

POLICY ANALYSIS SERIES

ISSUES RELATED TO STATE HOSPITALS / NO. 3

A PROFILE OF MINNESOTA STATE HOSPITAL EMPLOYEES

I. INTRODUCTION

The Minnesota Legislature directed the State Planning Agency to prepare a study and plan regarding the state hospital system (Laws of Minnesota, Chapter 654, Section 19, Subdivisions 1 and 3). The Legislature recognized that the closure and consolidation of state hospitals have a negative effect on employees and stated its policy "that deinstitutionalization policies shall be carried out in a manner that ensures fair and equitable arrangements to protect the interest of employees ... affected by deinstitutionalization of state hospitals." The legislation further directed the study "to provide information on topics to include, but not limited to, the following: projected displacement of state hospital employees because of deinstitutionalization by number, location and job classification; and, the extent to which displacement can be mitigated through attrition, retirement, retraining, and transfer."

The purpose of this paper is to address the questions of the Legislature, provide information about the employees of the state hospitals, their expressed preferences regarding their employment future, and opportunities for future state employment.

II. METHODOLOGY

The demographic analysis and profile of the state hospital employees are based upon confidential data received from the Minnesota Department of Employee Relations. The authorizing legislation specifically granted the State Planning Agency access to employee and client data for the purposes of carrying out the requirements of the study.

...Notwithstanding the provisions of sections 13.43 and 13.46, the State Planning Agency shall, have access to private personnel data and private client data as necessary to carry out the mandates of this act until June 30, 1985. (Minnesota Laws, Chapter 654, Section 19, Subd. 3:6, 1984.)

The analysis of individual employment preferences is derived from a 26 item survey which was administered from July 23 through August 28, 1984, to employees at their respective state hospital locations. The survey was administered by an outside consultant under contract with the State Planning Agency. Participation in the employee survey was voluntary.

A total of 3,665 people responded to the survey for an overall participation rate of 66%. The participation rate varied at each hospital: Anoka 64%; Brainerd 79%; Cambridge 59%; Faribault 43%; Fergus Falls 68%; Moose Lake 74%; St. Peter 60%; and, Willmar 80%. Sixty-four percent (64%) of the survey was completed by female workers. The length of service for the respondents was as follows: less than 1 year 6%, 1-5 years 36%, 6-10 years 26%, 11-15 years 11%, 16-20 years 11%, 20-35 years 7% and 3% invalid or unknown.

The Department of Employee Relations projected the number of suitable vacancies in other agencies with work locations within a 35 mile radius of each hospital. Following is a description of the methodology the Department of Employee Relations used to arrive at its estimate of the number of available work sites within 35 miles of each state hospital. The distance of 35 miles was chosen for two reasons:

1. The stipulations of the collective bargaining agreements require that the state pay moving expenses for employees transferred more than 35 miles from their present work site.
2. An arbitrator's ruling determined that a refusal to accept a transfer within 35 miles of an employee's current work site is a voluntary termination, which relieves the state from any further obligations with respect to unemployment insurance and other separation benefits.

Occupations were eliminated which required qualifications or skills not suitable to the transfer of state hospital employees. The staffing needs at the other work sites were estimated for a period of up to 14 months to determine the number of vacancies which could be available to state hospital employees.

The department also projected the number of retirements by state hospital; analyzed the separations at each hospital; and, summarized the employment at each hospital by class, age and length of service.

The Public Employment Labor Relations Act of 1971 created sixteen (16) units for the purposes of collective bargaining. Table 1 provides a listing of the units, their respective union affiliations and the typical class of employees assigned to the units. Most of the data on employees will be presented by bargaining units.

III. RESULTS

The results will be presented in three major sections:

- A. Employee Profile: the demographic characteristics of the state hospital employees by age, sex, length of employment, wages and salaries, and by bargaining units;
- B. Employee Preferences: the state hospital employees' responses to several questions on the employee survey concerning their career preferences for the future; and,
- C. State Government Reemployment Opportunities: the prospects for continuing state employment and maintaining employee benefits and pension and retirement benefits.

TABLE 1
STATE HOSPITAL BARGAINING UNITS

<u>Unit Number</u>	<u>Name of Bargaining Unit</u>	<u>Type of Job Titles</u>
2 - Craft, Maintenance	Minnesota State Employees Union (AFSCME Council 6, AFL-CIO)	Highway Maintenance Worker, Auto & Heavy Equipment Trades, Personnel, Building Trades.
3 - Service	Minnesota State Employees Union (AFSCME Council 6, AFL-CIO)	Janitors, General Maintenance Workers, Food Service Workers, Laborers, Secu- rity Personnel & Drivers
4 - Health Care, Non- Professionals	Minnesota State Employees Union (AFSCME Council 6, AFL-CIO)	Human Services Technician & Senior, Recreation Therapy Assistants, MR Lead Workers, Licensed Practical Nurse I & II, Attendant Guards
5 - Health Care Pro- fessionals	Minnesota Nurses Association	Registered Nurses & Public Health Nurses
6 - Clerical & Office	Minnesota State Employees Union (AFSCME Council 6, AFL-CIO)	Word Processing Operator, Clerk Typist, Data Entry Operators, Secretaries
7 - Technical Unit	Minnesota State Employees Union (AFSCME Council 6, AFL-CIO)	Highway & Engineering Technicians, Parks Technicians, Specialized Office & Laboratory Positions
13 - Health Treatment Professional	Association of Institutional Dentists	Dentists, MDs, Veterinarians
14 - General Profes- sionals	Minnesota Association of Pro- fessional Employees	Social Workers, Corrections Agents, Tax Examiners, Accountants, Auditors, Behavior Analysts, Employment Interviewers.

