

Testimony
Engrossed Senate Bill 2012 – Department of Human Services
House Appropriations – Human Resources Division
Representative Pollert, Chairman
March 6, 2015

Chairman Pollert, and members of the House Appropriations Committee – Human Resources Division, I am Alex C. Schweitzer, Director of Field Services of the Department of Human Services (Department). I am here today to provide you an overview of the programs and services that make up the budget request for statewide human service center administration and the eight regional human service centers for the Department of Human Services (DHS).

Programs

This area of the budget includes state-wide resources to provide support to the Field Services Division and the eight regional human service centers (HSCs), one in each of the geographical regions of the state.

The Statewide Field Services resources include the lead fiscal manager, the state-wide coding specialist, the state-wide HSC training coordinator, the state-wide peer support specialist, the DHS medical director, a quality management coordinator, and the state-wide contracts for inpatient hospitalization, medical detoxification, mobile on-call crisis stabilization services and peer support services.

All of these resources were previously budgeted for in one of the HSCs or in the administration area of the Department's budget.

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. The HSC 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 HSCs provide necessary services where there are needs or gaps. The exact service mix is determined by specific needs of consumers in the region, resources of the HSC, as well as other resources available within the region from private and other public providers. The Department places a high value on alignment across the regions, operating as one system that shares resources as needs and demands shift.

Each HSC provides core services as prescribed by Department. The following core services are provided at each of the regional HSCs:

- 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
- Low Intensity Sex Offender Treatment
- Crisis/Emergency Response Services

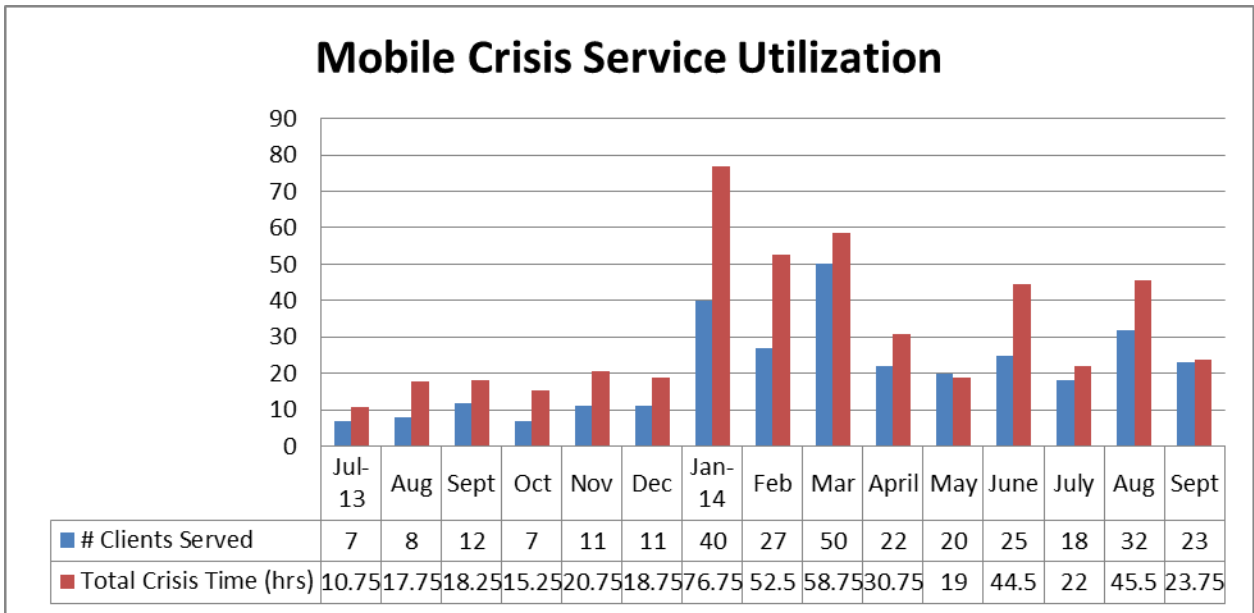
Services are provided within the clinic setting, rural outreach centers, client homes, or other community settings, and include 24-hour emergency services as well as follow-up services. Telemedicine and telepharmacy services are being provided across the state to improve client access and the expansion of these capabilities is allowing the Department more flexible use of medical staff resources.

