

Testimony
House Bill 1012 – Department of Human Services
House Appropriations-Human Resources Division
Representative Pollert, Chairman
January 15, 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 One Center - North Dakota State Hospital and North Dakota Developmental Center for the Department of Human Services.

North Dakota State Hospital Programs:

The North Dakota State Hospital (NDSH) provides short-term acute inpatient psychiatric and substance abuse treatment, intermediate psycho-social rehabilitation services, forensic services, and safety net services for adults. Within this group of adult patients are offenders referred to the Tompkins Rehabilitation and Corrections Center by the Department of Corrections and Rehabilitation (DOCR) for residential addiction treatment services.

These patients are considered to be the traditional patient population of the NDSH.

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

North Dakota State Hospital Census:

The NDSH operates 289 beds.

The NDSH utilizes 90 of these beds to provide addiction services to 60 male and 30 female offenders in the Tompkins Rehabilitation and Corrections Center.

The NDSH utilizes 123 beds for acute inpatient and intermediate psycho-social rehabilitation services for the treatment of adults with serious and persistent mental illness and chemical addiction. Inpatient and psycho-social rehabilitation services were highly occupied from 2006 through 2008, with occupancy often running 95 percent to 100 percent and occasionally exceeding 100 percent. The major reasons for this high occupancy were the admission of first time patients, chronic patients awaiting referral to residential settings, and the increased need for treatment of patients with complex medical and psychiatric issues.

The inpatient psychiatric service during the past four years (2009–2012) saw an increase in total admissions and a decrease in average daily population. Average occupancy was 86 percent during the past four years, and this better aligns with the ratio of staff to patients because the NDSH staffs patient units for 85 percent occupancy.

The decrease in occupancy can be attributed to increased community service options, treatment in local psychiatric inpatient facilities, and more discharge options for chronic patients.

The Tompkins Rehabilitation and Corrections Center and the Inpatient Psychiatric Service admissions and average daily population data is outlined in [Attachments A \(1\) and \(2\)](#).

The NDSH operates 76 beds in the secure services unit (sex offender program), and at the end of 2012 had an occupancy of 65 patients, 6 patients currently on definite leave at the DOCR and 11 patients in evaluation status. The NDSH also operates a Transitional Living Home on the campus for sex offenders in the late stages of their commitment to the program.

The census data on the sex offender population is outlined in [Attachment B](#).

In summary, the Executive Budget recommendation for the NDSH is for a total capacity of 289 patients. The breakdown by program includes: 90 beds in the Tompkins Rehabilitation and Corrections Center, 76 beds in the Secure Services Unit (sex offender program,) and 123 beds for inpatient psychiatric services.

Major Program Changes/Trends:

Hospital admissions and average daily population are driven by several factors:

- The NDSH is the primary inpatient facility for the Jamestown, Devils Lake, Dickinson, and Williston regions.
- The contract with the DOCR for addiction treatment services.

- Individuals with intellectual disabilities are being referred because of major behavioral and psychiatric issues.
- An increase in forensic evaluations and admissions.
- An increase in acuity of patients as 50% of inpatient admissions require acute detoxification and/or addiction services and the typical psychiatric patient is severely ill with the potential for violence or suicide, which does not abate within a few days of hospitalization.
- Fifty-Six percent of the NDSH admissions come from the South Central (36 percent) and Southeast (20 percent) regions of the state.
- Secure Services had its first discharge in 2008, and 18 individuals have been discharged from the sex offender program to date. (Two returned to prison, and one to the sex offender program.)

Overview of Budget Changes in Traditional Services:

| Description | 2011-2013 Budget | 2013 - 2015 Budget | Increase/ Decrease |
|---------------|---------------------|-----------------------|-----------------------|
| Institutions | 62,674,383 | 62,362,960 | (311,423) |
| General Fund | 42,527,980 | 43,108,797 | 580,817 |
| Federal Funds | 2,609,783 | 1,779,491 | (830,292) |
| Other Funds | 17,536,620 | 17,474,672 | (61,948) |
| Total | 62,674,383 | 62,362,960 | (311,423) |
| FTE | 371.83 | 369.77 | (2.06) |

Budget Changes from Current Budget to Executive Budget:

The overall budget decreased by \$311,423 and can be mainly attributed to the following:

- \$1,176,457 in total funds, of which \$1,131,750 is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- \$1,047,147 in total funds, of which \$993,046 is general fund needed to fund employee increases approved by the last Legislative Assembly.
- A decrease of \$46,383 due to the salary underfund of \$843,369 for 2013-15 being larger than the current underfund.
- An increase of \$402,145 due to shift differential and overtime for Secure Services being budgeted in the traditional budget for 2013-15.
- A decrease of \$810,563 due to the elimination of the inpatient child and adolescent program at the State Hospital.
- A decrease in temporary salaries of \$90,266, of which \$90,266 is general fund, due to the elimination of the temporary Director of Nursing position.

