

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 Candace Fuglesten, Director of Southeast Human Service Center (SEHSC) for the Department of Human Services (DHS). I am here today to discuss the programs and services delivered by SEHSC to citizens in Steele, Traill, Cass, Ransom, Sargent and Richland Counties in Region V of our State.

Characteristics of the Region

- The 2004 Census projections estimate that approximately 166,607 individuals or 26% of the state's population reside in the SEHSC region.
- The Fargo area has a strong job market with a low unemployment rate. This creates challenges in terms of placing us in a very competitive market for healthcare professionals, including physicians, psychologists, addiction counselors and case managers. Our staff turnover rate for SFY 2006 was 20.54%, unfortunately, the highest rate within DHS.
- The Fargo-Moorhead area has approximately 400 homeless people living in the metro area on a given night. Fargo is home to 60% of the area's homeless. One third of the city's homeless, or approximately 79 individuals, are considered "long term homeless." That definition is used to describe individuals or families with disabling conditions who have been homeless continuously for at least 1 year, or more than 4 times in the last 3 years (ND Interagency Council on Homelessness).

- Within DHS there were 69 children in the custody of the State of North Dakota from our Region on November 30, 2006. This number has been holding relatively constant for the last two years going from a high of more than 120 children in the last biennium to the current number. These children now tend to be younger and adoption into permanent homes is occurring.

Clients Served

- SEHSC provided behavioral health services to 4,952 individuals in SFY 2006. This represents about a 5% increase since last biennium. Sixty-six percent of these individuals qualified to receive services at 100% discount due to having incomes that fell 100% or more below the poverty index. Thirty percent of the individuals had no third party payment or insurance coverage of any kind.
- SEHSC provided Vocational Rehabilitation (VR) services to 1,711 Individuals. This represents about a 19% increase from the last biennium. Within the Developmental Disability (DD) service area we served 1,042 individuals, which is a 7% increase over last biennium.
- SFY 2006 data shows that 20% of our entire behavioral health clients carry dual diagnosis of serious mental illness and chronic addiction.

Trends

- Due to demand issues and capacity limitations, SEHSC provides all of the established human service center core services, but prioritizes serving the most vulnerable individuals who cannot access services elsewhere in the community/region. Our admission staff assists individuals requesting non-urgent services, who have

the potential to access other community providers, by discussing alternative resources with the caller. Many of these individuals then seek those services from other local providers.

- Due to the high demand for case management services for individuals with serious mental illness and/or chronic addiction, we have identified criteria/levels of care to determine those most in need of this service; i.e. individuals at highest risk of rehospitalization or harm to self or others. Individuals who receive case management services require multiple services, and these capacity demands are reflected in our budget. During the past biennium we have utilized temporary staff, particularly case managers and case aides, to manage the increased need and keep wait times to a minimum.
- 23% of all admissions to the North Dakota State Hospital (NDSH) in FY 2006 came from this region. Short-term inpatient hospitalization for indigent clients is provided at MeritCare Hospital, through a contract with SEHSC.
- Higher occupancy levels at the NDSH have necessitated longer stays at the local hospital resulting in MeritCare providing more services without reimbursement. When necessary, individuals have been diverted to care at other hospitals in the state.
- Eight crisis beds in the community have been at 100% utilization for the past year. These beds are used to provide step down from the hospital, or in some cases hospital diversion. There is always a waiting list for these beds and we triage to utilize those beds for those individuals with the greatest medical need.
- We also contract for crisis beds for children with severe emotional disorders and crisis/social detox beds for adolescents with substance abuse issues. Our adolescent substance abuse beds run

at almost 100% capacity and are contracted with PATH of ND.

These beds provide an intensive level of substance abuse residential care in a family setting. Outcomes in this area have been very positive with increased school attendance, reduction in substance use, and successful reintegration into the parental home.

