

# Legislators' Views Regarding the Privatization of Involuntary Treatment: Implications for Mental Health Administrators

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**ABSTRACT.** This article reports on a study of legislative attitudes about privatizing involuntary treatment services (IMHT) for people diagnosed with severe mental illness (SMI). The results suggest that party affiliation and attitudes about efficiency of the private sector may have important effects on legislative attitudes about the propriety of contracting these services to voluntary organizations. Attitudes about *effectiveness* of private treatment facilities had little independent effect. This has ramifications for (1) government sector administrators who currently manage IMHT services, (2) voluntary sector administrators interested in positioning their organizations to be able to receive contracts to provide IMHT services and (3) leaders of consumer advocacy organizations that have a vested stake in the provision of mental health services for themselves and their loved ones. Implications for each group are discussed. [*Article copies available for a fee from The Haworth Document Delivery Service: 1-800-342-9678. E-mail address: <getinfo@haworthpressinc.com> Website: <http://www.HaworthPress.com> © 2001 by The Haworth Press, Inc. All rights reserved.*]

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**KEYWORDS.** Privatization, mental health, involuntary services, effectiveness, efficiency, coercion

This article reports on a study of attitudes of legislators in one state about privatizing involuntary treatment services (IMHT) for people diagnosed with severe mental illness (SMI). Legislators were asked to report on the issues that influenced them regarding privatization of these services.

Privatization in its most general form refers to the use of private means to accomplish public ends (Dorwart & Epstein, 1993, p. 59). In the field of mental health this can take the form of divesting of state-owned facilities as well as contracting for government sponsored services with both private for-profit or non-profit organizations (Dorwart & Epstein, 1993, chap. 4; Motenko et al., 1995, p. 456). This study investigated legislative attitudes about privatization of IMHT in one state with the aim of providing insight about legislators' motivations that might be of use to (1) government sector administrators who currently manage IMHT services, and (2) voluntary sector administrators interested in positioning their organizations to be able to receive contracts to provide IMHT services. The results may also be of interest to consumer advocacy organizations that have a vested stake in the provision of mental health services for themselves and their loved ones. The implications for each group will be discussed below.

In recent years there have been increasing efforts to privatize activities and agencies that were in previously almost the exclusive domain of government (Savas, 2000, pp. 14-17). Virtually all social services have experienced some form of privatization. In the field of mental health, most services provided to people with SMI, while funded by government, are provided through a network of private and public community mental health centers, government and private mental hospitals and other outpatient facilities such as physicians' offices, private therapists, drop in centers, hospitals, etc. (Lin, 1995, pp. 1707-1709).

The most controversial recent trend in privatization of mental health services has been with regard to people who are receiving services involuntarily due to their SMI diagnosis. Many state legislatures have, or are considering, legislation to allow more private providers to offer IMHT services. The best documented example of this is in Massachusetts where the system has been fully privatized by closing state operated IMHT facilities and moving SMI patients to private operators (Brotman, 1992; Dumont, 1996).

While reviews of the Massachusetts experiment have been mixed, there has generally been praise in the popular press for the equally controversial approach to privatization underway in Florida (Bousquet, 1997; Bruner, 1998; Meier, 1999). After considerable initial protest from consumer advocacy groups about the conditions of South Florida State Hospital, which serves Florida's most populous region, the state legislature opted to sell the state hospital and contract IMHT services to a branch of the Wackenhut Corporation. Wackenhut is best known for privately operated prisons and for providing security around nuclear facilities. Skeptics argued that the newly formed branch had more experience in correctional management than in the provision of services (Bruner, 1998; Meier, 1999). However, in spite of cost saving measures (such as a reduction of over one-third of the hospital staff) most independent observers feel that conditions at the hospital have improved. This includes the Joint Commission on Accreditation of Healthcare Organizations who granted accreditation to the hospital in 1999 (Meier, 1999). Although there have been no empirical evaluations of the hospital under its new management, there have also been no lawsuits filed on behalf of current or former residents, nor other forms of public outcry which would indicate major problems. Even members of the mental health services community find little to criticize in the recent transition (personal communication, July 13, 2000).<sup>1</sup>