- A decrease of \$144,586 due to the reclassification of a position from a psychiatrist to a family practice physician.
- A decrease of \$91,232 due to the hiring a family practice physician at a lower salary to replace a contract.
- A decrease of \$672,767 due to hiring new staff at a lower salary to replace retired staff and other staff that had higher salary levels.
- \$53,571 increase in the Travel budget based on Fleet Services projected rates and moving expenses for 3 psychiatrists.
- An increase of \$46,923 in Food and Clothing due to the increased cost of providing special diets for patients with medical issues.
- \$28,233 decrease in Miscellaneous Supplies due to a reduced need for equipment under \$750.
- \$82,904 increase in the Office Supplies budget due to the increased purchase of resale supplies in The Gobbler (coffee shop), with a corresponding increase in miscellaneous revenue.
- \$36,626 decrease in Office Equipment & Furniture (Under \$5,000) due to furniture on the closed inpatient child and adolescent unit being used in other areas.

- \$178,436 increase in Utilities due to burning natural gas and heating fuel rather than coal, when new EPA regulations take effect in 2014.
- \$60,997 decrease in Insurance costs due to projected rate decreases.
- \$126,395 decrease in Rentals/Leases-Equipment. Current budget included rental of a bar code scanning system which was purchased at significant savings.
- \$43,060 decrease in repairs. Current budget included dollars for door knobs for patient bedrooms.
- \$269,596 decrease in Fees-Professional Services due mainly to a decrease of \$380,000 from elimination of a contract for family practice physician, and an increase of \$72,192 for a contracted dentist.
- \$321,090 decrease in Medical, Dental and Optical budget due to the availability and usage of more generic drugs for patients.
- The budget for Equipment Over \$5,000 increased by \$221,413 due to requests for equipment needed for patient safety, treatment services and grounds maintenance.

- A decrease of \$791,083 for Capital Projects, because of capital carryover of \$62,601 and \$1,800,000 for the emergency generator funded in current budget. The Executive Budget recommendation for major extraordinary repairs at the Hospital is \$1,775,168, of which \$864,714 is for street reconstruction and \$910,454 is for a variety of repair projects.
- The general fund increased by \$580,817 and the federal funds decreased by \$830,292 due to the Federal Medicaid Assistance Program (FMAP).

This concludes my testimony on the 2013-2015 budget for traditional services. I would be happy to answer any questions.

Overview of Budget Changes in Secure Services:

| Description | 2011-2013 Budget | 2013-2015 Budget | Increase/ Decrease |
|---------------|---------------------|---------------------|-----------------------|
| Institutions | 10,944,114 | 11,126,676 | 182,562 |
| General Fund | 10,944,114 | 11,126,676 | 182,562 |
| Federal Funds | | | |
| Other Funds | | | |
| Total | 10,944,114 | 11,126,676 | 182,562 |
| FTE | 88.68 | 87.68 | (1.0) |

Budget Changes from Current Budget to Executive Budget:

The overall budget increased by \$182,562 and can mainly be attributed to the following:

- \$254,700 in total funds, of which 100 percent is general fund needed to fund the Governor's benefit package for health insurance and retirement for state employees.
- \$312,126 in total funds, of which 100 percent is general fund needed to fund employee increases approved by the last Legislative Assembly.
- An increase of \$46,382 due to the salary underfund of \$853,618 for 2013-15 being less than the current underfund.
- A decrease of \$402,145 because all shift differential and overtime was budgeted in Traditional Services.
- A decrease in temporary salaries of \$59,869 due to a reduction in patient worker salaries and elimination of funding for interns.
- \$50,382 decrease in Food and Clothing line item because the DOCR is providing regular diet meals to secure services patients rather than special diet meals and regular diet meals are less costly.
- \$24,326 increase in Building, Grounds and Vehicle Supplies due to increases in repair and maintenance costs.

- \$30,692 increase in Miscellaneous Supplies due to an increased need for equipment under \$750.
- \$108,448 increase in Fees-Professional Services for medical problems of long term patients and added psychological evaluations.
- \$132,730 decrease in Medical, Dental and Optical budget due to the availability and usage of more generic drugs for patients.

This concludes my testimony on the 2013–2015 budget request for secure services. I would be happy to answer any questions.

North Dakota Developmental Center (NDDC) Programs:

The NDDC provides services for individuals with intellectual disabilities. The Center provides residential services, work and day activity services, medical services, clinical services, and outreach services.

Residential Services at the NDDC include:

- **Secure Services Program** – Serves individuals with intellectual disabilities who have sex offending behaviors and for other individuals from the campus that requires a more secure living environment. These individuals require long-term care.

- **Health Services Program** – Serves individuals with intellectual disabilities who are totally dependent on staff to complete daily cares and have medical concerns that require nursing staff accessibility 24 hours per day. Also, in this area are a small number of individuals diagnosed with profound intellectual disabilities and dual sensory disabilities (vision and hearing). These individuals require long-term care.
- **Behavioral Services Program** – Serves individuals with intellectual disabilities who also have psychiatric diagnoses and significant challenging behaviors. Some of these individuals may also have less severe medical needs.
- **Youth Transition Services Program** - Serves young people between the ages of 16-25 who have difficulty finding housing and services in the community. The NDDC provides short-term services to these individuals until a community placement can be found.

