

Testimony
House Bill 1072 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 23, 2017

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division, I am Jeff Stenseth, Director of Southeast Human Service Center (SEHSC) for the Department of Human Services (Department). I am here today to provide an overview of the programs and services that make up the budget request for the SEHSC.

Southeast Human Service Center

SEHSC is the largest human service center in North Dakota. This human service center provides community behavioral health and safety net services to individuals who live in Steele, Traill, Cass, Ransom, Sargent and Richland counties, in Region V. This region is comprised of 207,208 residents (27.4% of the State's population) as estimated by the 2015 U.S. Census Bureau. SEHSC provides outreach behavioral health services in the following communities: Finley, Hillsboro, Mayville, Wahpeton, Lisbon, Hope, Hunter, Enderlin, Milnor, Lidgerwood, Casselton and Hankinson.

Program Trends/Program Changes

SEHSC serves the largest number of adults with severe and persistent mental illnesses and substance use disorders and provides overall the highest volume of adult home and community-based outreach services. These individuals typically require multiple services per week from the comprehensive continuum of service providers within SEHSC or through contract. SEHSC staff intentionally outreaches clients in all stages of symptom acuity related to their mental illness and/or substance use disorders. A number of those served demonstrate a higher number of risk

factors related to danger to self or others. This has required SEHSC to adjust protocols to ensure we know when to send more than one staff and when to include local law enforcement in those visits. This has also prompted the Department to look at facility layout and pursue some structural modifications to enhance staff and client safety.

SEHSC continues to partner with the local law enforcement, jail staff, the courts, and probation and parole to provide services to clients with mental illness and substance abuse from the local correctional system. SEHSC maintains involvement in adult and adolescent drug courts, the jail diversion program, training law enforcement in Crisis Intervention Team certification, and providing mental health assessments and psychiatric services at the Cass County Jail. SEHSC also continues to have a strong partnership with contracted providers of mobile crisis and medical detox services. SEHSC, as compared to other HSC's, has the highest number of emergency services provided annually.

SEHSC is a training institution. In conjunction with the University of North Dakota (UND) School of Medicine, SEHSC continues to function as a psychiatric residency training site. Since the UND psychiatric residency training program began in 1980, SEHSC has assisted with training an estimated 130-140 residents. This has historically assisted with recruitment of psychiatrists both at SEHSC and within the State. SEHSC is also accredited by the American Psychological Association (APA) as an approved internship site and provides training to four psychology interns per year. SEHSC has trained 36 psychologists since its inception as a training site. This agency also is part of the regional addiction training consortium and provides opportunities for social work and counseling internships.

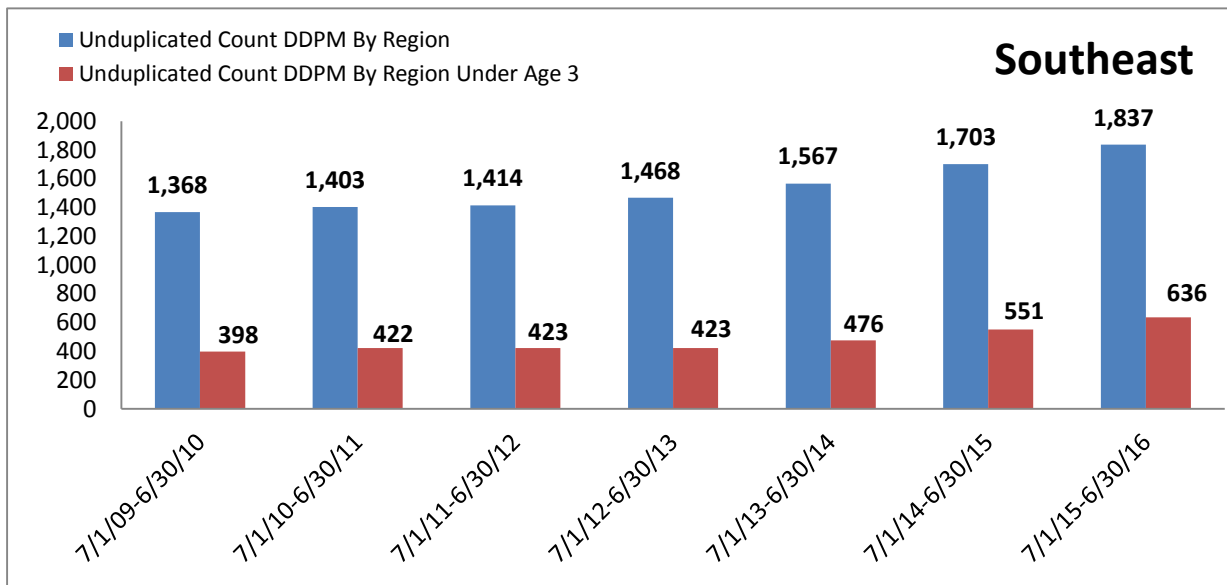
SEHSC has struggled with the impact of workforce shortages in the clinical area of psychiatry. In the past two years it has taken an average of about 390 days to fill vacant psychiatry positions. SEHSC currently has one vacant psychiatrist position. This has a significant impact on the number of psychiatric service hours available to be scheduled with our core populations.

SEHSC reduced or removed a couple of items from its budget request. Due to other short term residential options now being available SEHSC will discontinue its contract with the New Life Center. SEHSC also plans to eliminate one part-time temporary nursing staff due to efficiencies gained through realigning work tasks in that department.