TABLE 1
STATE HOSPITAL BARGAINING UNITS
(continued)

Unit Number	Name of Bargaining Unit	Type of Job Titles
15 - Professional State Residential Instruction	State Residential Schools, Education Association	Teachers in State Facilities
16 - Supervisory	Middle Management Association	Economic & Security Local Office Managers and Assistant Managers, Highway Maintenance Foremen & Superintendents, Group Supervisors, Psychologists, Assistant Group Supervisors, Office and Accounting Personnel.
<p>The State also has 786 employees (statewide) who are excluded from bargaining by virtue of having access to confidential information and approximately 1,000 classified and unclassified managerial staff members who are excluded from bargaining by statute. There are also from 1,500 - 2,000 employees who work less than necessary to be included in bargaining units (less than 14 hours a week or 67 days per year).</p>		
17 - Confidential	Unrepresented	Commissioners' Secretaries, Personnel Staff
20 - Manager	Unrepresented	Managerial Staff
21 - Other	Unrepresented	Part-time, Intermittent Seasonal Workers

Source: Department of Employee Relations, October 17, 1984.

A. EMPLOYEE PROFILE

1. Total Employees by Hospital

Table 2 presents the total number of legislatively authorized full-time equivalent positions at each hospital for the last four fiscal years. (The state fiscal year begins July 1 and ends June 30). A full-time equivalent position may be occupied by more than one person during a one year period.

TABLE 2
FULL-TIME EQUIVALENT POSITIONS OF MINNESOTA
STATE HOSPITALS FROM FY '80 - FY '84

State Hospital	Fiscal Year				
	1980	1981	1982	1983	1984
Anoka	364	374	378	378	378
Brainerd	711	639	686	686	686
Cambridge	473	794	796	796	796
Faribault	991	991	1,093	1,093	1,093
Fergus Falls	583	583	622	622	622
Moose Lake	486	466	512	512	512
St. Peter	639	630	712	712	712
Willmar	630	628	643	643	643
TOTAL	4,877	5,105	5,442	5,442	5,442

Source: Department of Employee Relations,
October 1, 1984.

2. Wages and Salaries of Employees

Table 3 provides information about the average hourly wage for each bargaining unit for all employees (including less than full time employees) at each state hospital by sex.

Females comprise 64% of the state hospital workforce. The majority of women, 2,126, are employed in the Health Care Non-Professional bargaining unit. Over half (50.6%) of all state hospital employees are employed in the Health Care Non-Professional Unit and their average statewide hourly wage is \$8.53 per hour.

The next largest bargaining unit is the Service Unit with 12.5% of all state hospital employees. The average hourly wage for the Service Unit is the lowest among all bargaining units at \$8.10 per hour.

The professional managers earn the most with an average hourly wage of \$22.50 per hour.

Hourly wages are presented in greater detail in Table 4 by both bargaining unit and sex. The table indicates:

- a. Over 70% of all workers at the hospitals earn less than \$10.00 per hour;
- b. The percentage of all female workers earning less than \$10.00 per hour is 77%;
- c. 59% of all male workers earn less than \$10.00 per hour; and,
- d. Generally, professional employees earn more than non-professional employees.

Table 5 provides a hospital by hospital breakdown of the wage cluster for each state hospital.

Anoka and St. Peter State Hospitals have fewer employees earning less than \$10.00 per hour (55% and 59%, respectively). Cambridge State Hospital has the highest percentage (80%) of its employees earning less than \$10.00 per hour. The wage structure of the state is negotiated through collective bargaining, thereby ensuring uniformity throughout the entire hospital system. The factors which explain the differences are the length of service for employees and the differences in the mix of client services.

TABLE 3
AVERAGE WAGE BY BARGAINING UNIT
IN MINNESOTA STATE HOSPITALS
1984

<u>Bargaining Unit</u>	<u>Female</u>	<u>Male</u>	<u>Total</u>	<u>Percent of Total</u>	<u>Average Wage Per Hour</u>
2	1	196	197	3.3%	\$11.54
3	414	329	743	12.6	\$8.10
4	2,126	869	2,995	50.7	\$8.53
5	255	24	279	4.7	\$12.52
6	217	21	238	4.0	\$8.39
7	49	13	62	1.0	\$9.66
13	8	31	39	.7	\$18.32
24	264	264	528	8.9	\$11.30
15	43	34	77	1.3	\$15.04
16	174	251	425	7.2	\$13.78
17	55	15	70	1.2	\$12.12
20	4	40	44	.7	\$22.70
21	122	93	215	3.7	***
TOTAL	3,732	2,180	5,912	100.0%	

Source: Department of Employee Relations,
October 1, 1985.

