page 419

FOR SUPPORT OF DeWITT STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$5,934,301
State employees' retirement	339,994
State employees' health and welfare	44,820
Total	\$6,319,115
Estimated to be expended in 1961-62 fiscal year	6,144,710
Increase (2.8 percent)	\$174,405

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

DeWitt State Hospital is located near Auburn, Placer County, approximately 40 miles northeast of Sacramento. Care and treatment are provided primarily for mentally ill patients, but the institution also cares for the mentally deficient.

During the fiscal year 1961-62 average patient population is estimated to have been 2,506, and this is expected to decrease to 2,500 for 1962-63.

The following table shows the increase in per capita costs since 1953-54:

DeWitt State Hospital—Continued

Per Capita Costs
1953-54 through 1962-63—DeWitt State Hospital

<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	3,056	\$1,219	—	—
1954-55	2,976	1,277	\$58	4.8
1955-56	2,950	1,369	150	12.3
1956-57	2,872	1,599	380	31.2
1957-58	3,013	1,704	485	39.8
1958-59	2,991	1,749	530	43.5
1959-60	2,884	1,941	722	59.2
1960-61	2,666	2,232	1,017	83.4
1961-62	2,506 *	2,452 *	1,233	101.1
1962-63	2,500 *	2,528 †	1,309	107.4

* Estimates as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to DeWitt State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene

MENDOCINO STATE HOSPITAL

ITEM 159 of the Budget Bill

Budget page 421

FOR SUPPORT OF MENDOCINO STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$5,767,430
State employees' retirement	339,450
State employees' health and welfare	44,220
Total	\$6,151,100
Estimated to be expended in 1961-62 fiscal year	5,955,204
Increase (3.3 percent)	\$195,896
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

Mendocino State Hospital is situated at Talmage, approximately 120 miles north of San Francisco. It is an institution for the care and treatment of mentally ill.

The average patient population estimated for the 1961-62 fiscal year is 2,274. It is anticipated that this figure will rise to 2,300 for 1962-63.

The following table indicates the extent to which per capita costs have increased since 1953-54:

Mendocino State Hospital—Continued

Fiscal year	Per Capita Costs 1952-54 through 1962-63—Mendocino State Hospital			
	Average population	Per capita cost	Increase over 1953-54 Amount Percent	
1953-54	2,549	\$1,234	—	—
1954-55	2,375	1,386	\$152	12.3
1955-56	2,260	1,530	296	24.0
1956-57	2,259	1,821	587	47.6
1957-58	2,271	2,109	875	70.9
1958-59	2,437	1,999	765	62.0
1959-60	2,366	2,232	998	80.9
1960-61	2,296	2,474	1,240	100.5
1961-62	2,274 *	2,619 *	1,385	112.2
1962-63	2,300 *	2,674 †	1,440	116.7

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analysis of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Mendocino State Hospital, are contained in the summary of proposed program augmentations.

**Department of Mental Hygiene
METROPOLITAN STATE HOSPITAL**

ITEM 160 of the Budget Bill

Budget page 424

**FOR SUPPORT OF METROPOLITAN STATE HOSPITAL
FROM THE GENERAL FUND**

Amount requested	\$9,076,822
State employees' retirement	523,973
State employees' health and welfare	68,940

Total	\$9,669,735
Estimated to be expended in 1961-62 fiscal year	9,361,468

Increase (3.3 percent)	\$308,267
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TOTAL RECOMMENDED REDUCTION _____ **None**

ANALYSIS

Metropolitan State Hospital, located at Norwalk, is in suburban Los Angeles and about 15 miles from the Civic Center by freeway. It provides care and treatment for the mentally ill.

The estimated average population for 1960-61 is estimated at 3,830 and anticipated to decline slightly to 3,800 for the 1962-63 fiscal year.