Outreach Services at the NDDC include:

- **Independent Supported Living Arrangement Program** - The NDDC supports individuals in local community housing so they can live independently. The NDDC provides staffing to support these individuals in these living arrangements.
- **Professional Services Institute** – The NDDC provides outreach services for the community. Behavioral health care has been the initial focus area but has been expanding due to demand for complex health care support statewide.

- **Outreach Program** – The Clinical Assistance, Resource, and Evaluation Service (CARES) team provides support services in the community to prevent admissions and readmissions and to assist in transitioning people from the NDDC.

- **CARES Clinic** – The CARES Clinic is a team of professionals who specialize in providing services for people with intellectual disabilities who live in the community. Examples of services provided are physical therapy, occupational therapy, speech therapy, adaptive equipment services, dental services, and medical services.

- **Intellectual Disabilities Behavioral Health Service** – This is a team of applied behavioral analysts who deliver behavioral assessment and intervention services to people with intellectual disabilities throughout North Dakota.

North Dakota Developmental Center Census:

See [Attachment C](#), for the census data at the NDDC for the period of 1997 through 2012.

Major Program Changes/Trends:

- The NDDC added the youth transition program in 2012 and transferred 8 adolescents with intellectual disabilities from the NDSH and we will serve them until community options are available.

- Census at the NDDC was steady for a number of years at an average of 143 individuals until the “transition to community” initiative started in 2005. The current budget request is based on 75 individuals in the intermediate care facility (ICF), 67 adults and 8 youth. The July 2013 transition goal is for 67 total residents in the ICF, but we may fall short of this goal because of the addition of the youth transition program.
- The NDDC will also serve 12 individuals in community based independent living arrangements and 6 individuals from the community in the work and day activity program.
- The population in the intermediate care facility at the NDDC has higher individual care needs.
- The transformation of the NDDC into a body of services rather than a place is allowing for the continued evolution of the Center. The elements of transformation include reorganized programming, independent supported living arrangements, community outreach, closing and reorganizing units, suites and buildings, renting or selling underutilized buildings and land, and preparing staff to support the community integration model.
- Dakota East, the vocational program at the Center, recently relocated the Trophy and Engraving business to downtown Grafton. In keeping with our “Without Walls Concept”, it gives individuals the opportunity to be involved in their community on a regular basis and work in a real business environment.

Overview of Budget Changes – North Dakota Developmental Center:

| Description | 2011-2013 Budget | 2013-2015 Budget | Increase/Decrease |
|---------------|------------------|------------------|-------------------|
| Institutions | 50,305,245 | 53,050,470 | 2,745,225 |
| General Fund | 19,583,796 | 24,986,252 | 5,402,456 |
| Federal Funds | 27,220,951 | 25,064,218 | (2,156,733) |
| Other Funds | 3,500,498 | 3,000,000 | (500,498) |
| Total | 50,305,245 | 53,050,470 | 2,745,225 |
| FTE | 392.76 | 392.55 | (.21) |

Budget Changes from Current Budget to Executive Budget:

The Overall Budget increase of \$2,745,225 can be explained as follows:

- \$1,198,347 in total funds, of which \$620,048 is general fund and \$578,299, is federal funds needed to fund the Governor’s benefit package for health insurance and retirement for state employees.
- \$906,428 in total funds, of which \$565,080 is general fund needed to fund the employee increases approved by the last Legislative Assembly.
- The 2013–2015 Executive Budget recommendation has a salary underfund of \$738,692 for the Developmental Center. This is consistent with the 2011-2013 budget.

- The Developmental Center's operating budget for 2013-2015 is not changed from 2011-2013. However, an increase in utilities of \$150,000 due to burning natural gas and heating fuel rather than coal and an increase in the Provider Assessment of \$200,000 was covered with decreases in other operating expenses. Some of these expenses were Building, Grounds, Vehicle Supply decreased by \$80,000; Repairs decreased by \$55,000; Fees – Professional Services decreased by \$50,000; and Miscellaneous Supplies were decreased by \$50,000.
- The Executive Budget recommendation for extraordinary repairs increased by \$382,026. The total of extraordinary repairs is \$961,495, with \$360,000 of the request to demolish the Refectory and Pleasant View Buildings and \$601,494 for other extraordinary repairs.
- The Executive Budget recommendation for equipment over \$5,000 is \$152,000, which is an increase from the current budget as there was no equipment over \$5,000 in the 2011-2013 biennium.
- The general fund increased by \$5,402,456 and the federal funds decreased by \$2,156,733 due to the FMAP decrease.

Thank you. I would be happy to answer any questions about the budget request for the North Dakota Developmental Center.