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TABLE 4
HOURLY WAGE BY SEX BY BARGAINING UNIT
IN MINNESOTA STATE HOSPITALS - 1984

Bargain- ing Unit	Sex	Hourly Wage					Total
		\$0.00 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 or More	
2	FEMALE	0	0	1	0	0	1
	MALE	0	1	194	1	0	196
3	FEMALE	6	408	0	0	0	414
	MALE	21	306	2	0	0	329
4	FEMALE	0	1,956	170	0	0	2,126
	MALE	0	793	76	0	0	869
5	FEMALE	0	8	235	12	0	255
	MALE	0	2	19	3	0	24
6	FEMALE	0	215	2	0	0	217
	MALE	0	21	0	0	0	21
7	FEMALE	0	37	12	0	0	49
	MALE	0	7	6	0	0	13
13	FEMALE	0	0	2	4	2	8
	MALE	0	0	3	18	10	31
14	FEMALE	0	99	159	6	0	264
	MALE	0	71	175	18	0	264
15	FEMALE	0	2	19	22	0	43
	MALE	0	1	14	19	0	34
16	FEMALE	0	16	100	57	1	174
	MALE	0	14	150	83	4	251
17	FEMALE	0	21	26	7	1	55
	MALE	0	1	6	8	0	15
20	FEMALE	0	0	0	3	1	4
	MALE	0	0	0	10	30	40
21	FEMALE	0	102	10	0	10	122
	MALE	0	61	4	1	27	93
TOTAL MALE		21	1,278	649	161	71	2,180
TOTAL FEMALE		6	2,864	736	111	15	3,732
GRAND TOTAL & Total		27 0%	4,142 70%	1,385 23%	272 5%	86 1%	5,912

Source: Department of Employee Relations, October 1, 1984.

TABLE 5
WAGE CLUSTERS OF EMPLOYEES BY STATE HOSPITAL - 1984

State Hospital	Wage Range					Total
	\$0.00 to \$4.99	\$5.00 to \$9.99	\$10.00 to \$14.99	\$15.00 to \$19.99	\$20.00 or More	
Anoka	1 0%	207 55%	133 35%	23 6%	14 4%	378 100%
Brainerd	0	501 71%	158 22%	37 5%	8 1%	704 100%
Cambridge	8 1%	670 79%	139 16%	26 3%	7 1%	850 100%
Faribault	0	961 76%	241 19%	54 4%	10 1%	1,266 100%
Fergus Falls	5 1%	446 66%	183 27%	34 5%	11 2%	679 100%
Moose Lake	0	404 71%	130 23%	25 4%	10 2%	569 100%
St. Peter	0	465 59%	265 34%	42 5%	14 2%	786 100%
Willmar	13 2%	488 72%	136 20%	31 5%	12 2%	680 100%
TOTAL	27 0%	4,142 70%	1,385 23%	272 5%	86 1%	5,912

Source: Department of Employee Relations, October 1, 1984.

3. Age of Employees

Table 6 presents the ages of all employees by hospital and by bargaining unit. The table shows the following:

- a. 19% of all employees are between 24 and 29 years old;
- b. 21% of all female workers are between the ages of 24 and 29;
- c. 22% of all males are between 30 and 35 years old;
- d. 52% of all employees are between the age of 24 and 42; and
- e. 27% of all employees are 48 years or older.

4. Length of Service

The length of state service influences an employee's rate of pay because increases in hourly wages often reflect an employee's length of service.

The average length of service for all employees is 8.15 years. The average at each state hospital varies from a low of 6.2 years at Anoka to a high of 10.5 years at Fergus Falls. Table 7 presents the average length of service by hospital and by sex.

TABLE 7
AVERAGE LENGTH OF SERVICE OF MINNESOTA STATE HOSPITAL EMPLOYEES
(Full Time Employees Only)

State Hospital	Males in Years	Females in Years	Average in Years
Anoka	6.2	6.1	6.2
Brainerd	7.3	7.8	7.6
Cambridge	8.6	7.8	8.0
Faribault	10.2	9.0	9.4
Fergus Falls	11.7	9.7	10.5
Moose Lake	10.3	8.4	9.1
St. Peter	7.0	6.4	6.7
Willmar	8.1	7.4	7.7

Note: The Department of Employee Relations has stated that the beginning dates of employment for some permanent full time employees are not available. The data presented in this table reflect only available information.

Source: Department of Employee Relations, January 11, 1985.

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TABLE 6
AGE OF EMPLOYEES BY STATE HOSPITAL--1984

