

Testimony
Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 5, 2007

Chairman Pollert, members of the House Appropriations Human Resources Division, I am Marilyn Rudolph, Director of Northwest and North Central Human Service Centers. I am here today to provide you with an overview of Northwest Human Service Center (NWHSC) in Williston and North Central Human Service Center (NCHSC) in Minot.

Characteristics of the Region

- NWHSC serves Region I. We provide services to Divide, McKenzie, and Williams counties. Outreach offices are located in Crosby, Watford City, and Tioga.

Clients Served

- Northwest consistently serves 1,200 clients. Vocational Rehabilitation serves 344 clients. Our contract with Mercy Recovery for addiction services serves 300 adults and 270 adolescents.

Trends

- NWHSC continues to see impact from the upturn of oil activity. It is interesting to note that much of the population of this region is working; thus referrals to Vocational Rehabilitation have decreased. Clients who previously had difficulty finding a job now walk in and are immediately hired for starting wages of \$9.00 per hour and sign-on bonuses. Two businesses in Williston have closed due to lack of labor pool. NWHSC is serving more individuals who are working with no

benefits. These same individuals were covered by Medicaid previously, thus some of our revenue is negatively impacted.

Accomplishments

- NWHSC has always promoted work as a therapeutic tool key to the recovery process. Two examples of success are Western Sunrise, the consumer run, nonprofit corporation that has contracts with Northwest Human Service Center and Williston Parks and Recreation for janitorial services, car washes and park maintenance. This type of work instills the basic skills for work readiness and we have many individuals who have gone on to individual employment.
- Another successful venture has been the Peer Support model. Consumers who are stable in their recovery mentor and assist consumers who are newly diagnosed or have had an exacerbation of their illness. Peer support is non-threatening and available 24 hours a day. This helps prevent hospitalization and allows individuals to stay at home. Both are low-cost programs which are easily sustained.
- Partnerships within our community have allowed NWHSC to access federal monies for programs and housing. Our partnership with Community Action has produced the funding for a HUD Section 811 supportive housing project with eight apartments for individuals with serious mental illness. This should be open in late 2007.
- Our partnership with Mercy Hospital, the Prevention Coalition and the schools has allowed "Healthy Williston, Healthy Youth" to be a major vehicle for prevention education. There is no cost to the human service center.
- Mercy Recovery continues to provide addiction services with the guessting option. This has proven to be both economical and extremely effective in treating methamphetamine use.

Issues

- One of the challenges in the upcoming biennium will be recruitment of staff. Easily ten (10) of the current 45.75 FTE are eligible and plan to retire. These are credentialed staff, half of which are supervisory.
- Child psychiatry is a gap in service that we hope to fill with tele-medicine. We have again partnered with Mercy Hospital to recruit a psychiatrist.
- Common themes are evident: staff retirements lead to a loss of historical knowledge and expertise; recruiting and retaining skilled staff in a very competitive market will be a major challenge.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs/Institutions	7,265,560	260,021	7,525,581	20,375	7,545,956
General	3,617,868	771,455	4,389,323	20,375	4,409,698
Federal	3,300,855	(509,717)	2,791,138	0	2,791,138
Other	346,837	(1,717)	345,120	0	345,120
FTEs	45.75	0	45.75	0.00	45.75

Budget Changes from Current Budget to Executive Budget:

The change in Northwest Human Service Center's budget can be broken down into the following areas. These are:

- The Governor's budget for salaries and benefits includes General Funds of \$273,236, Federal Funds of \$90,815 and Other Funds of \$5,725 for a total of \$369,776.
- The proposed 3% per year inflationary increase for providers is funded with \$61,124 in General Funds
- Based on the state pay plan, salaries and fringe benefits for the Center will decrease \$90,331.

- The center's public/private grants have decreased \$50,407. Forty thousand dollars of this decrease is due to the moving of the DD Infant and Toddlers Part C program to Minot State University.
- Projected operating costs have decreased \$30,141. Decreased Operating Fees in the Family Caregiver Support program, DD Infant and Toddlers Part C program and the Semi-Structured Residential Room and Board program account for \$25,000 of this decrease.
- A number of programs have seen reductions in Federal Funding. The biggest decrease was in Title XIX collections amounting to \$348,004. Reductions in funding for the Mental Health Block Grant, Substance Abuse Prevention Treatment, Vocational Rehabilitation Basic Support, Social Services Block Grant and Infant and Toddlers Part C amount to \$269,447.

