

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations
Senator Holmberg, Chairman
January 21, 2015

Chairman Holmberg, and members of the Senate Appropriations Committee, I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services (Department). I am here today to provide you an overview of programs and services that make up the budget request for the One Center - North Dakota State Hospital (NDSH) and Life Skills and Transition Center (LSTC) for the Department of Human Services (DHS).

North Dakota State Hospital Programs:

The NDSH provides short-term acute inpatient psychiatric and substance abuse treatment, intermediate psycho-social rehabilitation services, forensic services, and safety net services for adults. The NDSH also provides residential addiction treatment services for adult male and female patients referred to the Tompkins Rehabilitation and Corrections Center (TRCC) by the Department of Corrections and Rehabilitation (DOCR). The inpatient psychiatric service and TRCC are considered the traditional population of patients at the NDSH.

The NDSH also provides inpatient evaluation and treatment services for sexually dangerous individuals. This group of patients is housed and treated in the secure services unit of the NDSH.

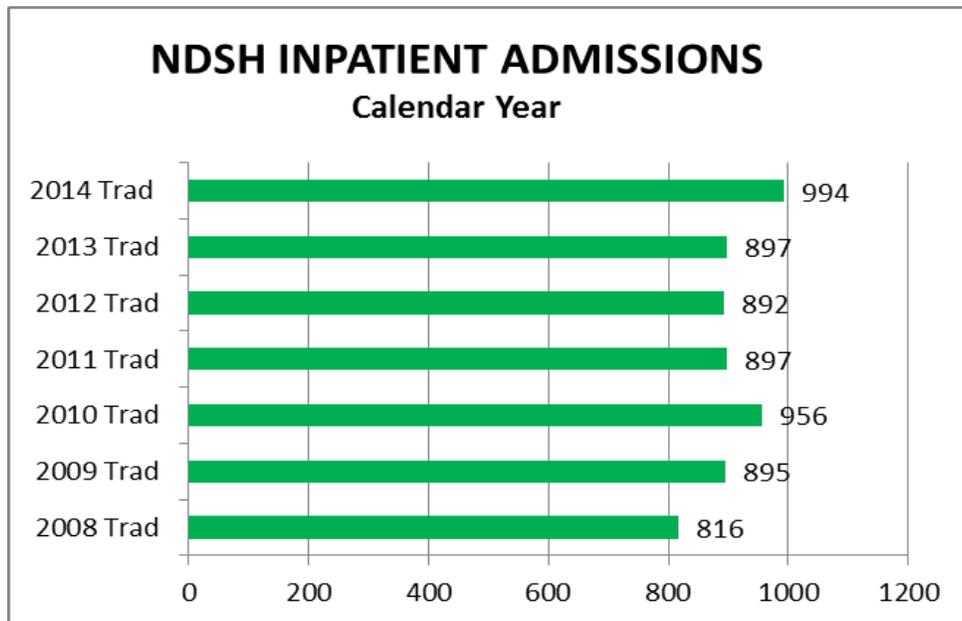
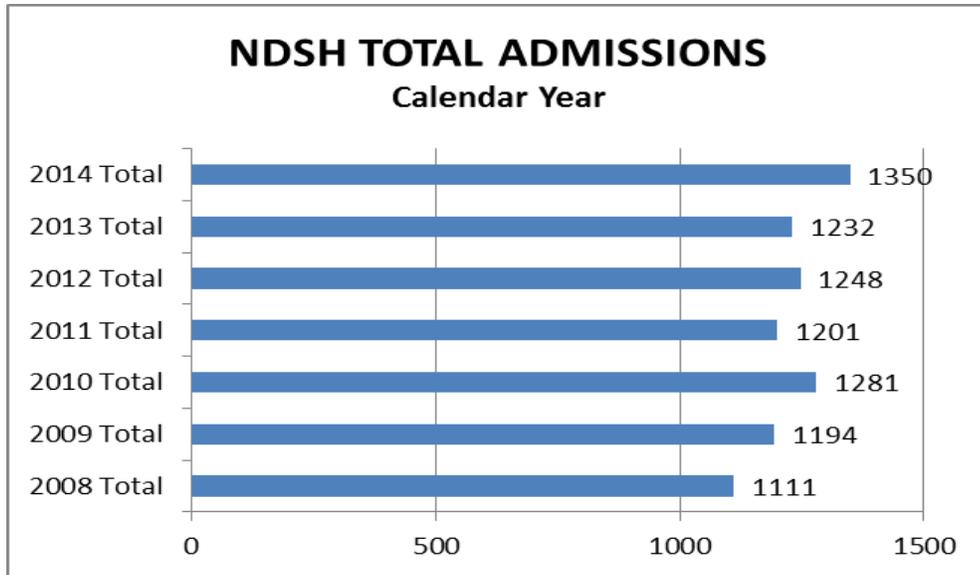
The 2015-2017 Executive Budget recommendation for the NDSH is for a total capacity of 304 patients. The breakdown by program includes: 123 beds for inpatient psychiatric services and 105 beds in the TRCC, (traditional services) and 76 beds in the Secure Services Unit (sex offender program). The facility is staffed based on an 85% staffing to patient occupancy ratio.

Program Trends/Program Changes:

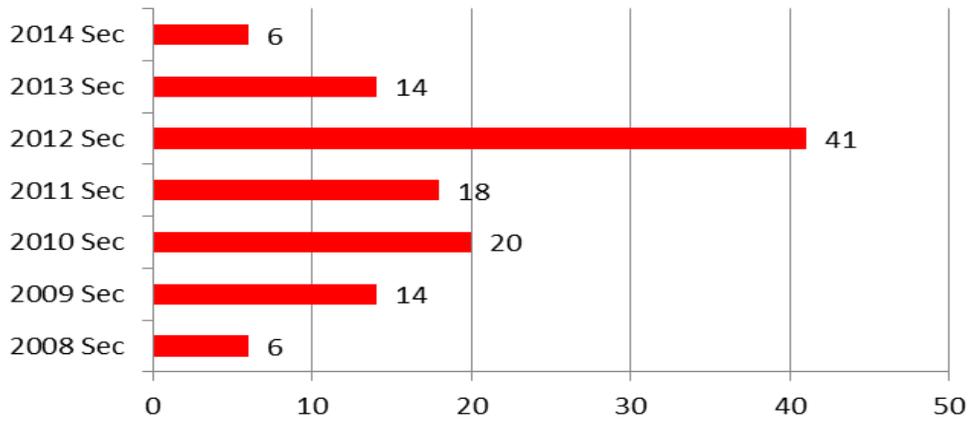
- Six key patient groups are consistently served at the NDSH due to the difficulty of successfully treating them in community-based settings:
 - Patients with significant behavioral problems from nursing homes
 - Individuals with a developmental disability that exhibit behavioral problems
 - Individuals with traumatic brain injury that exhibit behavioral problems
 - Violent and forensic individuals
 - Sex offenders with mental health and substance abuse problems
 - Individuals with chronic recidivistic mental illness and substance abuse issues
- Acuity level of patients has increased at the NDSH, as evidenced by current addiction patients having severe, chronic medical conditions and the psychiatric patients having multiple diagnoses.
- Expansion of intensive care beds for patient's facing criminal charges that have mental health issues.
- Need for expansion of the TRCC at the NDSH for alcohol and drug treatment of offenders from the DOCR.
- Shortage of psychiatrists and clinical psychologists.

