

Testimony
House Bill 1012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
January 14, 2013

Chairman Pollert, members of the House Appropriations Committee – Human Resources Division. I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services. I am here today to provide you an overview of the eight regional human service centers (HSCs) for the Department of Human Services (DHS).

Human Service Centers:

This area of the budget includes the eight regional HSCs, one in each of the geographical regions of the state.

The HSCs are a network of public outpatient clinics that serve individuals who, because of mental illness, addiction, or disability are at risk of harm or institutional placement. Their mission is to provide services that are accessible at the most appropriate and cost-effective level of care. The HSCs provide community safety net services for the state's most vulnerable citizens. The exact service mix is determined by specific needs of consumers in the region, resources of the HSCs, as well as other resources available within the region from private and other public providers. The DHS places a high value on alignment across the regions, operating as one system that shares resources as needs and demands shift.

Each HSC provides common core services as prescribed by DHS policy. Core services at the regional HSCs include the following:

- Aging Services
- Developmental Disabilities
- Vocational Rehabilitation
- Child Welfare Services
- Children's Mental Health
- Serious Mental Illness (Extended Care Coordination)
- Acute Clinical Services
- Substance Abuse Services
- Outpatient Sex Offender Treatment
- Crisis/Emergency Response Services

Services are provided within the clinic setting, rural outreach centers, client homes, or other community settings, and include 24-hour emergency services as well as follow-up services. The HSCs are also responsible for program supervision and regulatory oversight of the Child Welfare services provided by county social services.

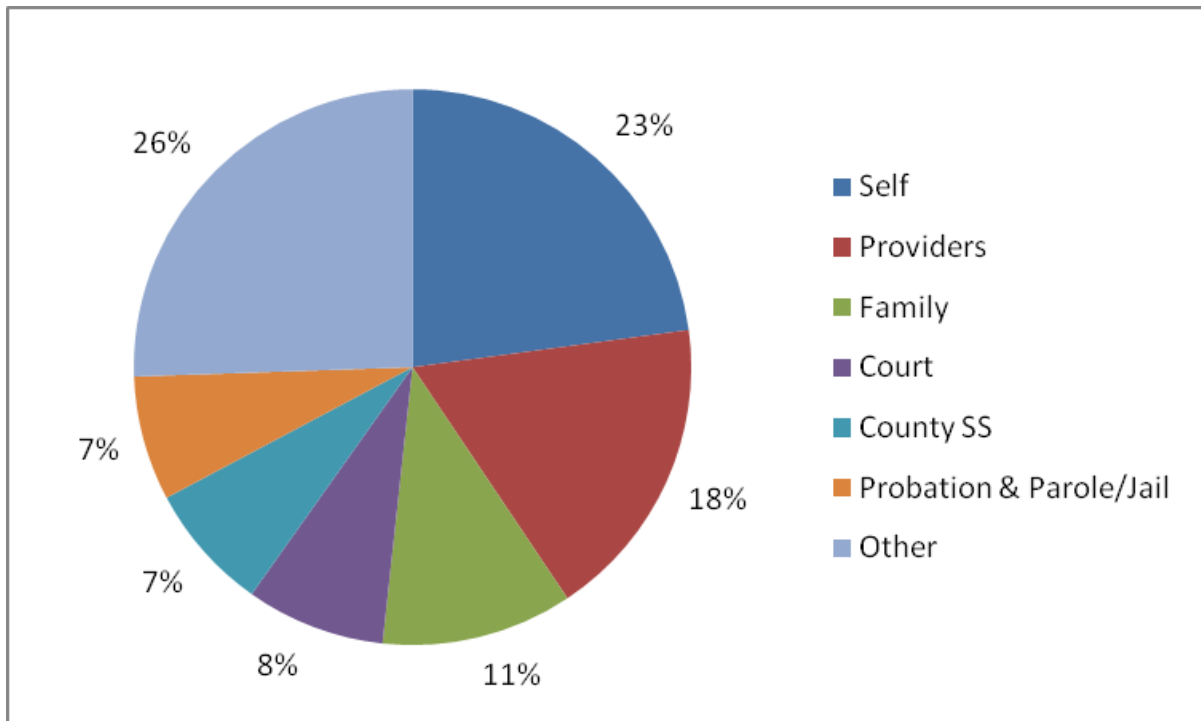
Telemedicine and telepharmacy services are being provided in several rural areas of the state to improve client access, and the expansion of this capability is allowing the DHS more flexible use of medical staff resources across the state.

Caseload/ Customer Base:

- The overall increase in clients, excluding Vocational Rehabilitation (VR), served at the regional HSCs from state fiscal year (SFY) 2008 through state fiscal year (SFY) 2011

grew by 2,690 clients. The HSCS saw a slight decrease of 541 clients from SFY 2011 to SFY 2012.

- In SFY 2012, approximately 23% of clients served were children and 77% were adults.
- Referral to HSC services came from the following in SFY 2012:



Program Trends/Major Program Changes:

- The DHS continues to monitor caseload trends and the impact on employees in the North Central, Northwest and Badlands regions of the state because of oil activity.
- The Southeast region is seeing an increased demand for services for individuals with intellectual disabilities, for partnership services

for children's mental health, and case management services for individuals with serious mental illness.