State Hospital	Age of Employee										Total
	16 or 17	18 to 23	24 to 29	30 to 35	36 to 41	42 to 47	48 to 53	54 to 59	60 to 65	Over 65	
ANOKA											
Male	0	4	23	31	14	26	19	16	11	1	145
Female	0	16	37	32	47	42	19	22	17	1	233
BRAINERD											
Male	1	8	49	67	41	29	32	27	14	1	269
Female	3	36	79	80	57	53	44	53	29	7	441
CAMBRIDGE											
Male	2	28	55	49	38	23	23	20	21	2	261
Female	5	88	133	93	79	62	51	49	27	3	590
FARIBAULT											
Male	5	100	70	75	57	36	43	34	21	1	442
Female	8	158	191	123	99	68	56	63	52	6	824
FERGUS FALLS											
Male	1	12	30	55	29	29	41	39	19	5	260
Female	0	37	78	67	55	45	55	47	31	4	419
MOOSE LAKE											
Male	1	15	26	49	40	25	19	25	17	2	219
Female	1	29	72	68	42	47	38	32	18	3	350
ST. PETER											
Male	3	19	50	90	51	39	32	26	20	1	331
Female	1	39	94	84	64	51	50	48	22	2	455
WILLMAR											
Male	0	8	39	61	43	29	29	30	16	2	257
Female	0	51	112	67	52	31	39	36	30	5	423
TOTAL MALE	13	194	342	477	313	236	238	217	139	15	2,184
% Male	1%	9%	16%	22%	14%	11%	11%	10%	6%	1%	37%
% Total	0%	3%	6%	8%	5%	4%	4%	4%	2%	0%	
TOTAL FEMALE	18	454	796	614	495	399	352	350	226	31	3,735
% Female	0%	12%	21%	16%	13%	11%	9%	9%	6%	1%	63%
% Total	0%	8%	13%	10%	8%	7%	6%	6%	4%	1%	
GRAND TOTAL	31	648	1,138	1,091	808	635	590	567	365	46	5,919
% Total	1%	11%	19%	18%	14%	11%	10%	10%	6%	1%	

Source: Department of Employee Relations, October 1, 1984.

Table 8 presents a more detailed breakdown of length of service by state hospital and sex. There is wide variability in the number of years of service. Some individuals are mobile and seek work experience while others have committed their careers to state hospital service.

The length of service for employees is also significant in that benefits afforded employees are often a function of length of service. In particular, the length of service dictates the state's obligation to employees who may be involuntarily terminated.

Unemployment insurance, severance and extended health insurance are related to the length of service an employee has worked. To collect unemployment insurance for the maximum period of 26 weeks requires 37 consecutive weeks of employment prior to termination.

Severance pay is a function of an employee's unused sick leave and varies depending upon how much sick leave an employee used prior to termination. All full-time permanent employees accumulate four hours of sick leave per pay period (a pay period is two weeks) up to 900 hours. Beyond 900 hours an employee accumulates two hours per pay period. An employee receives 40% of unused sick leave as severance pay up to a maximum of 900 hours of unused sick leave for a total of 360 hours. For hours beyond the maximum of 900 hours, the employee receives 25% of the unused sick leave.

The state must pay six months of health insurance for laid off employees who have three or more years of consecutive state service.

TABLE 8
LENGTH OF SERVICE OF EMPLOYEES BY NUMBER
OF YEARS AND STATE HOSPITAL - 1984

State Hospital	YEARS OF SERVICE									Total
	Less than 1	1 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30	31 to 35	Un- known	
ANOKA										
Male	14%	38%	18%	10%	3%	2%	1%	0%	14%	145
Female	14%	41%	18%	11%	2%	1%	1%	0%	12%	233
BRAINERD										
Male	10%	35%	21%	14%	2%	1%	1%	0%	16%	269
Female	13%	35%	19%	14%	6%	1%	0%	0%	12%	441
CAMBRIDGE										
Male	15%	41%	19%	10%	9%	3%	2%	0%	1%	261
Female	13%	47%	20%	9%	7%	2%	2%	0%	0%	590
FARIBAULT										
Male	12%	45%	15%	12%	7%	4%	1%	1%	3%	442
Female	12%	47%	18%	11%	9%	2%	0%	0%	1%	824
FERGUS FALLS										
Male	14%	29%	25%	9%	9%	4%	6%	4%	0%	203
Female	12%	35%	27%	7%	11%	4%	2%	1%	1%	419
MOOSE LAKE										
Male	9%	43%	21%	7%	9%	4%	2%	5%	0%	199
Female	6%	48%	23%	10%	7%	4%	1%	1%	0%	337
ST. PETER										
Male	13%	32%	25%	11%	1%	1%	0%	0%	17%	331
Female	14%	38%	21%	8%	1%	0%	0%	0%	18%	455
WILLMAR										
Male	7%	27%	30%	14%	2%	0%	0%	1%	19%	257
Female	8%	38%	36%	7%	2%	1%	1%	0%	8%	423

Source: Department of Employee Relations, October 1, 1984.

5. Separations by Hospital

One of the major concerns raised in the enabling legislation is whether or not normal attrition at the hospitals can mitigate any possible adverse effects of a hospital phase-down or complete closing. Table 9 is the actual number of separations for all hospitals for the state fiscal year 1984, (July 1, 1983 to July 1, 1984). All types of separations are included in the table, such as: retirement, death, voluntary and involuntary separations. Because of these various reasons the reader cannot draw any conclusions as to the reasons for the different rates of separations by bargaining units or by hospitals. The bargaining units included are those covered under collective bargaining agreements which offer specific protections in the event of lay-offs.

The legislation specifically asks what is, "the extent to which displacement (due to closure) can be mitigated through attrition,..." The answers to this question are:

- a. The number of separations could enable a gradual downsizing of the state hospitals operations, but, depending upon the speed of downsizing, could not account for all needed staff reductions, particularly because the attrition rates vary by bargaining unit and hospital;
- b. The number of separations at any hospital could not facilitate the complete closure of a state hospital;
- c. The total number of separations for FY '84 exceeds the total number of employees at all but three hospitals; however, it cannot be assumed that a combination of normal attrition and staff transfers would make possible the closing of one hospital without layoffs; and
- d. The number of separations by hospital and by selected bargaining units are shown in Table 9. The table shows:
 - 1) The number of separations varies from hospital to hospital and from bargaining unit to unit;
 - 2) Faribault State Hospital had the highest number of separations for FY '84;
 - 3) Anoka and St. Peter State Hospitals had the fewest number;
 - 4) The Health Treatment Unit, #13 had the fewest number of separations, 2;
 - 5) The Health Care Non-Professional Unit, #4, had the largest number, 439.