### **BACKGROUND**

Bachman (1996, pp. 807-809) discusses the major arguments that have been forwarded in support of privatization. Many of these arguments are political or ideological in nature. For example, there is a widely held principal that the public sector should not duplicate what the private sector is capable of delivering. Another such argument is that interest group influence (such as public employee unions) can be avoided through the competitive bidding process. Most arguments, however, relate to cost-effectiveness. In a competitive environment, it is reasoned that in order to outbid competitors, successful contractors will create efficiencies in the design of services that allow them to deliver treatment at improved cost rates. A related argument is that the government as a large-scale purchaser of services can use its "buying power" to gain favorable rates for services. By the same token, government can use its virtually monopolistic hold on funding sources to dictate outcome measures, eliminate contractors who do not meet

standards and establish contracts with providers who have a proven record of delivering high quality services. Thus contracting is thought of as a means for improving the quality of services as well as an approach to cutting costs. Finally, legislators often couch their arguments for privatization in terms of reducing bureaucracy or the size of government operations (Brotman, 1992; Dorwart & Epstein, 1993).

All of these notions have been challenged. For instance, there is little evidence that bureaucracy is reduced by privatization, since some government bureaucratic functions are merely shifted to the private sector. This constitutes a privatizing of bureaucracies rather than elimination of such functions. In addition, new government bureaucracies often need to be created in order to manage contracts with private agencies (Bachman, 1996, p. 808).

Most often, however, arguments for privatization of mental health services are challenged with regard to cost-effectiveness criteria (Dorwart & Epstein, 1993, chap. 4; Moe, 1987). There is some evidence to suggest that the initial cost reductions when IMHT services are privatized appear to be more the product of cost shifting than the inherent efficiencies of private providers. Primarily this results from enhanced opportunities for Medicaid reimbursement when services are offered by private providers (Bachman, 1996; Brotman, 1992; Dorwart, Schlesinger, Davidson, Epstein, & Hoover, 1991; Schnapp, Bayles, Raffoul, & Schnee, 1999). Moreover, there may well be a tendency for private providers to initially underbid on contracts, and even operate at a loss for a time, in order to secure dominance over the sector (Schnapp et al., 1999).<sup>2</sup>

Reasons most often cited against privatizing IMHT tend to be speculative, however. Schnapp et al. (1999) note that private providers have considerable incentive to reduce funding for services in order to enhance profits and overhead, often have little experience providing such services, are generally unwilling to provide expensive or difficult to administer treatments and have little political or public support for their activities. Moreover there are questions about the propriety of allowing non-governmental organizations to hold and treat people against their wills (Becker, 1992). Some authors feel that privatization of such services will erode the safety-net and traditional responsibility that government has for providing these services, especially when the individuals and their families do not have the ability to pay for treatment (Schnapp et al., 1999; Wagenaar & Lewis, 1989).

There is little empirical evidence to support enhanced efficiency of private entities over the government sector (particularly in health related services). However, this is a commonly held position on the part of

elected officials as well as many members of the voting public. In the absence of hard empirical data to the contrary, and even in some cases where such data are available, the *perceptions* that elected officials have about the costs and benefits of privatization may be ultimately most important to their decision making, even in cases where there is empirical evidence to the contrary (Bachman, 1996, p. 821; Schlesinger & Dorwart, 1984).

Legislators' attitudes about privatization may have an impact on what mental health service providers, both public and private, are able to accomplish. This is despite the fact that the decisions to privatize are often made at a local or administrative level rather than directly by the legislature (Clark, Dorwart, & Epstein, 1994, p. 655; Marmor & Gill, 1989). The legislature's impact on privatization is principally due to its power (1) to set the tone for what can be seriously considered by local or administrative branches of government (Marmor & Gill, 1989, p. 462), and (2) to pass laws that directly affect the regulation, financing and operations of mental health organizations (Dumont, 1996; Kessen, 1997; Libby, 1997, p. 325; Peters, Miller, Schmidt, & Meeter, 1987, p. 77; Ross, Croze, Mazade, & Lutterman, 1995). Despite their influence on privatizing mental health treatment, legislators may well have some reservations about contracting for services that are *involuntary*. Traditionally, legislators have subscribed to the proposition that government organizations and agents are uniquely empowered to legitimately use coercive force.<sup>3</sup> Typically government contractors have not been able to lay claim to such legitimacy, and legislators may be reluctant to hand this function over private entities (Becker, 1992, 322; Moe, 1987, 456).

Privatization of potentially coercive functions such as IMHT has gotten mixed reviews (as previously noted), however, legislatures have subcontracted such authority at times, especially in the area of corrections. This suggests that in at least some limited instances legislators believe that it is appropriate to delegate such authority. Yet, even in the case of privately owned prisons where privatization is more common the propriety of contracting remains a topic of controversy and contention in state legislatures (Cavise, 1998; Kyle, 1998; Schichor & Sechrest, 1996).<sup>4</sup>

Given the influence of legislators in sanctioning and in setting the tone for privatization of such coercive mental health services, the current study explored legislator's attitudes with regard to privatizing IMHT.

