

Testimony
Senate Bill 2012 – Department Of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
February 22, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am JoAnne Hoesel, Division Director, Department of Human Services. I am here today to provide you with an overview of the Division of Mental Health & Substance Abuse Services.

Programs

The Division of Mental Health & Substance Abuse provides system-wide education, regulation, technical assistance, training for public and private service providers, federal and state reporting, data and clinical support for the human service center electronic record, and department research analysis and research/data support.

Service programs managed by the Division are Compulsive Gambling Treatment, Community-Based High-Risk Sex Offender Treatment, Regional Prevention Coordination and Model programs, and Methamphetamine Residential Treatment.

Service System Efforts

During SFY 2006 the public mental health system provided services to 17,320 children, youth, and adults. For the same time period, the public substance abuse system provided services to 6,088 adolescents and adults. The Division is responsible for licensure of 85 substance abuse treatment providers, 38 DUI seminar providers, eight regional

human service centers, and six psychiatric residential treatment facilities for children and adolescents. The Prevention Resource Center distributes educational products annually in the areas of developmental disabilities, aging, mental health, and substance abuse. The Division provided private and public workforce development training in the areas of substance abuse, mental health, and compulsive gambling issues for over 1,444 people.

Trends and Issues

North Dakota is number one or near the top of the list in recent alcohol use and binge drinking, regardless of age group. Similarly, our state ranks in near the very bottom among U.S. states in people that perceive great harm associated with this high risk drinking. What this situation creates is service demand resulting from alcohol abuse/dependence and related issues. A segment of the population will always present with mental health & substance abuse disorders and some level of intervention will be needed. This is similar to the demand for heart disease and diabetes services.

The primary substance used is recorded for all public sector substance abuse treatment admissions. In calendar year 2005, alcohol was the primary substance in 55% of admissions (2,170), marijuana was 20% of admissions (821), and methamphetamine was 13% of admissions (511). Alcohol and marijuana continue to be the dominant substances used. However, treatment admissions for methamphetamine equaled 272 in 2002 and 511 in 2005. This represents an increase of 89% in the number of admissions for methamphetamine dependence. As a percent of total substance abuse admissions, methamphetamine

admission increased from 9% in 2002 to 13% in 2005. At the same time, alcohol and marijuana dependence as percents of total substance abuse admissions decreased. Alcohol fell from 63% in 2002 to 55% in 2005, and marijuana fell from 23% in 2002 to 20% in 2005.

The Division has engaged the public behavioral health system in targeted workforce development and has trained staff in the following areas:

MATRIX: Matrix is a practice shown to be effective for persons who are dependent upon Methamphetamine or have brain injuries from other drug/alcohol use. This practice is used at the Robinson Recovery Center and is available at all eight regional human service centers. North Dakota is one of few states that have been able to partner with UCLA for this training to implement this practice in North Dakota in 2006. ([Attachment A](#))

Trauma-focused cognitive behavioral therapy and Structured Psychotherapy for Adolescents Responding to Chronic Stress (SPARCS) are shown to be effective for adolescents and children who have been traumatized by sexual abuse, domestic violence, or other traumatic situations. Two clinical staff from each human service center will be trained to provide these treatments. Both of these therapeutic approaches are evidence-based practices.

Integrated Dual Disorder Treatment is being piloted at Southeast Human Service Center. This practice is designed to serve individuals who are chronically addicted to substances and severely mentally ill. This practice is shown nationally to decrease hospitalizations, crisis

response, and increase employment and independence. A formal research study is tied to this pilot so North Dakota outcomes will be captured to specifically show how this program impacts this very difficult to serve group of individuals who come into contact with multiple systems. ([Attachment B](#))

The Division has developed a process to increase dissemination of information. The research unit has developed numerous documents. Two research project reports to note are entitled, "Average Cost of Substance Abuse Treatment in the Public Sector in North Dakota" and "Trends in Admissions and Primary Substance of Abuse at Regional Human Service Centers." ([Attachments C & D](#))

The Division is participating in implementing a data linking process to report service outcomes by cross-referencing multiple databases. The first phase of this project will be completed in the spring of 2007.