TABLE 9
NUMBER OF SEPARATIONS OF ALL EMPLOYEES BY STATE
HOSPITAL BY BARGAINING UNIT - 1984

State Hospital	Bargaining Unit										Total
	2	3	4	5	6	7	13	14	15	16	
ANOKA Separations	3	12	24	7	4	0	1	6	0	6	63
BRAINERD Separations	4	9	41	4	3	0	0	6	1	9	77
CAMBRIDGE Separations	2	9	69	2	2	2	0	16	0	6	108
FARIBAULT Separations	1	47	131	5	4	1	0	14	1	6	210
FERGUS FALLS Separations	8	29	42	3	6	0	0	3	0	6	97
MOOSE LAKE Separations	5	16	35	2	9	11	1	7	2	1	89
ST. PETER Separations	0	8	36	4	5	0	0	12	2	3	70
WILLMAR Separations	<u>1</u>	<u>32</u>	<u>61</u>	<u>1</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>6</u>	<u>106</u>
TOTAL Separations	24	162	439	28	35	14	2	67	6	43	820

Source: Department of Employee Relations, November 15, 1984.

6. Retirement

The legislation asked what is, "the extent to which displacement can be mitigated through,...retirement,..." Table 10 shows that in FY '84, 108 people retired from the state hospitals and it also shows there are an additional 369 people who are currently eligible to retire under the Rule of 85.

The state of Minnesota has a provision in its retirement laws which temporarily makes it possible to retire earlier than previous retirement provisions. This provision is known as the Rule of 85. In adding an employee's length of service and age, if the number equals or exceeds 85, then the person is eligible to retire. This provision expires December 31, 1986. As Table 10 indicates there are currently 369 people eligible for retirement and if the Rule of 85 extended three more years that number would more than double to 742.

Retirement could help mitigate any possible adverse effects of a hospital closure or downsizing; however, until people reach the age of 70, the decision to retire is voluntary.

TABLE 10
RETIREMENTS (IMMEDIATE AND PROJECTED)
BY STATE HOSPITAL

State Hospital	Actual FY '84	Eligible Immediately	Eligible within 5 years
Anoka	13	3	58
Brainerd	14	61	118
Cambridge	9	31	69
Faribault	20	49	102
Fergus Falls	18	30	82
Moose Lake	17	38	77
St. Peter	10	68	140
Willmar	7	59	96
TOTAL	108	369	742

Source: Department of Employee Relations,
October 1, 1984.

B. EMPLOYEE PREFERENCES

In order to answer some of the major questions posed in the authorizing legislation, direct input from the employees was needed. The State Planning Agency engaged an outside consultant to survey the employees. A 26 question survey was developed with the assistance of employee organizations, the Department of Human Services and the Department of Employee Relations.

The survey asked a hypothetical question: "If this state hospital were to close within the next five (5) years, or if patient/resident reductions were to result in staff reductions, and if I were offered a transfer to another hospital for a similar position, I would most likely..." The hypothetical question was followed by a set of four (4) choices:

1. Maintain my current residence, refuse the transfer, and seek other employment elsewhere.
2. Refuse the transfer, seek other employment outside the area, and change my address accordingly.
3. Accept the transfer and move to the area offered.
4. Accept the transfer but would attempt to maintain my current residence and commute if at all possible.

Table 11 provides the total responses for all hospitals. The total number of respondents are for full-time employees only (3,154 responses). The table shows:

1. 46% of all respondents indicated they would refuse any transfer offer (choices 1 and 2 combined);
2. Employees who indicated they would not accept any transfer varied from hospital to hospital, with Brainerd (55%) and Anoka (38%) and Moose Lake (39%) having the two extremes (choices 1 and 2 combined);
3. Conversely, 51% of all respondents indicated they would accept a transfer (choices 3 and 4 combined);
4. Anoka and Moose Lake employees were most willing to accept a transfer with 61% and 59% of the employees indicating this preference (choices 3 and 4 combined);
5. 24% of all employees indicated they would also be willing to move to accept the transfer (choice 3); and

TABLE 11
PREFERENCES OF STATE HOSPITAL EMPLOYEES
REGARDING TRANSFER (n = 3,154)

State Hospital	Response Number				Unknown	Total
	1	2	3	4		
ANOKA	68 32%	12 6%	33 15%	97 46%	3 1%	213
BRAINERD	196 40%	72 15%	110 22%	92 19%	19 4%	489
CAMBRIDGE	128 29%	56 13%	80 18%	159 37%	12 3%	435
FARIBAULT	134 30%	66 15%	81 18%	162 36%	8 2%	451
FERGUS FALLS	115 30%	49 13%	132 35%	74 19%	12 3%	382
MOOSE LAKE	110 31%	29 8%	109 31%	97 28%	7 2%	352
ST. PETER	139 36%	50 13%	89 23%	100 26%	4 1%	382
WILLMAR	181 40%	41 9%	131 29%	86 19%	11 2%	450
TOTAL	1,071 34%	375 12%	765 24%	867 27%	76 2%	3,154