### **METHODOLOGY**

A questionnaire was sent to all senators and representatives in the Florida State Legislature. Although generalizations that go beyond the state must be made cautiously, privatization is a particularly interesting issue in Florida since the state contains a mixture of private and public IMHT facilities. It has also had mixed results with privatization. An early privatization attempt of the public psychiatric hospital in the most populous area of the state in the 1980s was abandoned as a failure, and public management was continued (Becker, 1992). In the 1990s this hospital was successfully privatized (Meier, 1999). Florida also has also had a strong history of activism on the part of trade unions and community activists. In fact, activists were highly involved in exposing the problems that ultimately lead to privatization efforts (personal communication, Dianne Côté, June, 2000).<sup>5</sup>

Seventy-two surveys were returned from a possible total of 160. Surveys of legislators have a notoriously low return rate of as low as 10% (Becker, 1992, p. 323; Kerlinger, 1986, p. 380). However, the response rate for this study was a comparably respectable 45%. It was not possible to precisely determine the characteristics of non-respondents, since this was an anonymous survey. However, there was good representation in the sample with regard to party affiliation, tenure in the legislature and urbanization of constituency (see Table 1).

Legislators were asked to respond to a 52 item mailed survey. With the exception of the demographic variables (see Table 1) responses were measured on a five-point, Likert-type scale from 1 (not at all) to 5 (very much). Since the questionnaire was created de novo for this study, it did not have known sociometric properties.

#### ***Research Questions and Major Variables***

There were two principal research questions in this study: (1) Do legislators feel that contracting for IMHT services is proper? (2) What variables influence legislators' attitudes about whether contracting for IMHT services is proper?

One of the state hospitals in Florida has already been privatized. For that reason the former question can be reformulated as the hypothesis that:

1. Legislators would consider IMHT services to be proper.  
Traditionally interest in using privatization as a strategy for reducing the involvement of government in the provision of mental health services has varied by party affiliation leading to the hypothesis that:
2. Republicans will be more likely than Democrats to favor privatization of IMHT.  
Finally, the rationales utilized in the formulation of hypotheses 3-4 are based upon arguments referred to in the literature relating to either cost effectiveness or quality of privatization efforts:
3. Legislators will favor privatization of IMHT if they believe that privatization generally promotes effectiveness.
4. Legislators will favor privatization of IMHT if they believe that privatization generally promotes efficiency.

The dependent variable in this analysis was whether legislators' thought that it was proper for government to contract IMHT services. Independent variables included legislators' attitudes toward efficiency, effectiveness, accountability, and opinions about the appropriateness of coercion when exercised by private organizations. Several other inde-

TABLE 1. Sample Characteristics

• Age	<i>Mean in years</i>	
	46	
• Years in the Legislature	<i>Mean in years</i>	
	8	
• Gender <sup>a</sup>	<i>Male</i>	<i>Female</i>
	85%	15%
• Chamber <sup>b</sup>	<i>House</i>	<i>Senate</i>
	80%	20%
• Education	<i>BA or More</i>	<i>Less than BA</i>
	76%	24%
• Rural or Urban Legislative District <sup>c</sup>	<i>Rural</i>	<i>Urban</i>
	24%	76%
• Party Affiliation <sup>d</sup>	<i>Republican</i>	<i>Democrat</i>
	52%	48%

<sup>a</sup> Actual legislature is split 77% (male) to 23% (female)

<sup>b</sup> Actual legislature is split 75% (House) to 25% (Senate)

<sup>c</sup> This is consistent with Florida districts which are predominantly urban and suburban

<sup>d</sup> Actual legislature is split 64% (Republican) to 36% (Democrat)

pendent demographic variables were also examined in the analysis as control variables. Education was measured on a five-point ordinal scale. Variables such as gender, chamber, party affiliation, district (rural or urban) were categorical in nature. Age and tenure in congress were considered as interval level. Results of these analyses are presented in the next section.

### ***FINDINGS***

A one-sample Kolmogorov-Smirnov Test (Siegel & Castellan, 1988, pp. 51-55) indicated that, to a highly significant degree, responses from legislators in this sample were favorable (see Table 2). In fact, almost half of all legislators felt that it was appropriate to delegate IMHT services to private providers as opposed to less than a third that felt this would be inappropriate. This is somewhat of a contrast to the findings of previous studies that found a more even distribution (Becker, 1992, p. 324).

