

**TESTIMONY
HB 1012 – DEPARTMENT OF HUMAN SERVICES
SENATE APPROPRIATIONS
SENATOR HOLMBERG, CHAIRMAN
MARCH 2, 2005**

Chairman Holmberg and members of the Senate Appropriations Committee, I am Marilyn Rudolph of the Department of Human Services. I am submitting this written testimony to provide you an overview of the budget for the Northwest and North Central Human Service Centers.

Northwest Human Service Center provides services to Divide, McKenzie and Williams counties. The total population of the region is 27,781.

Northwest Human Service Center provided services to 1263 clients in fiscal year 2004. (939 adults and 324 children received services.) In addition 381 individuals received Vocational Rehabilitation services. Of the total number of Vocational Rehabilitation clients, 32% received some other services from Northwest Human Service Center.

- The Williston Basin is seeing increased oil activity, which translates into an influx of people and increased referrals to the human service center. New client intakes are up by 10 a month since July 2004.
- Available affordable housing has decreased, also perhaps due to the influx of people.
- Northwest is experiencing a dramatic increase of Infant Development referrals for evaluation. We have increased from an average base of 10 open cases to 31 open cases. There is no definitive reason for this; however, two factors include survival of premature births and increased number of multiple high-risk births.
- The foster care caseload for the three counties has increased from 36 to 65. Twenty-five (25) of these children are in care because of parental drug use.

- **One unique approach in Region I is the addiction contract we have with Mercy Recovery, a private program. This public-private partnership has been very positive. The contract is a “no reject”, which means Mercy must treat all referrals. This allows us to serve more individuals for a fixed cost and for a longer treatment stay, which works much more effectively for individuals using methamphetamine.**
- **Vocational Rehabilitation has also experienced an increase in referrals for transitioning students from school to work and in the Rural Services sector.**

Northwest has responded to population shifts and area needs. We currently employ four (4) licensed independent clinical social workers, which allows us to collect third party reimbursement at the highest level. This has increased our revenue in an area where credentialed clinical staff is at a premium, or is limited in the private sector. At this time Northwest operates at a very efficient level.

OVERVIEW OF BUDGET CHANGES

Northwest Human Service Center

	2003-2005 Budget	Increase/ Decrease	2005-2007 Request	House Changes	Request to Senate
HSC/Inst.	7,174,282	205,474	7,379,756	(60,785)	7,318,971
General	3,512,047	176,499	3,688,546	(54,338)	3,634,208
Federal	3,319,819	24,554	3,344,373	(6,447)	3,337,926
Other	342,416	4,421	346,837	0	346,837
TOTAL	7,174,282	205,474	7,379,756	(60,785)	7,318,971
FTEs	50.00	0.00	50.00	0.00	50.00

- **\$303,936 supports the salary package in the Governor's budget of which \$184,218 is General Fund.**
- **Federal Substance Abuse Prevention and Treatment Block Grant increase of \$76,030 for services.**
- **Federal funding for Vocational Rehabilitation programs increase \$57,784.**
- **Increase of \$39,175 in the National Family Caregiver Grant Funds.**
- **Decrease in the Social Services Block Grant \$39,980.**

House Changes

- **The reduction of \$20,166 in salaries of which \$13,719 is General Fund to fund the salary increase at 3% and 4% rather than at 4% and 3% as recommended by the Governor's salary package.**
- **Reduction of \$20,000 in salaries as part of the salary under funding department wide.**
- **Reduction of \$20,619 in general operations of the Center as part of the \$400,000 overall reduction to Human Service Centers**

North Central Human Service Center provides services to the region that includes Burke, Mountrail, Renville, Bottineau, McHenry, Pierce and Ward counties. The total population of the region is 88,089.

North Central Human Service Center provided services to 3,023 in fiscal year 2004. (2,401 were adults and 622 children.) In addition 935 individuals received Vocational Rehabilitation services. Of the total number of Vocational Rehabilitation clients, 27% received some other services from North Central Human Service Center.

- There is an increase in the number of referrals of individuals requiring sex offender screening and treatment. This population is served most effectively in a group setting. The increase in numbers has caused some wait time in order to have a workable group. With this increase two groups will be operational.**
- The Children's Unit continues to see an increasing caseload of children with serious emotional disorders. The complexity of these cases, in addition to the need for custody changes including termination of parental rights, has resulted in more clinician time in court.**
- Our Addiction Unit has moved from leased space separate from the main center back into the main center, which has created savings and a more integrated approach to client management.**
- There is an increase in the number of individuals using oxycontin, cocaine and methamphetamine.**
- There is an increase in individuals who are homeless and in need of addiction treatment from other states such as Arizona, Colorado, Wyoming, Washington, South Dakota and Nevada.**
- Fifty percent (50%) of our addiction referrals are from the criminal justice system.**

The impact of these factors requires a steadfast commitment from staff and an element of creativity in order to serve this increased need.

North Central Human Service Center

	2003-2005 Budget	Increase/ Decrease	2005-2007 Request	House Changes	Request to Senate
HSC/Inst.	14,673,761	759,457	15,433,218	(155,021)	15,278,197
General	7,791,196	371,826	8,163,022	(142,338)	8,020,684
Federal	6,237,862	177,683	6,415,545	(12,683)	6,402,862
Other	644,703	209,948	854,651	0	854,651
TOTAL	14,673,761	759,457	15,433,218	(155,021)	15,278,197
FTEs	114.78	(1.00)	113.78	0.00	113.78

- \$669,604 supports the salary package in the Governor’s budget of which \$445,326.
- Federal funding for Vocational Rehabilitation programs decrease \$31,036.
- Increase in federal funding for Infant and Toddlers program \$81,500, which will be used for contracted services.
- Decrease in the Social Services Block Grant \$28,666.

House Changes:

- The reduction of \$44,335 in salaries of which \$31,652 is General Fund to fund the salary increase at 3% and 4% rather than at 4% and 3% as recommended by the Governor’s salary package.
- Reduction of \$57,120 in salaries as part of the salary under funding department wide.
- Reduction of \$53,566 in general operations of the Center as part of the \$400,000 overall reduction to Human Service Centers