The following table summarizes the increases in per capita costs since 1953-54:

Item 161

Mental Hygiene

Metropolitan State Hospital—Continued

Per Capita Costs 1953-54 through 1962-63—Metropolitan State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	2,481	\$1,379	—	—
1954-55	2,205	1,553	174	12.6
1955-56	2,190	1,650	271	19.7
1956-57	2,261	1,994	615	44.6
1957-58	2,525	2,254	875	63.5
1958-59	3,735	1,880	501	36.3
1959-60	3,852	2,010	631	45.8
1960-61	3,799	2,280	901	65.3
1961-62	3,830 *	2,444 *	1,065	77.2
1962-63	3,800 *	2,545 †	1,166	84.6

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Metropolitan State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene

MODESTO STATE HOSPITAL

ITEM 161 of the Budget Bill

Budget page 426

**FOR SUPPORT OF MODESTO STATE HOSPITAL
FROM THE GENERAL FUND**

Amount requested	\$6,327,977
State employees' retirement	366,696
State employees' health and welfare	47,760
Total	\$6,742,433
Estimated to be expended in 1961-62 fiscal year	6,576,132
Increase (2.5 percent)	\$166,301
TOTAL RECOMMENDED REDUCTION	None

ANALYSIS

Modesto State Hospital, located north of Modesto, is approximately 80 miles south of Sacramento. The institution provides care and treatment for the mentally ill and has cared for a limited number of mentally deficient patients.

The average patient population for 1961-62 is estimated at 2,455. The similar figure for 1962-63 is 2,500.

The following table illustrates the increases in per capita patient costs that have taken place since 1953-54:

Modesto State Hospital—Continued

Per Capita Costs				
1953-54 through 1962-63—Modesto State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	3,422	\$1,250	--	--
1954-55	3,369	1,295	\$45	3.6
1955-56	3,447	1,381	131	10.5
1956-57	3,353	1,574	324	25.9
1957-58	3,266	1,817	567	45.4
1958-59	2,905	2,020	770	61.6
1959-60	2,697	2,196	946	75.7
1960-61	2,403	2,570	1,320	105.6
1961-62	2,455 *	2,679 *	1,429	114.3
1962-63	2,500 *	2,697 †	1,447	115.8

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Modesto State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene
NAPA STATE HOSPITAL

ITEM 162 of the Budget Bill

Budget page 429

FOR SUPPORT OF NAPA STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$11,783,198
State employees' retirement	695,736
State employees' health and welfare	91,080
Total	\$12,570,014
Estimated to be expended in 1961-62 fiscal year	12,347,474
Increase (1.8 percent)	\$222,540
TOTAL RECOMMENDED REDUCTION	\$29,112

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
2 Senior psychiatrists	\$29,112	429	63

Justification for abolishing these positions is presented on page 389 of our Analysis under the section titled Recommended Reductions in Existing Programs.

ANALYSIS

Napa State Hospital is located at Imola, one mile from the City of Napa and 50 miles northeast of San Francisco. It is an institution for the mentally ill and also has the two northern treatment units for mentally ill minors and adult tubercular patients.

Average estimated patient population is 5,065 for 1961-62 and expected to increase to 5,150 for fiscal year 1962-63.

Item 163

Mental Hygiene

Napa State Hospital—Continued

The following table presents the increases in per capita patient costs since 1953-54:

Per Capita Costs				
1953-54 through 1962-63—Napa State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	4,890	\$1,155	--	--
1954-55	5,279	1,191	\$36	3.1
1955-56	5,300	1,317	162	14.0
1956-57	5,408	1,555	400	34.6
1957-58	5,569	1,784	629	54.5
1958-59	5,326	1,849	694	60.1
1959-60	5,277	2,016	861	74.5
1960-61	5,083	2,303	1,148	99.4
1961-62	5,065 *	2,438 *	1,283	111.1
1962-63	5,150 *	2,441 †	1,286	111.3

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Napa State Hospital, are contained in the Summary of Proposed Program Augmentations.

Department of Mental Hygiene

PATTON STATE HOSPITAL

ITEM 163 of the Budget Bill

Budget page 432

FOR SUPPORT OF PATTON STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$11,060,908
State employees' retirement	646,276
State employees' health and welfare	85,080
Total	\$1,792,264
Estimated to be expended in 1961-62 fiscal year	11,419,570
Increase (3.3 percent)	\$372,694
TOTAL RECOMMENDED REDUCTION	\$16,056

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
1 Chief of Professional Education	\$16,056	432	59

ANALYSIS

The justification for deleting this position is presented on page 390 of our analysis, under the section titled "Recommended Reductions in Existing Programs."

Patton State Hospital is located at Patton, near the city of San Bernardino. It is an institution for the care and treatment of the mentally ill and contains the southern facility for mentally ill tubercular patients.

The estimated average population for 1961-62 is 4,678 patients, and the agency anticipates this number will increase to 4,700 for 1962-63.