The Division worked with the Department's clinical record team and human service centers to revise the electronic record for substance abuse services to enable the system to report national outcomes measures. The changes went into effect in November 2005. Preliminary results of this data from January through September 2006 indicate that of the individuals in public substance abuse treatment, homelessness decreased 26% and unemployment decreased 16%.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase / Decrease	2007 - 2009 Budget	Senate Changes	To House
Salaries	1,949,146	244,667	2,193,813	-	2,193,813
Operating	3,725,031	2,136,872	5,861,903	124,400	5,986,303
Capital Assets	-	-	-	-	-
Grants	4,396,859	(140,215)	4,256,644	-	4,256,644
Total	10,071,036	2,241,324	12,312,360	124,400	12,436,760
General	1,907,379	3,646,497	5,553,876	124,400	5,678,276
Federal	6,826,761	(622,240)	6,204,521	-	6,204,521
Other	1,336,896	(782,933)	553,963	-	553,963
FTEs	18.00	-	18.00	-	18.00

Budget Changes from Current Budget to Executive Budget:

Salary and FTE

A net increase of \$244,667 in salaries for a variety of reasons. Major changes include:

- \$151,834 - Governor's employee salary and health package. The general fund portion of this increase is \$114,982.
- \$117,532 - increased spending authority for moving an existing DHS FTE into the Division. This increase is funded with federal block grant funds.
- (\$29,290) - new hires into the Division were hired at a lower salary entry level than retirees in those positions. This decrease is a combination of general and federal funds.

Operating Expenses

Operating expenses show a net increase of \$2,136,872 for a variety of reasons:

- \$700,000 - Increase in the additional general funds for additional Methamphetamine residential treatment center services.
- \$2,774,562 - Increase for community-based treatment program for high-risk sex offenders and offenders not served through the regional human service centers. This increase is 100% general funds.
- \$30,000 - cost of living increase for Robinson Recovery Center – Methamphetamine Residential Service provider. This increase is 100% general funds.
- \$52,023 - increases Drug & Alcohol Information System (DASIS) spending authority which targets phase two of the data-linking/data warehouse plan. This increase is 100% federal funds.
- \$65,867 - increase transferred from Grants line item to reflect spending plan for Compulsive Gambling program. This increase is 100% other funds.
- \$32,152 - increase reflects a 24-month lease period at current Division office site and a square footage increase in the Prevention Resource Center plus a rent increase. This increase is 100% federal funds.

The increase is offset in part by the following decreases:

- (\$15,500) – decrease due the ending of the federal Olmstead grant.
- (\$800,000) – decrease in other funds for the Methamphetamine residential treatment program as funding is provided from sources outside state government.

- (\$448,471) - State Epidemiology Work Group grant not anticipated to receive in upcoming biennium. This decrease is 100% federal funds.
- (\$40,000) – decrease in various federal grants.
- (\$182,000) - Shift from operating to grants line for Under Age Drinking Grant funds to reflect grants versus purchase of Service spending plan. This decrease is 100% federal funds.
- (\$13,120) - decrease in Professional Development reflects the Division spending plan. This is a combination of funding sources.
- (\$13,555) - decrease travel – reflects a decrease in travel tied to the Olmstead grant which ended and decrease in Division travel plan. This is a combination of funding sources.

Grants

Grants resulted in a net decrease of (\$140,215) for a variety of reasons. The major changes are as follows:

- (\$41,004) - Olmstead Grant federal funding ended.
- (\$158,355) - decrease in Substance Abuse Prevention Treatment (SAPT) Block Grant funds. This decrease is 100% federal funds.
- (\$60,220) - decrease in Safe & Drug Free Schools – Governor’s Portion. This decrease is 100% federal funds.
- (\$65,867) – decrease reflects the shift from grants to operating for the Compulsive Gambling program. This decrease is 100% other funds.
- \$182,000 - increase by moving Underage Drinking grant spending authority from operating to grants to reflect spending plan. This increase is 100% federal funds.

Senate Changes:

- \$124,400 - Operating expenses funding for increasing the Department's contract for substance abuse residential treatment services at Robinson Recovery Center to fund the program for a full 24 -month period. This figures also adjusts the inflationary increase to service providers to the 4% level.

This concludes my testimony on the 2007 – 2009 budget request for Division of Mental Health & Substance Abuse Services. I would be happy to answer any questions. Thank You.