QUESTION: "If this state hospital were to close within the next five (5) years, or if patient/resident reductions were to result in staff reductions, and if I were offered a transfer to another state hospital for a similar position, I would most likely . . ." The hypothetical question was followed by a set of four (4) choices:

1. Maintain my current residence, refuse the transfer, and seek other employment elsewhere.
2. Refuse the transfer, seek other employment outside the area, and change my address accordingly.
3. Accept the transfer and move to the area offered.
4. Accept the transfer but would attempt to maintain my current residence and commute if at all possible.

Source: State Planning Agency, 1984.

6. Fergus Falls had the largest percentage (35%) of employees who indicated they would be willing to move to accept a transfer. 15% of the employees at Anoka said they would be willing to move (choice 3).

The second hypothetical question posed in this survey, "If this state hospital were to close within the next five (5) years, or if patient/resident reductions were to result in staff reductions, and if I chose not to accept a transfer to another state hospital, my next career preference would be..."

1. Work for a state agency in the field of human services.
2. Work for a state agency outside the field of human service.
3. Work in another public sector (city, county, federal) in the field of human service.
4. Work in another public sector (city, county, federal) outside the field of human service.
5. Work in private industry in the field of human service.
6. Work in private industry outside the field of human service.
7. Retire, if possible.
8. Self-employment.
9. Return to school.

Table 12 describes the future career preferences of state hospital employees. The findings are:

1. 31% of all respondents indicated they wanted to continue working for the state in some capacity in or outside of the human service field (choices 1 and 2).
2. 26% of the respondents indicated they wanted to continue to work for the state, but outside of the human service field (choice 2).
3. Public sector employment is the overall preference of the employees with 31% choosing some type of state employment and another 20% indicated they would prefer some other public sector employment such as at a city, county, or federal level (choices 3 and 4).
4. Private sector employment is the least favored alternative employment option with 12% of the employees selecting private industry, and 4% indicating privately owned human services. Seven (7) percent of the employees would choose retirement, 14% indicated a preference for self-employment, 5% would choose higher education and 11% were unknown (choices 5, 6, 7, and 8).

TABLE 12
PREFERENCE OF STATE HOSPITAL EMPLOYEES REGARDING TYPE OF EMPLOYER (n = 3,211)

State Hospital	Response Number										Total
	1	2	3	4	5	6	7	8	9	Unknown	
ANOKA	17	75	23	31	7	22	10	26	5	9	225
BRAINERD	33	105	42	57	18	26	45	66	27	75	494
CAMBRIDGE	27	110	57	37	24	31	43	42	20	53	444
FARIBAULT	22	110	28	57	27	33	35	60	19	68	459
FERGUS FALLS	24	110	29	45	17	28	13	67	20	34	387
MOOSE LAKE	20	87	23	61	10	24	21	44	18	49	357
ST. PETER	14	92	24	47	11	43	30	73	21	30	385
WILLMAR	13	130	40	63	22	40	27	62	20	43	460
TOTAL	170	819	266	398	136	247	224	440	150	361	3,211
	5%	26%	8%	12%	4%	8%	7%	14%	5%	11%	

QUESTION: "If this state hospital were to close within the next five (5) years, or if patient/resident reductions were to result in staff reductions, and if I chose not to accept a transfer to another state hospital, my next career preference would be . . ."

1. Work for a state agency in the field of human services.
2. Work for a state agency outside the field of human services.
3. Work in another public sector (city, county, federal) in the field of human services.
4. Work in another public sector (city, county, federal) outside the field of human services.
5. Work in private industry in the field of human services.
6. Work in private industry outside the field of human services.
7. Retire, if possible.
8. Self-employment.
9. Return to school.

Source: State Planning Agency, 1984.

Table 13 provides the results to the question, "Should you wish to continue in the human services field, what would be your most preferred work setting?". The majority of employees (59%) would prefer to continue working in state hospital settings while 22% indicated interest in state operated community based services.

The least favored options were continued work in the human service field for private operated community programs with an 11% response and county operated community programs (7%).

TABLE 13
^G
PREFERENCE OF STATE HOSPITAL EMPLOYEES REGARDING CONTINUED
WORK IN THE HUMAN SERVICES FIELD (n = 3,209)

State Hospital	Response Number				Unknown	Total
	1	2	3	4		
ANOKA	158	29	44	13	17	225
% of Total	70%	13%	20%	6%	8%	
BRAINERD	286	49	108	7	47	492
% of Total	58%	10%	22%	1%	10%	
CAMBRIDGE	227	43	125	8	32	444
% of Total	51%	10%	28%	2%	7%	
FARIBAULT	256	29	125	11	30	459
% of Total	56%	6%	27%	2%	7%	
FERGUS FALLS	247	26	73	4	29	387
% of Total	64%	7%	19%	1%	7%	
MOOSE LAKE	221	31	68	17	15	357
% of Total	62%	9%	19%	5%	4%	
ST. PETER	224	55	70	17	16	385
% of Total	58%	14%	18%	4%	4%	
WILLMAR	305	31	83	14	17	460
% of Total	66%	7%	18%	3%	3%	
TOTAL	1,924	293	696	91	203	3,209
	54%	11%	22%	7%	6%	

QUESTION: "Should you wish to continue in the human services field, what would be your most preferred work setting?" The choices on the questionnaire were:

1. State hospital.
2. Privately operated community program (day or residential).
3. State operated community program (day or residential).
4. County operated community program (day or residential).