Data:

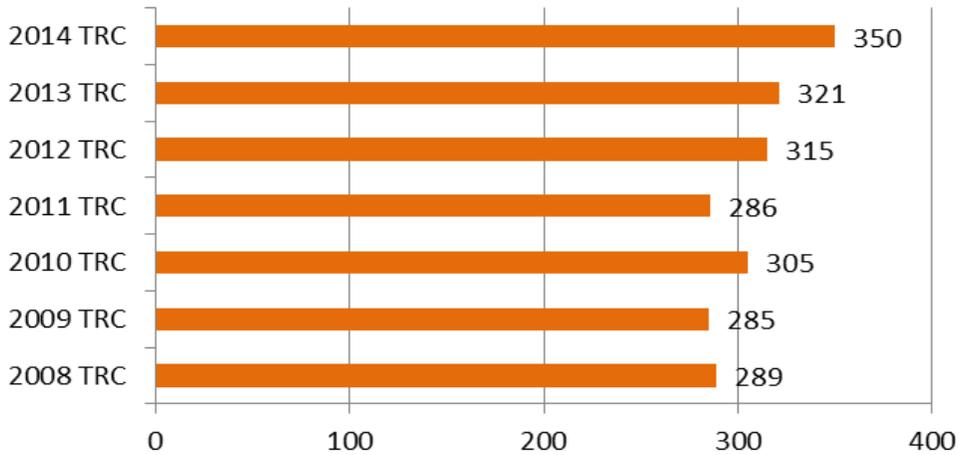
1. North Dakota State Hospital admissions:



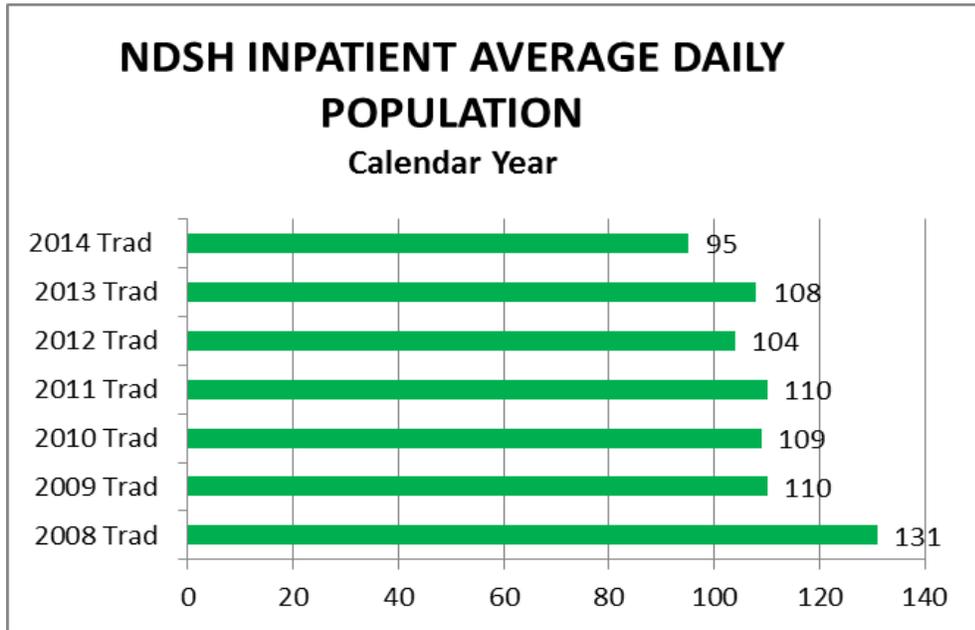
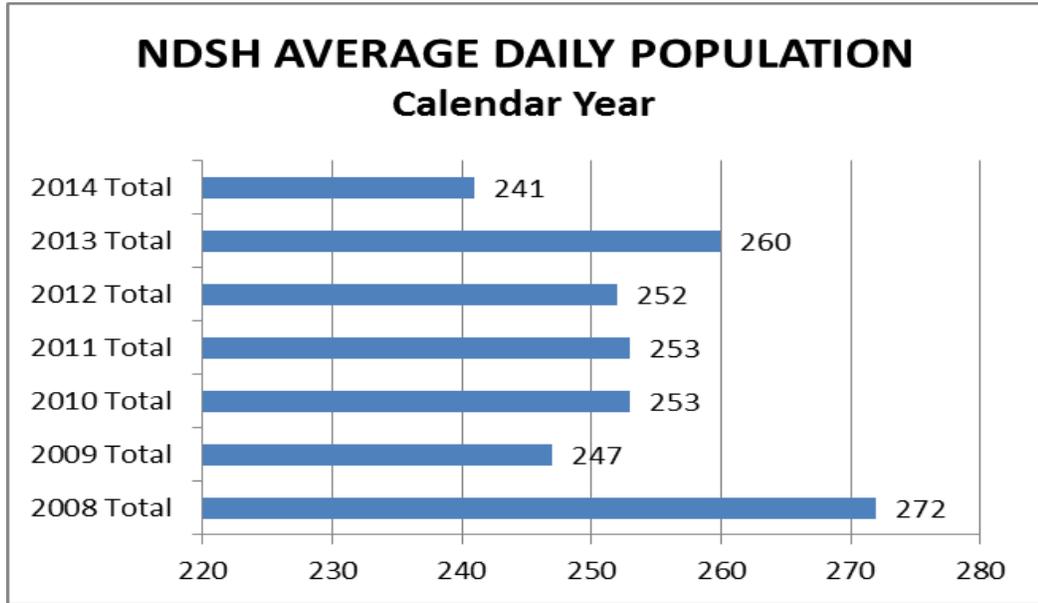
NDSH SECURE SERVICES ADMISSIONS Calendar Year