Senate Changes:

- The Senate added \$20,375 in General Funds to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase.

North Central Human Service Center

I would like to review some recent trends and characteristics that are impacting the operations of North Central Human Service Center (NCHSC).

Characteristics of the Region

- NCHSC serves seven counties: Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward. Regions I and II share several positions. These include the Business Manager, the Childcare Licensing Representative, the Vision Specialist, and the Vulnerable Adult Services/Ombudsman staff person.

Clients Served

- North Central Human Services provides services to 3,293 individuals. Vocational Rehabilitation serves 937 individuals.

Trends

- The impact of referrals from our community partners has challenged us. Over 50% of our addiction referrals are from the Department of Corrections and Rehabilitation. These referrals often require more intensive case management.
- In the area of children's services, we have experienced an increase in complex cases with involvement of multiple community providers. We are fortunate to have staff with advanced skills and credentials to serve children and their families.

Accomplishments

- NCHSC has worked with community partners to develop a full array of residential services to serve individuals with co-occurring disorders. Brooklyn Flats, a contracted crisis residential program with 11 beds, houses individuals who require daily monitoring and treatment. This program diverts individuals from the North Dakota State Hospital.
- New Hope, a contracted program for women and their children has 13 beds. New Hope serves women who need substance abuse treatment and provides programming on daily living skills and parenting.
- With the continuum of care in mind, Recovery House has seven beds for individuals who are in treatment and transitioning back to the community. A stay at Recovery House averages five weeks.
- Hope's House is a 10-bed Therapeutic Community for individuals who have need for longer-term support. An average stay is nine months.
- All of these residential options provide support and stability for individuals trying to maintain a chemical-free lifestyle. Even with this array of options, we find our referrals to the State Hospital increasing due to the chronicity of the addiction and the need for a locked facility.
- In cooperation with the local landlord, we have developed a Supportive Living Arrangement. There are three apartments above the Harmony Center, our psychosocial rehabilitation center. These apartments are eligible for rent assistance, thus individuals with serious and persistent mental illness may live independently with case management support and support from staff at the Harmony Center.

- The Oppen Home has very successfully served young pregnant women and now provides emergency shelter care in order to maintain full capacity. Oppen has been holding stakeholder meetings to assess their services and improve their policies and procedures. The provision of shelter care has filled a vital gap in our region.

Overview of Budget Changes

Description	2005 - 2007 Budget	Increase/ Decrease	2007 - 2009 Budget	Senate Changes	To House
HSCs/Institutions	15,268,073	1,574,669	16,842,742	45,571	16,888,313
General	8,042,290	882,485	8,924,775	45,571	8,970,346
Federal	6,371,278	693,695	7,064,973	0	7,064,973
Other	854,505	(1,511)	852,994	0	852,994
FTEs	116.78	1.00	117.78	0.00	117.78

Budget Changes from Current Budget to Executive Budget:

The change in North Central Human Service Center's budget can be broken down into the following areas. These are:

- The Governor's proposed budget for salary and fringe benefits includes General Funds of \$640,087, Federal Funds of \$249,179 and Other Funds of \$16,817, for a total of \$906,083. Based on the state pay plan salaries and fringe benefits for the Center's current staff will increase \$248,037. This increase includes the continuing of the 4% raise given state employees in July 2005 and associated fringe benefits as well as funding for 1.5 FTE DD Case Management positions that were transferred to North Central in the current biennium without any funding attached.
- The proposed 3% per year inflationary increase for providers is funded with \$136,712 in General Funds

- The budget includes the addition of a licensed addiction counselor for the drug court program and is funded with general funds of \$62,361 and federal funds of \$24,299, totaling \$86,660.
- The center's public/private grants have increased \$135,541. With the loss of the center's one full-time psychiatrist more time has been contracted to meet the demand for psychiatric services.
- Projected operating costs have increased \$61,636. Increased cost for State Motor Pool usage of \$33,161 and IT-Communications of \$35,493 are major causes of this increase.

Senate Changes:

- The Senate added \$45,571 in General Funds to provide a 4 percent annual inflationary increase for human service center contract service providers. The executive budget provided a 3 percent annual inflationary increase.

This concludes my testimony. I will be happy to answer any questions. Thank you for your time.