- DHS is adding 16 geriatric-psychiatric beds at the Prince of Peace Skilled Nursing Center in Ellendale to address the continued growth in this caseload. The Department will then have 32 beds at the Sheyenne Care Center and 16 beds at the Prince of Peace Center.
- DHS is piloting a Mobile Crisis Team in the Southeast region in a public/private partnership between DHS and Solutions Inc., to address crisis intervention needs in the region.
- DHS is contracting with Clay County's medical detoxification center to provide medical detoxification services for the Southeast region.
- DHS is addressing the needs of individuals with serious mental illness with a new and comprehensive case management system at the human service centers.
- DHS continues the roll out of the integrated dual disorder treatment program to the HSCs. The program is showing promising outcomes for people with chronic and persistent mental illness.
- DHS is continuing the funding of inpatient hospitalization contracts with private hospitals to serve individuals with serious mental illness from the HSCs.

The Field Services Executive Budget recommendation includes the following to address residential capacity issues:

- **Eight bed transitional living facility in the Devils Lake region:**

This is a transition program for serious mentally ill individuals who need an intensive level of care, which provides 24/7 support for 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care. This service could also serve State Hospital patients and reduce hospital stays from this region.

- **Sixteen bed transitional living facility in the Southeast region:**

This program would support individuals with serious mental illness and chronic addiction who need an intensive level of care which provides 24/7 support for 12-18 months for the development of skills that allows clients to transition to a less restrictive level of care.

- **Crisis residential beds for serious mentally ill and chronically addicted clients in the West Central region:**

The region has an increased need for short-term residential services and four additional beds are being requested to increase capacity from 10 beds to 14 beds. The region has people on the waiting list for these beds.

- **Long-Term Residential facility of 10 beds for clients with serious mental illness in the West Central region:**

West Central’s current eight bed long-term residential facility for individuals with serious mental illness is at 100% occupancy. There is typically a waiting list of seven clients. Some clients have been on a wait list for multiple years and have had prolonged stays at the region’s transitional living facility as there are no other placement options. The plan is to contract for the additional 10 beds.

- **Expansion of the contract with St. Joseph’s Hospital of Dickinson in the Badlands region for medical detoxification services:**

The demand of the oil patch is increasing the utilization of this service.

Overview of Budget Changes – Human Service Centers Combined

Description	2011 - 2013 Budget	2013 - 2015 Budget	Increase / Decrease
HSCs / Institutions	163,277,043	175,632,844	12,355,801
General Funds	87,951,131	100,423,365	12,472,234
Federal Funds	67,368,735	66,103,549	(1,265,186)
Other Funds	7,957,177	9,105,930	1,148,753
Total	163,277,043	175,632,844	12,355,801
FTE	856.48	856.48	-

The major changes can be explained as follows:

- \$2.8 million in total funds, of which \$2 million is general fund needed to fund the Governor's benefit package of health and retirement package for state employees.
- \$3.4 million in total funds, of which \$2.28 million is general fund needed to fund the employee increases approved by the last legislative assembly.
- An increase of \$1.1 million to cover an underfunding of salaries from the 2011–2013 budget, all general fund.
- A decrease of \$1.84 million to underfund the 2013–2015 pay plan, all general fund.
- An increase of \$868,000, of which \$760,000 is general fund, for temporary and permanent staff in the areas of Developmental Disabilities Program Management, Serious Mentally Ill Case Management and Partnerships at Southeast Human Service Center due to increased client services demand.
- An overall increase of \$406,000 for rental payments, which includes the following items: an increase of \$455,000 due to a substantial increase in the rental rate for the Northwest Human Service Center; an increase of \$61,000 for an increase in the rental rate for the West Central Human Service Center; and a decrease of \$110,000 for rental space for the North Central and Badlands Human Service Centers.

- An increase of \$735,000, with \$685,000 in general fund, for the continuation of the year two 3% inflationary increase for providers and the long-term residential facility for a full 24 months versus the 18 months included in the 2011-2013 budget.
- \$1.7 million increase, with \$1.6 million in general fund, to allow for a 4 % inflationary increase for contracted providers each year of the biennium.
- Addresses the following residential capacity issues in various regions across the state.
 - Provides for an eight bed Transitional Living Program for those who are seriously mentally ill in the Devils Lake region at a cost of \$730,000, of which \$401,000 is general fund.
 - Provides for a 16-bed Transitional Living Program for those who are seriously mentally ill in the Southeast region at a cost of \$1.3 million, of which \$975,000 is general fund.
 - Provides for a 10-bed Long-Term Residential Program in the West Central region at a cost of \$770,000, of which \$408,000 is general fund.
 - Provides for four additional adult crisis beds in the West Central region at a cost of \$324,000, all general fund.
- Provides for a \$30,000 increase, all general fund, for medical detoxification contract services in the Badlands region.

The general fund increased by \$2.63 million due to the decrease in the federal medical assistance percentage (FMAP).

This concludes my testimony on the 2013–2015 budget recommendation for the Field Services Division of the Department. I would be happy to answer any questions.