- Many of our clients are involved in corrections either at the local jail and court system or after release from prison and under the supervision of Probation and Parole. We receive a daily census report from the jail, so that we can monitor clients who may be jailed and continue to provide psychiatric and medication follow-up. Our regional intervention staff works with the jail to triage and identify new individuals that need immediate psychiatric evaluations that are completed at the jail. We cannot complete all of the psychiatric evaluations that the jail would like, but the triage process identifies those most at medical need and willing to work with SEHSC. Both the jail and the prison work with us to plan for aftercare as much as possible with appointments made as often as possible for the day of release. Many times we are the first stop upon release from the jail. At any one time we have over 140 clients who have alternative treatment orders and we have judges who are writing orders where the disposition is to follow all treatment recommendations of SEHSC.
- The demand for outreach addiction treatment services for both adults and adolescents within the southern counties in our region continues to grow. We have expanded hours in both Lisbon and Wahpeton to meet this demand.

Accomplishments

I am pleased to report a number of significant accomplishments for Southeast Human Service Center:

- In June 2006 we implemented the evidence based Matrix Model for individuals with methamphetamine abuse problems. The program has been well received, and while it is too early to report scientifically on improved outcomes for large numbers of participants, anecdotal information from clinicians suggest this is an excellent new tool in our treatment arsenal.
- We are also in the early stages of implementing the evidence based practice of Integrated Dual Disorder Treatment (IDDT) which has been proven to improve the quality of life for people with co-occurring mental and substance use disorders. In seeking an improved way to work with our growing population of individuals with both serious mental illness and substance abuse, we noted that IDDT research indicated outcomes which include **reduced** rates of relapse, hospitalization, arrest, incarceration, and utilization of high cost services while **increasing** continuity of care, quality of life outcomes, stable housing, employment, and independent living. This model provides staff with very specific strategies for delivering service. DHS-Mental Health and Substance Abuse Division is working with us on the implementation of this practice and has set up a number of research and data gathering efforts which will monitor progress in achieving these positive outcomes. You can expect to hear more about this model of care as we put it into practice.
- In conjunction with the University of North Dakota Medical School, SEHSC provides a psychiatric residency-training site for a number

of students each year. This has assisted with recruitment of psychiatrists both at our center and within the state.

- SEHSC is approved as a training site for the Association of Psychology Postdoctoral and Internship Centers (APPIC) and each year selects two students from across the country to participate in a 9-month internship program. A number of these trainees have gone on to employment with DHS or within our State.

Overview of Budget Changes

Description	2005 – 2007 Budget	Increase / Decrease	2007 – 2009 Budget	Senate Changes	To House
HSC	23,526,522	2,618,952	26,145,474	61,321	26,206,795
General Funds	9,955,620	1,893,255	11,848,875	61,321	11,910,196
Federal Funds	12,441,908	636,030	13,077,938		13,077,938
Other Funds	1,128,994	89,667	1,218,661		1,218,661
FTE	177.35	6.00	183.35	0	183.35

Budget Changes from Current Budget to Executive Budget:

- The increase in salary and fringe benefits is a result of the salary and health insurance package in the Governor’s budget; this adds \$1,442,151 in total funds of which \$895,961 is general funds.
- Additional increases in the salary area are the result of 6 FTE added in the Governor’s budget to address regional capacity concerns, sex offender treatment need and drug court efforts. These increase the budget by \$536,174; \$339,485 of this amount is general funds. Other increases totaling \$313,782 are the result of critical market

equity increases to recruit and retain staff in hard-to-fill classifications, and to meet staff to client ratios for DD and VR services.

- Operating increases of \$219,694 are the result of increased rent of \$114,041 for the growing dual diagnosis treatment program, \$37,869 increase in phone costs due to rate increase by ITD, \$20,503 increase for natural gas and electricity, and \$17,445 increase in building repair costs for needed upkeep. There are additional motor pool costs of \$37,325 due to the increase in gasoline prices and increased outreach to vulnerable clients in rural areas of the region.
- Capital Assets decreased by \$509,362 due the bonds for the SE facility being fully paid in December of 2008.
- Grants increased by \$616,513 primarily based on the following: Inflationary increases for providers of \$183,962, an increase of \$528,174 for 7 additional crisis beds to bring the total to 15 and a decrease of \$91,049 in contracts for the experienced parent program.

Senate Changes:

- Inflationary increases for providers of \$61,321, all general fund, to bring the total amount to 4% per year.

This completes my testimony; I would be happy to answer any questions you may have.