Program Trends/Program Changes:

Public/Private Partnerships:

The Department is proud of the services provided and we continue to seek private partnerships throughout the regions. Examples of the partnerships that are demonstrating positive outcomes include: mobile crisis (Fargo); Clay County detox (Fargo); substance abuse services (Williston); and inpatient hospital contracts (statewide).

DHS is piloting a Mobile Crisis Team in the SEHSC region in a public/private partnership between the Department and Solutions Inc., to address crisis intervention needs in the region.



The Department is currently working on contracting with private providers for addiction services in western North Dakota.

Evidence-Based Practices:

The Department currently provides a significant number of evidenced-based practices (EBP) that are implemented by the HSCs across all service areas. These include: Structured Psychotherapy for Adolescents Responding to Chronic Stress (SPARCS), Integrated Dual Disorder Treatment (IDDT), MATRIX model for methamphetamine and other addictions, Contingency Management (addiction programs), Cognitive Behavioral Intervention for Substance Abuse-Aftercare (CBISA-Aftercare) program (West Central HSC), Alternatives for Families-Cognitive Behavioral Therapy (AF-CBT), Trauma Focused Cognitive Behavioral Therapy (TF-CBT), Dialectical Behavioral Therapy (DBT), wraparound care coordination, and recovery coaches (West Central HSC).

The Department currently provides telemedicine in various areas and supports expansion of this delivery model. DHS helped to launch private, contracted telebehavioral health services in North Dakota and currently, the public system is providing tele-psychiatry with more planned.

Detox Services:

The State Hospital has and continues to provide medical detox services for the Jamestown and Devils Lake regions. Trinity Hospital in Minot provides medical detox services for both the Williston and Minot regions for referrals from the two centers and the same holds true for Altru Hospital in Grand Forks, providing detox services in the Grand Forks Region. DHS also has a medical detox contract with St. Joseph's Medical Center in Dickinson.

The Department also has a contract with Clay County, MN, for detox services. This arrangement has served as a mutually beneficial partnership.

Department staff members from NEHSC have also been engaged in a community detox services committee. The committee includes representation from the city, county, hospital (Altru) and NEHSC and they have a business plan developed for social detox in Grand Forks.

Access – Walk-in Clinics:

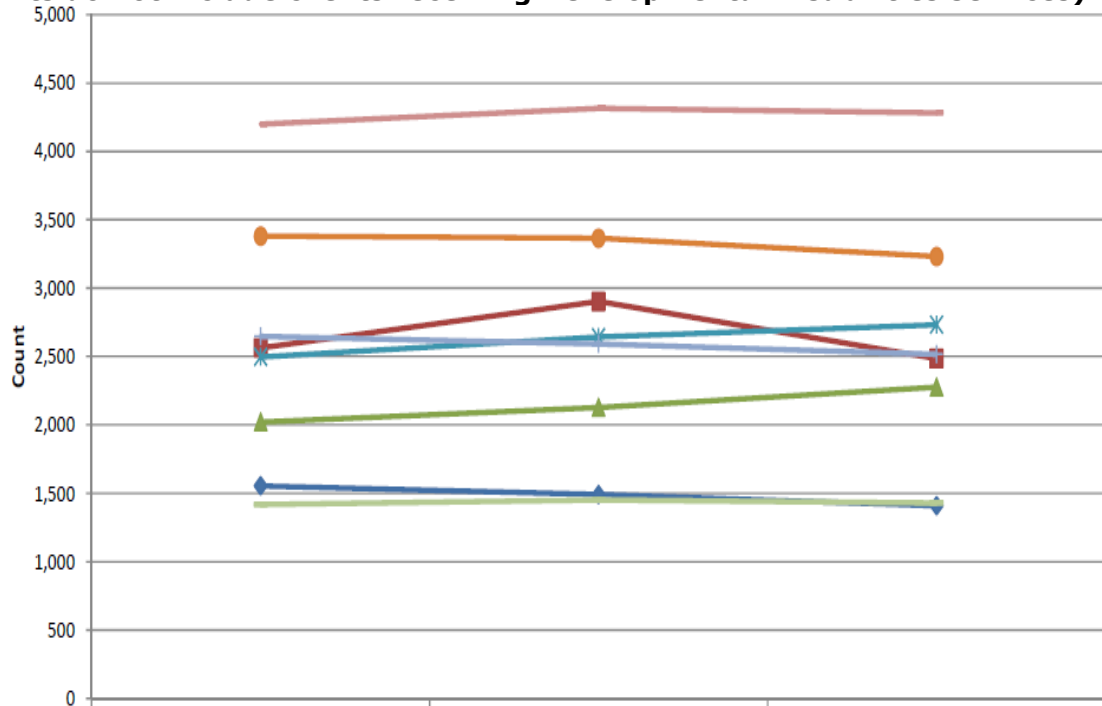
All HSCs have implemented walk-in clinics, based on the model at Lake Region HSC, to decrease wait times and to promote engagement and retention of consumers.