C. STATE GOVERNMENT REEMPLOYMENT OPPORTUNITIES

The authorizing legislation also asked what is, "the extent to which displacement can be mitigated through ... transfer." The question is whether or not hospital employees could be reemployed within state government in some capacity if any state hospital should phase down. This question needs to be refined further, because even though 51% of all employees indicated they would accept some type of transfer to another position within state government (Table 11), over half of those indicated they would prefer to remain at their current place of residence and commute to their new job. Therefore, the question might be, "how many employees could find an appropriate job within reasonable commuting distance."

The Minnesota Department of Employee Relations estimated the number of suitable vacancies in other state agencies with work locations within a 35 mile radius of each state hospital. Table 14 depicts the potential number of openings over a 14 month period, by bargaining unit, by state hospital.

Because of its proximity to the St. Paul Capital, Anoka State Hospital is the only state hospital whose employees have reemployment opportunities within commuting distance. However, even with Anoka's potential number of transfers, there are still approximately 166 employees who would not have a job after the 14 month time period. Seventy-five of those workers are non-professional health care workers and 47 are members of the Minnesota Nurses Association.

The state reemployment prospects for all other hospitals is negligible. The only possible exception would be the employees at Faribault State Hospital. If the 35 mile limit were extended to include Hennepin County, then 191 employees could be reemployed within state government.

The total number of vacancies available statewide (assuming employees were willing to transfer) could absorb all the employees of any one hospital over a 14 month period with one major exception. The exception is the people employed in the Non-Professional Health Care Unit. Table 15 does not include state hospital vacancies, which would increase the number of positions in the Non-Professional Health Care Unit from 261 to 363 depending upon which hospital might be affected. This further assumes that all the state hospitals continue their staffing level at their current level.

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TABLE 14

NUMBER OF EMPLOYEES AND
NUMBER OF AVAILABLE STATE POSITIONS WITHIN A 35-MILE
RADIUS OF EACH STATE HOSPITAL

State Hospital	Bargaining Unit									
	2	3	4	5	6	7	13	14	15	16
ANOKA	22	49	145	47	18	6	3	44	2	20
Positions	12	31	70	0	322	43	1	132	0	8
BRAINERD	20	104	331	37	31	7	6	67	10	52
Positions	3	5	0	0	7	9	0	2	0	0
CAMBRIDGE	23	115	489	22	26	5	5	62	3	61
Positions	6	3	19	0	12	9	0	18	0	0
PARIBAULT	38	143	713	36	27	10	8	88	16	6
Positions	2	1	3	0	9	10	0	7	0	2
FERGUS FALLS	19	87	320	35	31	8	5	46	14	75
Positions	0	0	0	0	1	0	0	3	0	0
MOOSE LAKE	26	79	311	27	26	8	5	37	4	31
Positions	2	0	0	0	1	1	0	0	0	0
ST. PETER	28	63	338	45	44	11	3	125	23	59
Positions	7	3	0	0	14	0	0	5	0	0
WILLMAR	21	103	349	30	35	7	4	59	5	45
Positions	2	0	0	0	0	2	0	2	0	0

Source: Department of Employee Relations, October 8, 1984.

Note: The first row of each state hospital refers to the number of employees at that state hospital under the above bargaining unit. The second row refers to the number of available state positions within a 35-mile radius of each state hospital.

TABLE 15

ACTUAL NUMBER OF STATE POSITIONS OPEN IN METRO/NONMETRO
AREA BY BARGAINING UNIT DURING A 14-MONTH PERIOD
(Ending July 1, 1984)

Area	Bargaining Unit									
	2	3	4	6	7	8	13	14	16	
Metro	19	35	62	340	59	102	0	133	11	
Nonmetro	61	44	90	83	42	10	1	66	7	
TOTAL	80	79	152	423	101	112	1	199	18	

Source: Department of Employee Relations,
October 1, 1984.

D. RETIREMENT

Finally, the last legislative concern is the retention of pension and retirement rights. Minnesota Law, Chapter 352, governs all public pension and retirement funds within the state. This legislative concern can be separated into two parts. What are the employees' rights and what are their portability options?

1. Employee rights: Currently, an employee terminating public employment with less than ten years of service credit is eligible to receive a refund of all employee contributions plus 5% interest. An employee with more than ten years of service credit is vested, and is eligible to receive benefits when the employee reaches retirement age (age 55). If an employee terminates before retirement age, the amount of benefits is increased 3% and "augmented" each year until the pension payment begins. The employee with more than ten years of service credit is also eligible to withdraw all employee contributions. Withdrawal of contributions (taking a refund) terminates all rights to the payment of an annuity from the fund. Those rights can be reinstated by the repayment of the refund plus interest after the person returns to public service.
2. Portability options: Minnesota has flexible portability provisions so that a person can combine service credit from most public funds to receive a pension based on all public service.