As expected, none of the personal demographic characteristics of legislators seemed to bear on their views regarding the propriety of subcontracting IMHT services (see Table 3). Neither did political characteristics, with the exception of party affiliation. Party affiliation was moderately correlated ( $r = 0.42$ ,  $p < 0.001$ ) with favorable attitudes toward privatizing IMHT.

Perhaps more interesting is the finding that the Spearman correlations indicated that public employee unions did not have a significant influence (see Table 3).

#### ***Coercion and Accountability***

Attitudes about *accountability* to the legislature had no relation to attitudes regarding the propriety of privatizing IMHT services or the use of coercive force (*coercion*) by private organizations. All respondents thought that accountability to the legislature was important, regardless of their stance on the propriety of contracting.

Surprisingly, the relationship between legislators' beliefs about the propriety of private agencies use of coercive force and their attitudes about contracting for IMHT services were not significantly related. Some legislators who felt it was not appropriate to delegate coercive force to non-governmental agencies, also indicated that they believed it



TABLE 2. Attitudes of Legislators About the Propriety of Contracting IMHT Services to Private Organizations

Answer to question: *To what extent do you feel it is proper for state governments to contract with private for-profit and not-for-profit organizations for the involuntary care and treatment of that small minority of the mentally ill who are a danger to themselves or to others?*

• Not appropriate	29.2%
• Neither appropriate nor inappropriate	23.6%
• Appropriate	47.2%

(N = 72, Z<sup>a</sup> = 1.77, p < 0.004)

<sup>a</sup>Kolmogorov-Smirnov single sample test

TABLE 3. Relationship of Selected Variables to Legislative Perceptions of the Proprietary Contracting for the Involuntary Care and Treatment of the Mentally Ill

	Relationship Significant? <sup>a</sup>
<i>Personal Characteristics</i>	
• Age	No
• Education	No
• Gender	No
<i>Political Characteristics</i>	
• Years in the Legislature	No
• Chamber	No
• Rural or Urban District	No
• Concern About Public Employee Union Opposition to Contracting for Services	No
• Party Affiliation	Yes <sup>b</sup>
<i>Attitudes About Accountability and Use of Coercion by Private Organizations</i>	
• Accountability <sup>c</sup>	No
• Appropriateness of Delegating Coercive Powers to Non-Governmental Organizations	No
<i>Belief About the Improvements in Efficiency and Effectiveness when IMHT Is Contracted to Private Sector</i>	
• Efficiency	Yes <sup>d</sup>
• Effectiveness	Yes <sup>d</sup>

<sup>a</sup>Significance levels for dichotomous variables (Chamber, District, Party, Coercion and Gender) were determined by using a Kolmogorov-Smirnov two-sample test which is comparable to a T-test, but more appropriate when the test variables are measured by ordered categories (Blalock, 1979, pp. 266-267). All other significance levels were determined using the Spearman Rho statistic (Siegel & Castellan, 1988, pp. 235-244)

<sup>b</sup>p < 0.01

<sup>c</sup>All respondents felt that accountability to the legislature was very important, so there was essentially no variance on this variable

<sup>d</sup>p < 0.001

was appropriate to contract with private organizations for *involuntary* mental health services.

### **EFFICIENCY AND EFFECTIVENESS**

Initial analysis of the variables associated with legislators' perceptions about *efficiency* and *effectiveness* indicated that the two variables were highly correlated ( $r = 0.83$ ,  $p < 0.001$ ). This suggested the possibility of multicollinearity problems when the two variables were used together in a regression equation. Tolerance statistics were calculated in subsequent analyses. Tolerance is the proportion of a variable's variance which is not accounted for by other independent variables in multiple regression. This approach to determining multicollinearity is considered preferable to examining the bivariate correlations (Berry & Feldman, 1985, pp. 42-43; Pedhazur, 1982, pp. 236-237; Pedhazur & Schmelkin, 1991, pp. 448-449). The tolerance statistic indicated that the two variables were so closely associated that they could not be thought of as independent (tolerance statistics were 0.30 and 0.29 respectively).