Through a process improvement approach, other centers have also implemented other processes, such as the Central Intake process at SEHSC, which reduces wait times for intakes and consolidates various intakes into one evaluation; allowing the client to access treatment more rapidly.

Caseload/Customer Base:

**Unduplicated Count of Clients
by Human Service Center by State Fiscal Year (SFY)
SFYs 2012 – 2014**

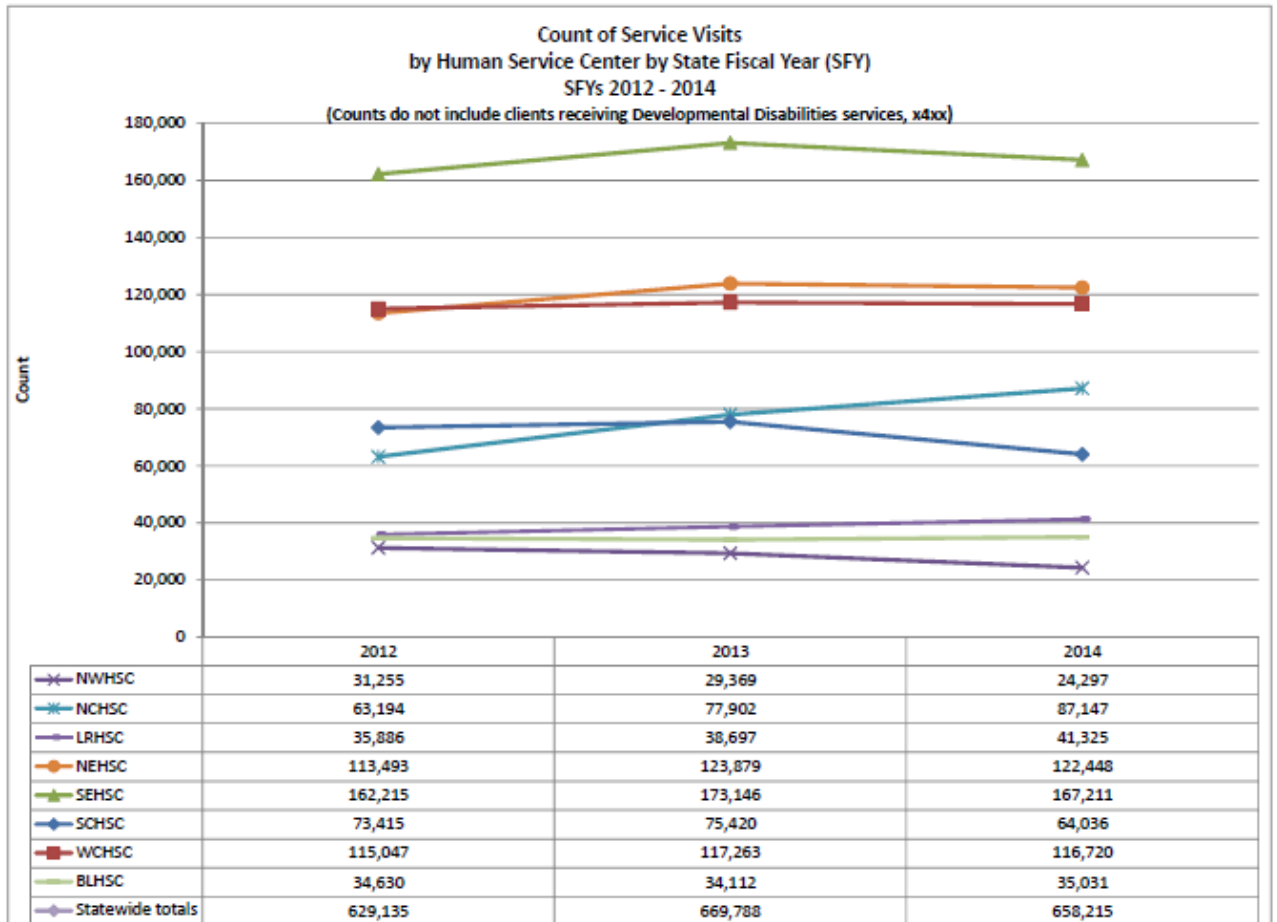
(Counts do not include clients receiving Developmental Disabilities services)