NDSH TRCC ADMISSIONS Calendar Year

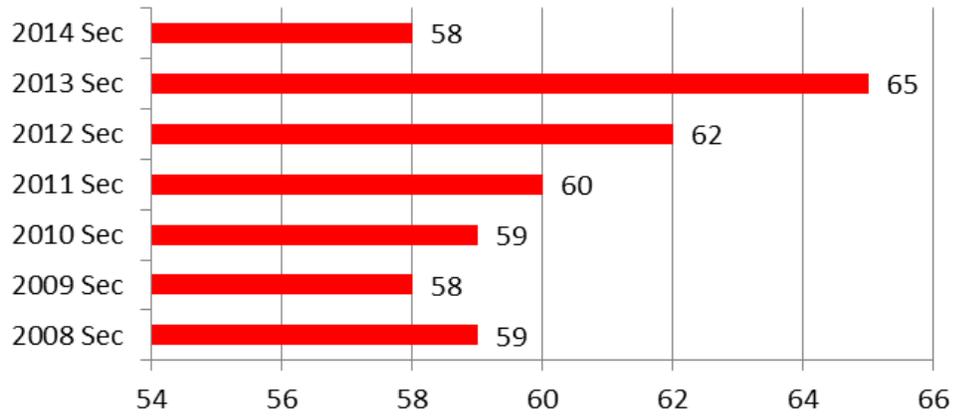


2. North Dakota State Hospital Average Daily Population:



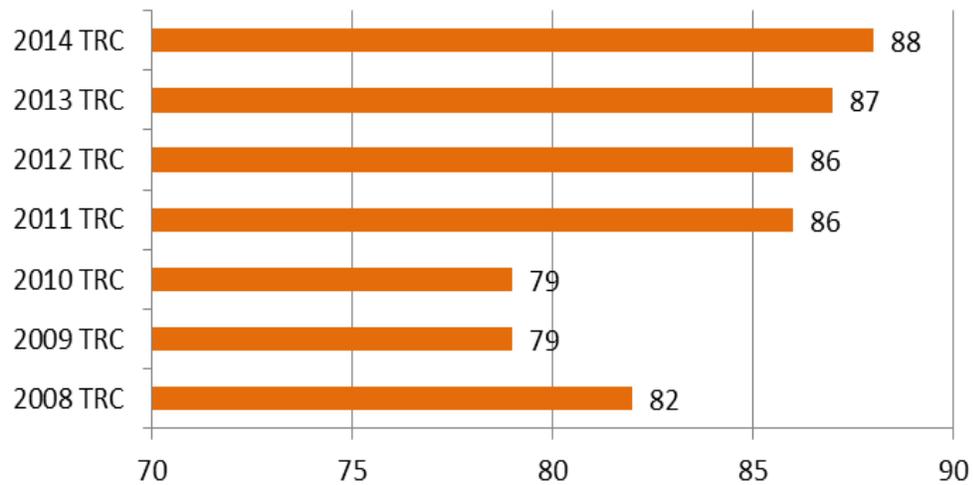
NDSH SECURE SERVICES AVERAGE DAILY POPULATION

Calendar Year



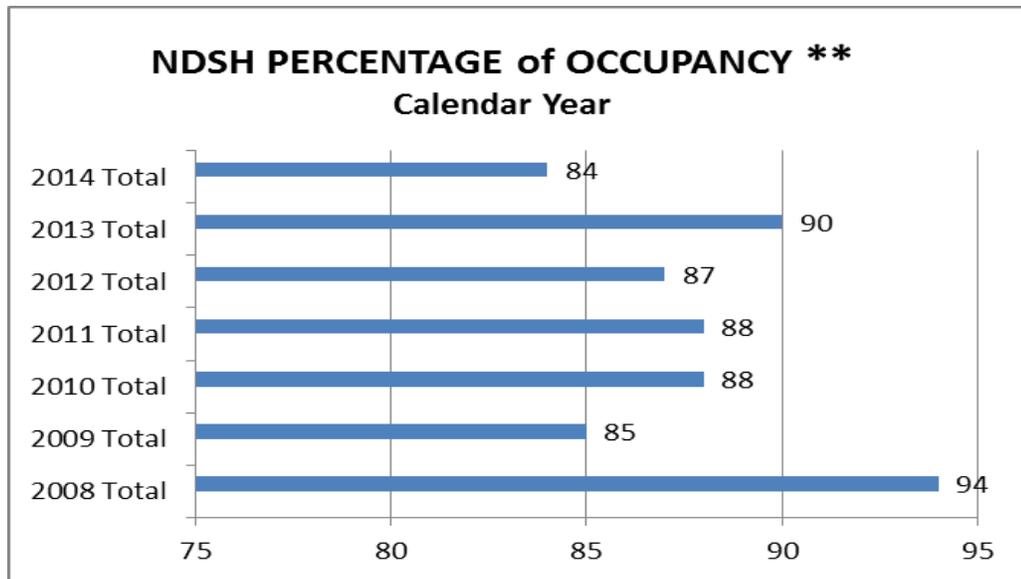
NDSH TRCC AVERAGE DAILY POPULATION

Calendar Year

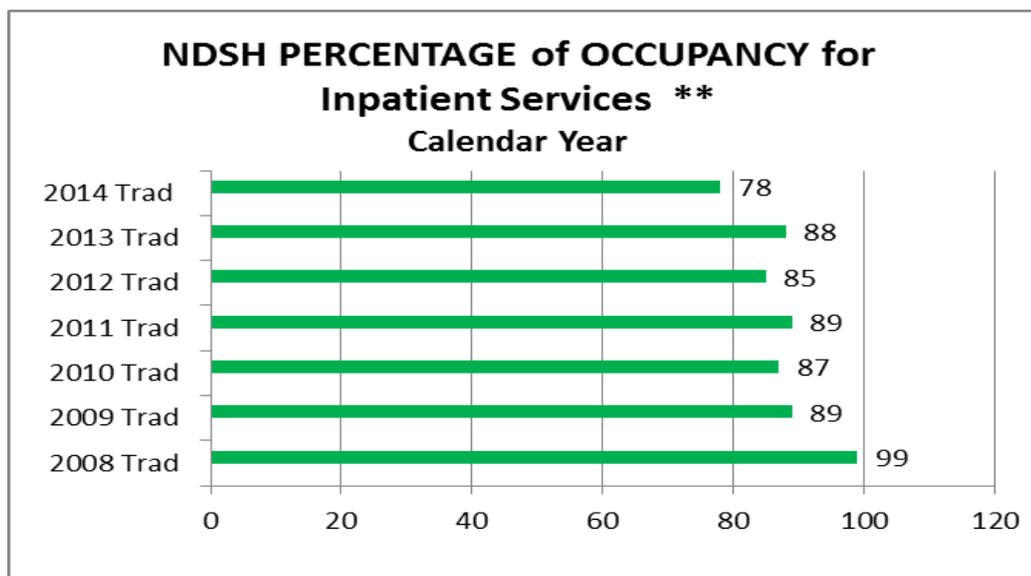


Although admissions to the traditional inpatient service increased by 97, the average daily population dropped by 13 per day from 2013 to 2014. This can be attributed to more one day evaluations and shorter length of stays.