In some ways this is an interesting finding in and of itself. It suggests that many legislators tended to believe that efficiency and effectiveness are inextricably linked. The analysis also revealed that of the two, attitudes about efficiency (*efficiency*) was the stronger variable. That may make attitudes about efficiency a proxy for attitudes about effectiveness (*effectiveness*) in the minds of many legislators. In any event it is clear that in cases where legislators believe that privatization will be efficient, they also tend to believe that it will be effective. Therefore, to avoid multicollinearity problems, subsequent regression analyses dropped *effectiveness* from the analysis in favor of the *efficiency* variable. Dropping the *effectiveness* variable had only a slight effect on the explanatory power of the resulting statistical model ( $-0.001$  change in  $R^2$ ).

The remaining variables were analyzed using a hierarchical regression in three blocks, the results of which are presented in Table 4. The statistical model this analysis generated was able to account for almost half (48%) of the variance in the dependent variable. After controlling for other demographic factors (block 1), most of the variance accounted for in the model (38%) was attributable to the last two variables entered into the equation, party affiliation (*party*) and perceptions of efficiency (*efficiency*).

As previously noted the only demographic characteristic of legislators that seemed to be important in determining their attitudes toward

TABLE 4. Hierarchical Regression Results

	Block 1		Block 2		Block 3	
	Standardized	Standard Error	Standardized	Standard Error	Standardized	Standard Error
• Education	0.301	0.169	0.317	0.150	0.238	0.133
• District (rural/urban)	-0.003	0.403	-0.041	0.358	-0.113	0.319
• Age	0.190	0.018	0.246	0.016	0.269	0.014
• Gender	0.052	0.521	-0.087	0.479	-0.068	0.421
• Years in Legislature	0.007	0.038	0.087	0.034	0.033	0.030
• Party			0.485 <sup>a</sup>	0.317	0.310 <sup>b</sup>	0.300
• Efficiency					0.458 <sup>a</sup>	0.129
R <sup>2</sup>	0.096		0.305		0.476	
R <sup>2</sup> Change	0.096		0.208		0.171	
F	1.046		3.508		6.087	
P	0.402		0.006		0.001	

<sup>a</sup> Significant at  $p < 0.001$

<sup>b</sup> Significant at  $p < 0.02$

privatization was party affiliation. Even without adding the “efficiency” variable to the equation, the first two blocks resulted in a model that accounted for 31% of the total variance.

After controlling for the effects of all the demographic characteristics, including party affiliation, the addition of the *efficiency* variable (block 3) was able to explain another 17% of the variance and yielded a highly significant model ( $p < 0.001$ ). In fact, a simple regression analysis using merely *efficiency* as the independent variable and attitudes about privatizing IMHT as the dependent variable, perceptions of efficiency alone was able to explain 42% of the variance ( $R^2 = 0.420$ ,  $F = 50.021$ ,  $p < 0.001$ ). This suggests that the most important thing to know about legislators’ attitudes with regard to privatizing IMHT is their attitudes about efficiency. Once this is known, additional information about demographic characteristics of legislators only adds 7% to the predictive value of the model.

## DISCUSSION

The results of this study must be interpreted with caution, particularly when they are applied to legislative bodies outside Florida. Al-

though these findings are consistent with other studies of legislators' attitudes toward privatization (Becker, 1992), the study design does not support broad generalization, and it remains to be seen whether other research will support these findings.

Nevertheless, this study's findings indicate that Republicans were more likely than Democrats to support privatizing IMHT. These results are consistent with Democratic and Republican ideological positions on government involvement in the provision of mental health services. Republicans tend to favor private enterprise involvement in the provision of social mental health services. In fact, many privatization efforts have been spearheaded by Republican governors, including the best known exemplar in Massachusetts (Dumont, 1996) as well as efforts in Florida. This finding is also consistent with the traditional position of many Democrats that government can be an effective means for providing mental health and other social services.

It is also interesting, that public employee unions did not appear to have much influence on these legislators. Traditionally such unions, as well as many former employees of state run IMHT facilities, have argued that contracting for public services can lead to fraud, abuse, and a general decline in the quality of services (Dumont, 1992; Schnapp et al., 1999).

More interesting, and somewhat difficult to understand, is why there did not appear to be a relationship between legislators' beliefs about the propriety of allowing private agencies to exercise coercive force, and their attitudes about contracting for IMHT services. It is possible that for some reason, legislators who are generally opposed to the subcontracting of coercive powers with regard to the general public, are more willing to allow subcontracting of this power when it relates to people who have been diagnosed with SMI. Given the limitations of this study, however, it is only possible to speculate about reasons for this finding.

