

Testimony
Senate Bill 2012 – Department of Human Services
Senate Appropriations Committee
Senator Holmberg, Chairman
January 10, 2007

Chairman Holmberg, members of the Senate Appropriations Committee, I am JoAnne Hoesel, Division Director, Department of Human Services. I am here today to provide you with an overview of the Division of Mental Health & Substance Abuse Services.

Programs

The Division of Mental Health & Substance Abuse provides system-wide education, regulation, technical assistance, training for public and private service providers, federal and state reporting, data and clinical support for the human service center electronic record, and department research analysis and research/data support.

Service programs directly managed by the Division are Compulsive Gambling Treatment, Community-Based High-Risk Sex Offender Treatment, Regional Prevention Coordination and Model programs, and Methamphetamine Residential Treatment.

Service System Efforts

During SFY 2006 the public mental health system provided services to 17,320 children, youth, and adults. For the same time period, the public substance abuse system provided services to 6,088 adolescents and

adults. The Division is responsible for licensure of 85 substance abuse treatment providers, 38 DUI seminar providers, eight regional human service centers, and six psychiatric residential treatment facilities for children and adolescents. The Prevention Resource Center distributes educational products annually in the areas of developmental disabilities, mental health, substance abuse, and suicide prevention. The Division provided private and public workforce development training in the areas of substance abuse, mental health, and compulsive gambling issues for over 1,444 people.

Trends and Issues

North Dakota is number one or near the top of the list in recent alcohol use and binge drinking, regardless of age group. Similarly, our state ranks in near the very bottom among U.S. states in people that perceive great harm associated with this high risk drinking.

The primary substance used is recorded for all public sector substance abuse treatment admissions. In calendar year 2005, alcohol was the primary substance in 55% of admissions (2,170), marijuana was 20% of admissions (821), and methamphetamine was 13% of admissions (511). Alcohol and marijuana continue to be the dominant substances used. However, treatment admissions for methamphetamine equaled 272 in 2002 and 511 in 2005. This represents an increase of 89% in the number of admissions for methamphetamine dependence. As a percent of total substance abuse admissions, methamphetamine admission increased from 9% in 2002 to 13% in 2005. At the same time, alcohol and marijuana dependence as percents of total substance abuse

admissions decreased. Alcohol fell from 63% in 2002 to 55% in 2005, and marijuana fell from 23% in 2002 to 20% in 2005.

The Division has engaged the public behavioral health system in targeted workforce development and has trained staff in the following areas:

MATRIX: Matrix is a practice shown to be effective for persons who are dependent upon Methamphetamine or have brain injuries from other drug/alcohol use. This practice is used at the Robinson Recovery Center and is available at all eight regional human service centers. North Dakota is one of few states that have been able to partner with UCLA for this training to implement this practice in North Dakota in 2006.

Trauma-focused cognitive behavioral therapy and Structured Psychotherapy for Adolescents Responding to Chronic Stress (SPARCS) are shown to be effective for adolescents and children who have been traumatized by sexual abuse, domestic violence, or other traumatic situations. Two clinical staff from each human service center will be trained to provide these treatments. Both of these therapeutic approaches are evidence-based practices.

Integrated Dual Disorder Treatment is being piloted at Southeast Human Service Center. This practice is designed to serve individuals who are chronically addicted to substances and severely mentally ill. This practice is shown nationally to decrease hospitalizations, crisis response, and increase employment and independence. A formal research study is tied to this pilot so North Dakota outcomes will be captured to specifically show how this program impacts this very difficult to serve group of individuals who come into contact with multiple systems.

The Division has developed a process to increase dissemination of information. The research unit has developed numerous documents. Two research project reports to note are entitled, "Return on Investment for Substance Abuse Brief Interventions in North Dakota" and "Average Cost of Public Sector Substance Abuse Treatment in North Dakota."

The Division is participating in implementing a data linking process to report service outcomes by cross-referencing multiple databases. The first phase of this project will be completed in the spring of 2007.