3. North Dakota State Hospital Percentage of Occupancy by Service:



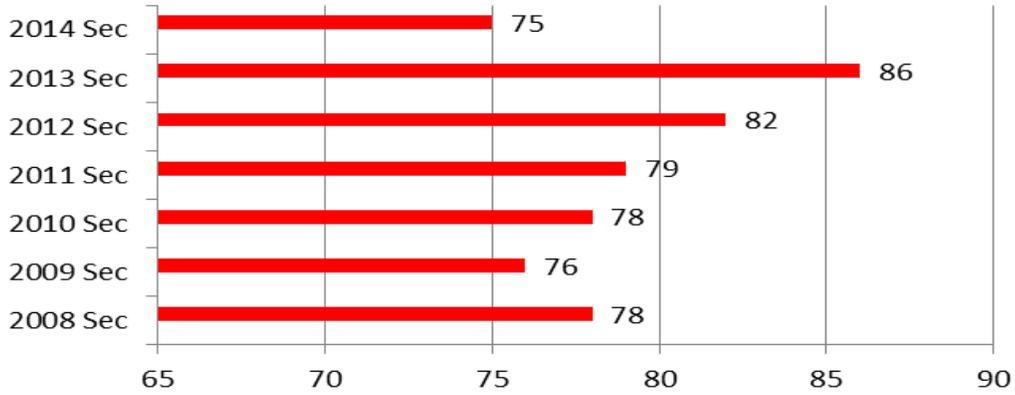
** Based on 289 Beds



** Based on 123 Beds

NDSH PERCENTAGE of OCCUPANCY for Secure Services **

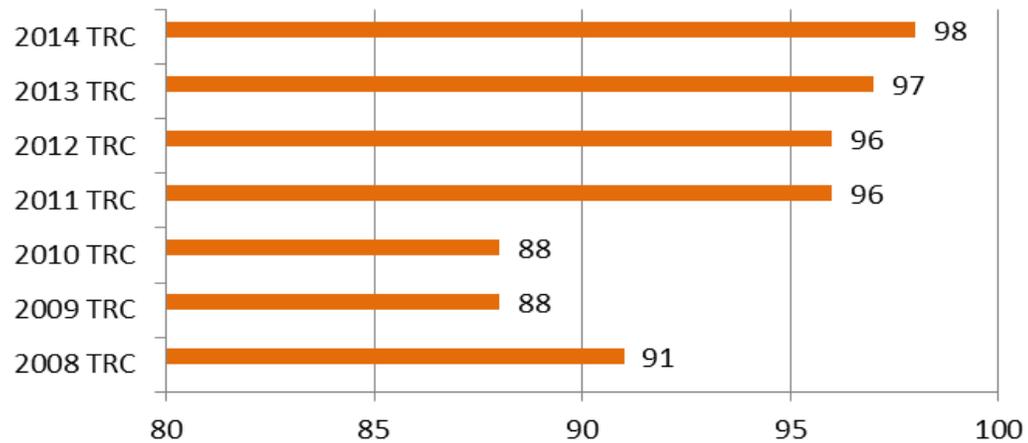
Calendar Year



** Based on 76 Beds

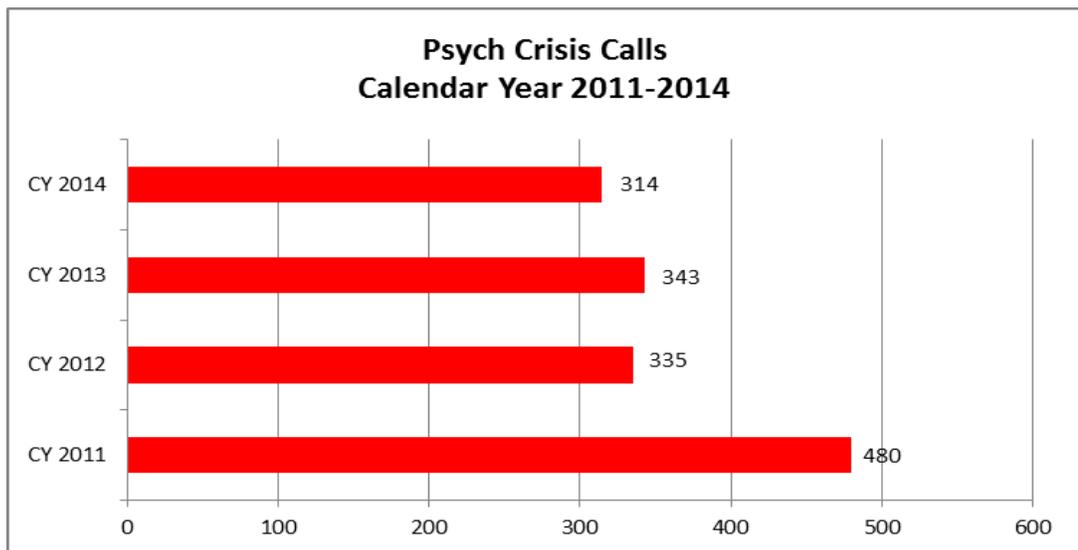
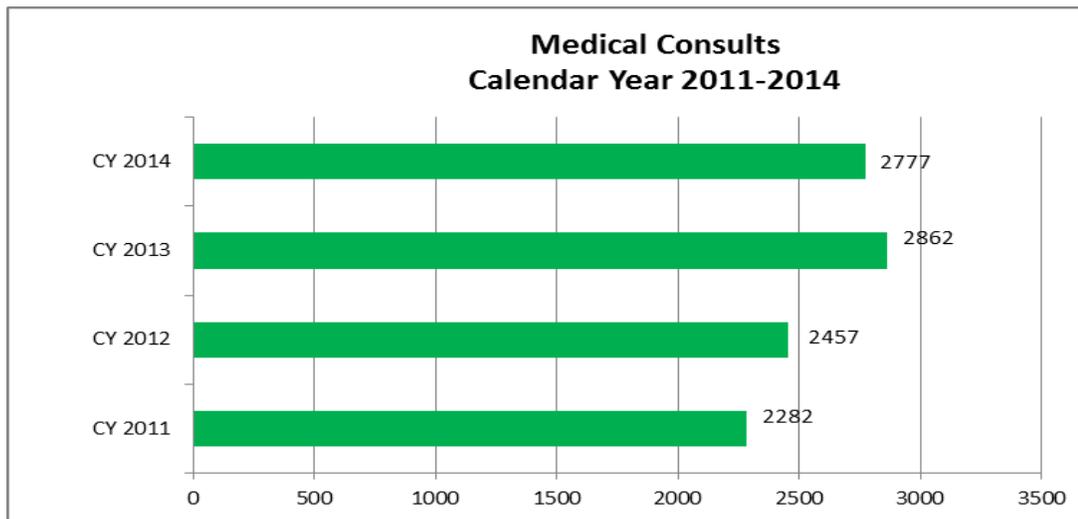
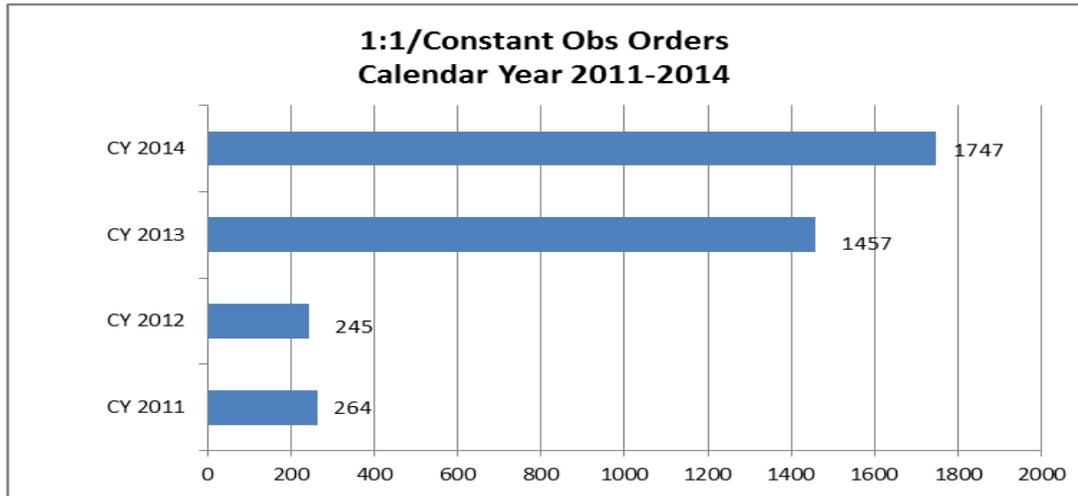
NDSH PERCENTAGE of OCCUPANCY for TRCC Services **