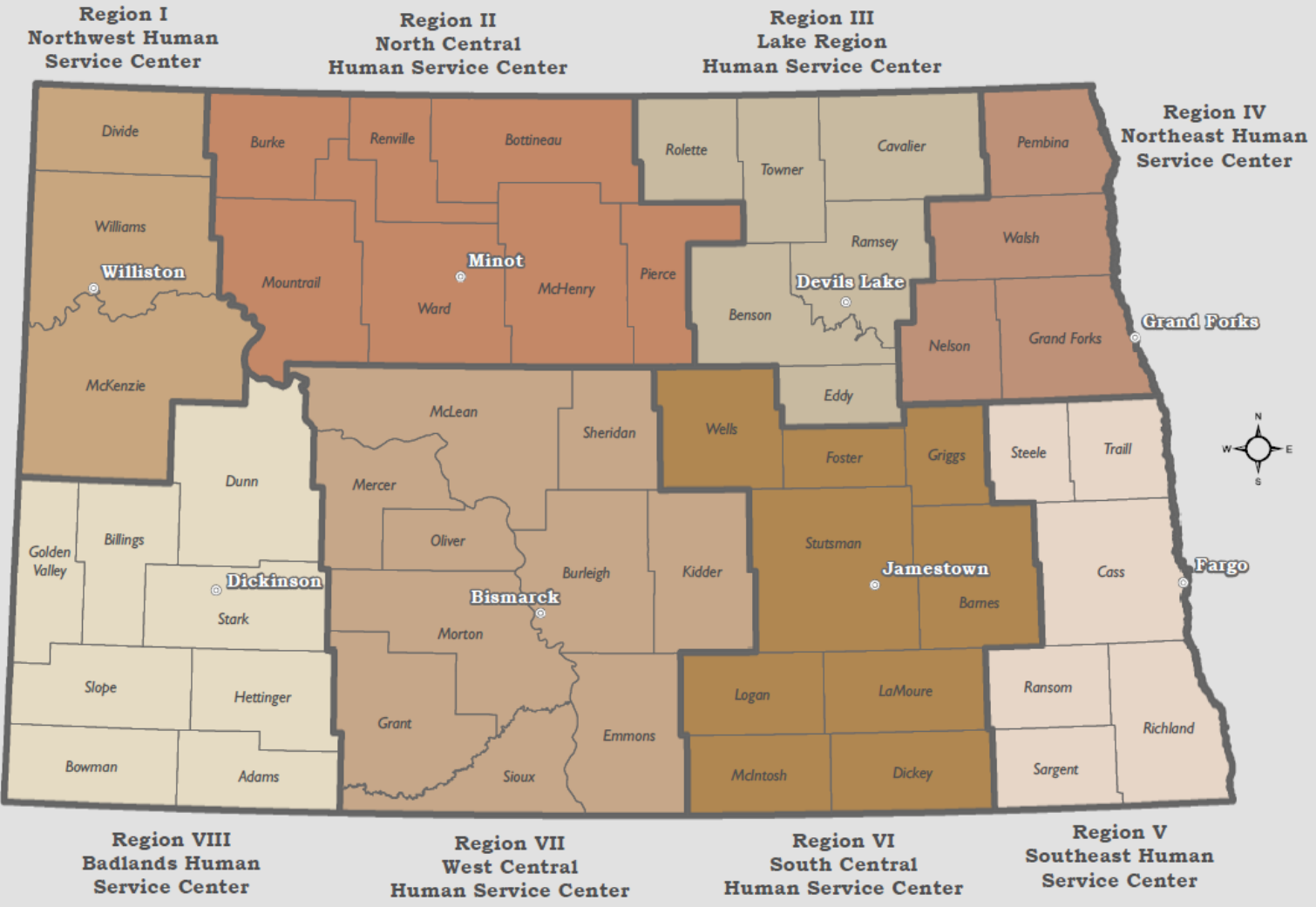
| | 2012 | 2013 | 2014 |
|------------------|--------|--------|--------|
| NWHSC | 1,554 | 1,491 | 1,408 |
| NCHSC | 2,563 | 2,902 | 2,486 |
| LRHSC | 2,021 | 2,128 | 2,277 |
| NEHSC | 2,497 | 2,642 | 2,732 |
| SEHSC | 3,380 | 3,365 | 3,231 |
| SCHSC | 2,648 | 2,592 | 2,517 |
| WCHSC | 4,199 | 4,315 | 4,282 |
| BLHSC | 1,417 | 1,450 | 1,429 |
| Statewide totals | 19,656 | 20,130 | 19,617 |