Mental Hygiene

Item 164

Patton State Hospital—Continued

The following table traces the increases in per capita patient costs since 1953-54:

Per Capita Costs 1953-54 through 1962-63—Patton State Hospital				
Fiscal year	Average population	Per capita cost	Increase over 1953-54	
			Amount	Percent
1953-54	4,492	\$1,169	—	—
1954-55	4,372	1,289	\$120	10.3
1955-56	4,330	1,484	315	26.9
1956-57	4,243	1,713	544	46.5
1957-58	4,325	1,898	729	62.4
1958-59	4,187	1,971	802	68.6
1959-60	4,271	2,229	1,060	90.7
1960-61	4,648	2,362	1,193	102.1
1961-62	4,678*	2,441*	1,272	108.8
1962-63	4,700*	2,509†	1,340	114.6

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Patton State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene STOCKTON STATE HOSPITAL

ITEM 164 of the Budget Bill

Budget page 435

FOR SUPPORT OF STOCKTON STATE HOSPITAL FROM THE GENERAL FUND

Amount requested	\$9,361,678
State employees' retirement	544,689
State employees' health and welfare	70,740
Total	\$9,977,107
Estimated to be expended in 1961-62 fiscal year	9,790,990
Increase (1.9 percent)	\$186,117

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

Stockton State Hospital, located in the heart of the City of Stockton, is approximately 40 miles south of Sacramento. It is an institution providing care and treatment for mentally ill patients.

The estimated average patient population for 1961-62 is 3,586 and is expected to increase to 3,650 for the 1962-63 fiscal year.

The following table shows the increases in per capita costs that have taken place since 1953-54:

Stockton State Hospital—Continued

Per Capita Costs
1953-54 through 1962-63—Stockton State Hospital

<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	4,494	\$1,309	—	—
1954-55	4,468	1,378	\$69	5.3
1955-56	4,462	1,458	149	11.4
1956-57	4,640	1,686	377	28.8
1957-58	4,292	2,033	724	55.3
1958-59	3,916	2,250	941	71.9
1959-60	3,944	2,263	954	72.9
1960-61	3,622	2,637	1,328	101.5
1961-62	3,586 *	2,730 *	1,421	108.6
1962-63	3,650 *	2,733 †	1,424	108.8

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Stockton State Hospital, are contained in the summary of proposed program augmentation.

Department of Mental Hygiene
FAIRVIEW STATE HOSPITAL

ITEM 165 of the Budget Bill

Budget page 438

FOR SUPPORT OF FAIRVIEW STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$6,296,454
State employees' retirement	378,393
State employees' health and welfare	54,540
Total	\$6,729,387
Estimated to be expended in 1961-62 fiscal year	6,310,829
Increase (6.6 percent)	\$418,558

TOTAL RECOMMENDED REDUCTION _____ **None**

ANALYSIS

Fairview State Hospital is located in Costa Mesa, a short distance from Newport and Laguna Beaches. It is the State's newest institution for the treatment of the mentally retarded. Patients were first admitted in January of 1959.

The average patient population for fiscal year 1961-62 is estimated at 1,912, and is anticipated to increase to 2,000 for 1962-63. It is expected that within the next five years Fairview will be able to accommodate approximately 4,000 patients.

The following table shows the increases in per capita costs since 1960-61:

Fairview State Hospital—Continued

Per Capita Costs				
1960-61 through 1962-63—Fairview State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1960-61</i>	
			<i>Amount</i>	<i>Percent</i>
1960-61	1,662	\$3,244	--	--
1961-62	1,912*	3,301*	\$57	1.8
1962-63	2,000*	3,365†	121	3.7

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Fairview State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene

PACIFIC STATE HOSPITAL

ITEM 166 of the Budget Bill

Budget page 440

FOR SUPPORT OF PACIFIC STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$8,560,331
State employees' retirement	508,595
State employees' health and welfare	69,660

Total	\$9,138,586
Estimated to be expended in 1961-62 fiscal year	8,836,824

Increase (3.4 percent)	\$301,762
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TOTAL RECOMMENDED REDUCTION None

ANALYSIS

Pacific State Hospital is located near Pomona and approximately 30 miles east of Los Angeles. It is an institution for the care and treatment of the mentally retarded.

Average patient population for 1961-62 is estimated at 2,930 and expected to increase to 2,960 for the 1962-63 fiscal year.