Questions also arise about one of the study's central findings: that legislators' perceptions about *efficiency* and *effectiveness* are so highly intercorrelated. This is somewhat troubling, since the efficiency as measured by cost per unit of service actually says very little about the quality of services or treatment outcomes. It is a common notion that "free markets" are able to deliver goods and services both more effectively and more efficiently than other systems (Netting, McMurtry, Kettner, & Martin, 1994). However, whether the potential mix of potential private providers of IMHT actually conforms to a "free market" is highly questionable. In Florida, for example, in the one existing case of

a contract being awarded to a private IMHT provider, there was only one applicant at the time of award (Meier, 1999).

It is also conceivable that there may be circumstantial factors that might “uncouple” the linkage between effectiveness and efficiency in the minds of legislators, such as strong evidence to the contrary. If there are lawsuits, for example, against private providers, or if quality concerns are raised by exposés in the press or by advocacy groups, it may become obvious to legislators that lower *per-unit* cost does not always correspond with acceptable quality. However, the Florida experience is consistent with other states in suggesting that such a decoupling may be difficult (Bachman, 1996, pp. 819-820). The first attempt to privatize South Florida State Hospital in the late 1980s resulted in a scandal in which the state government ultimately retained control of the facility (Becker, 1992, p. 321). The current privatization effort, in spite of a considerable reduction in personnel, is considered much more successful by most accounts, and, as noted previously, has received considerable praise in the popular press. This suggests that there may be considerable support for privatization that this is not extinguished even after some initial negative experiences. In fact, despite a first attempt to privatize that was so widely recognized as a failure, the state of Florida was willing to privatize the same facility again some years later, even going so far as to sell the physical plant in addition to subcontracting services to a private corporation.

### ***IMPLICATIONS FOR PRACTICE***

The question for *private* mental health administrators in such an environment may well be *how* to position themselves to receive contracts for IMHT. For public sector administrators, the question may relate to how best to manage the transition from public to private management of IMHT, unless they are able to convince legislators that public management of such facilities is, in fact, efficient.

In states where privatization has not yet taken hold, or where scientific or popular press accounts of the results are more mixed, these data suggest that mental health systems managers may want to appeal to legislators on the basis of efficiency of their services. As previously noted, there is little actual evidence that the private sector is more efficient at delivering IMHT than the public sector. Even so, it may be incumbent on mental health administrators to educate legislators who may have quite a different perception.

Privatization of services, particularly in cases where it is accompanied by declining state resources available for IMHT, may also be associated with decreased ability or interest by governmental organizations in oversight and regulation. This may indicate an increased importance for the role of oversight and advocacy played by private interest, watchdog and consumer groups, particularly in cases where there is suspicion of underbidding, or where private contractors propose service models that appear to be substandard. A concerted effort may be necessary to educate legislators about the costs in terms of loss of quality should these contracts be awarded. However, it seems reasonable to expect that appeals to legislators that also emphasize efficiency and cost saving are likely to be most effectual.

SMI advocates may be well advised to focus on quality standards that are verifiable, both in terms of treatment and outcomes. It may not be possible to avert a transition of IMHT from public to private hands, particularly in states with Republican legislatures and a history of privatization. However, if reasonable standards for quality and oversight can be established and maintained, awarding contracts to providers that can deliver services that meet standards at the lowest cost may be reasonable. Moreover, in cases where attitudes about efficiency and effectiveness are highly linked, it may be necessary to support "effectiveness" claims with verifiable data, particularly in cases where there is additional cost incurred by the most desirable or effective treatments, so that regulatory bodies are able to identify problems with substandard contractors.

In general, however, the findings in this study support the contention that mental health administrators are likely to be most successful in securing or maintaining contracts for IMHT if they target their appeals and position their services in ways that are attractive to the current attitudes of decision makers. Increasingly, this is taking place in a legislative climate where privatization has become a virtually foregone conclusion even in areas that have been the exclusive domain of government (Savas, 2000, p. xiii).

## NOTES

1. Director of a major South Florida mental health treatment organization (name omitted to maintain confidentiality).
2. There is some speculation that this may even be the case with South Florida State Hospital (now renamed Atlantic Shores Hospital) since its parent organization has not released figures to indicate whether it is operating at a profit or loss (Meier, 1999).
3. E.g., police, military, corrections and some mental health professionals.

4. Moreover, the comparison between the incarceration of prisoners and the provision of IMHT may not be entirely apt since under the laws of many states convicted felons forfeit some of their rights as citizens by committing a willful criminal act.

5. Executive director of South Florida's leading mental health self-help service provider (PEER Center, Ft. Lauderdale).

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