The Division worked with the Department's clinical record team and human service centers to revise the electronic record for substance abuse services to enable the system to report national outcomes measures. The changes went into effect in November 2005. Preliminary results of this data from January through September 2006 indicate that of the individuals in public substance abuse treatment, homelessness decreased 26% and unemployment decreased 16%.

Lastly, one major trend is decreased federal funding in formula grant programs.

Overview of Budget Changes

Description	2005 - 2007 Budget	2007 - 2009 Budget	Increase / Decrease
Salaries	1,949,146	2,193,813	244,667
Operating	3,725,031	5,861,903	2,136,872
Capital Assets	-	-	-
Grants	4,396,859	4,256,644	(140,215)
Total	10,071,036	12,312,360	2,241,324
General	1,907,379	5,553,876	3,646,497
Federal	6,826,761	6,204,521	(622,240)
Other	1,336,896	553,963	(782,933)
FTEs	18.00	18.00	-

Salary and FTE

A net increase of \$244,667 in salaries for a variety of reasons. Major changes include:

- \$151,834 - Governor's employee salary and health package. The general fund portion of this increase is \$114,982.
- \$117,532 - increased spending authority for moving an existing DHS FTE into the Division. This increase is funded with federal block grant funds.
- (\$29,290) - new hires into the Division were hired at a lower salary entry level than retirees in those positions. This decrease is a combination of general and federal funds.

Operating Expenses

Operating expenses show a net increase of \$2,136,872 for a variety of reasons:

- \$700,000 - Increase in the additional general funds for a Methamphetamine residential treatment center services.
- \$2,774,562 - Increase for community-based treatment program for high-risk sex offenders and offenders not served through the regional human service centers. This increase is 100% general funds.
- \$30,000 - cost of living increase for Robinson Recovery Center – Methamphetamine Residential Service provider. This increase is 100% general funds.
- \$52,023 - increases Drug & Alcohol Information System (DASIS) spending authority which targets phase two of the data-linking/data warehouse plan. This increase is 100% federal funds.
- \$65,867 - increase transferred from Grants line item to reflect spending plan for Compulsive Gambling program. This increase is 100% other funds.
- \$32,152 - increase reflects a 24-month period located at Prairie Hills Plaza and a square footage increase in the Prevention Resource Center plus a rent increase. This increase is 100% federal funds.

The increase is offset in part by the following decreases:

- (\$15,500) – decrease due the ending of the federal Olmstead grant.
- (\$800,000) – decrease in other funds for the Methamphetamine residential treatment program as funding is provided from sources outside state government.

- (\$448,471) - State Epidemiology Work Group grant not anticipated to receive in upcoming biennium. This decrease is 100% federal funds.
- (\$40,000) – decrease in various federal grants.
- (\$182,000)- Shift from operating to grants line for Under Age Drinking Grant funds to reflect grants versus purchase of Service spending plan. This decrease is 100% federal funds.
- (\$13,120) decrease in Professional Development reflects the Division spending plan. This is a combination of funding sources.
- (\$13,555) decrease travel – reflects a decrease in travel tied to the Olmstead grant which ended and decrease in Division travel plan. This is a combination of funding sources.

Grants

Grants resulted in a net decrease of (\$140,215) for a variety of reasons.

The major changes are as follows:

- (\$41,004) - Olmstead Grant federal funding ended.
- (\$158,355) - decrease in Substance Abuse Prevention Treatment (SAPT) Block Grant funds. This decrease is 100% federal funds.
- (\$60,220) - decrease in Safe & Drug Free Schools – Governor’s Portion. This decrease is 100% federal funds.
- (\$65,867) – decrease reflects the shift from grants to operating for the Compulsive Gambling program. This decrease is 100% other funds.
- \$182,000 - increase by moving Underage Drinking grant spending authority from operating to grants to reflect spending plan. This increase is 100% federal funds.

This concludes my testimony. I’d be happy to answer any questions.

Thank you.

Attachment A - Matrix Model (substance abuse treatment model)

Attachment B - Integrated Dual Disorder Treatment Model

Attachment - Research Note 1: Average Costs of Substance Abuse Treatment in the Public Sector in North Dakota

Attachment - Research Note 2: Trends in Admissions and Primary Substance of Abuse at the Regional Human Service Centers