Calendar Year



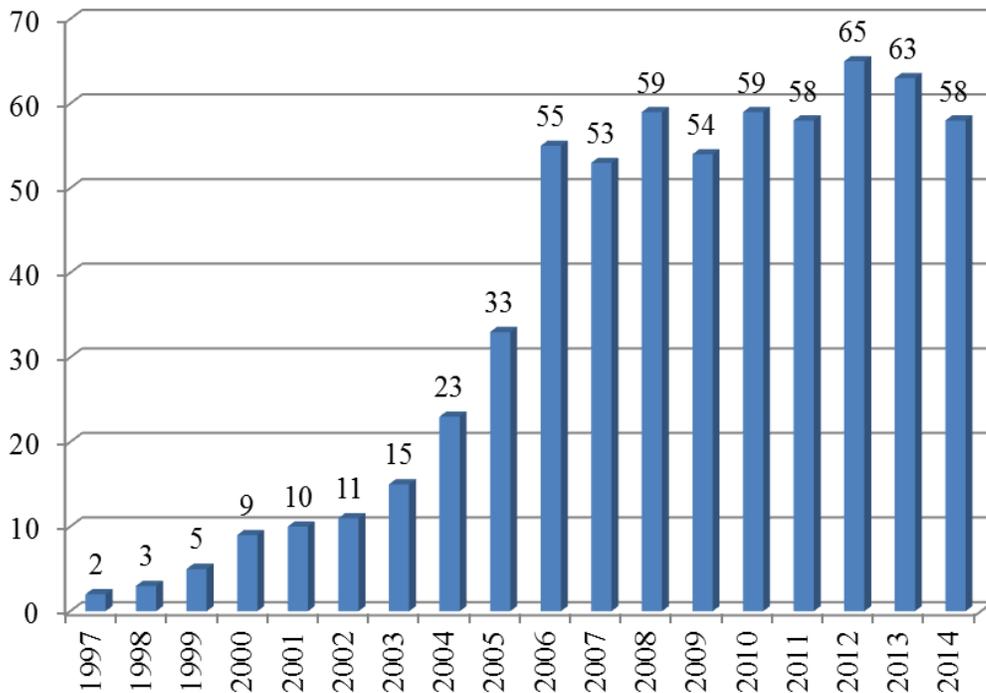
** Based on 90 Beds

4. North Dakota State Hospital Inpatient Acuity Charts:



5. North Dakota State Hospital Sex Offender Census History:

NDSH SEX OFFENDER PROGRAM YEAR-END CENSUS
Calendar Year



Overview of Budget Changes in Traditional Services:

Description	2013 - 2015 Budget	2015 - 2017 Executive Budget	Increase / (Decrease)
HSCs/Institutions	64,126,972	75,096,517	10,969,545
General Fund	44,493,824	55,095,059	10,601,235
Federal Funds	2,156,292	2,191,960	35,668
Other Funds	17,476,856	17,809,498	332,642
Total	64,126,972	75,096,517	10,969,545
Full Time Equivalents (FTE)	369.23	380.23	11.00

Budget Changes from Current Budget to Executive Budget:

The overall budget increased by \$10,969,545 and can be mainly attributed to the following:

- An increase of \$4,787,586 in general fund needed to fund the Governor's compensation package.
- An increase of \$1,948,327, of which \$1,404,744 is general fund, needed to continue employee increases approved by the last Legislative Assembly.
- An increase of \$344,552, of which \$223,419 is general fund due to overtime for Secure Services being budgeted in the traditional budget for 2015-17 and an increase in overtime paid to staff working holidays in lieu of providing compensatory time.
- A decrease in temporary salaries of \$485,630, of which \$350,139 is general fund, due to elimination of temporary staff not needed when permanent positions are filled.
- An increase of \$242,929, of which \$175,152 is general fund, due to hiring new staff, who elect health insurance coverage, replacing staff who had not utilized the health insurance benefit.
- An increase of \$234,132, of which \$168,809 is general fund, due to increased salaries for Physicians, Physician Assistants (PA), Nurse Practitioners (NP) and Clinical Psychologists to retain staff essential to the operation of a psychiatric hospital who are very difficult to recruit.

- An increase of \$487,200, of which \$351,271 is general fund, due to additional call pay needed to meet new Joint Commission and CMS standards requiring a Physician, Physician Assistants or Nurse Practitioners and Clinical Psychologists to be on call at all times.
- An increase of \$1,520,369 in Salaries and Benefits, of which 100% is general fund, for 11 FTEs to staff the additional 15 bed unit for the TRCC.
- A decrease of \$680,539 in Utilities due to the end of the 10 year payback period of an energy savings performance contract.
- An increase of \$164,671 in Food and Clothing due to the increased cost of providing special diets for patients with medical issues.
- An increase of \$97,109 in the Travel budget mainly due to increased rates established by the Department of Transportation for state fleet vehicles.
- A decrease of \$87,352 in Medical, Dental and Optical expenses due to continued use of generic drugs.
- An increase of \$55,138 in Fees-Professional Services, due to increasing medical costs for patients needing outside medical care.
- A decrease of \$52,830 in IT-Communications due to a reduced cost of telephone service.
- An increase of \$42,407 for Repairs due to repair and maintenance needs of an aging infrastructure.

- An increase of \$38,928 in Other Equipment Under \$5,000, which includes medication bar code scanners for each ward, blood drawing carts, medication carts, urinalysis analyzer and a centrifuge.
- An increase of \$147,825 for Equipment over \$5,000 which mainly consists of the replacement of a pay loader and an outdated X-ray machine.
- An increase of \$2,041,099 for capital projects, which consists of \$1,509,156 for Heating Plant repairs and upgrades, \$390,000 for surveillance cameras needed for campus safety and security, and \$557,606 to install central air conditioning in the Tompkins Building, offset by \$1,775,168 for projects that will be completed in the 2013-2015 biennium.

The general fund increased by \$10,601,235, with \$10,169,461 or 96% of the increase related to the salary compensation package, the additional 15 bed unit and central air conditioning for the TRCC Program, heating plant repairs, and surveillance cameras. The remaining \$431,774 or 4% is related to other salary and operating changes as noted above.

This concludes my testimony on the 2015-2017 Executive Budget for Traditional Services. I would be happy to answer any questions.

Overview of Budget Changes in Secure Services:

Description	2013 - 2015 Budget	2015 - 2017 Executive Budget	Increase / (Decrease)
HSCs/Institutions	12,469,059	13,808,808	1,339,749
General Fund	12,392,841	13,808,808	1,415,967
Federal Funds	68,472		(68,472)
Other Funds	7,746		(7,746)
Total	12,469,059	13,808,808	1,339,749
Full Time Equivalentents (FTE)	90.22	90.22	0

Budget Changes from Current Budget to Executive Budget:

The overall budget increased by \$1,339,749 and can mainly be attributed to the following:

- An increase of \$1,010,687 in general fund needed to fund the Governor’s compensation package.
- An increase of \$541,863 in total funds, of which all is general fund needed to continue employee increases approved by the last Legislative Assembly.
- A decrease of \$286,174 because all overtime was budgeted in Traditional Services.
- A decrease in temporary salaries of \$50,000 due to a reduction in patient hours spent on work projects.

- An increase of \$77,062, of which all is general fund, due to increased salaries for Physicians, Physician Assistants, Nurse Practitioners and Clinical Psychologists to retain staff essential to the operation of a psychiatric hospital who are very difficult to recruit.
- An increase of \$57,600, of which is general fund, due to additional call pay needed to meet new Joint Commission and CMS standards requiring a Physician, Physician Assistant or Nurse Practitioner and Clinical Psychologists to be on call at all times.
- An increase of \$160,002 in Medical, Dental and Optical budget due to increased medical needs.
- A decrease of \$99,693 in Utilities due to the end of the 10 year payback period of an energy savings performance contract.
- A decrease of \$96,260 in Food and Clothing due to providing fewer special diet meals.

The general fund increased by \$1,415,967, of which \$1,351,038 or 95% is due to the Governor's compensation package, continuing the increases provided by the last Legislative Assembly and other salary changes – the remaining \$64,929 or 5% consists of the remaining increases and decreases described above.

This concludes my testimony on the 2015–2017 Executive Budget request for Secure Services. I would be happy to answer any questions.

Life Skills and Transition Center (LSTC) Programs:

The LSTC provides services for individuals with developmental and intellectual disabilities. The LSTC provides residential services, including services for adults with sex offending behaviors, those requiring skilled nursing and behavioral health services, and services for youth in transition from the facility to community settings.

The LSTC also provides outreach services to the community that include, independent supported living arrangements, behavioral health services to prevent readmissions to the LSTC, work sites in the community of Grafton, and medical and therapeutic services.