The following table indicates the increases in per capita costs since 1953-54 :

Per Capita Costs				
1953-54 through 1962-63—Pacific State Hospital				
<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1953-54</i>	
			<i>Amount</i>	<i>Percent</i>
1953-54	2,018	\$1,481	--	--
1954-55	2,229	1,597	\$116	7.8
1955-56	2,621	1,588	107	7.2
1956-57	2,718	1,987	507	34.2
1957-58	2,856	2,392	911	61.5
1958-59	2,938	2,434	953	64.3
1959-60	2,902	2,733	1,252	84.5
1960-61	2,930	2,852	1,371	92.6
1961-62	2,960 *	2,985 *	1,504	101.6
1962-63	3,000 *	3,046 †	1,565	105.7

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Pacific State Hospital—Continued

Program considerations, including analyses of and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Pacific State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene

PORTERVILLE STATE HOSPITAL

ITEM 167 of the Budget Bill

Budget page 443

FOR SUPPORT OF PORTERVILLE STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$6,989,658
State employees' retirement	412,025
State employees' health and welfare	57,840
Total	\$7,459,523
Estimated to be expended in 1961-62 fiscal year	7,170,828
Increase (4 percent)	\$288,695
TOTAL RECOMMENDED REDUCTION	\$16,056

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
1 Chief of Professional Education	\$16,056	443	54

ANALYSIS

Justification for abolishing this position is presented on page 390 of our Analysis under the section titled "Recommended Reductions in Existing Programs."

Porterville State Hospital is situated near the town of that name, approximately 170 miles north of Los Angeles and 270 miles south of San Francisco. The institution was opened in 1953 and provides care and treatment for the mentally retarded.

The average patient population for 1961-62 is estimated at 2,521, and is expected to be 2,500 for the 1962-63 fiscal year.

The following table shows the increases in per capita costs since 1956-57:

Per Capita Costs
1956-57 through 1962-63—Porterville State Hospital

<i>Fiscal year</i>	<i>Average population</i>	<i>Per capita cost</i>	<i>Increase over 1956-57 Amount</i>	<i>Percent</i>
1956-57	2,346	\$1,876	--	--
1957-58	2,448	2,087	\$211	11.2
1958-59	2,498	2,284	408	21.7
1959-60	2,484	2,474	598	31.9
1960-61	2,539	2,608	732	39.0
1961-62	2,521 *	2,844 *	968	51.6
1962-63	2,500 *	2,984 †	1,108	59.1

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Porterville State Hospital—Continued

Program considerations, including analyses and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Porterville State Hospital, are contained in the summary of proposed program augmentations.

Department of Mental Hygiene

SONOMA STATE HOSPITAL

ITEM 168 of the Budget Bill

Budget page 445

FOR SUPPORT OF SONOMA STATE HOSPITAL
FROM THE GENERAL FUND

Amount requested	\$10,069,736
State employees' retirement	601,835
State employees' health and welfare	83,100
Total	\$10,754,671
Estimated to be expended in 1961-62 fiscal year	10,438,719
Increase (3.1 percent)	\$315,952

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

Sonoma State Hospital is located at Eldridge, approximately 80 miles west of Sacramento. It is an institution for the care and treatment of the mentally retarded.

The average patient population for 1961-62 is estimated to be 3,673, and the comparable 1962-63 figure is 3,765.

The following table shows the increases in per capita patient costs since 1953-54:

Per Capita Costs
1953-54 through 1962-63—Sonoma State Hospital

Fiscal year	Average population	Per capita cost	Increase over 1953-54 Amount	Percent
1953-54	2,698	\$1,699	--	--
1954-55	2,745	1,807	\$108	6.4
1955-56	3,119	1,759	60	3.5
1956-57	3,214	1,965	266	15.7
1957-58	3,202	2,340	641	37.7
1958-59	3,413	2,447	748	44.0
1959-60	3,679	2,472	773	45.5
1960-61	3,672	2,701	1,002	59.0
1961-62	3,673 *	2,842 *	1,143	67.3
1962-63	3,765 *	2,856 †	1,160	68.3

* Estimate as shown in 1962-63 Budget.

† Excludes 1962-63 proposed program augmentations.

Program considerations, including analyses and recommendations on new positions, increased operating expense and equipment, to the extent applicable to Sonoma State Hospital, are contained in the summary of proposed program augmentations.