

**Budget Committee on Human Services
Human Service Center Study
Representative Dever, Chairman
June 1, 2006**

Chairman Dever and members of the Budget Committee on Human Services, I am Nancy McKenzie, Statewide HSC Director. I am here today to provide you with an overview of the Southeast Human Service Center (SEHSC). Candace Fuglesten, HSC Director for SEHSC, and Jim Gebhardt, Business Manager, are also present today.

The Southeast Human Service Center provides a variety of services to residents of the following six North Dakota counties: Richland, Ransom, Sargent, Cass, Traill, and Steele.

The presentations you will hear today will focus primarily on the Human Service Center reporting format developed by the Legislative Council.

I will be presenting trends, concerns and budget data related to the Southeast regional area.

Southeast Human Service Center is experiencing many of the same challenges in recruitment of staff that have previously been presented to you. SEHSC has been actively recruiting to fill vacant licensed addiction counselor positions for many months. We have experienced increased turnover in positions in nursing, psychiatry, and advanced clinical specialists, as well as support staff positions. Information on turnover trends and difficulties with salary offers has been provided to DHS Human Resource Division. Turnover rate from July-December 2005 was 15% (22 FTE's).

This region continues to see an increased demand for client services; numbers served continues to increase at a rate of approximately 4-5% per year. As a result, SEHSC has had to prioritize its service delivery to primarily those individuals who aren't able to access care elsewhere. When we are contacted with a request for a non-urgent appointment by clients who may have the potential to access other community providers, we discuss those alternatives with the caller, some of whom then seek care elsewhere.

In addition, within our case management service, we have identified criteria/levels of care to determine those most in need of this service; i.e. those individuals at highest risk of rehospitalization or harm to self or others. Despite these internal controls, the number of clients served at the center increased by 368 from FY2004 to FY2005. This is of concern as we serve many individuals who require multiple services, and will be reflected in our optional adjustment requests in the 2007-2009 budget proposal. To best manage the increased need and keep wait times to a minimum, we have had to utilize temporary staff in various areas, particularly case managers and case aids for individuals with serious mental illness.

Inpatient hospitalization for this region is provided at MeritCare Hospital, through a contract with SEHSC. Addition of 8 crisis beds in the community a few years ago has helped to provide step-down from the hospital, or in some cases, hospital diversion. However, we continue to admit many individuals to the North Dakota State Hospital (NDSH) who need longer/more intensive care, and the higher occupancy levels of this biennium have resulted in longer stays at the local hospital. As a result, our utilization exceeds our contract funding, resulting in MeritCare providing more services without reimbursement.

Since our emphasis is on serving individuals with serious and persistent mental illness, we lack adequate community capacity, both in staff positions and other services such as housing. In the upcoming budget proposal, we will seek to add

additional crisis beds to further reduce inpatient hospitalization, and a statewide initiative currently seeks providers for supportive housing options.

Like the other centers in the state, SEHSC is currently training staff and implementing the Matrix model of treatment for methamphetamine addiction. SEHSC has also taken the lead in piloting another evidence-based treatment model, Integrated Dual Disorders Treatment (IDDT) for individuals with a diagnosis of both mental illness and substance abuse. Half of the individuals admitted to NDSH from this region are dually diagnosed; we will be monitoring outcomes to determine whether the new treatment intervention reduces the number of hospitalizations.

Recent “point in time” analysis of SEHSC clients showed that approximately 44% of SEHSC clients who receive substance abuse treatment services at the center are receiving community supervision through Probation & Parole. This is a bit lower than the percentage seen in most of the other centers; probably again due to the fact that SEHSC has diverted some of those referrals elsewhere. It is anticipated that these requests will continue to grow as DOCR continues to pursue community treatment as part of alternatives to incarceration.

In both adolescent and adult populations, we are seeing a definite sustained increase in presenting problems involving dual mental health and substance abuse issues. SEHSC continues to play an active role in the adolescent drug court process; we are projecting need to add treatment services for adult drug court in the next biennium.

➤ **Total Budget Overview**

For the 2005-2007 biennium the Southeast Human Service Center began with a total budget of \$23,765,764 and an authorized FTE count of 183.60. The following identifies changes since the start of the biennium. These changes are the result

of the centralization of the billing process, the change in delivery of infant development services to a provider contract, and a change in funding client services in the Family Caregiver Support Program (FCSP).

- Transfer of 1.0 FTE from BHSC for VR Counselor
- Transfer ROAP Reporting Lead (1 FTE) and funding to MHSA Division.....\$115,498.00
- Transfer Funding for Centralized Billing to Central Office.....\$49,223.00
- Transfer 3.0 FTE to WCHSC (Inf. Dev. To DDCM)
- Transfer to MH/SA Division 1.0 FTE (Inf. Dev. FTE)
- Transfer Inf. Dev. 2.5 FTE to other HSCs for DDCM ratios
- Transfer 0.25 FTE from NEHSC to SEHSC for DDCM
- Transfer FCSP Client Service Funding to Central Office.....\$74,521.00

This leaves a current budget of \$23,526,522 and 177.35 FTE.

Program changes anticipated for the 2007-2009 biennium have been previously noted. Other budget concerns going into the next biennium will include increased energy prices, affecting both cost of utilities in our facilities and the travel costs for state vehicles, ITD's increase in telecommunications rates, increased costs of medications for clients, increased maintenance costs for our facility and the ability to keep up with increasing salary market for our more advanced credentialed clinicians.

I will now provide a brief description of each program area.

Budget Attachments:

- SEHSC Budget – Total
- SEHSC Budget – Administrative
- SEHSC Budget – Child Welfare Services
- SEHSC Budget – Disability Services

- **SEHSC Budget – Developmental Work Activity Center**
- **SEHSC Budget – Mental Health & Substance Abuse Services**
- **SEHSC Budget – Older Adults Services**
- **SEHSC Budget – Older Americans Act Contracts**
- **SEHSC Organizational Chart**