The LSTC specialty support teams are available to community providers for consultation and support services for individuals with intellectual and developmental disabilities that have complex medical and behavioral needs:

- Crisis beds on LSTC campus
- Crisis intervention services
- Healthcare services for complex medical conditions
- Behavioral Health Services
- Therapy services and consultation

Program Trends/Program Changes:

- Develop, open and staff two adjoining 4-bed residences (ICF) for eight medically fragile individuals from the LSTC, in the community of Grafton.
- LSTC staff providing supports for individuals living in three independent living arrangements in the Grafton community.

- Expansion of vocational services to the local community.
- Transition of adults and youth to community settings.

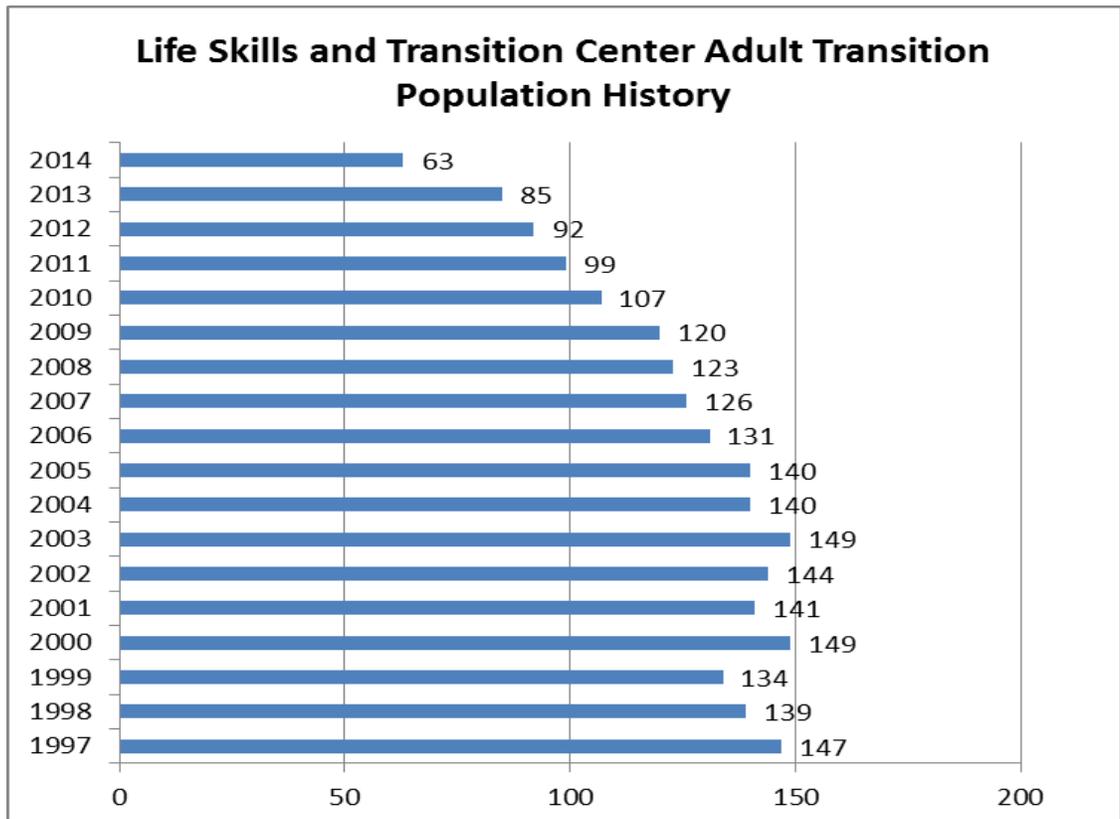
Data:

1. Life Skills and Transition Center (LSTC) 2015-2017 Population

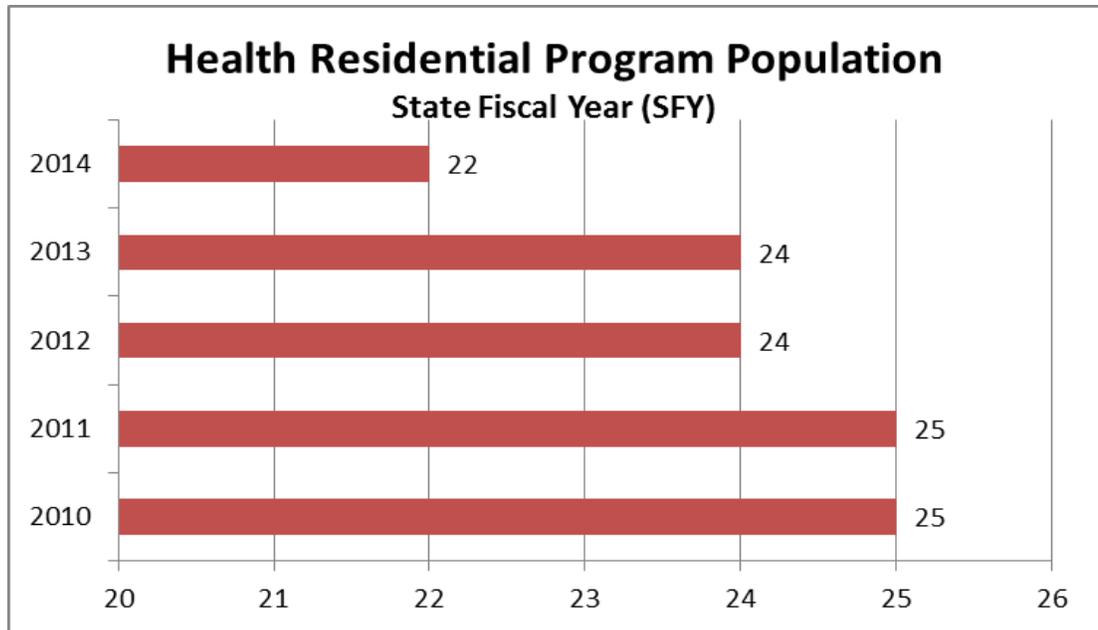
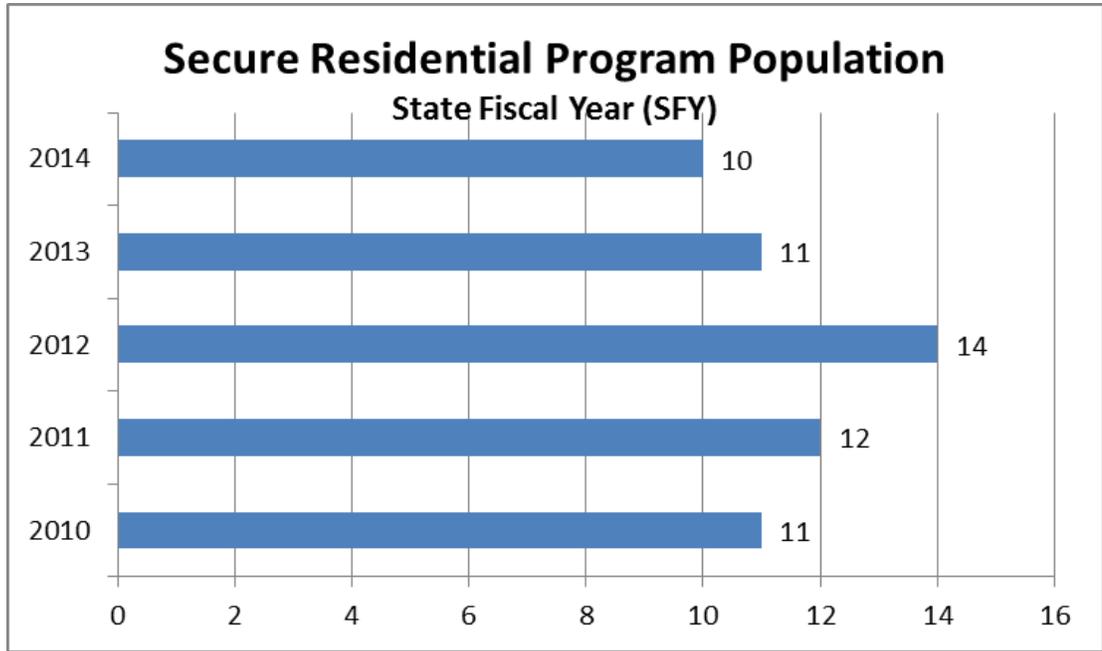
Estimates:

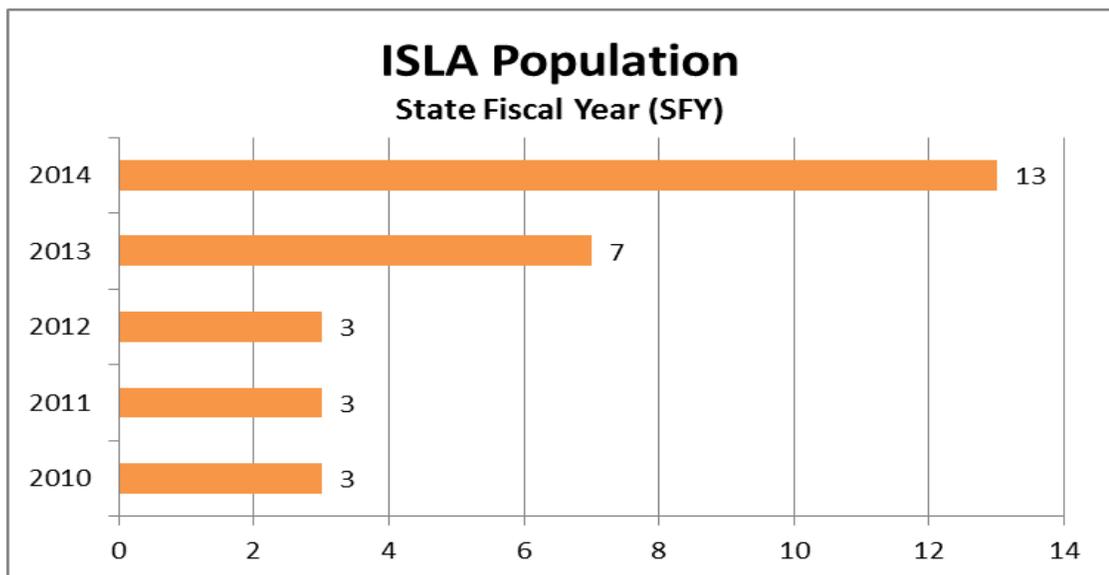
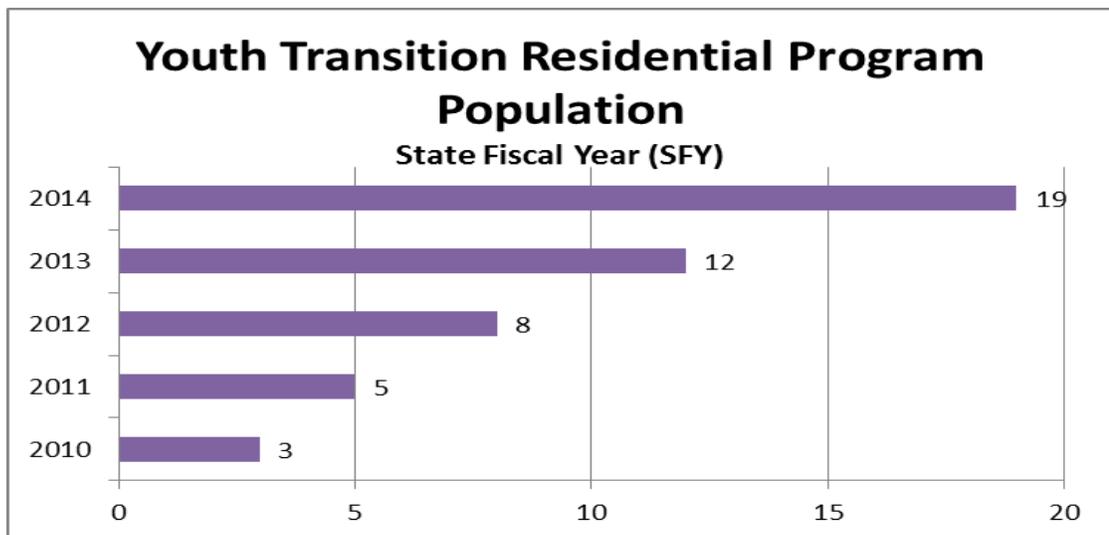
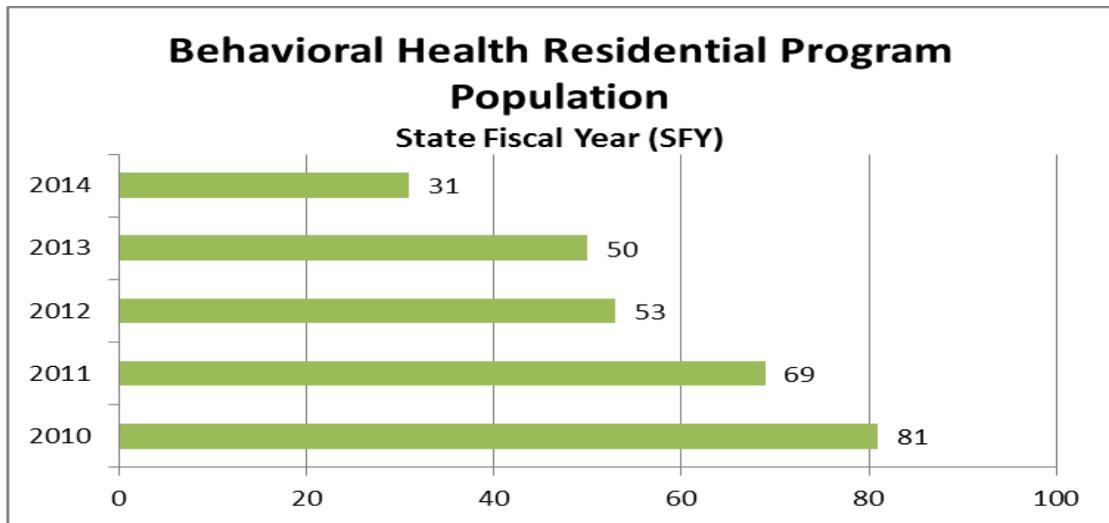
Population	7/1/15	1/1/16	7/1/17
Adults on Campus	60	58	45
Youth on Campus	12	10	8
ISLA – LSTC Operated	13	15	15
Community ICF – Medically Fragile	-	8	8
Total Population	93	91	76