Public employees can combine service credit from the following public pension funds to obtain pension benefits:

Minnesota State Retirement
Fund
Correction Plan
Unclassified Plan
Constitutional Officers
State Patrol Fund
Legislators Plan

Public Employee Retirement
Association
Teachers Retirement Assoc.
Minneapolis Employees
Retirement Association
Minneapolis Teachers
St. Paul Teachers
Duluth Teachers

There is no portability for employees joining the University of Minnesota faculty plan which is governed by the Board of Regents. There is no portability between public plans and the 51 Municipal Police and Salaried Firefighters Relief Associations. However, only three of those associations, Faribault Police, Faribault Fire and Crookston Fire are accepting new members. All other newly hired police officers and firefighters in all other municipalities are members of PERA-P&F.

3. Portability to private funds: There is no portability to private pension funds. The state Legislature cannot authorize such portability because private pension funds are governed by federal law. The Employees' Retirement Income Security Act of 1974 explicitly prohibits states from making any laws applicable to private pension plans. However, in most instances, public employees terminating public employment can "roll over" their employee contributions into Individual Retirement Accounts.

E. SUMMARY OF FINDINGS

1. The hospital employees are organized into twelve bargaining units.
2. The total number of full-time equivalent positions for FY '84 was 5,442.
3. A total of 5,912 employees were employed as of October 1, 1984; this total includes all employees; e.g., part time, intermittent, etc.
4. 64% of the hospital work force is female; the majority of these women work in the Non-Professional Health Care Unit, which is the largest bargaining unit, and earn an average wage of \$8.53 per hour.
5. The Service Unit has the lowest average wage at \$8.10 per hour.
6. Over 70% of all state hospital workers earn less than \$10.00 per hour.
7. 77% of all female workers and 59% of all male workers earn less than \$10.00 per hour.
8. 52% of all employees are between the ages of 24 and 42.
9. 27% of all employees are 48 years of age or older.
10. The average length of service for all employees is 8.15 years.
11. Overall, the average length of service for females is less than their male counterparts.
12. Faribault State Hospital had the highest number of separations for FY '84.
13. Anoka and St. Peter State Hospitals had the fewest number of separations for FY '84.
14. The Non-Professional Health Care Unit had the highest number of separations for FY '84.
15. Over 3,000 employees responded to the State Planning Agency survey. Of these,
 - a. 46% indicated they would refuse a transfer to another state position.
 - b. Over half of the employees who expressed a willingness to accept a transfer to another position indicated they would not relocate to accept a transfer.

- c. 31% would prefer to continue working for the state regardless of whether the position was in the human services field.
 - d. Private sector employment was the least favored (12%) option chosen by employees when asked about their future job preferences.
16. The Department of Employee Relations estimated the number of suitable state employment options within a 35 mile radius of each state hospital. Anoka State Hospital employees could find reemployment in state service because of proximity to the St. Paul Capital.
17. Current separation rates could enable a gradual downsizing of the state hospitals.
18. At this time, there are at least 369 state hospital employees eligible for immediate retirement under the Rule of 85.

IV. REFERENCES

Collective Bargaining Agreements between the State of Minnesota and: Minnesota State Employees Union, AFSCME, Council 6, AFL-CIO; Minnesota Association of Professional Employees; Minnesota Middle Management Association; Minnesota Nurses Association; Minnesota Association of Professional Employees; and State Residential Schools Education Association (July 1, 1983 - June 30, 1985).

Department of Employee Relations. (1985, January 11; 1984, November 15; October 1, 8, 15). Computer tapes on Minnesota State Hospital employees. St. Paul: Author.

Minnesota Legislative Commission of Pensions and Retirement. (1984, June 21). Personal communication. St. Paul: Author.

Minnesota Statutes, Chapter 179.A - Public Employment Labor Relations Act, 1984.

State Planning Agency. (1984). Minnesota State Hospital employee survey. St. Paul: Author.

The 1984 Legislature mandated that a study and plan for Minnesota State Hospitals be prepared (Chapter 654, Section 19).

An Institutional Care and Economic Impact Planning Board was created composed of the following state agency heads: Sister Mary Madonna Ashton, Dept. of Health; Barbara Beerhalter, Dept. of Economic Security; Gus Donhowe, Dept. of Finance; Bill Gregg, Dept. of Veterans Affairs; Sandra Hale, Dept. of Administration; Leonard Levine, Dept. of Human Services; Orville Pung, Dept. of Corrections; David Reed, Dept. of Energy & Economic Development; Nina Rothchild, Dept. of Employee Relations; James Solem, Housing Finance Agency; and Tom Triplett, Chair, State Planning Agency.

Responsibility for the studies was given to the Developmental Disabilities Program/Council of the State Planning Agency.

Eight technical papers have been prepared to respond to the legislative requirements. This paper may be cited:

State Planning Agency. (1985, January). Policy Analysis Series Paper No. 3: A profile of Minnesota State Hospital employees. St. Paul, MN: Developmental Disabilities Program, State Planning Agency.

"Residents" refer to people with mental retardation who live in state hospitals.

"Patients" refer to people with mental illness and people with chemical dependency who receive services at the state hospitals.

Additional free copies of reports or information about this project can be received from:

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