

**Budget Committee on Human Services
Human Service Center Study
Representative Dever, Chairman
June 1, 2006**

Chairman Dever and members of the Budget Committee on Human Services, I am Nancy McKenzie, Statewide Human Service Center Director. I am here today to provide you with an overview of the Northeast Human Service Center (NEHSC). Kate Kenna, HSC Director, and Lynn Bingham, Business Manager, are also present today.

The Northeast Human Service Center provides a variety of services to residents of the following four North Dakota counties: Pembina, Walsh, Nelson and Grand Forks.

The presentations you will hear today will focus primarily on the Human Service Center reporting format developed by the Legislative Council.

I will be presenting trends, concerns and budget data related to the Northeast regional area.

NEHSC is experiencing many of the same challenges in recruitment of staff that were presented to you yesterday in testimony on SCHSC/Jamestown and LRHSC/Devils Lake. NEHSC has been actively recruiting a vacant psychologist position for many months. We are also finding recruitment of licensed addiction counselors (LAC) quite difficult, although we recently filled our last LAC vacancy. Turnover rate for July-December 2005 was 17%, or 28 FTE's.

NEHSC continues to operate two residential treatment programs that provide services to individuals referred from other regions of the state. The Ruth Meiers Adolescent Center is currently operating under standards of the Commission on

Accreditation of Rehabilitation Facilities, and will undergo its first accreditation survey this summer/early fall. This is the result of a federal change which requires that residential treatment facilities be formally accredited in order to continue to receive Medicaid/Medicare funding. The Centre Adolescent Treatment Service program continues to provide treatment services to youth who require residential level of care. Budget information on both of these programs will be shared as part of the presentation.

A new service being piloted by NEHSC is use of telemedicine, via webcast, to provide therapy services to adult clients of the Northwood Community Health Center, which contracts with NEHSC for the therapist's time. This is a joint project between NEHSC, the Northwood Clinic, and UND, with UND providing equipment for the project. We expect our first outcome reports this fall, and anticipate expanding the service to include some substance abuse treatment services as well. Because of the challenges to service provision in very rural areas of our state, as well as increasing travel costs and difficulties obtaining particular specialty professionals, telemedicine may provide us with an efficient model of service delivery. Other areas currently being considered are services to the Grand Forks Correctional Center and to our satellite offices in Grafton (for example, Title XIX evaluations). Besides providing equipment, UND has also covered the costs of the connections between Grand Forks and Northwood and provided us technical support and evaluation of the project.

Recent "point in time" analysis of NEHSC clients showed that approximately 55% of NEHSC clients who receive substance abuse treatment services at the center are receiving community supervision through Probation & Parole. It is anticipated that this number will likely grow as DOCR continues to pursue community treatment as part of alternatives to incarceration.

In both adolescent and adult populations, we are seeing a definite sustained increase in presenting problems involving dual mental health and substance

abuse issues. NEHSC continues to play an active role in the adolescent drug court process; we are projecting the need to add treatment services for adult drug court in the next biennium.

We continue to participate in partnership to serve TANF clients of this region, with Job Service and county social services. Case management services are provided, as well as a mentoring program. The program was established to coordinate among service agencies to get individuals on assistance back to work. Many of these clients have barriers to employment and through our combined efforts we are working to reduce and or eliminate the barriers.

We are currently assessing our service delivery model to assure effective follow-up for clients with mental health and substance abuse problems.

In this region, clients who need hospitalization are admitted to Altru Hospital under our contract with that agency. During the current biennium, the high occupancy level at the North Dakota State Hospital (NDSH) has resulted in difficulty with prompt transfer of those individuals who will need longer term care; this has been true for all regions of the state. Department focus on expanding available community-based supervised living facilities will help to alleviate some of these problems.

The State of Minnesota has just approved statute language that will allow for cross-border treatment of committed individuals needing substance abuse problems. Committee members will likely recall that a “border bill” was approved by North Dakota in the 2003 session, which allowed for such treatment of individuals with mental illnesses. This language expands those options. NEHSC will be considering potential contracts with a provider in Crookston, MN, for detox and other services closer to home for clients.

We continue to get high scores in the provision of services to children and their families. We have reduced our Child Protection recidivism rate by .6% this past year.

With that as an overview of current trends, I will now provide an overview of the budget and brief descriptions of each program area.

➤ Total Budget Overview

For the 2005-2007 biennium the Northeast Human Service Center began with a total budget of \$20,583,131 and an authorized FTE count of 141.9 . The following identifies changes since the start of the biennium. These changes are the results of the centralization of the billing process, the change in delivery of infant development services to a provider contract, and a change in funding client services in the Family Caregiver Support Program (FCSP).

- Transfer Funding for Centralized Billing to Central Office.....\$72,628.00**
- Transfer FCSP Client Service Funding to Central Office.....\$42,443.00**
- Transfer of 1.0 FTE to NEHSC for potential of hiring psychiatrist**
- Transfer of 1.0 FTE to NEHSC for conversion of contracted nurse to employee**
- Transfer of 1.0 FTE to Centralized Billing**
- Transfer of 2.65 FTE to other HSC's to level client-to-DD case manager ratios**
- Transfer 5.15 FTE's - Infant Development program contract**

This leaves a current budget for Northeast of \$20,468,060 and 135.1 FTE.

Program changes anticipated for the 2007-2009 biennium have been previously noted. Other budget concerns going into the next biennium will include increased energy prices, putting upward pressure on our rental rates and on the

cost of utilities in our facilities as well as the travel costs for state vehicles, ITD's increase in telecommunications rates, increased costs of medications for clients, and the ability to keep up with increasing salary market for our more advanced credentialed clinicians.

I will now provide a brief description of each program area.

- **NEHSC Budget – Total**
- **NEHSC Budget – Administration**
- **NEHSC Budget – Child Welfare Services**
- **NEHSC Budget – Foster Grandparent Program (serving children)**
- **NEHSC Budget – Disabilities Services**
- **NEHSC Budget – Mental Health & Substance Abuse Services**
- **NEHSC Budget – Adolescent Chemical Dependency Treatment Services**
- **NEHSC Budget – Ruth Meiers Adolescent Residential Treatment Center**
- **NEHSC Budget – Older Adult Services**
- **NEHSC Budget – Older Americans Act Contracts**
- **NEHSC Organizational Chart**