Unduplicated Count of Service Visits by Human Service Center by State Fiscal Year (SFY) SFYs 2012 – 2014

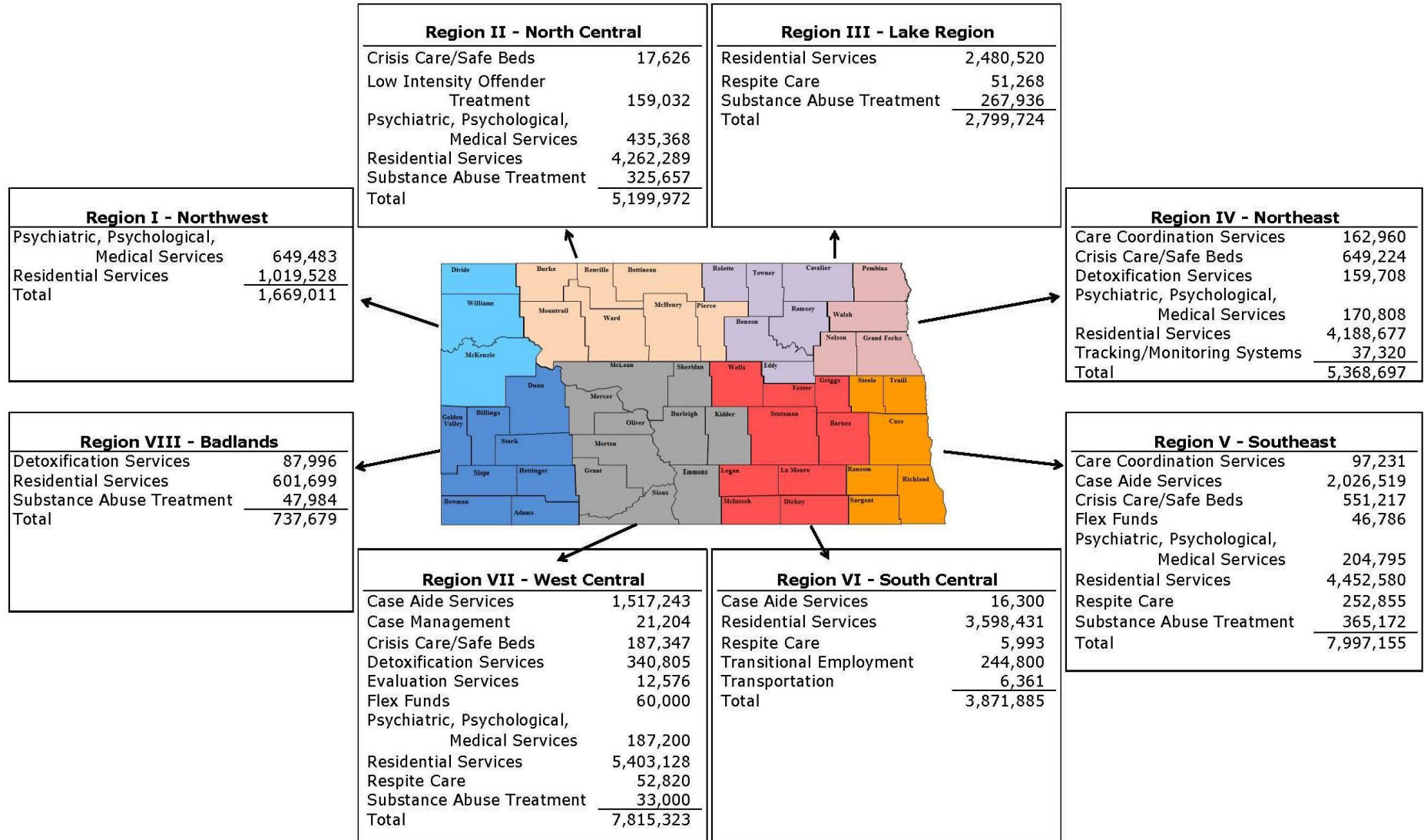
(Counts do not include clients receiving Developmental Disabilities services)



Human Service Center Regions in North Dakota



Contracted Services by Region



Residential Beds by Region

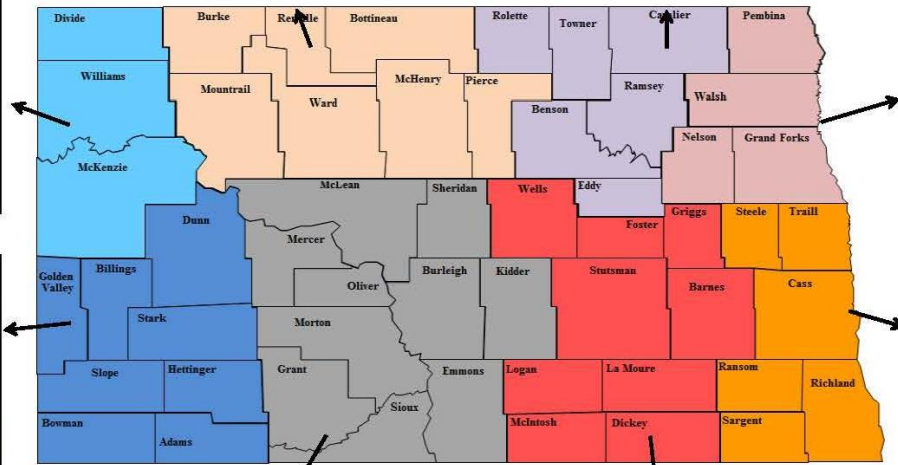
| # of Beds | # of |
|------------------------------|-------------|
| Region I - Northwest | Beds |
| Crisis Stabilization - SMI** | 4 |
| Transitional Living - SMI** | 2 |

| # of Beds | # of |
|--|-------------|
| Region VIII - Badlands | Beds |
| Crisis Stabilization - SMI** | 1 |
| CD* residential therapeutic | 4 |
| Transitional Living - SMI** | 10 |
| CD* residential therapeutic/Social Detox | 10 |