The Child Welfare unit at SEHSC provides region wide services that include regulatory duties for licensing foster care homes and facilities, and licensing early child care facilities and providers. They provide program supervision and technical assistance for foster care services, child protective services, and family preservation services. SEHSC Child Welfare unit continues to deal with high demand in the area of foster care and child abuse and neglect cases. For SFY 2015 this region managed 1,721 cases or 430 cases per FTE (highest caseload ratio in the state). The staff from the Child Welfare unit who is responsible for licensing of early childcare facilities took care of 603 facilities in the Southeast and South Central regions of the state. This accounts for 43% of the childcare facilities in the entire state. To assist with the continued growth in services in this unit, the Executive Budget includes an additional 1.0 FTE for Child Welfare Services.

The Developmental Disabilities (DD) Program caseload at SEHSC continues to grow. SEHSC currently has 27.38 DD Case Managers who

are all carrying full caseloads. During this current biennium, SEHSC has utilized three full-time temporary case manager positions in the DD unit in order to maintain a 60:1 caseload ratio. These temporary positions are in the process of being replaced with three full-time FTE that were transferred from the Life Skills & Transition Center. These transfers are supported by the growing number of individuals served through the DD unit from 1,567 in SFY 2014 to 1,837 in SFY 2016, an increase of 270 individuals.



Division	2017-2019 Executive Budget					State Fiscal Year 2016 Actual	
	Salary/Wages and Operating Expenses	Grants & Contracts	Total	HSC FTE's	HSC Temporary Staff	# of Contract Provider Staff *	# of Individuals Served
Behavioral Health	23,356,719	8,459,453	31,816,172	109.80	14.50	222.00	3,549
Developmental Disabilities	5,123,196		5,123,196	30.37	1.00		1,837
Vocational Rehabilitation	2,556,094		2,556,094	15.00			377**
Child Welfare	1,117,813	272,953	1,390,766	6.00		32.00	
Aging Services	355,703		355,703	2.00			
Administration	4,452,369		4,452,369	28.98	2.50		
Total	36,961,894	8,732,406	45,694,300	192.15	18.00	254.00	
* This number is a combination of full and part-time staff.							
** VR applicant data is for FFY 2016							

Overview of Budget Changes – Southeast Human Service Center

Description	2015 – 2017 Budget	2017 – 2019 Executive Budget	Increase / (Decrease)
HSC/Institutions	43,472,478	45,694,300	2,221,822
General Fund	26,500,504	28,266,094	1,765,590
Federal Funds	15,541,623	14,737,800	(803,823)
Other Funds	1,430,351	2,690,406	1,260,055
Total	43,472,478	45,694,300	2,221,822
Full Time Equivalent(FTE)	188.15	192.15	4.00

Budget Changes from Current Budget to Executive Budget

The overall budget increase of \$2,221,822 can be mainly attributed to the following:

- \$692,805 in total funds of which \$578,469 is general fund needed to fund the Governor's compensation package for State employees.
- \$378,647 in total funds of which \$355,127 is general fund needed to sustain the employee increases approved by the last Legislative Assembly.
- The salary underfunding increased from \$501,057 to \$669,690, which is a net change of \$168,633.
- \$157,149 in total funds, of which \$157,149 is general fund, for the addition of a child welfare position to meet increased demand in areas of foster care and child abuse and neglect cases in the Southeast region and child care licensing for both the Southeast and South Central regions.
- \$426,293 in total funds, of which \$247,250 is general fund for three full-time DD Case Manager positions. The FTE were transferred from the Life Skills and Transition Center to meet the required client to staff ratio of 60:1.
- \$503,950 reduction in Temporary Salaries due to one 16 hour per month psychiatrist position transferring to South Central HSC, one 32 hour per month RN position not being filled and two 40 hour per month DD Case Manager positions being transferred to FTE positions.
- \$192,320 increase in Rentals/Leases – Bldg/Land for rental space, with the majority of the increase for Vocational Rehabilitation office space which has a federal match of 78.7%.
- \$731,596 in the budget for overtime due to the Fair Labor Standards Act requirements.
- \$83,792 decrease in Travel due to the Department-wide process used to develop the Department's savings plan.

- \$10,356 reduction in Extraordinary Repairs based on the formula used by the Office of Management & Budget, which is 10% of anticipated need.
- \$21,369 decrease in Other Capital Payments due to special assessments being paid in full.
- \$19,000 decrease in Equipment Over \$5,000 due to leasing copiers and no longer purchasing them.
- \$14,444 increase in Operating Fees and Services based on costs to license clinicians, an increase in Years of Service Awards, and a budget increase for Public Notices for job announcements, yearly civil rights notices and Yellow Page advertising.
- \$14,770 decrease in Professional Development due to the Department-wide process used to develop the Department's savings plan.

Grants, Benefits & Claims increased by \$516,845 and is mainly attributed to the following:

- \$40,500 for a 1% provider inflationary increase the second year of the biennium.
- An increase of \$166,897 for the psychiatric residency program for the telemedicine/Clozapine clinic to cover expenses for the full biennium.
- An increase of \$356,073 to cover increased costs at the Crisis Residential Unit. This increase is a result of a higher level of medical need for clients which stems from a higher acuity level and increased crisis situations. This requires increased nursing staff on site and increases one on one time with clients. The salary for nurses has increased due to an increased demand expected with a new, larger hospital opening soon in the Fargo community.

Attachment: [Southeast Human Service Center Fact Sheet](#)

This concludes my testimony on the 2017-2019 budget request for the SEHSC, I would be happy to answer any questions.