2. Life Skills and Transition Center Adult Transition History:



3. Life Skills and Transition Center Service Program Populations
2010-2014:





4. Worksites for individuals in the Grafton community:

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Number	Business/Organization	Type of Service Provided
Dakota East Work		
1	Dakota East Trophy & Engraving	Manufacture Trophies, plaques, signs etc..
2	Polly's Lounge	Janitorial Service
3	Marketplace on 8th	Janitorial Service
4	Carnegie Library	Janitorial Service/Yard Work
5	Agri Max	Janitorial Service
6	Migrant Health	Janitorial Service
7	Data Dynamics Inc.	Janitorial Service
8	NDDOT	Janitorial Service
9	Second Time Around	Store manager Duties
10	Spudnik	Janitorial Service
11	Manvel Apts	Janitorial Service
12	Chamber of Commerce	Janitorial Service
13	Royal Rentals	Janitorial Service
14	Marvin Windows and Doors	Janitorial Service / Window part assembly
16	Walsh County C.C.	Janitorial Service
22	Royal Rentals	Janitorial Service
Dakota East Can Recycling Pick Up		
2	Polly's	Can Recycling pick up route
3	Marketplace on 8th	Can Recycling pick up route
14	Marvin Windows	Can Recycling pick up route
17	Unity Hospital	Can Recycling pick up route
18	Hill's Inc	Can Recycling pick up route
19	Friendship Inc.	Can Recycling pick up route
20	Extra End	Can Recycling pick up route
21	Grafton Lutheran Church	Can Recycling pick up route
LSTC Self Employment Individuals		
2	Petro Serve USA (30 Hours)	Self employed Janitorial
3	Hugo's (Less than 20 Hours)	Stocking Products
Dakota East Trophy & Engraving		
1	Dakota East Trophy & Engraving	Trphy & Engraving Work
2	12th Street Bowl	Bowling Awards
2	3-6-9 Bowl REM, ND	Bowling awards
3	Grafton Chamber of Commerce	Chamber Awards for seasonal events
4	City Of Grafton	Office signage and awards
5	Diverse Energy	Oil tank specification plates
6	1st United Bank	Office signage and awards
7	Friendship	Office signage and awards

Number	Business/Organization	Type of Service Provided
8	Grafton Youth Hockey	Hockey awards
9	Grafton High School	Awards for all activities
10	Grafton Youth Basketball	Basketball Awards
11	Golden Gloves boxing	Boxing Awards
12	Grafton Parks and Rec	Office/Building signage and awards
13	Grafton Floral	Plates for memorial trees
14	Kieley Electric	Descriptive Plates for electric projects
15	KXPO Radio	Awards for events sponsored by KXPO
16	Letter Perfect Signs	Wholesale signage for resale
17	Migrant Health	Office/Building signage and awards
18	Morgan Publishing	Wholesale signage for resale
19	North Valley Vo. Tech	Office/Building signage and awards
20	Northern Lights Archery	Archery awards
21	Strand Theater	Save Our Strand Chair fund raiser
22	Lutheran Sunset Home	Office/Building signage and awards
23	Unity Hospital	Office/Building signage and awards
24	Walsh County Social Services	Office/Building signage and awards
LSTC Volunteer Sites, Events and Affiliations		
1	Aktion Club (Marketplace Mtgs.)	Fund Raisers for Scholarships, Park Equip etc.
2	Chamber of Commerce	Flyers, events set up, volunteers
3	The EDGE	Cleaning
4	St. Johns Catholic/Food Pantry	Clean and Stock Shelves
5	Golden Gloves Boxing	Hanging Flyers
6	Grafton Lutheran Church	Hanging Flyers
7	Heritage Village	Fundraisers, events, hang flyers, helpers
8	Carnegie Regional Library	Putting books away, straightening
9	Lutheran Sunset Home	Bingo helpers, Musical Program, Church
10	Meals on Wheels (Grafton Armory)	Deliver Meals to Seniors in Grafton
11	Our Saviors Lutheran Church	Raffle tickets
12	Grafton Parks and Rec	City Wide Cleanup and Park Projects
13	Walsh County Relay for Life	Fill luminaries, Relay for Life team expectations
14	River of Life Community Church	Volunteer for Church Events
15	Save Our Strand	Cleaning and Fund Raisers
16	Second Time Around	Volunteer store duties
17	Shopping with Santa	Assist children holiday shopping
18	Teddy Bear Child Care	Reading
19	Valley Cruisers Car Club	Hang flyers, trophy presentation
20	Head Start	Donated School Supplies

Number	Business/Organization	Type of Service Provided
21	Century Elementary (Spring for Kids)	Spring thing for kids
22	Upper Valley (Volunteer present.)	Presented to school getting involved Comm.
23	Domestic Violence	Hang flyers
24	Grafton Police Department	Spring thing for kids
25	Migrant School	Activity packets and flyers, puppet show
26	Grafton High School	Career Day
Out Side the Community of Grafton		
	Red River Valley Community Action	Package food for delivery
	Great Plains Rescue Mission	Deliver Clothing, Blankets etc..
	Veterans Home	Visits, seasonal cards
	Borg Home	Musical Programs
	St. Gianna's	Bulb project, infant items
	Park River Bible Camp	Mailings
	Park River Good Samaritan Center	Musical Programs
	Park River Vet Clinic	Blankets
	Park River Pregnancy Help Center	Baby bottle fundraiser, infant items
	Jr's	Can Recycling pick up route (Oakwood, ND)
	Gold Stars Represent Current ISLA's	
	Cottage ISLA	
	Birch Court ISLA	
	Lessard ISLA	

Overview of Budget Changes

Description	2013-2015 Budget	2015-2017 Executive Budget	Increase/ (Decrease)
HSC/Institutions	54,790,052	64,875,352	10,085,300
General Fund	25,893,744	34,032,836	8,139,092
Federal Funds	25,917,601	27,829,774	1,912,173
Other Funds	2,978,707	3,012,742	34,035
Total	54,790,052	64,875,352	10,085,300
Full Time Equivalent (FTE)	381.00	381.00	0

Budget Changes from Current Budget to the Executive Budget:

The overall budget increase of \$10,085,300 can be mainly attributed to the following:

- \$4,223,062 in total funds, all of which is general fund needed to fund the Governor's compensation package.
- \$2,359,885 in total funds, of which \$1,239,183 is general fund needed to continue the employee increases approved by the last Legislative Assembly.
- \$495,594, of which \$247,797 is general fund, consists of :
\$250,010 increase in Shift Differential, \$145,584 increase in Temporary Salaries, and \$100,000 increase in Overtime.
- \$565,100 decrease in Utilities is due to the end of the 10 year payback period of an energy savings performance contract.
- Operating Fees and Services increased by \$224,703 to cover the increase in the Provider Assessment rates.
- Medical, Dental and Optical decreased by \$198,127 due to increased use of generic medications.
- \$1,500,000 increase in Grants, Benefits & Claims for two four-bed homes to serve eight medically fragile clients currently residing in the LSTC.

- \$1,729,865 increase in Capital Improvements consisting of the following:
 - \$695,570 in additional funds for demolition of the Pleasant View and Refectory buildings. The total project is \$915,570 with \$220,000 to be carried over from 2013-2015.
 - \$750,000 to remodel living area kitchens to accommodate person centered care by engaging individuals in meal choices and preparation in a kitchen which accommodates the resident's needs.
 - \$230,000 for repairs and upgrades to the heating and air conditioning systems.

- Equipment over \$5,000 increase of \$198,000. A majority being the replacement of Lab equipment consisting of a computerized radiography X-Ray system and hematology analyzer, Nutrition Services kitchen equipment and an adjustable speed drive to increase efficiency and reduce power consumption in the heating and cooling systems.

The general fund request increased by \$8,139,092 with \$7,452,927 or 92% of the increase related to the salary compensation package, capital improvements and the two four-bed homes for medically fragile individuals. The remaining \$686,165, or 8%, is related to other salary and operating expenses as noted above.

This concludes my testimony on the 2015-2017 Executive Budget for the LSTC. I would be happy to answer any questions.