Denotes additional capacity added in Executive Budget

*CD - Chemical Dependency
**SMI - Serious Mental Illness

| # of Beds | # of |
|--|-------------|
| Region II - North Central | Beds |
| Crisis Stabilization - SMI** | 5 |
| Transitional Living - SMI** | 5 |
| CD* residential therapeutic/Social Detox | 23 |
| CD* residential therapeutic-Women/Children | 10 |
| Long Term Residential/Social Detox | 9 |



| # of Beds | # of |
|--|-------------|
| Region VII - West Central | Beds |
| Crisis Stabilization - SMI** | 3 |
| Transitional Living - SMI** | 10 |
| Adolescent CD* Residential Therapeutic | 7 |
| Long Term Residential - Social Detox | 25 |
| CD* residential therapeutic / Social Detox | 10 |
| CD* residential therapeutic / Social Detox | 4 |

| # of Beds | # of |
|--|-------------|
| Region III - Lake Region | Beds |
| Crisis Stabilization - SMI** | 4 |
| Transitional Living - SMI** | 8 |
| CD* residential therapeutic/Social Detox | 21 |

| # of Beds | # of |
|---|-------------|
| Region VI - South Central | Beds |
| Crisis Stabilization - SMI** | 9 |
| Transitional Living - SMI** | 42 |
| CD* residential therapeutic/Social Detox | 6 |
| Semi Independent Living Arrangement-SMI** | 15 |

| # of Beds | # of |
|--|-------------|
| Region IV - Northeast | Beds |
| Crisis Stabilization SMI** | 12 |
| Transitional Living - SMI** | 16 |
| CD* residential therapeutic/Social Detox | 14 |
| Long Term Residential - SMI** | 21 |
| CD* Social Detox | 8 |
| Psychiatric Residential Treatment Facility | 10 |
| CD* residential therapeutic-Women/Children | 6 |

| # of Beds | # of |
|---|-------------|
| Region V - Southeast | Beds |
| Crisis Stabilization - SMI** | 10 |
| Transitional Living - SMI** | 8 |
| CD* residential therapeutic/Social Detox | 28 |
| Adolescent CD* Residential Therapeutic | 3 |
| Medical Detox | 4 |
| CD* Semi Independent Living Arrangement-SMI** | 37 |

Overview of Budget Changes – Human Service Centers Combined

| Description | 2013–2015 Budget | Increase / (Decrease) | 2015–2017 Executive Budget | Senate Changes | 2015-2017 Budget To House |
|-------------------------------|---------------------|--------------------------|----------------------------------|-------------------|---------------------------------|
| HSCs/Institutions | 181,778,944 | 23,254,871 | 205,033,815 | (2,862,448) | 202,171,367 |
| Total | 181,778,944 | 23,254,871 | 205,033,815 | (2,862,448) | 202,171,367 |
| General Fund | 104,737,391 | 18,441,129 | 123,178,520 | (2,652,392) | 120,526,128 |
| Federal Funds | 67,933,553 | 4,126,759 | 72,060,312 | (210,056) | 71,850,256 |
| Other Funds | 9,108,000 | 686,983 | 9,794,983 | 0 | 9,794,983 |
| Total | 181,778,944 | 23,254,871 | 205,033,815 | (2,862,448) | 202,171,367 |
| Full Time Equivalent (FTE) | 850.93 | 9.00 | 859.93 | 0.0 | 859.93 |

Budget Changes from Current Budget to the Executive Budget:

The overall budget increased by \$23,254,871 and can mainly be attributed to the following:

- \$11.1 million in total funds, of which \$10.2 million is general fund, needed to fund the Governor’s compensation package.
- \$2.26 million in total funds, of which \$1.55 million is general fund, is needed to continue the employee increases approved by the last Legislative Assembly.
- The salary underfunding changed from \$1.847 million to \$2.146 million, which is a net change of (\$299,000).
- \$452,000 increase, of which \$403,000 is general fund for the addition of three child welfare regional supervisors in the North Central, Southeast and West Central regions to meet increased demand in child welfare services.
- \$411,000 increase, of which \$234,000 is general fund for the addition of three Developmental Disabilities (DD) Program

Management staff in the North Central, Lake Region and Northeast regions in order to meet the required staff to client ratio of 1:60.

- \$387,000 increase, all general fund, for the additional staff necessary to expand IDDT programming in the West Central region.

- \$565,000 increase for Travel, which includes an increase of the following items:
 - An increase of \$225,000 for the change in the Department of Transportation billing structure for depreciation in the Southeast and South Central regions.
 - An increase of \$111,000 for travel costs in the Minot region, mainly for increased staff travel costs to cover various services in the Williston region.

- An overall increase of \$310,000 for Rentals/Leases-Bldg/Land payments, mainly due to the following items:
 - An increase of \$91,000 due to the rental rate for the Northwest Human Service Center.
 - An increase of \$134,000 for an increase in the rental rate for building space for the Lake Region Human Service Center.
 - An increase of \$39,000 for an increase in the rental rate for the West Central Human Service Center.
 - An increase of \$29,000 for rental space in the Dickinson region.

- \$2.26 million increase to allow for a 4% inflationary increase for contracted providers each year of the biennium.

- \$1.79 million increase to address the following residential capacity issues across the state:
 - Provides for a 10 bed crisis residential and transitional living (TL) facility in the North Central region at a cost of \$904,000.
 - Provides for an 10 bed addiction facility in the Badlands region at a cost of \$602,000.
 - Provides for 4 additional adult crisis beds in the West Central region at a cost of \$284,000.

- \$1.4 million increase to meet the increased demand for inpatient hospitalization services.

- \$1.0 million increase to expand Mobile On-Call Crisis services to the remaining seven regions using staggered implementation dates.

- \$583,551 increase to fund the provider increases approved by the last Legislative Assembly.

- An increase of \$493,000 to provide 24/7 crisis care to meet licensure requirements in the Northwest region.

The general fund request increased by \$18.4 million, with \$17.7 million or 96% is attributable to the salary package, 4% provider inflation, additional residential bed capacity, nine additional FTEs for Child Welfare, DD, and IDDT to meet capacity demands and to the expand the mobile on-call crisis services statewide. The remaining \$0.7 million increase is mainly due to other salary and operating changes as noted above.

The changes in the federal and other funds are due to increased Medical Assistance collections and other 3rd party collections.

Senate Changes:

\$2,387,689 in total funds, of which \$2,177,633 is general fund to decrease the Governor's compensation package to reflect a change in the state employee performance increase from 3% - 5% to 2% - 4%, remove market policy point equity increase, and to remove the 1% retirement contribution.

\$564,989 in total funds, of which \$564,989 is general fund to decrease the provider inflation from 4% to 3% each year of the biennium.

\$1,000,000 all of which is general fund to increase funding for behavioral health care providers.

\$90,000 all of which is general fund for mental health disorder prevention services, however these monies should be included in Mental Health and Substance Abuse Division.

\$1,000,000 decrease all of which is general fund to remove the expansion of the mobile on-call crisis services to the remaining 7 HSCs. It is currently only located in the Southeast HSC region.

Unreconciled Changes made by Legislative Council consist of the HSC/Institutions being overstated by \$230, with all being general fund.

This concludes my overview testimony on the 2015-2017 Executive Budget for statewide Human Service Center administration and the eight

regional human service centers. I would be happy to answer any questions.